

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

FINANCIAL STATEMENT AND  
FEDERAL SINGLE AUDIT REPORT  
OF

METROPOLITAN SCHOOL DISTRICT OF  
SOUTHWEST ALLEN COUNTY  
ALLEN COUNTY, INDIANA

July 1, 2013 to June 30, 2015



**FILED**  
07/01/2016



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SCHEDULE OF OFFICIALS

<u>Office</u>	<u>Official</u>	<u>Term</u>
Treasurer	James W. Coplen	01-01-13 to 12-31-16
Superintendent of Schools	Dr. Steven L. Yager Dr. Philip G. Downs	07-01-13 to 06-30-14 07-01-14 to 06-30-16
President of the School Board	John F. Blum Meagan K. Milne	01-01-13 to 12-31-15 01-01-16 to 12-31-16



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**INDEPENDENT AUDITOR'S REPORT**

TO: THE OFFICIALS OF THE METROPOLITAN SCHOOL DISTRICT OF  
SOUTHWEST ALLEN COUNTY, ALLEN COUNTY, INDIANA

**Report on the Financial Statement**

We have audited the accompanying financial statement of the Metropolitan School District of Southwest Allen County (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 April 12, 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

April 12, 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 METROPOLITAN SCHOOL DISTRICT OF  
SOUTHWEST ALLEN COUNTY, ALLEN COUNTY, INDIANA

We have audited, in accordance with auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States, the financial statement of the Metropolitan School District of Southwest Allen County (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 April 12, 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 item 2015-001 to be material weaknesses.

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

**Compliance and Other Matters**


As part of obtaining reasonable assurance about whether the School Corporation's financial statement is free of material misstatement, we performed tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements, noncompliance with which could have a direct and material effect on the determination of financial statement amounts. However, providing an opinion on compliance with those provisions was not an objective of our audit and, accordingly, we do not express such an opinion. The results of our tests disclosed instances of noncompliance or other matters that are required to be reported under *Government Auditing Standards* and which are described in the accompanying Schedule of Findings and Questioned Costs as item 2015-001.

**Metropolitan School District of Southwest Allen County'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

April 12, 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.

METROPOLITAN SCHOOL DISTRICT OF SOUTHWEST ALLEN COUNTY  
STATEMENT OF RECEIPTS, DISBURSEMENTS, OTHER FINANCING SOURCES (USES), AND CASH AND INVESTMENT BALANCES -  
REGULATORY BASIS  
For the Years Ended June 30, 2014 and 2015

Fund	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	\$ 4,284,826	\$ 38,135,635	\$ 39,263,499	\$ 957,376	\$ 4,114,338	\$ 39,116,892	\$ 40,250,164	\$ 898,531	\$ 3,879,597
Referendum Tax Levy	2,899,090	3,661,096	2,726,375	(699,317)	3,134,494	3,581,354	2,583,586	(875,699)	3,256,563
Debt Service	4,872,954	11,009,231	10,485,036	(45,213)	5,351,936	10,963,092	11,826,619	(1,519,694)	2,968,715
Retirement/Severance Bond Debt Service	199,567	399,036	395,958	-	202,645	506,025	591,607	(62,935)	54,128
Capital Projects	1,975,735	7,775,126	8,735,383	-	1,015,478	6,451,451	7,420,578	1,051,864	1,098,215
School Transportation	1,319,133	2,752,514	2,711,151	-	1,360,496	2,700,191	2,767,873	424,235	1,717,049
School Bus Replacement	550,001	525,276	117,096	-	958,181	296,234	677,008	64,524	641,931
Rainy Day	1,547,490	353,365	352,790	-	1,548,065	374	-	-	1,548,439
Post-Retirement/Severance Future Benefits	637,314	196	31,733	-	605,777	146	-	-	605,923
Construction 2012	1,671,272	63,631	1,734,903	-	-	-	-	-	-
Construction	-	-	-	-	-	7,875	7,875	-	-
Construction - Summit Middle School	-	-	116,960	1,739,500	1,622,540	-	1,622,540	-	-
Construction - Elementaries	-	-	98,428	1,441,300	1,342,872	18,472	1,335,316	-	26,028
Construction - Safe/Secure	-	-	60,428	1,963,150	1,902,722	50,000	1,762,434	-	190,288
Construction - Co - Curricular	-	-	655,514	1,988,000	1,332,486	-	1,177,868	-	154,618
School Lunch	598,705	2,812,727	2,641,302	-	770,130	2,633,914	2,578,236	-	825,808
Textbook Rental	1,055,159	511,165	296,856	45,213	1,314,681	431,474	967,598	42,907	821,464
Self-Insurance	5,026,357	5,905,483	5,528,333	-	5,403,507	6,350,827	6,689,913	-	5,064,421
Levy Excess	-	-	-	-	-	4,377	-	-	4,377
Educational License Plates	731	619	1,125	-	225	731	956	-	-
Alternative Education	-	114,624	114,624	-	-	9,045	122,177	113,132	-
Early Intervention 2014	-	59,997	59,997	-	-	-	-	-	-
Early Intervention 2015	-	-	-	-	-	60,000	60,000	-	-
Schwab 2012	16,754	-	13,749	-	3,005	-	3,005	-	-
Schwab 2013	44,919	-	25,987	-	18,932	-	18,932	-	-
Schwab 2014	-	28,500	-	-	28,500	21,937	47,974	(2,463)	-
Schwab 2015	-	-	-	-	-	40,000	-	2,463	42,463
Donation - Alpha Parent Club	-	3,000	3,000	-	-	-	-	-	-
Donation - Deer Ridge Elementary GAGA Pit	-	-	-	-	-	930	930	-	-
Donation - Indiana School Counselor Association	-	250	250	-	-	-	-	-	-
Donation - Community Partnership	-	150	-	-	150	-	150	-	-
Local Grant - HHS Weight Room	-	500	500	-	-	9,200	5,023	-	4,177
Donation - Whispering Meadows PTC	-	-	-	-	-	3,000	2,000	-	1,000
Tech Fees	66,641	54,680	32,245	-	89,076	59,925	90,970	-	58,031
Extra-Curricular Activities - Band Uniforms	30,552	8	-	-	30,560	7	-	-	30,567
Cultural Arts	1,272	-	-	-	1,272	-	-	-	1,272
Center School Project	416	381	797	-	-	159	-	-	159
High Ability	-	53,381	-	(53,381)	-	-	-	-	-
High Ability 2012-13	53,288	-	-	(53,288)	-	-	-	-	-
High Ability 2014	-	-	-	-	-	58,238	-	(58,238)	-
Non-English Speaking Programs 2014	-	7,976	-	(7,976)	-	7,878	-	(7,878)	-
School Technology	1,911	7,097	7,131	-	1,877	10,455	10,563	-	1,769
Child Care 2012	80,279	-	30,000	(50,279)	-	-	-	-	-
Child Care 2013	-	274,496	174,648	-	99,848	-	30,000	(69,848)	-
Child Care 2014	-	-	-	-	-	289,574	190,914	-	98,660

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

METROPOLITAN SCHOOL DISTRICT OF SOUTHWEST ALLEN COUNTY  
STATEMENT OF RECEIPTS, DISBURSEMENTS, OTHER FINANCING SOURCES (USES), AND CASH AND INVESTMENT BALANCES -  
REGULATORY BASIS  
For the Years Ended June 30, 2014 and 2015  
(Continued)

Fund	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
Senator David Ford Technology	-	-	-	-	-	-	72,000	-	(72,000)
Pre-School Co-op 2012	(6,107)	6,107	-	-	-	-	-	-	-
Pre-School Co-op 2013	-	72,991	79,276	-	(6,285)	21,672	15,387	-	-
Safe Haven 2013	-	7,000	7,000	-	-	-	-	-	-
Safe Haven 2014	-	-	-	-	-	14,000	14,000	-	-
Smith Green West Allen 2012	(20,040)	21,465	1,425	-	-	-	-	-	-
Smith Green West Allen 2013	-	93,710	103,529	-	(9,819)	23,406	13,587	-	-
Smith Green West Allen 2014	-	-	-	-	-	62,817	96,568	-	(33,751)
Title I 2013	(15,390)	90,921	75,531	-	-	-	-	-	-
Title I 2014	-	223,737	240,964	-	(17,227)	154,260	137,033	-	-
Title I 2015	-	-	-	-	-	316,588	338,595	-	(22,007)
IDEA Part B Smith Green 2012	(150)	91,607	91,457	-	-	78	78	-	-
IDEA Part B Smith Green 2013	-	183,601	183,711	-	(110)	75,668	75,558	-	-
IDEA Part B NACS 2011	(17,174)	17,993	819	-	-	-	-	-	-
IDEA Part B NACS 2012	(74,034)	356,622	296,019	-	(13,431)	22,931	9,500	-	-
IDEA Part B NACS 2013	-	648,429	722,974	-	(74,545)	240,763	281,648	-	(115,430)
IDEA Part B SACS 2011	(5,518)	7,777	2,259	-	-	-	-	-	-
IDEA Part B SACS 2012	(109,838)	180,380	74,616	-	(4,074)	8,849	4,775	-	-
IDEA Part B SACS 2013	-	983,914	1,092,267	-	(108,353)	251,029	167,006	-	(24,330)
IDEA Part B SACS 2014	-	-	-	-	-	995,536	1,099,839	-	(104,303)
Special Education Improvement 2013	-	20,723	22,804	-	(2,081)	19,787	26,832	-	(9,126)
Special Education Discretionary Grant 2012	(8,355)	43,586	35,231	-	-	-	-	-	-
Special Education Discretionary Grant 2013	-	72,395	81,007	-	(8,612)	44,165	35,671	-	(118)
Special Education Discretionary Grant 2014	-	-	-	-	-	76,629	86,450	-	(9,821)
Special Education Pre-School 2012	(5,373)	10,781	5,408	-	-	-	-	-	-
Special Education Pre-School 2013	-	57,447	62,519	-	(5,072)	9,184	4,112	-	-
Special Education Pre-School 2014	-	-	-	-	-	22,796	25,019	-	(2,223)
Perkins 2013	-	2,097	2,097	-	-	-	-	-	-
Title II 2012	-	80,205	-	(80,205)	-	-	-	-	-
Title II 2013	-	212	212	-	-	69,903	583	-	69,320
Title II 2014	-	-	-	-	-	-	931	-	(931)
Title III 2012	-	14,566	1,286	(12,930)	350	-	350	-	-
Title III 2013	-	-	-	-	-	13,273	13,273	-	-
Title III 2014	-	-	-	-	-	-	1,210	-	(1,210)
Payroll	163,448	11,254,491	11,139,633	-	278,306	11,491,372	11,484,860	-	284,818
Cafeteria Clearing	70,744	2,098,318	2,183,214	-	(14,152)	1,850,284	1,931,487	-	(95,355)
Totals	<u>\$ 26,906,579</u>	<u>\$ 91,151,215</u>	<u>\$ 92,921,056</u>	<u>\$ 7,131,950</u>	<u>\$ 32,268,688</u>	<u>\$ 89,468,767</u>	<u>\$ 98,779,161</u>	<u>\$ 901</u>	<u>\$ 22,959,195</u>

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

METROPOLITAN SCHOOL DISTRICT OF SOUTHWEST ALLEN COUNTY  
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 may 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.

METROPOLITAN SCHOOL DISTRICT OF SOUTHWEST ALLEN COUNTY  
NOTES TO FINANCIAL STATEMENT  
(Continued)

State sources, which 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, which 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 may include the following uses:

Instruction, which includes outflows for regular programs, special programs, adult and continuing education programs, summer school programs, enrichment programs, remediation, and payments to other governmental units.

Support services, which include outflows for support services related to students, instruction, general administration, and school administration. It also includes outflows for central services, operation and maintenance of plant services, and student transportation.

Noninstructional services, which include outflows for food service operations and community service operations.

Facilities acquisition and construction, which includes outflows for the acquisition, development, construction, and improvement of new and existing facilities.

Debt services, which include fixed obligations resulting from financial transactions previously entered into by the School Corporation. It includes all expenditures for the reduction of the principal and interest of the School Corporation's general obligation indebtedness.

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

*F. Other Financing Sources and Uses*

Other financing sources and uses are presented in the aggregate on the face of the financial statement. The aggregate other financing sources and uses include the following:

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

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

METROPOLITAN SCHOOL DISTRICT OF SOUTHWEST ALLEN COUNTY  
NOTES TO FINANCIAL STATEMENT  
(Continued)

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

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

*G. Fund Accounting*

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

**Note 2. Budgets**

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

**Note 3. Property Taxes**

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

**Note 4. Deposits and Investments**

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

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

METROPOLITAN SCHOOL DISTRICT OF SOUTHWEST ALLEN COUNTY  
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.

METROPOLITAN SCHOOL DISTRICT OF SOUTHWEST ALLEN COUNTY  
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 with the reimbursements not being received by June 30 of that fiscal year. Also cash deficit balances in the Cafeteria Clearing fund at June 30, 2014 and 2015, were a result of timing differences which were resolved in the subsequent periods.

**Note 8. Holding Corporation**

The School Corporation has entered into a capital lease with Southwest Allen Multi-School Building Corporation (the lessor). The lessor was organized as a not-for-profit corporation pursuant to state statute for the purpose of financing and constructing or reconstructing facilities for lease to the School Corporation. The lessor has been determined to be a related-party of the School Corporation. Lease payments during the years 2014 and 2015 totaled \$10,199,142 and \$11,787,487, respectively.

#### 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.

METROPOLITAN SCHOOL DISTRICT OF SOUTHWEST ALLEN COUNTY  
 COMBINING SCHEDULE OF RECEIPTS, DISBURSEMENTS, OTHER FINANCING SOURCES (USES), AND CASH AND INVESTMENT BALANCES -  
 REGULATORY BASIS  
 For the Year Ended June 30, 2014

	General	Referendum Tax Levy	Debt Service	Retirement/ Severance Bond Debt Service	Capital Projects	School Transportation	School Bus Replacement	Rainy Day	Post- Retirement/ Severance Future Benefits	Construction 2012	Construction
Cash and investments - beginning	\$ 4,284,826	\$ 2,899,090	\$ 4,872,954	\$ 199,567	\$ 1,975,735	\$ 1,319,133	\$ 550,001	\$ 1,547,490	\$ 637,314	\$ 1,671,272	\$ -
Receipts:											
Local sources	571,624	3,661,096	11,009,231	399,036	7,744,851	2,681,189	525,276	353,365	196	63,631	-
Intermediate sources	10	-	-	-	-	-	-	-	-	-	-
State sources	37,377,375	-	-	-	-	-	-	-	-	-	-
Federal sources	-	-	-	-	4,436	-	-	-	-	-	-
Other	186,626	-	-	-	25,839	71,325	-	-	-	-	-
Total receipts	38,135,635	3,661,096	11,009,231	399,036	7,775,126	2,752,514	525,276	353,365	196	63,631	-
Disbursements:											
Current:											
Instruction	27,259,986	2,508,342	-	-	-	-	-	-	247	-	-
Support services	11,349,915	218,033	-	-	4,492,113	2,711,151	117,096	-	31,486	-	-
Noninstructional services	653,598	-	-	-	-	-	-	-	-	-	-
Facilities acquisition and construction	-	-	-	-	4,243,270	-	-	352,790	-	1,734,903	-
Debt services	-	-	10,485,036	395,958	-	-	-	-	-	-	-
Nonprogrammed charges	-	-	-	-	-	-	-	-	-	-	-
Total disbursements	39,263,499	2,726,375	10,485,036	395,958	8,735,383	2,711,151	117,096	352,790	31,733	1,734,903	-
Excess (deficiency) of receipts over disbursements	(1,127,864)	934,721	524,195	3,078	(960,257)	41,363	408,180	575	(31,537)	(1,671,272)	-
Other financing sources (uses):											
Proceeds of long-term debt	-	-	-	-	-	-	-	-	-	-	-
Transfers in	957,376	-	-	-	-	-	-	-	-	-	-
Transfers out	-	(699,317)	(45,213)	-	-	-	-	-	-	-	-
Total other financing sources (uses)	957,376	(699,317)	(45,213)	-	-	-	-	-	-	-	-
Excess (deficiency) of receipts and other financing sources over disbursements and other financing uses	(170,488)	235,404	478,982	3,078	(960,257)	41,363	408,180	575	(31,537)	(1,671,272)	-
Cash and investments - ending	\$ 4,114,338	\$ 3,134,494	\$ 5,351,936	\$ 202,645	\$ 1,015,478	\$ 1,360,496	\$ 958,181	\$ 1,548,065	\$ 605,777	\$ -	\$ -

METROPOLITAN SCHOOL DISTRICT OF SOUTHWEST ALLEN COUNTY  
 COMBINING SCHEDULE OF RECEIPTS, DISBURSEMENTS, OTHER FINANCING SOURCES (USES), AND CASH AND INVESTMENT BALANCES -  
 REGULATORY BASIS  
 For the Year Ended June 30, 2014  
 (Continued)

	Construction - Summit Middle School	Construction - Elementaries	Construction - Safe/Secure	Construction - Co - Curricular	School Lunch	Textbook Rental	Self- Insurance	Levy Excess	Educational License Plates	Alternative Education	Early Intervention 2014
Cash and investments - beginning	\$ -	\$ -	\$ -	\$ -	\$ 598,705	\$ 1,055,159	\$ 5,026,357	\$ -	\$ 731	\$ -	\$ -
Receipts:											
Local sources	-	-	-	-	2,044,046	431,388	5,905,483	-	-	-	-
Intermediate sources	-	-	-	-	-	-	-	-	619	-	-
State sources	-	-	-	-	52,083	79,777	-	-	-	114,624	59,997
Federal sources	-	-	-	-	693,695	-	-	-	-	-	-
Other	-	-	-	-	22,903	-	-	-	-	-	-
Total receipts	-	-	-	-	2,812,727	511,165	5,905,483	-	619	114,624	59,997
Disbursements:											
Current:											
Instruction	-	-	-	-	-	20,104	-	-	1,125	114,624	59,997
Support services	1,500	1,500	1,500	1,500	-	276,752	-	-	-	-	-
Noninstructional services	-	-	-	-	2,641,302	-	-	-	-	-	-
Facilities acquisition and construction	115,460	96,928	58,928	654,014	-	-	-	-	-	-	-
Debt services	-	-	-	-	-	-	-	-	-	-	-
Nonprogrammed charges	-	-	-	-	-	-	5,528,333	-	-	-	-
Total disbursements	116,960	98,428	60,428	655,514	2,641,302	296,856	5,528,333	-	1,125	114,624	59,997
Excess (deficiency) of receipts over disbursements	(116,960)	(98,428)	(60,428)	(655,514)	171,425	214,309	377,150	-	(506)	-	-
Other financing sources (uses):											
Proceeds of long-term debt	1,739,500	1,441,300	1,963,150	1,988,000	-	-	-	-	-	-	-
Transfers in	-	-	-	-	-	45,213	-	-	-	-	-
Transfers out	-	-	-	-	-	-	-	-	-	-	-
Total other financing sources (uses)	1,739,500	1,441,300	1,963,150	1,988,000	-	45,213	-	-	-	-	-
Excess (deficiency) of receipts and other financing sources over disbursements and other financing uses	1,622,540	1,342,872	1,902,722	1,332,486	171,425	259,522	377,150	-	(506)	-	-
Cash and investments - ending	\$ 1,622,540	\$ 1,342,872	\$ 1,902,722	\$ 1,332,486	\$ 770,130	\$ 1,314,681	\$ 5,403,507	\$ -	\$ 225	\$ -	\$ -

METROPOLITAN SCHOOL DISTRICT OF SOUTHWEST ALLEN COUNTY  
 COMBINING SCHEDULE OF RECEIPTS, DISBURSEMENTS, OTHER FINANCING SOURCES (USES), AND CASH AND INVESTMENT BALANCES -  
 REGULATORY BASIS  
 For the Year Ended June 30, 2014  
 (Continued)

	Early Intervention 2015	Schwab 2012	Schwab 2013	Schwab 2014	Schwab 2015	Donation - Alpha Parent Club	Donation - Deer Ridge Elementary GAGA Pit	Donation - Indiana School Counselor Association	Donation - Community Partnership	Local Grant - HHS Weight Room
Cash and investments - beginning	\$ -	\$ 16,754	\$ 44,919	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Receipts:										
Local sources	-	-	-	-	-	3,000	-	250	150	500
Intermediate sources	-	-	-	-	-	-	-	-	-	-
State sources	-	-	-	28,500	-	-	-	-	-	-
Federal sources	-	-	-	-	-	-	-	-	-	-
Other	-	-	-	-	-	-	-	-	-	-
Total receipts	-	-	-	28,500	-	3,000	-	250	150	500
Disbursements:										
Current:										
Instruction	-	13,749	25,987	-	-	-	-	250	-	500
Support services	-	-	-	-	-	3,000	-	-	-	-
Noninstructional services	-	-	-	-	-	-	-	-	-	-
Facilities acquisition and construction	-	-	-	-	-	-	-	-	-	-
Debt services	-	-	-	-	-	-	-	-	-	-
Nonprogrammed charges	-	-	-	-	-	-	-	-	-	-
Total disbursements	-	13,749	25,987	-	-	3,000	-	250	-	500
Excess (deficiency) of receipts over disbursements	-	(13,749)	(25,987)	28,500	-	-	-	-	150	-
Other financing sources (uses):										
Proceeds of long-term debt	-	-	-	-	-	-	-	-	-	-
Transfers in	-	-	-	-	-	-	-	-	-	-
Transfers out	-	-	-	-	-	-	-	-	-	-
Total other financing sources (uses)	-	-	-	-	-	-	-	-	-	-
Excess (deficiency) of receipts and other financing sources over disbursements and other financing uses	-	(13,749)	(25,987)	28,500	-	-	-	-	150	-
Cash and investments - ending	\$ -	\$ 3,005	\$ 18,932	\$ 28,500	\$ -	\$ -	\$ -	\$ -	\$ 150	\$ -

METROPOLITAN SCHOOL DISTRICT OF SOUTHWEST ALLEN COUNTY  
 COMBINING SCHEDULE OF RECEIPTS, DISBURSEMENTS, OTHER FINANCING SOURCES (USES), AND CASH AND INVESTMENT BALANCES -  
 REGULATORY BASIS  
 For the Year Ended June 30, 2014  
 (Continued)

	Donation - Whispering Meadows PTC	Tech Fees	Extra- Curricular Activities - Band Uniforms	Cultural Arts	Center School Project	High Ability	High Ability 2012-13	High Ability 2014	Non-English Speaking Programs 2014	School Technology
Cash and investments - beginning	\$ -	\$ 66,641	\$ 30,552	\$ 1,272	\$ 416	\$ -	\$ 53,288	\$ -	\$ -	\$ 1,911
Receipts:										
Local sources	-	-	8	-	381	-	-	-	-	-
Intermediate sources	-	-	-	-	-	-	-	-	-	-
State sources	-	-	-	-	-	53,381	-	-	7,976	7,097
Federal sources	-	54,680	-	-	-	-	-	-	-	-
Other	-	-	-	-	-	-	-	-	-	-
Total receipts	-	54,680	8	-	381	53,381	-	-	7,976	7,097
Disbursements:										
Current:										
Instruction	-	-	-	-	-	-	-	-	-	-
Support services	-	32,245	-	-	797	-	-	-	-	7,131
Noninstructional services	-	-	-	-	-	-	-	-	-	-
Facilities acquisition and construction	-	-	-	-	-	-	-	-	-	-
Debt services	-	-	-	-	-	-	-	-	-	-
Nonprogrammed charges	-	-	-	-	-	-	-	-	-	-
Total disbursements	-	32,245	-	-	797	-	-	-	-	7,131
Excess (deficiency) of receipts over disbursements	-	22,435	8	-	(416)	53,381	-	-	7,976	(34)
Other financing sources (uses):										
Proceeds of long-term debt	-	-	-	-	-	-	-	-	-	-
Transfers in	-	-	-	-	-	-	-	-	-	-
Transfers out	-	-	-	-	-	(53,381)	(53,288)	-	(7,976)	-
Total other financing sources (uses)	-	-	-	-	-	(53,381)	(53,288)	-	(7,976)	-
Excess (deficiency) of receipts and other financing sources over disbursements and other financing uses	-	22,435	8	-	(416)	-	(53,288)	-	-	(34)
Cash and investments - ending	\$ -	\$ 89,076	\$ 30,560	\$ 1,272	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 1,877

METROPOLITAN SCHOOL DISTRICT OF SOUTHWEST ALLEN COUNTY  
 COMBINING SCHEDULE OF RECEIPTS, DISBURSEMENTS, OTHER FINANCING SOURCES (USES), AND CASH AND INVESTMENT BALANCES -  
 REGULATORY BASIS  
 For the Year Ended June 30, 2014  
 (Continued)

	Child Care 2012	Child Care 2013	Child Care 2014	Senator David Ford Technology	Pre-School Co-op 2012	Pre-School Co-op 2013	Safe Haven 2013	Safe Haven 2014	Smith Green West Allen 2012	Smith Green West Allen 2013
Cash and investments - beginning	\$ 80,279	\$ -	\$ -	\$ -	\$ (6,107)	\$ -	\$ -	\$ -	\$ (20,040)	\$ -
Receipts:										
Local sources	-	-	-	-	-	-	-	-	-	-
Intermediate sources	-	273,996	-	-	-	-	-	-	-	-
State sources	-	-	-	-	-	-	7,000	-	-	-
Federal sources	-	-	-	-	6,107	72,991	-	-	21,465	93,710
Other	-	500	-	-	-	-	-	-	-	-
Total receipts	-	274,496	-	-	6,107	72,991	7,000	-	21,465	93,710
Disbursements:										
Current:										
Instruction	-	-	-	-	-	79,276	-	-	435	87,072
Support services	-	-	-	-	-	-	-	-	990	16,457
Noninstructional services	30,000	174,648	-	-	-	-	7,000	-	-	-
Facilities acquisition and construction	-	-	-	-	-	-	-	-	-	-
Debt services	-	-	-	-	-	-	-	-	-	-
Nonprogrammed charges	-	-	-	-	-	-	-	-	-	-
Total disbursements	30,000	174,648	-	-	-	79,276	7,000	-	1,425	103,529
Excess (deficiency) of receipts over disbursements	(30,000)	99,848	-	-	6,107	(6,285)	-	-	20,040	(9,819)
Other financing sources (uses):										
Proceeds of long-term debt	-	-	-	-	-	-	-	-	-	-
Transfers in	-	-	-	-	-	-	-	-	-	-
Transfers out	(50,279)	-	-	-	-	-	-	-	-	-
Total other financing sources (uses)	(50,279)	-	-	-	-	-	-	-	-	-
Excess (deficiency) of receipts and other financing sources over disbursements and other financing uses	(80,279)	99,848	-	-	6,107	(6,285)	-	-	20,040	(9,819)
Cash and investments - ending	\$ -	\$ 99,848	\$ -	\$ -	\$ -	\$ (6,285)	\$ -	\$ -	\$ -	\$ (9,819)

METROPOLITAN SCHOOL DISTRICT OF SOUTHWEST ALLEN COUNTY  
 COMBINING SCHEDULE OF RECEIPTS, DISBURSEMENTS, OTHER FINANCING SOURCES (USES), AND CASH AND INVESTMENT BALANCES -  
 REGULATORY BASIS  
 For the Year Ended June 30, 2014  
 (Continued)

	Smith Green West Allen 2014	Title I 2013	Title I 2014	Title I 2015	IDEA Part B Smith Green 2012	IDEA Part B Smith Green 2013	IDEA Part B NACS 2011	IDEA Part B NACS 2012	IDEA Part B NACS 2013	IDEA Part B SACS 2011
Cash and investments - beginning	\$ -	\$ (15,390)	\$ -	\$ -	\$ (150)	\$ -	\$ (17,174)	\$ (74,034)	\$ -	\$ (5,518)
Receipts:										
Local sources	-	-	-	-	-	-	-	-	-	-
Intermediate sources	-	-	-	-	-	-	-	-	-	-
State sources	-	-	-	-	-	-	-	-	-	-
Federal sources	-	90,921	223,737	-	91,607	183,601	17,993	356,622	648,429	7,777
Other	-	-	-	-	-	-	-	-	-	-
Total receipts	-	90,921	223,737	-	91,607	183,601	17,993	356,622	648,429	7,777
Disbursements:										
Current:										
Instruction	-	71,566	232,995	-	28,239	98,462	239	202,215	463,522	-
Support services	-	637	2,162	-	63,218	85,249	580	93,804	259,452	2,259
Noninstructional services	-	3,328	5,807	-	-	-	-	-	-	-
Facilities acquisition and construction	-	-	-	-	-	-	-	-	-	-
Debt services	-	-	-	-	-	-	-	-	-	-
Nonprogrammed charges	-	-	-	-	-	-	-	-	-	-
Total disbursements	-	75,531	240,964	-	91,457	183,711	819	296,019	722,974	2,259
Excess (deficiency) of receipts over disbursements	-	15,390	(17,227)	-	150	(110)	17,174	60,603	(74,545)	5,518
Other financing sources (uses):										
Proceeds of long-term debt	-	-	-	-	-	-	-	-	-	-
Transfers in	-	-	-	-	-	-	-	-	-	-
Transfers out	-	-	-	-	-	-	-	-	-	-
Total other financing sources (uses)	-	-	-	-	-	-	-	-	-	-
Excess (deficiency) of receipts and other financing sources over disbursements and other financing uses	-	15,390	(17,227)	-	150	(110)	17,174	60,603	(74,545)	5,518
Cash and investments - ending	\$ -	\$ -	\$ (17,227)	\$ -	\$ -	\$ (110)	\$ -	\$ (13,431)	\$ (74,545)	\$ -

METROPOLITAN SCHOOL DISTRICT OF SOUTHWEST ALLEN COUNTY  
 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 SACS 2012	IDEA Part B SACS 2013	IDEA Part B SACS 2014	Special Education Improvement 2013	Special Education Discretionary Grant 2012	Special Education Discretionary Grant 2013	Special Education Discretionary Grant 2014	Special Education Pre-School 2012	Special Education Pre-School 2013	Special Education Pre-School 2014
Cash and investments - beginning	\$ (109,838)	\$ -	\$ -	\$ -	\$ (8,355)	\$ -	\$ -	\$ (5,373)	\$ -	\$ -
Receipts:										
Local sources	-	-	-	-	-	-	-	-	-	-
Intermediate sources	-	-	-	-	-	-	-	-	-	-
State sources	-	-	-	-	-	-	-	-	-	-
Federal sources	180,380	983,914	-	20,723	43,586	72,395	-	10,781	57,447	-
Other	-	-	-	-	-	-	-	-	-	-
Total receipts	180,380	983,914	-	20,723	43,586	72,395	-	10,781	57,447	-
Disbursements:										
Current:										
Instruction	20,970	420,493	-	4,029	-	-	-	5,408	62,519	-
Support services	53,646	671,774	-	18,775	35,231	81,007	-	-	-	-
Noninstructional services	-	-	-	-	-	-	-	-	-	-
Facilities acquisition and construction	-	-	-	-	-	-	-	-	-	-
Debt services	-	-	-	-	-	-	-	-	-	-
Nonprogrammed charges	-	-	-	-	-	-	-	-	-	-
Total disbursements	74,616	1,092,267	-	22,804	35,231	81,007	-	5,408	62,519	-
Excess (deficiency) of receipts over disbursements	105,764	(108,353)	-	(2,081)	8,355	(8,612)	-	5,373	(5,072)	-
Other financing sources (uses):										
Proceeds of long-term debt	-	-	-	-	-	-	-	-	-	-
Transfers in	-	-	-	-	-	-	-	-	-	-
Transfers out	-	-	-	-	-	-	-	-	-	-
Total other financing sources (uses)	-	-	-	-	-	-	-	-	-	-
Excess (deficiency) of receipts and other financing sources over disbursements and other financing uses	105,764	(108,353)	-	(2,081)	8,355	(8,612)	-	5,373	(5,072)	-
Cash and investments - ending	\$ (4,074)	\$ (108,353)	\$ -	\$ (2,081)	\$ -	\$ (8,612)	\$ -	\$ -	\$ (5,072)	\$ -

METROPOLITAN SCHOOL DISTRICT OF SOUTHWEST ALLEN COUNTY  
 COMBINING SCHEDULE OF RECEIPTS, DISBURSEMENTS, OTHER FINANCING SOURCES (USES), AND CASH AND INVESTMENT BALANCES -  
 REGULATORY BASIS  
 For the Year Ended June 30, 2014  
 (Continued)

	Perkins 2013	Title II 2012	Title II 2013	Title II 2014	Title III 2012	Title III 2013	Title III 2014	Payroll	Cafeteria Clearing	Totals
Cash and investments - beginning	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 163,448	\$ 70,744	\$ 26,906,579
Receipts:										
Local sources	2,097	-	-	-	-	-	-	-	-	35,396,798
Intermediate sources	-	-	-	-	-	-	-	-	-	274,625
State sources	-	-	-	-	14,566	-	-	-	-	37,802,376
Federal sources	-	80,205	212	-	-	-	-	-	-	4,017,414
Other	-	-	-	-	-	-	-	11,254,491	2,098,318	13,660,002
Total receipts	2,097	80,205	212	-	14,566	-	-	11,254,491	2,098,318	91,151,215
Disbursements:										
Current:										
Instruction	2,097	-	212	-	-	-	-	-	-	31,784,660
Support services	-	-	-	-	1,286	-	-	-	-	20,632,246
Noninstructional services	-	-	-	-	-	-	-	-	-	3,515,683
Facilities acquisition and construction	-	-	-	-	-	-	-	-	-	7,256,293
Debt services	-	-	-	-	-	-	-	-	-	10,880,994
Nonprogrammed charges	-	-	-	-	-	-	-	11,139,633	2,183,214	18,851,180
Total disbursements	2,097	-	212	-	1,286	-	-	11,139,633	2,183,214	92,921,056
Excess (deficiency) of receipts over disbursements	-	80,205	-	-	13,280	-	-	114,858	(84,896)	(1,769,841)
Other financing sources (uses):										
Proceeds of long-term debt	-	-	-	-	-	-	-	-	-	7,131,950
Transfers in	-	-	-	-	-	-	-	-	-	1,002,589
Transfers out	-	(80,205)	-	-	(12,930)	-	-	-	-	(1,002,589)
Total other financing sources (uses)	-	(80,205)	-	-	(12,930)	-	-	-	-	7,131,950
Excess (deficiency) of receipts and other financing sources over disbursements and other financing uses	-	-	-	-	350	-	-	114,858	(84,896)	5,362,109
Cash and investments - ending	\$ -	\$ -	\$ -	\$ -	\$ 350	\$ -	\$ -	\$ 278,306	\$ (14,152)	\$ 32,268,688

METROPOLITAN SCHOOL DISTRICT OF SOUTHWEST ALLEN COUNTY  
 COMBINING SCHEDULE OF RECEIPTS, DISBURSEMENTS, OTHER FINANCING SOURCES (USES), AND CASH AND INVESTMENT BALANCES -  
 REGULATORY BASIS  
 For the Year Ended June 30, 2015

	General	Referendum Tax Levy	Debt Service	Retirement/ Severance Bond Debt Service	Capital Projects	School Transportation	School Bus Replacement	Rainy Day	Post- Retirement/ Severance Future Benefits	Construction 2012	Construction
Cash and investments - beginning	\$ 4,114,338	\$ 3,134,494	\$ 5,351,936	\$ 202,645	\$ 1,015,478	\$ 1,360,496	\$ 958,181	\$ 1,548,065	\$ 605,777	\$ -	\$ -
Receipts:											
Local sources	504,301	3,581,354	10,963,092	506,025	6,408,297	2,621,414	296,234	374	146	-	-
Intermediate sources	20	-	-	-	-	-	-	-	-	-	-
State sources	38,363,790	-	-	-	-	-	-	-	-	-	-
Federal sources	6,166	-	-	-	32,531	-	-	-	-	-	-
Other	242,615	-	-	-	10,623	78,777	-	-	-	-	7,875
Total receipts	<u>39,116,892</u>	<u>3,581,354</u>	<u>10,963,092</u>	<u>506,025</u>	<u>6,451,451</u>	<u>2,700,191</u>	<u>296,234</u>	<u>374</u>	<u>146</u>	<u>-</u>	<u>7,875</u>
Disbursements:											
Current:											
Instruction	27,738,584	2,356,266	-	-	-	-	-	-	-	-	-
Support services	11,810,244	227,320	-	-	4,489,706	2,767,595	677,008	-	-	-	-
Noninstructional services	677,536	-	-	-	-	-	-	-	-	-	-
Facilities acquisition and construction	23,800	-	-	-	2,930,872	278	-	-	-	-	7,875
Debt services	-	-	11,826,619	591,607	-	-	-	-	-	-	-
Nonprogrammed charges	-	-	-	-	-	-	-	-	-	-	-
Total disbursements	<u>40,250,164</u>	<u>2,583,586</u>	<u>11,826,619</u>	<u>591,607</u>	<u>7,420,578</u>	<u>2,767,873</u>	<u>677,008</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>7,875</u>
Excess (deficiency) of receipts over disbursements	<u>(1,133,272)</u>	<u>997,768</u>	<u>(863,527)</u>	<u>(85,582)</u>	<u>(969,127)</u>	<u>(67,682)</u>	<u>(380,774)</u>	<u>374</u>	<u>146</u>	<u>-</u>	<u>-</u>
Other financing sources (uses):											
Sale of capital assets	-	-	-	-	901	-	-	-	-	-	-
Transfers in	1,011,663	-	-	-	1,050,963	424,235	64,524	-	-	-	-
Transfers out	<u>(113,132)</u>	<u>(875,699)</u>	<u>(1,519,694)</u>	<u>(62,935)</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Total other financing sources (uses)	<u>898,531</u>	<u>(875,699)</u>	<u>(1,519,694)</u>	<u>(62,935)</u>	<u>1,051,864</u>	<u>424,235</u>	<u>64,524</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Excess (deficiency) of receipts and other financing sources over disbursements and other financing uses	<u>(234,741)</u>	<u>122,069</u>	<u>(2,383,221)</u>	<u>(148,517)</u>	<u>82,737</u>	<u>356,553</u>	<u>(316,250)</u>	<u>374</u>	<u>146</u>	<u>-</u>	<u>-</u>
Cash and investments - ending	<u>\$ 3,879,597</u>	<u>\$ 3,256,563</u>	<u>\$ 2,968,715</u>	<u>\$ 54,128</u>	<u>\$ 1,098,215</u>	<u>\$ 1,717,049</u>	<u>\$ 641,931</u>	<u>\$ 1,548,439</u>	<u>\$ 605,923</u>	<u>\$ -</u>	<u>\$ -</u>

METROPOLITAN SCHOOL DISTRICT OF SOUTHWEST ALLEN COUNTY  
 COMBINING SCHEDULE OF RECEIPTS, DISBURSEMENTS, OTHER FINANCING SOURCES (USES), AND CASH AND INVESTMENT BALANCES -  
 REGULATORY BASIS  
 For the Year Ended June 30, 2015  
 (Continued)

	Construction - Summit Middle School	Construction - Elementaries	Construction - Safe/Secure	Construction - Co - Curricular	School Lunch	Textbook Rental	Self- Insurance	Levy Excess	Educational License Plates	Alternative Education	Early Intervention 2014
Cash and investments - beginning	\$ 1,622,540	\$ 1,342,872	\$ 1,902,722	\$ 1,332,486	\$ 770,130	\$ 1,314,681	\$ 5,403,507	\$ -	\$ 225	\$ -	\$ -
Receipts:											
Local sources	-	-	-	-	1,957,859	349,044	6,350,827	-	-	-	-
Intermediate sources	-	-	-	-	-	-	-	-	731	-	-
State sources	-	-	-	-	-	82,430	-	4,377	-	9,045	-
Federal sources	-	-	-	-	658,169	-	-	-	-	-	-
Other	-	18,472	50,000	-	17,886	-	-	-	-	-	-
Total receipts	-	18,472	50,000	-	2,633,914	431,474	6,350,827	4,377	731	9,045	-
Disbursements:											
Current:											
Instruction	-	-	-	-	-	4,662	-	-	956	122,177	-
Support services	-	16,024	18,986	19,740	65,540	962,936	-	-	-	-	-
Noninstructional services	-	-	-	-	2,512,696	-	-	-	-	-	-
Facilities acquisition and construction	1,622,540	1,319,292	1,743,448	1,158,128	-	-	-	-	-	-	-
Debt services	-	-	-	-	-	-	-	-	-	-	-
Nonprogrammed charges	-	-	-	-	-	-	6,689,913	-	-	-	-
Total disbursements	1,622,540	1,335,316	1,762,434	1,177,868	2,578,236	967,598	6,689,913	-	956	122,177	-
Excess (deficiency) of receipts over disbursements	(1,622,540)	(1,316,844)	(1,712,434)	(1,177,868)	55,678	(536,124)	(339,086)	4,377	(225)	(113,132)	-
Other financing sources (uses):											
Sale of capital assets	-	-	-	-	-	-	-	-	-	-	-
Transfers in	-	-	-	-	-	42,907	-	-	-	113,132	-
Transfers out	-	-	-	-	-	-	-	-	-	-	-
Total other financing sources (uses)	-	-	-	-	-	42,907	-	-	-	113,132	-
Excess (deficiency) of receipts and other financing sources over disbursements and other financing uses	(1,622,540)	(1,316,844)	(1,712,434)	(1,177,868)	55,678	(493,217)	(339,086)	4,377	(225)	-	-
Cash and investments - ending	\$ -	\$ 26,028	\$ 190,288	\$ 154,618	\$ 825,808	\$ 821,464	\$ 5,064,421	\$ 4,377	\$ -	\$ -	\$ -

METROPOLITAN SCHOOL DISTRICT OF SOUTHWEST ALLEN COUNTY  
 COMBINING SCHEDULE OF RECEIPTS, DISBURSEMENTS, OTHER FINANCING SOURCES (USES), AND CASH AND INVESTMENT BALANCES -  
 REGULATORY BASIS  
 For the Year Ended June 30, 2015  
 (Continued)

	Early Intervention 2015	Schwab 2012	Schwab 2013	Schwab 2014	Schwab 2015	Donation - Alpha Parent Club	Donation - Deer Ridge Elementary GAGA Pit	Donation - Indiana School Counselor Association	Donation - Community Partnership	Local Grant - HHS Weight Room
Cash and investments - beginning	\$ -	\$ 3,005	\$ 18,932	\$ 28,500	\$ -	\$ -	\$ -	\$ -	\$ 150	\$ -
Receipts:										
Local sources	-	-	-	-	-	-	930	-	-	9,200
Intermediate sources	-	-	-	-	-	-	-	-	-	-
State sources	60,000	-	-	21,937	40,000	-	-	-	-	-
Federal sources	-	-	-	-	-	-	-	-	-	-
Other	-	-	-	-	-	-	-	-	-	-
Total receipts	60,000	-	-	21,937	40,000	-	930	-	-	9,200
Disbursements:										
Current:										
Instruction	60,000	3,005	18,932	47,974	-	-	930	-	150	5,023
Support services	-	-	-	-	-	-	-	-	-	-
Noninstructional services	-	-	-	-	-	-	-	-	-	-
Facilities acquisition and construction	-	-	-	-	-	-	-	-	-	-
Debt services	-	-	-	-	-	-	-	-	-	-
Nonprogrammed charges	-	-	-	-	-	-	-	-	-	-
Total disbursements	60,000	3,005	18,932	47,974	-	-	930	-	150	5,023
Excess (deficiency) of receipts over disbursements	-	(3,005)	(18,932)	(26,037)	40,000	-	-	-	(150)	4,177
Other financing sources (uses):										
Sale of capital assets	-	-	-	-	-	-	-	-	-	-
Transfers in	-	-	-	-	2,463	-	-	-	-	-
Transfers out	-	-	-	(2,463)	-	-	-	-	-	-
Total other financing sources (uses)	-	-	-	(2,463)	2,463	-	-	-	-	-
Excess (deficiency) of receipts and other financing sources over disbursements and other financing uses	-	(3,005)	(18,932)	(28,500)	42,463	-	-	-	(150)	4,177
Cash and investments - ending	\$ -	\$ -	\$ -	\$ -	\$ 42,463	\$ -	\$ -	\$ -	\$ -	\$ 4,177

METROPOLITAN SCHOOL DISTRICT OF SOUTHWEST ALLEN COUNTY  
 COMBINING SCHEDULE OF RECEIPTS, DISBURSEMENTS, OTHER FINANCING SOURCES (USES), AND CASH AND INVESTMENT BALANCES -  
 REGULATORY BASIS  
 For the Year Ended June 30, 2015  
 (Continued)

	Donation - Whispering Meadows PTC	Tech Fees	Extra- Curricular Activities - Band Uniforms	Cultural Arts	Center School Project	High Ability	High Ability 2012-13	High Ability 2014	Non-English Speaking Programs 2014	School Technology
Cash and investments - beginning	\$ -	\$ 89,076	\$ 30,560	\$ 1,272	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 1,877
Receipts:										
Local sources	3,000	-	7	-	159	-	-	-	-	-
Intermediate sources	-	-	-	-	-	-	-	-	-	-
State sources	-	-	-	-	-	-	-	58,238	7,878	10,455
Federal sources	-	59,925	-	-	-	-	-	-	-	-
Other	-	-	-	-	-	-	-	-	-	-
Total receipts	<u>3,000</u>	<u>59,925</u>	<u>7</u>	<u>-</u>	<u>159</u>	<u>-</u>	<u>-</u>	<u>58,238</u>	<u>7,878</u>	<u>10,455</u>
Disbursements:										
Current:										
Instruction	2,000	-	-	-	-	-	-	-	-	-
Support services	-	90,970	-	-	-	-	-	-	-	10,563
Noninstructional services	-	-	-	-	-	-	-	-	-	-
Facilities acquisition and construction	-	-	-	-	-	-	-	-	-	-
Debt services	-	-	-	-	-	-	-	-	-	-
Nonprogrammed charges	-	-	-	-	-	-	-	-	-	-
Total disbursements	<u>2,000</u>	<u>90,970</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>10,563</u>
Excess (deficiency) of receipts over disbursements	<u>1,000</u>	<u>(31,045)</u>	<u>7</u>	<u>-</u>	<u>159</u>	<u>-</u>	<u>-</u>	<u>58,238</u>	<u>7,878</u>	<u>(108)</u>
Other financing sources (uses):										
Sale of capital assets	-	-	-	-	-	-	-	-	-	-
Transfers in	-	-	-	-	-	-	-	-	-	-
Transfers out	-	-	-	-	-	-	-	(58,238)	(7,878)	-
Total other financing sources (uses)	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>(58,238)</u>	<u>(7,878)</u>	<u>-</u>
Excess (deficiency) of receipts and other financing sources over disbursements and other financing uses	<u>1,000</u>	<u>(31,045)</u>	<u>7</u>	<u>-</u>	<u>159</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>(108)</u>
Cash and investments - ending	<u>\$ 1,000</u>	<u>\$ 58,031</u>	<u>\$ 30,567</u>	<u>\$ 1,272</u>	<u>\$ 159</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 1,769</u>

METROPOLITAN SCHOOL DISTRICT OF SOUTHWEST ALLEN COUNTY  
 COMBINING SCHEDULE OF RECEIPTS, DISBURSEMENTS, OTHER FINANCING SOURCES (USES), AND CASH AND INVESTMENT BALANCES -  
 REGULATORY BASIS  
 For the Year Ended June 30, 2015  
 (Continued)

	Child Care 2012	Child Care 2013	Child Care 2014	Senator David Ford Technology	Pre-School Co-op 2012	Pre-School Co-op 2013	Safe Haven 2013	Safe Haven 2014	Smith Green West Allen 2012	Smith Green West Allen 2013
Cash and investments - beginning	\$ -	\$ 99,848	\$ -	\$ -	\$ -	\$ (6,285)	\$ -	\$ -	\$ -	\$ (9,819)
Receipts:										
Local sources	-	-	-	-	-	-	-	-	-	-
Intermediate sources	-	-	289,074	-	-	-	-	-	-	-
State sources	-	-	-	-	-	-	14,000	-	-	-
Federal sources	-	-	-	-	-	21,672	-	-	-	23,406
Other	-	-	500	-	-	-	-	-	-	-
Total receipts	-	-	289,574	-	-	21,672	-	14,000	-	23,406
Disbursements:										
Current:										
Instruction	-	-	-	-	-	15,387	-	-	-	13,577
Support services	-	-	-	72,000	-	-	-	-	-	10
Noninstructional services	-	30,000	190,914	-	-	-	-	14,000	-	-
Facilities acquisition and construction	-	-	-	-	-	-	-	-	-	-
Debt services	-	-	-	-	-	-	-	-	-	-
Nonprogrammed charges	-	-	-	-	-	-	-	-	-	-
Total disbursements	-	30,000	190,914	72,000	-	15,387	-	14,000	-	13,587
Excess (deficiency) of receipts over disbursements	-	(30,000)	98,660	(72,000)	-	6,285	-	-	-	9,819
Other financing sources (uses):										
Sale of capital assets	-	-	-	-	-	-	-	-	-	-
Transfers in	-	-	-	-	-	-	-	-	-	-
Transfers out	-	(69,848)	-	-	-	-	-	-	-	-
Total other financing sources (uses)	-	(69,848)	-	-	-	-	-	-	-	-
Excess (deficiency) of receipts and other financing sources over disbursements and other financing uses	-	(99,848)	98,660	(72,000)	-	6,285	-	-	-	9,819
Cash and investments - ending	\$ -	\$ -	\$ 98,660	\$ (72,000)	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -

METROPOLITAN SCHOOL DISTRICT OF SOUTHWEST ALLEN COUNTY  
 COMBINING SCHEDULE OF RECEIPTS, DISBURSEMENTS, OTHER FINANCING SOURCES (USES), AND CASH AND INVESTMENT BALANCES -  
 REGULATORY BASIS  
 For the Year Ended June 30, 2015  
 (Continued)

	Smith Green West Allen 2014	Title I 2013	Title I 2014	Title I 2015	IDEA Part B Smith Green 2012	IDEA Part B Smith Green 2013	IDEA Part B NACS 2011	IDEA Part B NACS 2012	IDEA Part B NACS 2013	IDEA Part B SACS 2011
Cash and investments - beginning	\$ -	\$ -	\$ (17,227)	\$ -	\$ -	\$ (110)	\$ -	\$ (13,431)	\$ (74,545)	\$ -
Receipts:										
Local sources	-	-	-	-	-	-	-	-	-	-
Intermediate sources	-	-	-	-	-	-	-	-	-	-
State sources	-	-	-	-	-	-	-	-	-	-
Federal sources	62,817	-	154,260	316,588	78	75,668	-	22,931	240,763	-
Other	-	-	-	-	-	-	-	-	-	-
Total receipts	62,817	-	154,260	316,588	78	75,668	-	22,931	240,763	-
Disbursements:										
Current:										
Instruction	65,370	-	131,235	314,205	78	32,403	-	5,603	195,434	-
Support services	31,198	-	2,956	9,246	-	43,155	-	3,897	86,214	-
Noninstructional services	-	-	2,842	15,144	-	-	-	-	-	-
Facilities acquisition and construction	-	-	-	-	-	-	-	-	-	-
Debt services	-	-	-	-	-	-	-	-	-	-
Nonprogrammed charges	-	-	-	-	-	-	-	-	-	-
Total disbursements	96,568	-	137,033	338,595	78	75,558	-	9,500	281,648	-
Excess (deficiency) of receipts over disbursements	(33,751)	-	17,227	(22,007)	-	110	-	13,431	(40,885)	-
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	(33,751)	-	17,227	(22,007)	-	110	-	13,431	(40,885)	-
Cash and investments - ending	\$ (33,751)	\$ -	\$ -	\$ (22,007)	\$ -	\$ -	\$ -	\$ -	\$ (115,430)	\$ -

METROPOLITAN SCHOOL DISTRICT OF SOUTHWEST ALLEN COUNTY  
 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 SACS 2012	IDEA Part B SACS 2013	IDEA Part B SACS 2014	Special Education Improvement 2013	Special Education Discretionary Grant 2012	Special Education Discretionary Grant 2013	Special Education Discretionary Grant 2014	Special Education Pre-School 2012	Special Education Pre-School 2013	Special Education Pre-School 2014
Cash and investments - beginning	\$ (4,074)	\$ (108,353)	\$ -	\$ (2,081)	\$ -	\$ (8,612)	\$ -	\$ -	\$ (5,072)	\$ -
Receipts:										
Local sources	-	-	-	-	-	-	-	-	-	-
Intermediate sources	-	-	-	-	-	-	-	-	-	-
State sources	-	-	-	-	-	-	-	-	-	-
Federal sources	8,849	251,029	995,536	19,787	-	44,165	76,629	-	9,184	22,796
Other	-	-	-	-	-	-	-	-	-	-
Total receipts	8,849	251,029	995,536	19,787	-	44,165	76,629	-	9,184	22,796
Disbursements:										
Current:										
Instruction	-	54,224	583,414	5,415	-	-	-	-	4,112	25,019
Support services	4,775	112,782	516,425	21,417	-	35,671	86,450	-	-	-
Noninstructional services	-	-	-	-	-	-	-	-	-	-
Facilities acquisition and construction	-	-	-	-	-	-	-	-	-	-
Debt services	-	-	-	-	-	-	-	-	-	-
Nonprogrammed charges	-	-	-	-	-	-	-	-	-	-
Total disbursements	4,775	167,006	1,099,839	26,832	-	35,671	86,450	-	4,112	25,019
Excess (deficiency) of receipts over disbursements	4,074	84,023	(104,303)	(7,045)	-	8,494	(9,821)	-	5,072	(2,223)
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	4,074	84,023	(104,303)	(7,045)	-	8,494	(9,821)	-	5,072	(2,223)
Cash and investments - ending	\$ -	\$ (24,330)	\$ (104,303)	\$ (9,126)	\$ -	\$ (118)	\$ (9,821)	\$ -	\$ -	\$ (2,223)

METROPOLITAN SCHOOL DISTRICT OF SOUTHWEST ALLEN COUNTY  
 COMBINING SCHEDULE OF RECEIPTS, DISBURSEMENTS, OTHER FINANCING SOURCES (USES), AND CASH AND INVESTMENT BALANCES -  
 REGULATORY BASIS  
 For the Year Ended June 30, 2015  
 (Continued)

	Perkins 2013	Title II 2012	Title II 2013	Title II 2014	Title III 2012	Title III 2013	Title III 2014	Payroll	Cafeteria Clearing	Totals
Cash and investments - beginning	\$ -	\$ -	\$ -	\$ -	\$ 350	\$ -	\$ -	\$ 278,306	\$ (14,152)	\$ 32,268,688
Receipts:										
Local sources	-	-	-	-	-	-	-	-	-	33,552,263
Intermediate sources	-	-	-	-	-	-	-	-	-	289,825
State sources	-	-	-	-	-	13,273	-	-	-	38,685,423
Federal sources	-	-	69,903	-	-	-	-	-	-	3,172,852
Other	-	-	-	-	-	-	-	11,491,372	1,850,284	13,768,404
Total receipts	-	-	69,903	-	-	13,273	-	11,491,372	1,850,284	89,468,767
Disbursements:										
Current:										
Instruction	-	-	583	931	-	13,273	-	-	-	31,820,922
Support services	-	-	-	-	350	-	1,210	-	-	22,184,388
Noninstructional services	-	-	-	-	-	-	-	-	-	3,443,132
Facilities acquisition and construction	-	-	-	-	-	-	-	-	-	8,806,233
Debt services	-	-	-	-	-	-	-	-	-	12,418,226
Nonprogrammed charges	-	-	-	-	-	-	-	11,484,860	1,931,487	20,106,260
Total disbursements	-	-	583	931	350	13,273	1,210	11,484,860	1,931,487	98,779,161
Excess (deficiency) of receipts over disbursements	-	-	69,320	(931)	(350)	-	(1,210)	6,512	(81,203)	(9,310,394)
Other financing sources (uses):										
Sale of capital assets	-	-	-	-	-	-	-	-	-	901
Transfers in	-	-	-	-	-	-	-	-	-	2,709,887
Transfers out	-	-	-	-	-	-	-	-	-	(2,709,887)
Total other financing sources (uses)	-	-	-	-	-	-	-	-	-	901
Excess (deficiency) of receipts and other financing sources over disbursements and other financing uses	-	-	69,320	(931)	(350)	-	(1,210)	6,512	(81,203)	(9,309,493)
Cash and investments - ending	\$ -	\$ -	\$ 69,320	\$ (931)	\$ -	\$ -	\$ (1,210)	\$ 284,818	\$ (95,355)	\$ 22,959,195

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METROPOLITAN SCHOOL DISTRICT OF SOUTHWEST ALLEN COUNTY  
SCHEDULE OF PAYABLES AND RECEIVABLES  
June 30, 2015

<u>Government or Enterprise</u>	<u>Accounts Payable</u>	<u>Accounts Receivable</u>
Governmental activities	<u>\$ 995,991</u>	<u>\$ 361,502</u>

METROPOLITAN SCHOOL DISTRICT OF SOUTHWEST ALLEN COUNTY  
SCHEDULE OF LEASES AND DEBT  
June 30, 2015

Lessor	Purpose	Annual Lease Payment	Lease Beginning Date	Lease Ending Date
Governmental activities:				
Bancorp Government Leasing & Finance	Laptop Computers for Middle School Students	\$ 254,882	06/02/14	09/02/17
Chase Equipment Finance	Laptop Computers for Teachers and HS Students	450,200	06/22/12	09/01/15
De Lage Landen Public Finance LLC	Copier Machines	70,246	07/25/13	06/25/18
Key Government Finance Inc	Technology Equipment	70,893	04/15/13	07/15/15
Southwest Allen Multi SBC - 2011B	Master Building Plan	891,900	10/06/11	01/15/20
Southwest Allen Multi SBC - 2013	Refinancing of Prior Issues	6,479,890	05/22/13	01/15/20
Southwest Allen Multi SBC - 2006	Covington Elementary Addition Refinanced 2011	789,670	07/15/11	01/15/17
Southwest Allen Multi SBC - 2011A	Refinancing of Deer Ridge '88 HHS Aboite and Covington	2,032,500	07/15/11	01/15/16
Southwest Allen Multi SBC - 2014A	Homestead High School Projects	44,000	05/08/14	01/15/20
Southwest Allen Multi SBC - 2014B	Summit Middle School Projects	52,000	05/08/14	01/15/20
Southwest Allen Multi SBC - 2014C	Elementary School Projects	44,000	05/08/14	01/15/20
Southwest Allen Multi SBC - 2014D	Safety/Security Projects	59,000	05/08/14	01/15/20
Southwest Allen Multi SBC - 2014E	Co-Curricular Projects	59,000	05/08/14	01/15/20
Total of annual lease payments		<u>\$ 11,298,181</u>		

Type	Description of Debt Purpose	Ending Principal Balance	Principal and Interest Due Within One Year
Governmental activities:			
General obligation bonds	Tennis courts HS Parking Elementary Kitchen and Entry	\$ 1,995,000	\$ 12,469
General obligation bonds	Pension Bonds for Unfunded Liability	965,000	195,836
Notes and loans payable	2007 Energy Loan Haverhill Elementary	810,045	290,747
Totals		<u>\$ 3,770,045</u>	<u>\$ 499,052</u>

METROPOLITAN SCHOOL DISTRICT OF SOUTHWEST ALLEN COUNTY  
 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	\$ 3,604,300
Buildings	113,892,124
Improvements other than buildings	8,523,444
Machinery, equipment, and vehicles	8,261,373
Total capital assets	\$ 134,281,241

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

TO: THE OFFICIALS OF THE METROPOLITAN SCHOOL DISTRICT OF  
SOUTHWEST ALLEN COUNTY, ALLEN COUNTY, INDIANA

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

We have audited the Metropolitan School District of Southwest Allen County'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 deficiencies in internal control over compliance described in the accompanying Schedule of Findings and Questioned Costs as item 2015-002 to be material weaknesses.

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

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

  
Paul D. Joyce, CPA  
State Examiner

April 12, 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.

METROPOLITAN SCHOOL DISTRICT OF SOUTHWEST ALLEN COUNTY  
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			
			FY 2013-2014	\$ 23,534	\$ -
			FY 2014-2015	-	19,956
				<u>23,534</u>	<u>19,956</u>
Total - School Breakfast Program				<u>23,534</u>	<u>19,956</u>
National School Lunch Program	Indiana Department of Education	10.555			
			FY 2013-2014	867,640	-
			FY 2014-2015	-	780,549
				<u>867,640</u>	<u>780,549</u>
Total - National School Lunch Program				<u>867,640</u>	<u>780,549</u>
Total - Child Nutrition Cluster				<u>891,174</u>	<u>800,505</u>
Total - Department of Agriculture				<u>891,174</u>	<u>800,505</u>
<u>Department of Education</u>					
Special Education Cluster					
Special Education-Grants to States	Indiana Department of Education	84.027			
			14212-054-PN01	7,777	-
			14213-054-PN01	180,380	8,849
			14214-054-PN01	983,914	251,029
			14215-054-PN01	-	995,536
			99914-054-PN01	10,362	9,894
	Indiana State University				
			FY 2012-2013	43,586	-
			FY 2013-2015	72,395	44,165
			FY 2014-2015	-	76,629
				<u>1,298,414</u>	<u>1,386,102</u>
Total - Special Education-Grants to States				<u>1,298,414</u>	<u>1,386,102</u>
Special Education-Preschool Grants	Indiana Department of Education	84.173			
			45713-054-PN01	4,851	-
			45714-054-PN01	25,501	4,077
			45715-054-PN01	-	22,796
				<u>30,352</u>	<u>26,873</u>
Total - Special Education-Preschool Grants				<u>30,352</u>	<u>26,873</u>
Total - Special Education Cluster				<u>1,328,766</u>	<u>1,412,975</u>

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

METROPOLITAN SCHOOL DISTRICT OF SOUTHWEST ALLEN COUNTY  
SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS  
For the Years Ended June 30, 2014 and 2015  
(Continued)

Federal Grantor Agency Cluster Title/Program Title/Project Title	Pass-Through Entity or Direct Grant	Federal CFDA Number	Pass-Through Entity (or Other) Identifying Number	Total Federal Awards Expended 06-30-14	Total Federal Awards Expended 06-30-15
<u>Department of Education (continued)</u>					
Title I Grants to Local Educational Agencies	Indiana Department of Education	84.010	13-0125	90,921	-
			14-0125	223,737	154,260
			15-0125	-	316,588
				<u>314,658</u>	<u>470,848</u>
Total - Title I Grants to Local Educational Agencies					
Career and Technical Education - Basic Grants to States	Fort Wayne Community Schools	84.048	FY 2013-2014	24,903	-
			FY 2014-2015	-	64,282
				<u>24,903</u>	<u>64,282</u>
Total - Career and Technical Education - Basic Grants to States					
English Language Acquisition State Grants	Indiana Department of Education	84.365	01113-047-PN01	14,566	-
			01114-047-PN01	-	13,273
				<u>14,566</u>	<u>13,273</u>
Total - English Language Acquisition State Grants					
Improving Teacher Quality State Grants	Indiana Department of Education	84.367	FY 2013-2014	80,205	-
			FY 2013-2015	212	69,903
				<u>80,417</u>	<u>69,903</u>
Total - Improving Teacher Quality State Grants					
Total - Department of Education				<u>1,763,310</u>	<u>2,031,281</u>
Total federal awards expended				<u>\$ 2,654,484</u>	<u>\$ 2,831,786</u>

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

METROPOLITAN SCHOOL DISTRICT OF SOUTHWEST ALLEN COUNTY  
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. Subrecipients**

Of the federal expenditures presented in the SEFA, the School Corporation provided federal awards to subrecipients as follows for the years ended June 30, 2014 and 2015:

Program Title	Federal CFDA Number	2014	2015
Special Education Cluster		\$ 1,294,981	\$ 366,787

**Note 3. 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 SEFA.

Program Title	Federal CFDA Number	2014	2015
National School Lunch Program	10.555	\$ 197,479	\$ 191,131

METROPOLITAN SCHOOL DISTRICT OF SOUTHWEST ALLEN COUNTY  
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:

\_\_\_\_\_ 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 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.

METROPOLITAN SCHOOL DISTRICT OF SOUTHWEST ALLEN COUNTY  
SCHEDULE OF FINDINGS AND QUESTIONED COSTS  
(Continued)

During the audit of the SEFA, we noted the following errors:

- The Child Nutrition Cluster program commodities were not considered in reporting.
- The Special Education Cluster (IDEA) and Career and Technical Education - Basic Grants to States programs were not properly reported.
- In total, the SEFA was overreported in FY 2014 by \$1,105,481 and in FY 2015 by \$163,037.

Audit adjustments were proposed, accepted by the School Corporation, and made to the SEFA presented in this report.

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

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

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

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

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

- (1) List individual Federal programs by Federal agency. For Federal programs included in a cluster of programs, list individual Federal programs within a cluster of programs. For R&D, total Federal awards expended shall be shown either by individual award or by Federal agency and major subdivision within the Federal agency. For example, the National Institutes of Health is a major subdivision in the Department of Health and Human Services.

METROPOLITAN SCHOOL DISTRICT OF SOUTHWEST ALLEN COUNTY  
SCHEDULE OF FINDINGS AND QUESTIONED COSTS  
(Continued)

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

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

***FINDING 2015-002 - ACTIVITIES ALLOWED OR UNALLOWED, ALLOWABLE COSTS/COST PRINCIPLES, CASH MANAGEMENT, ELIGIBILITY, AND PROGRAM INCOME***

Federal Agency: Department of Agriculture  
Federal Programs: School Breakfast Program, National School Lunch Program  
CFDA Numbers: 10.553, 10.555  
Federal Award Years: FY 2013-2014, FY 2014-2015  
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, such as an oversight or approval process, related to the following compliance requirements that have a direct and material effect to the programs: Activities Allowed or Unallowed, Allowable Costs/Cost Principles, Cash Management, Eligibility, and Program Income. The failure to establish an effective internal control system places the School Corporation at risk of noncompliance with the grant agreement and the compliance requirements. A lack of segregation of duties within an internal control system could also allow noncompliance with compliance requirements and allow the misuse and mismanagement of federal funds and assets by not having proper oversight, reviews, and approvals over the activities of the programs.

*Activities Allowed or Unallowed and Allowable Costs/Cost Principles*

The School Lunch vendor expenditures were not approved by the School Board. There was no control in place to ensure that the School Lunch vendor expenditures were for Activities Allowed or Unallowed and Allowable Costs/Cost Principles.

*Cash Management*

The School Corporation had a lack of internal control over its food service balance. The School Corporation did not establish a control to ensure that the food service balance was less than or equal to average expenditures for three months operating expenses.

METROPOLITAN SCHOOL DISTRICT OF SOUTHWEST ALLEN COUNTY  
SCHEDULE OF FINDINGS AND QUESTIONED COSTS  
(Continued)

*Eligibility*

A parent must file an application for their child to qualify for free or reduced price meals unless the child qualifies through direct certification. For applications filed, the School Lunch Administrative Assistant determines whether a child qualifies for free or reduced priced meals. There was no control in place to ensure determinations made for free and reduced priced meals were correct.

*Program Income*

The School Board approved meal prices; however, there was no control in place to ensure that the prices approved were being correctly charged by the individual schools.

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

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

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

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

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

AUDITEE PREPARED DOCUMENT

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



**SACS**

SOUTHWEST ALLEN COUNTY SCHOOLS

**CORRECTIVE ACTION PLAN**

**FINDING 2016-001**

Contact Person Responsible for Corrective Action: Jim Coplen  
Contact Phone Number: 260-431-2030

Views of Responsible Official: Concur with the finding

Description of Corrective Action Plan: Deputy Treasurer will include all commodities in the SEFA reporting. The Treasurer will review these and all other SEFA reporting to ensure their applicable and accurate nature.

Anticipated Completion Date: July 1, 2016

**FINDING 2016-002**

Contact Person Responsible for Corrective Action: Jim Coplen  
Contact Phone Number: 260-431-2030

Views of Responsible Official: Concur with the finding

Description of Corrective Action Plan:

- School Lunch expenditures will be submitted for school board approval
- We will monitor the cash balance to ensure it does not exceed the average 3 months operating expenses
- A review of free and reduced lunch applications by the food service director will be done for all such applications
- We will implement an internal control procedure to ensure each school is charging the correct meal prices. We will examine our current revenue collection procedure to safeguard against potential misstatements of revenue and to control the number of employees handled food service collections

Anticipated Completion Date: July 1, 2016

  
(Signature)

**BUS. MGR. / TREASURER**  
(Title)

**4.12.16**  
(Date)

***Preparing today's learners for tomorrow's opportunities.***

#### 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/>.