

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 NEW DURHAM TOWNSHIP
LAPORTE COUNTY, INDIANA

July 1, 2014 to June 30, 2016



FILED
08/08/2017

TABLE OF CONTENTS

<u>Description</u>	<u>Page</u>
Schedule of Officials	2
Independent Auditor's Report	3-5
Independent Auditor's Report on Internal Control over Financial Reporting and on Compliance and Other Matters Based on an Audit of the Financial Statement Performed in Accordance with <i>Government Auditing Standards</i>	6-7
Financial Statement and Accompanying Notes:	
Statement of Receipts, Disbursements, Other Financing Sources (Uses), and Cash and Investment Balances - Regulatory Basis.....	11
Notes to Financial Statement	12-17
Other Information - Unaudited:	
Combining Schedules of Receipts, Disbursements, Other Financing Sources (Uses), and Cash and Investment Balances - Regulatory Basis.....	20-27
Schedule of Leases and Debt	28
Schedule of Capital Assets.....	29
Supplemental Audit of Federal Awards:	
Independent Auditor's Report on Compliance for Each Major Federal Program and on Internal Control over Compliance	32-33
Schedule of Expenditures of Federal Awards and Accompanying Notes:	
Schedule of Expenditures of Federal Awards.....	37
Notes to Schedule of Expenditures of Federal Awards	38
Schedule of Findings and Questioned Costs	39-45
Auditee-Prepared Documents:	
Summary Schedule of Prior Audit Findings.....	48-53
Corrective Action Plan	54-58
Other Reports.....	59

SCHEDULE OF OFFICIALS

<u>Office</u>	<u>Official</u>	<u>Term</u>
Treasurer	Terri Stachowiak Sherie Breitenbach	07-01-14 to 03-22-16 03-23-16 to 06-30-17
Superintendent of Schools	Dr. Curtiss A. Strietelmeier	07-01-14 to 06-30-17
President of the School Board	Nancy Milcarek Wayne R. Hodge Lynn Wilson	01-01-14 to 12-31-14 01-01-15 to 12-31-16 01-01-17 to 12-31-17



STATE OF INDIANA
AN EQUAL OPPORTUNITY EMPLOYER

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

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

INDEPENDENT AUDITOR'S REPORT

TO: THE OFFICIALS OF THE METROPOLITAN SCHOOL DISTRICT
OF NEW DURHAM TOWNSHIP, LAPORTE COUNTY, INDIANA

Report on the Financial Statement

We have audited the accompanying financial statement of the Metropolitan School District of New Durham Township (School Corporation), which comprises the financial position and results of operations for the period of July 1, 2014 to June 30, 2016, 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 from 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 to 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, 2014 to June 30, 2016.

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, 2014 to June 30, 2016, 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 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 June 1, 2017, 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

June 1, 2017



STATE OF INDIANA
AN EQUAL OPPORTUNITY EMPLOYER

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

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

INDEPENDENT AUDITOR'S REPORT ON 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 NEW DURHAM TOWNSHIP, LAPORTE 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 New Durham Township (School Corporation), which comprises the financial position and results of operations for the period of July 1, 2014 to June 30, 2016, and the related notes to the financial statement, and have issued our report thereon dated June 1, 2017, 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 a combination of deficiencies, in internal control, such that there is a reasonable possibility that a material misstatement of the School Corporation's financial statement will not be prevented, or detected and corrected, on a timely basis. We consider the deficiencies described in the accompanying Schedule of Findings and Questioned Costs as items 2016-001 and 2016-002 to be material weaknesses.

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

Compliance and Other Matters


As part of obtaining reasonable assurance about whether the School Corporation's financial statement is free of material misstatement, we performed tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements, noncompliance with which could have a direct and material effect on the determination of financial statement amounts. However, providing an opinion on compliance with those provisions was not an objective of our audit and, accordingly, we do not express such an opinion. The results of our tests disclosed instances of noncompliance or other matters that are required to be reported under *Government Auditing Standards* and which are described in the accompanying Schedule of Findings and Questioned Costs as item 2016-002.

Metropolitan School District of New Durham Township'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

June 1, 2017

(This page intentionally left blank.)

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.

(This page intentionally left blank.)

METROPOLITAN SCHOOL DISTRICT OF NEW DURHAM TOWNSHIP
STATEMENT OF RECEIPTS, DISBURSEMENTS, OTHER FINANCING SOURCES (USES), AND CASH AND INVESTMENT BALANCES -
REGULATORY BASIS
For the Years Ended June 30, 2015 and 2016

Fund	Cash and Investments 07-01-14	Receipts	Disbursements	Other Financing Sources (Uses)	Cash and Investments 06-30-15	Receipts	Disbursements	Other Financing Sources (Uses)	Cash and Investments 06-30-16
General	\$ 172,685	\$ 6,823,465	\$ 6,277,389	\$ 16,084	\$ 734,845	\$ 6,827,486	\$ 6,591,373	\$ 20,608	\$ 991,566
Debt Service	558,160	1,981,914	1,832,070	2,484	710,488	1,988,762	2,001,792	2,000	699,458
Retirement/Severance Bond Debt Service	51,781	158,415	195,162	-	15,034	113,399	94,468	-	33,965
Capital Projects	248,876	737,188	867,448	-	118,616	795,224	571,819	12,999	355,020
School Transportation	-	208,534	219,731	11,197	-	454,605	295,973	7,108	165,740
School Bus Replacement	71,216	122,190	47,000	(72,000)	74,406	176,674	62,940	-	188,140
Rainy Day	51,000	-	123,000	72,000	-	18,601	-	-	18,601
Construction GO Bond 2015	-	29	24,405	440,000	415,624	125	402,181	97,357	110,925
School Lunch	79,738	298,563	273,180	(19,780)	85,341	323,620	316,498	-	92,463
Textbook Rental	(286,423)	70,937	51,787	131,197	(136,076)	96,817	74,754	9,245	(104,768)
Levy Excess	8,958	-	-	-	8,958	10,280	-	(10,280)	8,958
Educational License Plates	225	56	-	-	281	56	-	-	337
Courtyard 2004	412	-	-	-	412	-	-	-	412
Miscellaneous Programs	33,430	17,705	10,113	-	41,022	19,191	2,295	-	57,918
Gift Donations Bequests	5,235	2,695	3,962	-	3,968	3,100	1,117	-	5,951
Porter Trust Wellness Fund	2,371	1,680	473	-	3,578	-	-	-	3,578
Westville Little School	5,105	19,145	22,918	90	1,422	25,660	20,452	-	6,630
Formative Assessment	-	-	-	-	-	8,233	5,486	-	2,747
Instruction Support	3,239	28,043	23,311	-	7,971	29,017	26,516	-	10,472
Medicaid Reimbursement	1,377	(1,377)	-	-	-	4,725	-	-	4,725
Secured Schools Safety Grant	-	14,415	14,415	-	-	11,982	11,982	-	-
School Technology	-	6,279	6,279	-	-	6,564	4,860	-	1,704
Performance Based Awards	-	-	-	-	-	23,549	23,549	-	-
4192 Title I 13-14	(4,951)	18,170	13,219	-	-	-	-	-	-
4193 Title I 14-15	-	100,717	105,628	4,911	-	18,491	13,580	(4,911)	-
4194 Title I 15-16	-	-	-	-	-	98,881	116,357	-	(17,476)
Medicaid Reimbursement - Federal	6,687	6,978	942	-	12,723	16,156	15,611	-	13,268
Improving Teacher Quality, No Child Left, Title II, Part A	-	23,863	23,863	-	-	21,936	21,986	-	(50)
Prepaid School Meals	-	-	-	-	-	6,164	1,641	-	4,523
Payroll Clearing	200	1,354,977	1,355,177	-	-	1,375,221	1,375,221	-	-
Totals	\$ 1,009,321	\$ 11,994,581	\$ 11,491,472	\$ 586,183	\$ 2,098,613	\$ 12,474,519	\$ 12,052,451	\$ 134,126	\$ 2,654,807

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

METROPOLITAN SCHOOL DISTRICT OF NEW DURHAM TOWNSHIP
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, the following: school townships, school towns, school cities, consolidated school corporations, joint schools, metropolitan school districts, township school districts, county schools, united schools, school districts, cooperatives, educational service centers, community schools, community school corporations, and charter schools.

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

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

B. Basis of Accounting

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

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

C. Cash and Investments

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

D. Receipts

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

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

Intermediate sources. Amounts received as distributions from the County for fees collected for or on behalf of the School Corporation including, but not limited to, the following: educational license plate fees, congressional interest, riverboat distributions, and other similar fees.

METROPOLITAN SCHOOL DISTRICT OF NEW DURHAM TOWNSHIP
NOTES TO FINANCIAL STATEMENT
(Continued)

State sources. Amounts received as distributions from the State of Indiana that are to be used by the School Corporation for various purposes, including, but not limited to, the following: unrestricted grants, restricted grants, revenue in lieu of taxes, and revenue for or on behalf of the School Corporation.

Federal sources. Amounts received as distributions from the federal government that are to be used by the School Corporation for various purposes, including, but not limited to, the following: unrestricted grants, restricted grants, revenue in lieu of taxes, and revenue for or on behalf of the School Corporation.

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

Other receipts. Amounts received from various sources, including, but not limited to, the following: return of petty cash, return of cash change, insurance claims for losses, sale of securities, and other receipts not listed in another category above.

E. Disbursements

Disbursements are presented in the aggregate on the face of the financial statement. The aggregate disbursements include the following uses:

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

Support services. Amounts disbursed for support services related to students, instruction, general administration, school administration, outflows for central services, operation and maintenance of plant services, and student transportation.

Noninstructional services. Amounts disbursed for food service operations and community service operations.

Facilities acquisition and construction. Amounts disbursed for the acquisition, development, construction, and improvement of new and existing facilities.

Debt service. Amounts disbursed for fixed obligations resulting from financial transactions previously entered into by the School Corporation, including: all expenditures for the reduction of the principal and interest of the School Corporation's general obligation indebtedness.

Nonprogrammed charges. Amounts disbursed 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:

METROPOLITAN SCHOOL DISTRICT OF NEW DURHAM TOWNSHIP
NOTES TO FINANCIAL STATEMENT
(Continued)

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

Sale of capital assets. Amounts received when land, buildings, or equipment owned by the School Corporation are sold.

Transfers in. Amounts 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. Amounts 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 amounts 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 amounts 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.

METROPOLITAN SCHOOL DISTRICT OF NEW DURHAM TOWNSHIP
NOTES TO FINANCIAL STATEMENT
(Continued)

Note 4. Deposits and Investments

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

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

Note 5. Risk Management

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

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

Note 6. Pension Plans

A. Public Employees' Retirement Fund

Plan Description

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

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

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

METROPOLITAN SCHOOL DISTRICT OF NEW DURHAM TOWNSHIP
NOTES TO FINANCIAL STATEMENT
(Continued)

Funding Policy and Annual Pension Cost

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

B. Teachers' Retirement Fund

Plan Description

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

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

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

Funding Policy and Annual Pension Cost

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

Note 7. Cash Balance Deficits

The financial statement contains some funds with deficits in cash. Most of these are the result of the funds being set up for reimbursable grants. The reimbursements for expenditures made by the School Corporation were not received by fiscal year end. For the Textbook Rental fund, the deficits are due to shortfalls in the tax collection and the circuit breaker caps, which resulted in disbursements exceeding receipts in prior years.

METROPOLITAN SCHOOL DISTRICT OF NEW DURHAM TOWNSHIP
NOTES TO FINANCIAL STATEMENT
(Continued)

Note 8. *Holding Corporation*

The School Corporation has entered into capital leases with the Metropolitan School District of New Durham Township 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 ended June 30, 2015 and 2016, totaled \$1,249,129 and \$1,959,840, respectively.

Note 9. *Other Postemployment Benefits*

In addition to the pension benefits described above, the School Corporation provides post-employment health insurance benefits, as authorized by Indiana Code 5-10-8, to all employees who retire from the School Corporation on or after attaining age 55. Disbursements for those postemployment benefits are recognized on a pay-as-you-go basis. For the school year ended June 30, 2015, two Retired Teachers were paid a retirement incentive of \$12,000. Two continuing Administrators were paid an incentive of \$11,785 and health insurance of \$7,362. For the school year ended June 30, 2016, two continuing Administrators were paid an incentive of \$4,861.50 and health insurance of \$14,660. These funds are held in reserve to pay health insurance premiums of qualified retirees for a limited time, in accordance with various governmental regulations.

(This page intentionally left blank.)

OTHER INFORMATION - UNAUDITED

The School Corporation's Financial Reports can be found on the Indiana Department of Education website: <http://www.doe.in.gov/finance/school-financial-reports>. 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 School Corporation's Financial Reports 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 NEW DURHAM TOWNSHIP
 COMBINING SCHEDULE OF RECEIPTS, DISBURSEMENTS, OTHER FINANCING SOURCES (USES), AND CASH AND INVESTMENT BALANCES -
 REGULATORY BASIS
 For the Year Ended June 30, 2015

	General	Debt Service	Retirement/ Severance Bond Debt Service	Capital Projects	School Transportation	School Bus Replacement	Rainy Day	Construction GO Bond 2015
Cash and investments - beginning	\$ 172,685	\$ 558,160	\$ 51,781	\$ 248,876	\$ -	\$ 71,216	\$ 51,000	\$ -
Receipts:								
Local sources	20,862	1,524,276	121,415	560,188	161,534	75,190	-	29
Intermediate sources	4	-	-	-	-	-	-	-
State sources	5,660,599	-	-	-	-	-	-	-
Federal sources	-	46,638	-	-	-	-	-	-
Temporary loans	1,142,000	411,000	37,000	177,000	47,000	47,000	-	-
Other receipts	-	-	-	-	-	-	-	-
Total receipts	<u>6,823,465</u>	<u>1,981,914</u>	<u>158,415</u>	<u>737,188</u>	<u>208,534</u>	<u>122,190</u>	<u>-</u>	<u>29</u>
Disbursements:								
Instruction	4,008,690	-	-	-	-	-	-	-
Support services	1,678,638	10	-	417,791	172,731	-	123,000	-
Noninstructional services	145,061	-	-	-	-	-	-	-
Facilities acquisition and construction	-	-	-	272,657	-	-	-	24,405
Debt service	445,000	1,832,060	195,162	177,000	47,000	47,000	-	-
Nonprogrammed charges	-	-	-	-	-	-	-	-
Total disbursements	<u>6,277,389</u>	<u>1,832,070</u>	<u>195,162</u>	<u>867,448</u>	<u>219,731</u>	<u>47,000</u>	<u>123,000</u>	<u>24,405</u>
Excess (deficiency) of receipts over disbursements	<u>546,076</u>	<u>149,844</u>	<u>(36,747)</u>	<u>(130,260)</u>	<u>(11,197)</u>	<u>75,190</u>	<u>(123,000)</u>	<u>(24,376)</u>
Other financing sources (uses):								
Proceeds of long-term debt	-	2,484	-	-	-	-	-	440,000
Sale of capital assets	9,117	-	-	-	3,295	-	-	-
Transfers in	21,758	-	-	-	9,880	-	72,000	-
Transfers out	(14,791)	-	-	-	(1,978)	(72,000)	-	-
Total other financing sources (uses)	<u>16,084</u>	<u>2,484</u>	<u>-</u>	<u>-</u>	<u>11,197</u>	<u>(72,000)</u>	<u>72,000</u>	<u>440,000</u>
Excess (deficiency) of receipts and other financing sources over disbursements and other financing uses	<u>562,160</u>	<u>152,328</u>	<u>(36,747)</u>	<u>(130,260)</u>	<u>-</u>	<u>3,190</u>	<u>(51,000)</u>	<u>415,624</u>
Cash and investments - ending	<u>\$ 734,845</u>	<u>\$ 710,488</u>	<u>\$ 15,034</u>	<u>\$ 118,616</u>	<u>\$ -</u>	<u>\$ 74,406</u>	<u>\$ -</u>	<u>\$ 415,624</u>

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

	School Lunch	Textbook Rental	Levy Excess	Educational License Plates	Courtyard 2004	Miscellaneous Programs	Gift Donations Bequests	Porter Trust Wellness Fund
Cash and investments - beginning	\$ 79,738	\$ (286,423)	\$ 8,958	\$ 225	\$ 412	\$ 33,430	\$ 5,235	\$ 2,371
Receipts:								
Local sources	154,386	44,593	-	-	-	-	2,695	1,680
Intermediate sources	-	-	-	56	-	17,705	-	-
State sources	-	26,344	-	-	-	-	-	-
Federal sources	144,177	-	-	-	-	-	-	-
Temporary loans	-	-	-	-	-	-	-	-
Other receipts	-	-	-	-	-	-	-	-
Total receipts	<u>298,563</u>	<u>70,937</u>	<u>-</u>	<u>56</u>	<u>-</u>	<u>17,705</u>	<u>2,695</u>	<u>1,680</u>
Disbursements:								
Instruction	-	-	-	-	-	10,113	3,717	-
Support services	153	51,787	-	-	-	-	245	473
Noninstructional services	273,027	-	-	-	-	-	-	-
Facilities acquisition and construction	-	-	-	-	-	-	-	-
Debt service	-	-	-	-	-	-	-	-
Nonprogrammed charges	-	-	-	-	-	-	-	-
Total disbursements	<u>273,180</u>	<u>51,787</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>10,113</u>	<u>3,962</u>	<u>473</u>
Excess (deficiency) of receipts over disbursements	<u>25,383</u>	<u>19,150</u>	<u>-</u>	<u>56</u>	<u>-</u>	<u>7,592</u>	<u>(1,267)</u>	<u>1,207</u>
Other financing sources (uses):								
Proceeds of long-term debt	-	-	-	-	-	-	-	-
Sale of capital assets	-	131,197	-	-	-	-	-	-
Transfers in	-	-	-	-	-	-	-	-
Transfers out	(19,780)	-	-	-	-	-	-	-
Total other financing sources (uses)	<u>(19,780)</u>	<u>131,197</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Excess (deficiency) of receipts and other financing sources over disbursements and other financing uses	<u>5,603</u>	<u>150,347</u>	<u>-</u>	<u>56</u>	<u>-</u>	<u>7,592</u>	<u>(1,267)</u>	<u>1,207</u>
Cash and investments - ending	<u>\$ 85,341</u>	<u>\$ (136,076)</u>	<u>\$ 8,958</u>	<u>\$ 281</u>	<u>\$ 412</u>	<u>\$ 41,022</u>	<u>\$ 3,968</u>	<u>\$ 3,578</u>

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

	Westville Little School	Formative Assessment	Instruction Support	Medicaid Reimbursement	Secured Schools Safety Grant	School Technology	Performance Based Awards	4192 Title I 13-14
Cash and investments - beginning	\$ 5,105	\$ -	\$ 3,239	\$ 1,377	\$ -	\$ -	\$ -	\$ (4,951)
Receipts:								
Local sources	19,145	-	-	-	-	-	-	-
Intermediate sources	-	-	-	-	-	-	-	-
State sources	-	-	28,043	(1,377)	14,415	6,279	-	-
Federal sources	-	-	-	-	-	-	-	18,170
Temporary loans	-	-	-	-	-	-	-	-
Other receipts	-	-	-	-	-	-	-	-
Total receipts	<u>19,145</u>	<u>-</u>	<u>28,043</u>	<u>(1,377)</u>	<u>14,415</u>	<u>6,279</u>	<u>-</u>	<u>18,170</u>
Disbursements:								
Instruction	-	-	23,311	-	-	-	-	13,219
Support services	400	-	-	-	7,000	6,279	-	-
Noninstructional services	22,518	-	-	-	-	-	-	-
Facilities acquisition and construction	-	-	-	-	7,415	-	-	-
Debt service	-	-	-	-	-	-	-	-
Nonprogrammed charges	-	-	-	-	-	-	-	-
Total disbursements	<u>22,918</u>	<u>-</u>	<u>23,311</u>	<u>-</u>	<u>14,415</u>	<u>6,279</u>	<u>-</u>	<u>13,219</u>
Excess (deficiency) of receipts over disbursements	<u>(3,773)</u>	<u>-</u>	<u>4,732</u>	<u>(1,377)</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>4,951</u>
Other financing sources (uses):								
Proceeds of long-term debt	-	-	-	-	-	-	-	-
Sale of capital assets	90	-	-	-	-	-	-	-
Transfers in	-	-	-	-	-	-	-	-
Transfers out	-	-	-	-	-	-	-	-
Total other financing sources (uses)	<u>90</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Excess (deficiency) of receipts and other financing sources over disbursements and other financing uses	<u>(3,683)</u>	<u>-</u>	<u>4,732</u>	<u>(1,377)</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>4,951</u>
Cash and investments - ending	<u>\$ 1,422</u>	<u>\$ -</u>	<u>\$ 7,971</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>

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

	4193 Title I 14-15	4194 Title I 15-16	Medicaid Reimbursement - Federal	Improving Teacher Quality, No Child Left, Title II, Part A	Prepaid School Meals	Payroll Clearing	Totals
Cash and investments - beginning	\$ -	\$ -	\$ 6,687	\$ -	\$ -	\$ 200	\$ 1,009,321
Receipts:							
Local sources	-	-	-	-	-	-	2,685,993
Intermediate sources	-	-	-	-	-	-	17,765
State sources	-	-	-	-	-	-	5,734,303
Federal sources	100,717	-	6,978	23,863	-	-	340,543
Temporary loans	-	-	-	-	-	-	1,861,000
Other receipts	-	-	-	-	-	1,354,977	1,354,977
Total receipts	<u>100,717</u>	<u>-</u>	<u>6,978</u>	<u>23,863</u>	<u>-</u>	<u>1,354,977</u>	<u>11,994,581</u>
Disbursements:							
Instruction	105,628	-	-	-	-	-	4,164,678
Support services	-	-	-	23,863	-	-	2,482,370
Noninstructional services	-	-	-	-	-	-	440,606
Facilities acquisition and construction	-	-	942	-	-	-	305,419
Debt service	-	-	-	-	-	-	2,743,222
Nonprogrammed charges	-	-	-	-	-	1,355,177	1,355,177
Total disbursements	<u>105,628</u>	<u>-</u>	<u>942</u>	<u>23,863</u>	<u>-</u>	<u>1,355,177</u>	<u>11,491,472</u>
Excess (deficiency) of receipts over disbursements	<u>(4,911)</u>	<u>-</u>	<u>6,036</u>	<u>-</u>	<u>-</u>	<u>(200)</u>	<u>503,109</u>
Other financing sources (uses):							
Proceeds of long-term debt	-	-	-	-	-	-	442,484
Sale of capital assets	-	-	-	-	-	-	143,699
Transfers in	4,911	-	-	-	-	-	108,549
Transfers out	-	-	-	-	-	-	(108,549)
Total other financing sources (uses)	<u>4,911</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>586,183</u>
Excess (deficiency) of receipts and other financing sources over disbursements and other financing uses	<u>-</u>	<u>-</u>	<u>6,036</u>	<u>-</u>	<u>-</u>	<u>(200)</u>	<u>1,089,292</u>
Cash and investments - ending	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 12,723</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 2,098,613</u>

METROPOLITAN SCHOOL DISTRICT OF NEW DURHAM TOWNSHIP
 COMBINING SCHEDULE OF RECEIPTS, DISBURSEMENTS, OTHER FINANCING SOURCES (USES), AND CASH AND INVESTMENT BALANCES -
 REGULATORY BASIS
 For the Year Ended June 30, 2016

	General	Debt Service	Retirement/ Severance Bond Debt Service	Capital Projects	School Transportation	School Bus Replacement	Rainy Day	Construction GO Bond 2015
Cash and investments - beginning	\$ 734,845	\$ 710,488	\$ 15,034	\$ 118,616	\$ -	\$ 74,406	\$ -	\$ 415,624
Receipts:								
Local sources	23,026	1,609,856	103,399	617,224	321,605	52,674	-	125
Intermediate sources	4	-	-	-	-	-	-	-
State sources	5,978,456	-	-	-	-	-	-	-
Federal sources	-	92,906	-	-	-	-	-	-
Temporary loans	826,000	286,000	10,000	178,000	133,000	124,000	-	-
Other receipts	-	-	-	-	-	-	18,601	-
Total receipts	<u>6,827,486</u>	<u>1,988,762</u>	<u>113,399</u>	<u>795,224</u>	<u>454,605</u>	<u>176,674</u>	<u>18,601</u>	<u>125</u>
Disbursements:								
Instruction	4,043,357	-	-	-	-	-	-	-
Support services	1,706,031	10	-	410,253	295,973	62,940	-	-
Noninstructional services	144,985	-	-	-	-	-	-	-
Facilities acquisition and construction	-	-	-	161,566	-	-	-	402,181
Debt service	697,000	2,001,782	94,468	-	-	-	-	-
Nonprogrammed charges	-	-	-	-	-	-	-	-
Total disbursements	<u>6,591,373</u>	<u>2,001,792</u>	<u>94,468</u>	<u>571,819</u>	<u>295,973</u>	<u>62,940</u>	<u>-</u>	<u>402,181</u>
Excess (deficiency) of receipts over disbursements	<u>236,113</u>	<u>(13,030)</u>	<u>18,931</u>	<u>223,405</u>	<u>158,632</u>	<u>113,734</u>	<u>18,601</u>	<u>(402,056)</u>
Other financing sources (uses):								
Proceeds of long-term debt	-	-	-	-	-	-	-	-
Sale of capital assets	5,817	2,000	-	12,999	6,708	-	-	97,357
Transfers in	60,634	-	-	-	56,123	-	-	-
Transfers out	(45,843)	-	-	-	(55,723)	-	-	-
Total other financing sources (uses)	<u>20,608</u>	<u>2,000</u>	<u>-</u>	<u>12,999</u>	<u>7,108</u>	<u>-</u>	<u>-</u>	<u>97,357</u>
Excess (deficiency) of receipts and other financing sources over disbursements and other financing uses	<u>256,721</u>	<u>(11,030)</u>	<u>18,931</u>	<u>236,404</u>	<u>165,740</u>	<u>113,734</u>	<u>18,601</u>	<u>(304,699)</u>
Cash and investments - ending	<u>\$ 991,566</u>	<u>\$ 699,458</u>	<u>\$ 33,965</u>	<u>\$ 355,020</u>	<u>\$ 165,740</u>	<u>\$ 188,140</u>	<u>\$ 18,601</u>	<u>\$ 110,925</u>

METROPOLITAN SCHOOL DISTRICT OF NEW DURHAM TOWNSHIP
 COMBINING SCHEDULE OF RECEIPTS, DISBURSEMENTS, OTHER FINANCING SOURCES (USES), AND CASH AND INVESTMENT BALANCES -
 REGULATORY BASIS
 For the Year Ended June 30, 2016
 (Continued)

	School Lunch	Textbook Rental	Levy Excess	Educational License Plates	Courtyard 2004	Miscellaneous Programs	Gift Donations Bequests	Porter Trust Wellness Fund
Cash and investments - beginning	\$ 85,341	\$ (136,076)	\$ 8,958	\$ 281	\$ 412	\$ 41,022	\$ 3,968	\$ 3,578
Receipts:								
Local sources	154,106	69,047	10,280	-	-	-	3,100	-
Intermediate sources	-	-	-	56	-	19,191	-	-
State sources	-	27,770	-	-	-	-	-	-
Federal sources	169,264	-	-	-	-	-	-	-
Temporary loans	-	-	-	-	-	-	-	-
Other receipts	250	-	-	-	-	-	-	-
Total receipts	<u>323,620</u>	<u>96,817</u>	<u>10,280</u>	<u>56</u>	<u>-</u>	<u>19,191</u>	<u>3,100</u>	<u>-</u>
Disbursements:								
Instruction	-	-	-	-	-	2,295	987	-
Support services	631	74,754	-	-	-	-	130	-
Noninstructional services	311,149	-	-	-	-	-	-	-
Facilities acquisition and construction	-	-	-	-	-	-	-	-
Debt service	-	-	-	-	-	-	-	-
Nonprogrammed charges	4,718	-	-	-	-	-	-	-
Total disbursements	<u>316,498</u>	<u>74,754</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>2,295</u>	<u>1,117</u>	<u>-</u>
Excess (deficiency) of receipts over disbursements	<u>7,122</u>	<u>22,063</u>	<u>10,280</u>	<u>56</u>	<u>-</u>	<u>16,896</u>	<u>1,983</u>	<u>-</u>
Other financing sources (uses):								
Proceeds of long-term debt	-	-	-	-	-	-	-	-
Sale of capital assets	-	9,245	-	-	-	-	-	-
Transfers in	-	-	-	-	-	-	-	-
Transfers out	-	-	(10,280)	-	-	-	-	-
Total other financing sources (uses)	<u>-</u>	<u>9,245</u>	<u>(10,280)</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Excess (deficiency) of receipts and other financing sources over disbursements and other financing uses	<u>7,122</u>	<u>31,308</u>	<u>-</u>	<u>56</u>	<u>-</u>	<u>16,896</u>	<u>1,983</u>	<u>-</u>
Cash and investments - ending	<u>\$ 92,463</u>	<u>\$ (104,768)</u>	<u>\$ 8,958</u>	<u>\$ 337</u>	<u>\$ 412</u>	<u>\$ 57,918</u>	<u>\$ 5,951</u>	<u>\$ 3,578</u>

METROPOLITAN SCHOOL DISTRICT OF NEW DURHAM TOWNSHIP
 COMBINING SCHEDULE OF RECEIPTS, DISBURSEMENTS, OTHER FINANCING SOURCES (USES), AND CASH AND INVESTMENT BALANCES -
 REGULATORY BASIS
 For the Year Ended June 30, 2016
 (Continued)

	Westville Little School	Formative Assessment	Instruction Support	Medicaid Reimbursement	Secured Schools Safety Grant	School Technology	Performance Based Awards	4192 Title I 13-14
Cash and investments - beginning	\$ 1,422	\$ -	\$ 7,971	\$ -	\$ -	\$ -	\$ -	\$ -
Receipts:								
Local sources	25,660	-	-	-	-	-	-	-
Intermediate sources	-	-	-	-	-	-	-	-
State sources	-	8,233	29,017	4,725	11,982	6,564	23,549	-
Federal sources	-	-	-	-	-	-	-	-
Temporary loans	-	-	-	-	-	-	-	-
Other receipts	-	-	-	-	-	-	-	-
Total receipts	<u>25,660</u>	<u>8,233</u>	<u>29,017</u>	<u>4,725</u>	<u>11,982</u>	<u>6,564</u>	<u>23,549</u>	<u>-</u>
Disbursements:								
Instruction	-	-	26,516	-	-	-	22,514	-
Support services	24	5,486	-	-	8,123	4,860	1,035	-
Noninstructional services	20,428	-	-	-	-	-	-	-
Facilities acquisition and construction	-	-	-	-	3,859	-	-	-
Debt service	-	-	-	-	-	-	-	-
Nonprogrammed charges	-	-	-	-	-	-	-	-
Total disbursements	<u>20,452</u>	<u>5,486</u>	<u>26,516</u>	<u>-</u>	<u>11,982</u>	<u>4,860</u>	<u>23,549</u>	<u>-</u>
Excess (deficiency) of receipts over disbursements	<u>5,208</u>	<u>2,747</u>	<u>2,501</u>	<u>4,725</u>	<u>-</u>	<u>1,704</u>	<u>-</u>	<u>-</u>
Other financing sources (uses):								
Proceeds of long-term debt	-	-	-	-	-	-	-	-
Sale of capital assets	-	-	-	-	-	-	-	-
Transfers in	-	-	-	-	-	-	-	-
Transfers out	-	-	-	-	-	-	-	-
Total other financing sources (uses)	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Excess (deficiency) of receipts and other financing sources over disbursements and other financing uses	<u>5,208</u>	<u>2,747</u>	<u>2,501</u>	<u>4,725</u>	<u>-</u>	<u>1,704</u>	<u>-</u>	<u>-</u>
Cash and investments - ending	<u>\$ 6,630</u>	<u>\$ 2,747</u>	<u>\$ 10,472</u>	<u>\$ 4,725</u>	<u>\$ -</u>	<u>\$ 1,704</u>	<u>\$ -</u>	<u>\$ -</u>

METROPOLITAN SCHOOL DISTRICT OF NEW DURHAM TOWNSHIP
 COMBINING SCHEDULE OF RECEIPTS, DISBURSEMENTS, OTHER FINANCING SOURCES (USES), AND CASH AND INVESTMENT BALANCES -
 REGULATORY BASIS
 For the Year Ended June 30, 2016
 (Continued)

	4193 Title I 14-15	4194 Title I 15-16	Medicaid Reimbursement - Federal	Improving Teacher Quality, No Child Left, Title II, Part A	Prepaid School Meals	Payroll Clearing	Totals
Cash and investments - beginning	\$ -	\$ -	\$ 12,723	\$ -	\$ -	\$ -	\$ 2,098,613
Receipts:							
Local sources	-	-	-	-	-	-	2,990,102
Intermediate sources	-	-	-	-	-	-	19,251
State sources	-	-	-	-	-	-	6,090,296
Federal sources	18,491	98,881	16,156	21,936	-	-	417,634
Temporary loans	-	-	-	-	-	-	1,557,000
Other receipts	-	-	-	-	6,164	1,375,221	1,400,236
Total receipts	<u>18,491</u>	<u>98,881</u>	<u>16,156</u>	<u>21,936</u>	<u>6,164</u>	<u>1,375,221</u>	<u>12,474,519</u>
Disbursements:							
Instruction	13,580	116,264	-	-	-	-	4,225,513
Support services	-	-	14,607	21,986	-	-	2,606,843
Noninstructional services	-	93	-	-	-	-	476,655
Facilities acquisition and construction	-	-	1,004	-	-	-	568,610
Debt service	-	-	-	-	-	-	2,793,250
Nonprogrammed charges	-	-	-	-	1,641	1,375,221	1,381,580
Total disbursements	<u>13,580</u>	<u>116,357</u>	<u>15,611</u>	<u>21,986</u>	<u>1,641</u>	<u>1,375,221</u>	<u>12,052,451</u>
Excess (deficiency) of receipts over disbursements	<u>4,911</u>	<u>(17,476)</u>	<u>545</u>	<u>(50)</u>	<u>4,523</u>	<u>-</u>	<u>422,068</u>
Other financing sources (uses):							
Proceeds of long-term debt	-	-	-	-	-	-	-
Sale of capital assets	-	-	-	-	-	-	134,126
Transfers in	-	-	-	-	-	-	116,757
Transfers out	(4,911)	-	-	-	-	-	(116,757)
Total other financing sources (uses)	<u>(4,911)</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>134,126</u>
Excess (deficiency) of receipts and other financing sources over disbursements and other financing uses	<u>-</u>	<u>(17,476)</u>	<u>545</u>	<u>(50)</u>	<u>4,523</u>	<u>-</u>	<u>556,194</u>
Cash and investments - ending	<u>\$ -</u>	<u>\$ (17,476)</u>	<u>\$ 13,268</u>	<u>\$ (50)</u>	<u>\$ 4,523</u>	<u>\$ -</u>	<u>\$ 2,654,807</u>

METROPOLITAN SCHOOL DISTRICT OF NEW DURHAM TOWNSHIP
SCHEDULE OF LEASES AND DEBT
June 30, 2016

Lessor	Purpose	Annual Lease Payment	Lease Beginning Date	Lease Ending Date
Governmental activities:				
Metropolitan School District of New Durham Township Building Corporation	School Construction	\$ 841,450	7/15/2011	7/15/2024
Metropolitan School District of New Durham Township Building Corporation	School Construction	207,000	7/15/2013	7/15/2020
Metropolitan School District of New Durham Township Building Corporation	School Construction	<u>102,669</u>	1/15/2015	1/15/2027
Total of annual lease payments		<u>\$ 1,151,119</u>		

Type	Description of Debt	Purpose	Ending Principal Balance	Principal and Interest Due Within One Year
Governmental activities:				
General obligation bonds		School Construction	\$ 1,810,000	\$ 142,376
General obligation bonds		Pension Debt	785,000	92,971
Tax anticipation warrants		Temporary Loans for 2016	1,557,000	1,575,276
Notes and loans payable		School Construction	375,000	228,400
Notes and loans payable		Pension Debt	<u>785,000</u>	<u>107,047</u>
Totals			<u>\$ 5,312,000</u>	<u>\$ 2,146,070</u>

METROPOLITAN SCHOOL DISTRICT OF NEW DURHAM TOWNSHIP
 SCHEDULE OF CAPITAL ASSETS
 June 30, 2016

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	\$ 120,250
Buildings	13,386,575
Machinery, equipment, and vehicles	1,541,019
Construction in progress	402,181
Total capital assets	\$ 15,450,025

(This page intentionally left blank.)

SUPPLEMENTAL AUDIT OF
FEDERAL AWARDS



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

TO: THE OFFICIALS OF THE METROPOLITAN SCHOOL DISTRICT
OF NEW DURHAM TOWNSHIP, LAPORTE COUNTY, INDIANA

Report on Compliance for Each Major Federal Program

We have audited the Metropolitan School District of New Durham Township'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, 2014 to June 30, 2016. 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 federal statutes, regulations, and the terms and conditions of its federal awards 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, 2014 to June 30, 2016.

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 a 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 2016-003 to be a material weakness

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

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


Paul D. Joyce, CPA
State Examiner

June 1, 2017

(This page intentionally left blank.)

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.

(This page intentionally left blank.)

METROPOLITAN SCHOOL DISTRICT OF NEW DURHAM TOWNSHIP
 SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS
 For the Years Ended June 30, 2015 and 2016

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	Pass-Through To Subrecipient 06-30-15	Total Federal Awards Expended 06-30-15	Pass-Through To Subrecipient 06-30-16	Total Federal Awards Expended 06-30-16
<u>Department of Agriculture</u>							
Child Nutrition Cluster							
School Breakfast Program	Indiana Department of Education	10.553	FY 14-15	\$ -	\$ 18,783	\$ -	\$ -
		10.553	FY 15-16	-	-	-	21,427
Total - School Breakfast Program				-	18,783	-	21,427
National School Lunch Program	Indiana Department of Education	10.555	FY 14-15	-	125,394	-	-
		10.555	FY 15-16	-	-	-	147,837
National School Lunch Commodities		10.555	FY 14-15	-	29,135	-	-
		10.555	FY 15-16	-	-	-	27,104
Total - National School Lunch Program				-	154,529	-	174,941
Total - Child Nutrition Cluster				-	173,312	-	196,368
Total - Department of Agriculture				-	173,312	-	196,368
<u>Department of Education</u>							
Special Education Cluster (IDEA)							
Special Education_Grants to States	Indiana Department of Education	84.027	99914-057-TA01	-	2,180	-	42
		84.027	14213-057-PN01	-	38	-	-
		84.027	14214-057-PN01	-	50,533	-	-
		84.027	14215-057-PN01	-	120,623	-	56,426
		84.027	14216-055-PN01	-	-	-	131,898
Total - Special Education_Grants to States				-	173,374	-	188,366
Special Education_Preschool Grants	Indiana Department of Education	84.173	45714-057-PN01	-	3,551	-	-
		84.173	45715-057-PN01	-	5,837	-	1,608
		84.173	45716-055-PN01	-	-	-	3,032
Total - Special Education_Preschool Grants				-	9,388	-	4,640
Total - Special Education Cluster (IDEA)				-	182,762	-	193,006
Title I Grants to Local Educational Agencies	Indiana Department of Education	84.010	Project #13-4860	-	18,170	-	-
Title I Grants to Local Educational Agencies		84.010	Project #14-4860	-	100,717	-	-
		84.010	Project #15-4860	-	-	-	18,491
		84.010	Project #16-4860	-	-	-	98,881
Total - Title I Grants to Local Educational Agencies				-	118,887	-	117,372
Improving Teacher Quality State Grants	Indiana Department of Education	84.367	Project #12-4860	-	4,044	-	-
		84.367	Project #13-4860	-	15,983	-	-
		84.367	Project #14-4860	-	3,836	-	12,882
		84.367	Project #15-4860	-	-	-	9,054
Total - Improving Teacher Quality State Grants				-	23,863	-	21,936
Total - Department of Education				-	325,512	-	332,314
Total federal awards expended				\$ -	\$ 498,824	\$ -	\$ 528,682

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

METROPOLITAN SCHOOL DISTRICT OF NEW DURHAM TOWNSHIP
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 under programs of the federal government for the years ended June 30, 2015 and 2016. The information in the SEFA is presented in accordance with the requirements of the Office of Management and Budget (OMB) Circular A-133, *Audits of States, Local Governments, and Non-Profit Organizations*. Because the SEFA presents only a select portion of the operations of the School Corporation, it is not intended to and does not present the financial position of the School Corporation.

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. Summary of Significant Accounting Policies

Expenditures reported on the SEFA are reported on the cash basis of accounting. Such expenditures are recognized following, as applicable, either the cost principles in OMB Circular A-87, *Cost Principles for State, Local, and Indian Tribal Governments*, or the cost principles contained in Title 2 U.S. Code of Federal Regulations Part 200, *Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards*, wherein certain types of expenditures are not allowed or are limited as to reimbursement. When federal grants are received on a reimbursement basis, the federal awards are considered expended when the reimbursement is received.

Note 3. Special Education Cooperative

The School Corporation is a member of a Special Education Cooperative. As a result, some activity for the Special Education Cluster (IDEA) that is presented as federal awards expended in the SEFA is not presented as receipts and disbursements in the financial statement for the School Corporation. This activity is reported on the financial statement of the Special Education Cooperative.

METROPOLITAN SCHOOL DISTRICT OF NEW DURHAM TOWNSHIP
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 deficiency identified?	none reported
Noncompliance material to financial statement noted?	yes

Federal Awards:

Internal control over major programs:	
Material weakness identified?	yes
Significant deficiency identified?	none reported
Any audit findings disclosed that are required to be reported in accordance with section 2 CFR 200.516(a)?	yes

Identification of Major Programs and type of auditor's report issued on compliance for each:

<u>Name of Federal Program or Cluster</u>	<u>Opinion Issued</u>
Child Nutrition Cluster	Unmodified
Special Education Cluster (IDEA)	Unmodified

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 2016-001 - INTERNAL CONTROLS OVER FINANCIAL TRANSACTIONS

Condition

There were deficiencies in the internal control system of the School Corporation related to financial transactions:

1. Lack of Segregation of Duties: The School Corporation had not separated incompatible activities related to receipts and vendor disbursements.

Receipts: The Treasurer recorded the receipts in the computerized accounting system, prepared the bank deposits, and took the deposits to the bank.

Vendor Disbursements: The Treasurer prepared, recorded, and mailed checks for vendor (non-payroll) disbursements.

METROPOLITAN SCHOOL DISTRICT OF NEW DURHAM TOWNSHIP
SCHEDULE OF FINDINGS AND QUESTIONED COSTS
(Continued)

2. Monitoring of Controls: The School Corporation had no process to identify or communicate corrective actions to improve controls. Effective internal controls over financial reporting required the School Corporation to monitor and assess the quality of the system of internal control.

Criteria

The Indiana State Board of Accounts (SBOA) is required under Indiana Code 5-11-1-27(e) to define the acceptable minimum level of internal control standards. To provide clarifying guidance, the State Examiner compiled the standards contained in the manual, *Uniform Internal Control Standards for Indiana Political Subdivisions*. All political subdivisions subject to audit by SBOA are expected to adhere to these standards. The standards include adequate control activities. According to this manual:

"Control activities are the actions and tools established through policies and procedures that help to detect, prevent, or reduce the identified risks that interfere with the achievement of objectives. Detection activities are designed to identify unfavorable events in a timely manner whereas prevention activities are designed to deter the occurrence of an unfavorable event. Examples of these activities include reconciliations, authorizations, approval processes, performance reviews, and verification processes.

An integral part of the control activity component is segregation of duties. . . .

There is an expectation of segregation of duties. If compensating controls are necessary, documentation should exist to identify both the areas where segregation of duties are not feasible or practical and the compensating controls implemented to mitigate the risk. . . .

Evaluations are used to determine whether each of the five components of internal control is present and functioning. These evaluations may be conducted on an ongoing or periodic basis. The criteria used are developed by the oversight body, elected officials, management, governing boards, or recognized standard-setting bodies or regulators. . . .

A baseline of the current state of the internal control system is compared against the original design of the internal control system. The baseline consists of issues and deficiencies identified in the internal control system. The results of the monitoring process are evaluated and documented. . . .

Management remediates identified issues. . . ."

Cause

Management of the School Corporation had not established a proper system of internal control and an evaluation of their system of internal control had not been conducted.

Effect

The failure to establish controls could have enabled misstatements or irregularities to remain undetected. The failure to monitor the internal control system placed the School Corporation at risk that controls may not have been either designed properly or operating effectively to provide reasonable assurance that controls would have prevented, or detected and corrected, misstatements in a timely manner.

METROPOLITAN SCHOOL DISTRICT OF NEW DURHAM TOWNSHIP
SCHEDULE OF FINDINGS AND QUESTIONED COSTS
(Continued)

Views of Responsible Officials

For the views of responsible officials, refer to the Corrective Action Plan that is part of this report.

**FINDING 2016-002 - PREPARATION OF THE SCHEDULE
OF EXPENDITURES OF FEDERAL AWARDS**

Condition

The School Corporation failed to establish or properly implement effective internal controls over the Schedule of Expenditures of Federal Awards (SEFA). There was no audit evidence provided that a review of the SEFA by any person other than the preparer occurred prior to submission. As a result, the School Corporation failed to report federal expenditures of \$54,640 for the Child Nutrition Cluster and the program titles reported on the SEFA were incorrect for multiple grants.

Audit adjustments were proposed, accepted by the School Corporation, and made to the SEFA.

Criteria

The Indiana State Board of Accounts (SBOA) is required under Indiana Code 5-11-1-27(e) to define the acceptable minimum level of internal control standards. To provide clarifying guidance, the State Examiner compiled the standards contained in the manual, *Uniform Internal Control Standards for Indiana Political Subdivisions*. All political subdivisions subject to audit by SBOA are expected to adhere to these standards. The standards include adequate control activities. According to this manual:

"Control activities are the actions and tools established through policies and procedures that help to detect, prevent, or reduce the identified risks that interfere with the achievement of objectives. Detection activities are designed to identify unfavorable events in a timely manner whereas prevention activities are designed to deter the occurrence of an unfavorable event. Examples of these activities include reconciliations, authorizations, approval processes, performance reviews, and verification processes.

An integral part of the control activity component is segregation of duties. . . .

There is an expectation of segregation of duties. If compensating controls are necessary, documentation should exist to identify both the areas where segregation of duties are not feasible or practical and the compensating controls implemented to mitigate the risk. . . .

The Green Book identifies a list of control activity categories that are meant only to illustrate the range and variety of control activities; . . . Accurate and timely recording of transactions. . . ."

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 § .310. . . ."

METROPOLITAN SCHOOL DISTRICT OF NEW DURHAM TOWNSHIP
SCHEDULE OF FINDINGS AND QUESTIONED COSTS
(Continued)

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

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

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

2 CFR 200.508 states in part: "The auditee must: . . . (b) Prepare appropriate financial statements, including the schedule of expenditures of Federal awards in accordance with §200.510 Financial statements. . . ."

2 CFR 200.510(b) states:

"Schedule of expenditures of Federal awards. The auditee must also prepare a schedule of expenditures of Federal awards for the period covered by the auditee's financial statements which must include the total Federal awards expended as determined in accordance with §200.502 Basis for determining Federal awards expended. 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 Federal award years, the auditee may list the amount of Federal awards expended for each Federal award year separately. At a minimum, the schedule must:

METROPOLITAN SCHOOL DISTRICT OF NEW DURHAM TOWNSHIP
SCHEDULE OF FINDINGS AND QUESTIONED COSTS
(Continued)

- (1) List individual Federal programs by Federal agency. For a cluster of programs, provide the cluster name, list individual Federal programs within the cluster of programs, and provide the applicable Federal agency name. For R&D, total Federal awards expended must be shown either by individual Federal award or by Federal agency and major subdivision within the Federal agency. For example, the National Institutes of Health is a major subdivision in the Department of Health and Human Services.
- (2) For Federal awards received as a subrecipient, the name of the pass-through entity and identifying number assigned by the pass-through entity must 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. For a cluster of programs also provide the total for the cluster.
- (4) Include the total amount provided to subrecipients from each Federal program.
- (5) For loan or loan guarantee programs described in §200.502 Basis for determining Federal awards expended, paragraph (b), identify in the notes to the schedule the balances outstanding at the end of the audit period. This is in addition to including the total Federal awards expended for loan or loan guarantee programs in the schedule.
- (6) Include notes that describe the significant accounting policies used in preparing the schedule, and note whether or not the auditee elected to use the 10% de minimis cost rate as covered in §200.414 Indirect (F&A) costs."

Cause

Management had not established a system of internal control that would have ensured proper reporting of the SEFA.

Effect

The failure to establish or properly implement a system of internal controls enabled material misstatements of the SEFA to remain undetected. The SEFA contained the errors identified in the *Condition*.

Views of Responsible Officials

For the views of responsible officials, refer to the Corrective Action Plan that is part of this report.

Section III - Federal Award Findings and Questioned Costs

**FINDING 2016-003 - INTERNAL CONTROL OVER ELIGIBILITY,
PROGRAM INCOME, AND REPORTING**

Federal Agency: Department of Agriculture

Federal Programs: School Breakfast Program, National School Lunch Program

CFDA Numbers: 10.553, 10.555

Federal Award Number and Years (or Other Identifying Numbers): FY14-15, FY15-16

Pass-Through Entity: Indiana Department of Education

METROPOLITAN SCHOOL DISTRICT OF NEW DURHAM TOWNSHIP
SCHEDULE OF FINDINGS AND QUESTIONED COSTS
(Continued)

This is a partial repeat of Findings 2014-005, 2014-007, and 2014-008 from the immediate prior year.

Condition

An effective internal control system was not in place at the School Corporation in order to ensure compliance with requirements related to the grant agreement and the Eligibility, Program Income, and Reporting compliance requirements.

Eligibility

To apply for free or reduced price meal benefits, a paper application was filled out by the family of the student. A school employee entered the information from the paper application into the computer system and the eligibility for free and reduced price meals was determined by the software. There was no verification or review to ensure that the information was entered into the computer system accurately.

Program Income

There was no effective control in place at the School Corporation that would have ensured that correct amounts for program income were entered into the School Corporation's financial accounting system from the Cafeteria financial reporting system. Amounts were entered into the School Corporation's financial accounting system without verification or review by anyone other than the person who calculated and entered the amounts.

*Reporting - School Food Authority (SFA) Verification
Collection Reports and Annual Financial Report*

The School Food Authority (SFA) Verification Collection Reports and Annual Financial Reports were submitted without oversight or review.

Context

The lack of controls was a systemic problem. There were no documented controls over the compliance requirements noted in the *Condition* throughout the audit period.

Criteria

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. . . ."

METROPOLITAN SCHOOL DISTRICT OF NEW DURHAM TOWNSHIP
SCHEDULE OF FINDINGS AND QUESTIONED COSTS
(Continued)

2 CFR 200.303 states in part:

"The non-Federal entity must:

(a) Establish and maintain effective internal control over the Federal award that provides reasonable assurance that the non-Federal entity is managing the Federal award in compliance with Federal statutes, regulations, and the terms and conditions of the Federal award. These internal controls should be in compliance with guidance in 'Standards for Internal Control in the Federal Government' issued by the Comptroller General of the United States or the 'Internal Control Integrated Framework', issued by the Committee of Sponsoring Organizations of the Treadway Commission (COSO). . . ."

Cause

Management had not developed a system of internal controls that segregated key functions.

Effect

The failure to establish an effective internal control system placed 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 have also allowed noncompliance with compliance requirements and allowed the misuse and mismanagement of federal funds and assets by not having proper oversight, reviews, and approvals over the activities of the programs.

Questioned Costs

There were no questioned costs identified.

Recommendation

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

Views of Responsible Officials

For the views of responsible officials, refer to the Corrective Action Plan that is part of this report.

(This page intentionally left blank.)

AUDITEE-PREPARED DOCUMENTS

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

METROPOLITAN SCHOOL DISTRICT of NEW DURHAM TOWNSHIP

207 E. Valparaiso Street, Westville, Indiana 46391-9712

Phone (219) 785-2239 • Fax (219) 785-4584

Administration

Curtis A. Strietelmeier, Ph.D., Superintendent
Alissa L. Schnick, Secondary Principal
Brian A. Ton, Elementary Principal
Joshua T. Goeringer, Athletic Director/Asst. Principal

Board of Trustees

Lynn M Wilson, President
Mark D Parkman, Vice President
Vicki Hannon, Secretary
Karen Jedrysek, Deputy Secretary
Gurpreet Singh, Member

SUMMARY SCHEDULE OF PRIOR AUDIT FINDINGS

FINDING 2014-003 – ALLOWABLE ACTIVITIES/ALLOWABLE COSTS

Fiscal year in which the finding initially occurred: FY 12-13, FY 13-14


Pass-Through Entity: Indiana Department of Education

Contact Person Responsible for Corrective Action: Curtiss Strietelmeier

Contact Phone Number: 219-785-2239

Status of Audit Finding:

The audit with the corrective Action Plan from the audit period of July 1, 2012 to June 30, 2014 was not filed until February 1, 2016. We are currently being audited for the audit period of July 1, 2014 to June 30, 2016. School was not informed of any problems until exit interview, which, was on December 17, 2015. That would mean the School Corporation could not put the corrective action plan into play until after February 1, 2016. For the last five months (Feb. to June 2016) of the current audit period of July 1, 2014 to June 30, 2016 the school has been working on putting the corrective action plan into play. The school continues to look and make changes for internal control and adequate policies and procedures.



(Signatures)

Superintendent & Corporation Treasurer



(Title)

April 11, 2017

(Date)

(Note to Officials: To determine what audit findings are required to be reported in the Summary Schedule of Prior Audit Findings, please see U.S. Office of Management and Budget (OMB), Circular A-133, Subpart C, section .315(b) for audit periods beginning before December 26, 2014. For audit periods beginning after December 26, 2014, please see 2 CFR §200.511(b).)

METROPOLITAN SCHOOL DISTRICT of NEW DURHAM TOWNSHIP

207 E. Valparaiso Street, Westville, Indiana 46391-9712

Phone (219) 785-2239 • Fax (219) 785-4584

Administration

Curtis A. Strietelmeier, Ph.D., Superintendent
Alissa L. Schnick, Secondary Principal
Brian A. Ton, Elementary Principal
Joshua T. Goeringer, Athletic Director/Asst. Principal

Board of Trustees

Lynn M Wilson, President
Mark D Parkman, Vice President
Vicki Hannon, Secretary
Karen Jedrysek, Deputy Secretary
Gurpreet Singh, Member

SUMMARY SCHEDULE OF PRIOR AUDIT FINDINGS

FINDING 2014-004

Fiscal year in which the finding initially occurred: FY 12-13, FY 13-14
Pass-Through Entity: Indiana Department of Education
Contact Person Responsible for Corrective Action: Curtiss Strietelmeier
Contact Phone Number: 219-785-2239

Status of Audit Finding:

The audit with the corrective Action Plan from the audit period of July 1, 2012 to June 30, 2014 was not filed until February 1, 2016. We are currently being audited for the audit period of July 1, 2014 to June 30, 2016. School was not informed of any problems until exit interview, which, was on December 17, 2015. That would mean the School Corporation could not put the corrective action plan into play until after February 1, 2016. For the last five months (Feb. to June 2016) of the current audit period of July 1, 2014 to June 30, 2016 the school has been working on putting the corrective action plan into play. The school continues to look and make changes for internal control and adequate policies and procedures.



(Signature)

Superintendent & Corporation Treasurer

(Title)

April 11, 2017

(Date)

(Note to Officials: To determine what audit findings are required to be reported in the Summary Schedule of Prior Audit Findings, please see U.S. Office of Management and Budget (OMB), Circular A-133, Subpart C, section .315(b) for audit periods beginning before December 26, 2014. For audit periods beginning after December 26, 2014, please see 2 CFR §200.511(b).)

METROPOLITAN SCHOOL DISTRICT of NEW DURHAM TOWNSHIP

207 E. Valparaiso Street, Westville, Indiana 46391-9712

Phone (219) 785-2239 • Fax (219) 785-4584

Administration

Curtis A. Strietelmeier, Ph.D., Superintendent
Alissa L. Schnick, Secondary Principal
Brian A. Ton, Elementary Principal
Joshua T. Goeringer, Athletic Director/Asst. Principal

Board of Trustees

Lynn M Wilson, President
Mark D Parkman, Vice President
Vicki Hannon, Secretary
Karen Jedrysek, Deputy Secretary
Gurpreet Singh, Member

SUMMARY SCHEDULE OF PRIOR AUDIT FINDINGS

FINDING 2014-005

Fiscal year in which the finding initially occurred: FY 12-13, FY 13-14
Pass-Through Entity: Indiana Department of Education
Contact Person Responsible for Corrective Action: Curtiss Strietelmeier
Contact Phone Number: 219-785-2239

Status of Audit Finding:

The audit with the corrective Action Plan from the audit period of July 1, 2012 to June 30, 2014 was not filed until February 1, 2016. We are currently being audited for the audit period of July 1, 2014 to June 30, 2016. School was not informed of any problems until exit interview, which, was on December 17, 2015. That would mean the School Corporation could not put the corrective action plan into play until after February 1, 2016. For the last five months (Feb. to June 2016) of the current audit period of July 1, 2014 to June 30, 2016 the school has been working on putting the corrective action plan into play. The school continues to look and make changes for internal control and adequate policies and procedures.

(Signatures)
Superintendent & Corporation Treasurer

(Title)
April 11, 2017

(Date)

(Note to Officials: To determine what audit findings are required to be reported in the Summary Schedule of Prior Audit Findings, please see U.S. Office of Management and Budget (OMB), Circular A-133, Subpart C, section .315(b) for audit periods beginning before December 26, 2014. For audit periods beginning after December 26, 2014, please see 2 CFR §200.511(b).)

METROPOLITAN SCHOOL DISTRICT of NEW DURHAM TOWNSHIP

207 E. Valparaiso Street, Westville, Indiana 46391-9712

Phone (219) 785-2239 • Fax (219) 785-4584

Administration

Curtis A. Strietelmeier, Ph.D., Superintendent
Alissa L. Schnick, Secondary Principal
Brian A. Ton, Elementary Principal
Joshua T. Goeringer, Athletic Director/Asst. Principal

Board of Trustees

Lynn M Wilson, President
Mark D Parkman, Vice President
Vicki Hannon, Secretary
Karen Jedrysek, Deputy Secretary
Gurpreet Singh, Member

SUMMARY SCHEDULE OF PRIOR AUDIT FINDINGS

FINDING 2014-006

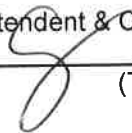
Fiscal year in which the finding initially occurred: FY 12-13, FY 13-14
Pass-Through Entity: Indiana Department of Education
Contact Person Responsible for Corrective Action: Curtiss Strietelmeier
Contact Phone Number: 219-785-2239

Status of Audit Finding:

The audit with the corrective Action Plan from the audit period of July 1, 2012 to June 30, 2014 was not filed until February 1, 2016. We are currently being audited for the audit period of July 1, 2014 to June 30, 2016. School was not informed of any problems until exit interview, which, was on December 17, 2015. That would mean the School Corporation could not put the corrective action plan into play until after February 1, 2016. For the last five months (Feb. to June 2016) of the current audit period of July 1, 2014 to June 30, 2016 the school has been working on putting the corrective action plan into play. The school continues to look and make changes for internal control and adequate policies and procedures.



(Signatures)

Superintendent & Corporation Treasurer


(Title)

April 11, 2017

(Date)

(Note to Officials: To determine what audit findings are required to be reported in the Summary Schedule of Prior Audit Findings, please see U.S. Office of Management and Budget (OMB), Circular A-133, Subpart C, section .315(b) for audit periods beginning before December 26, 2014. For audit periods beginning after December 26, 2014, please see 2 CFR §200.511(b).)

METROPOLITAN SCHOOL DISTRICT of NEW DURHAM TOWNSHIP

207 E. Valparaiso Street, Westville, Indiana 46391-9712

Phone (219) 785-2239 • Fax (219) 785-4584

Administration

Curtis A. Strietelmeier, Ph.D., Superintendent

Alissa L. Schnick, Secondary Principal

Brian A. Ton, Elementary Principal

Joshua T. Goeringer, Athletic Director/Asst. Principal

Board of Trustees

Lynn M Wilson, President

Mark D Parkman, Vice President

Vicki Hannon, Secretary

Karen Jedrysek, Deputy Secretary

Gurpreet Singh, Member

SUMMARY SCHEDULE OF PRIOR AUDIT FINDINGS

FINDING 2014-007

Fiscal year in which the finding initially occurred: FY 12-13, FY 13-14

Pass-Through Entity: Indiana Department of Indiana

Contact Person Responsible for Corrective Action: Curtiss Strietelmeier


Contact Phone Number: 219-785-2239

Status of Audit Finding:

The audit with the corrective Action Plan from the audit period of July 1, 2012 to June 30, 2014 was not filed until February 1, 2016. We are currently being audited for the audit period of July 1, 2014 to June 30, 2016.

School was not informed of any problems until exit interview, which, was on December 17, 2015. That would mean the School Corporation could not put the corrective action plan into play until after February 1, 2016.

For the last five months (Feb. to June 2016) of the current audit period of July 1, 2014 to June 30, 2016 the school has been working on putting the corrective action plan into play. The school continues to look and make changes for internal control and adequate policies and procedures.



(Signatures)

Superintendent & Corporation Treasurer



(Title)

April 11, 2017

(Date)

(Note to Officials: To determine what audit findings are required to be reported in the Summary Schedule of Prior Audit Findings, please see U.S. Office of Management and Budget (OMB), Circular A-133, Subpart C, section .315(b) for audit periods beginning before December 26, 2014. For audit periods beginning after December 26, 2014, please see 2 CFR §200.511(b).)

METROPOLITAN SCHOOL DISTRICT of NEW DURHAM TOWNSHIP

207 E. Valparaiso Street, Westville, Indiana 46391-9712

Phone (219) 785-2239 • Fax (219) 785-4584

Administration

Curtis A. Strietelmeier, Ph.D., Superintendent
Alissa L. Schnick, Secondary Principal
Brian A. Ton, Elementary Principal
Joshua T. Goeringer, Athletic Director/Asst. Principal

Board of Trustees

Lynn M Wilson, President
Mark D Parkman, Vice President
Vicki Hannon, Secretary
Karen Jedrysek, Deputy Secretary
Gurpreet Singh, Member

SUMMARY SCHEDULE OF PRIOR AUDIT FINDINGS

FINDING 2014-008

Fiscal year in which the finding initially occurred: FY 12-13, FY 13-14
Pass-Through Entity: Indiana Department of Education
Contact Person Responsible for Corrective Action: Curtiss Strietelmeier
Contact Phone Number: 219-785-2239

Status of Audit Finding:

The audit with the corrective Action Plan from the audit period of July 1, 2012 to June 30, 2014 was not filed until February 1, 2016. We are currently being audited for the audit period of July 1, 2014 to June 30, 2016. School was not informed of any problems until exit interview, which, was on December 17, 2015. That would mean the School Corporation could not put the corrective action plan into play until after February 1, 2016. For the last five months (Feb. to June 2016) of the current audit period of July 1, 2014 to June 30, 2016 the school has been working on putting the corrective action plan into play. The school continues to look and make changes for internal control and adequate policies and procedures.



(Signatures)
Superintendent & Corporation Treasurer

(Title)
April 11, 2017

(Date)

(Note to Officials: To determine what audit findings are required to be reported in the Summary Schedule of Prior Audit Findings, please see U.S. Office of Management and Budget (OMB), Circular A-133, Subpart C, section .315(b) for audit periods beginning before December 26, 2014. For audit periods beginning after December 26, 2014, please see 2 CFR §200.511(b).)

METROPOLITAN SCHOOL DISTRICT of NEW DURHAM TOWNSHIP

207 E. Valparaiso Street, Westville, Indiana 46391-9712

Phone (219) 785-2239 • Fax (219) 785-4584

Administration

Curtis A. Strietelmeier, Ph.D., Superintendent
Alissa L. Schnick, Secondary Principal
Brian A. Ton, Elementary Principal
Joshua T. Goeringer, Athletic Director/Asst. Principal

Board of Trustees

Lynn M Wilson, President
Mark D Parkman, Vice President
Vicki Hannon, Secretary
Karen Jedrysek, Deputy Secretary
Gurpreet Singh, Member

CORRECTIVE ACTION PLAN

FINDING 2016-001 – INTERNAL CONTROLS OVER FINANCIAL TRANSACTIONS AND REPORTING

Contact Person Responsible for Corrective Action: Curtiss Strietelmeier and Sherie Breitenbach

Contact Phone Number: 219-785-2239

Views of Responsible Official:

The audit with the corrective action plan from the audit period of July 1, 2012 to June 30, 2014 was not filed until February 1, 2016. We are currently being audited for the audit period of July 1, 2014 to June 30, 2016. That would mean that July 1, 2014 to February 1, 2016 of current audit period would be with the audit period of July 1, 2012 to June 30, 2014. School was not informed of any problems until exit interview, which was in January 2016. That would mean the School Corporation could not put the corrective action plan into play until February 2016. For the last five months of the current audit period of July 1, 2014 to June 30, 2016 the school has been working on putting the corrective action plan into play.

Even though the current administration was not in place during the period that the audit was conducted. We are more than willing to take on the responsibility and correcting the issues that were identified.

Description of Corrective Action Plan:

- Corporation Treasurer prepares the bank deposit ticket.
- Deputy Treasurer physically verifies the deposit and verification is noted by initialing the deposit ticket.
- Deputy Treasurer takes the bank deposit to the bank.
- Corporation Treasurer prepares the Bank reconciliations.
- Deputy Treasurer reviews the Bank reconciliations and initials.
- After the procedure for purchasing is complete the Deputy Treasurer makes sure that we have all the invoices, voucher claim, purchase order copy, and signatures.
- Corporation Treasurer enters claims into Komputrol for payment and creates a voucher edit report.
- Superintendent signs the voucher edit before the checks are cut.
- Corporation Treasurer creates a voucher document each month for the School Board to approval before checks are mailed out.
- Deputy Treasurer is given all voucher claims, labels, checks and check register by the Corporation Treasurer. Deputy Treasurer matches everything up and mails claims after School Board approval. Deputy Treasurer signs check register that all is good and returns to Corporation Treasurer.

Anticipated Completion Date: Receipts – April 2017
Bank Reconciliation – April 2016
Disbursements – April 2017



Sherie Breitenbach
Corporation Treasurer
May 31, 2017



Curtiss Stietelmeier
Superintendent
May 31, 2017

METROPOLITAN SCHOOL DISTRICT of NEW DURHAM TOWNSHIP

207 E. Valparaiso Street, Westville, Indiana 46391-9712

Phone (219) 785-2239 • Fax (219) 785-4584

Administration

Curtis A. Strietelmeier, Ph.D., Superintendent
Alissa L. Schnick, Secondary Principal
Brian A. Ton, Elementary Principal
Joshua T. Goeringer, Athletic Director/Asst. Principal

Board of Trustees

Lynn M Wilson, President
Mark D Parkman, Vice President
Vicki Hannon, Secretary
Karen Jedrysek, Deputy Secretary
Gurpreet Singh, Member

CORRECTIVE ACTION PLAN

FINDING 2016-002 – PREPARATION OF THE SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS

Contact Person Responsible for Corrective Action: Curtiss Strietelmeier and Sherie Breitenbach
Contact Phone Number: 219-785-2239

Views of Responsible Official:

The audit with the corrective action plan from the audit period of July 1, 2012 to June 30, 2014 was not filed until February 1, 2016. We are currently being audited for the audit period of July 1, 2014 to June 30, 2016. That would mean that July 1, 2014 to February 1, 2016 of current audit period would be with the audit period of July 1, 2012 to June 30, 2014. School was not informed of any problems until exit interview, which was in January 2016. That would mean the School Corporation could not put the corrective action plan into play until February 2016. For the last five months of the current audit period of July 1, 2014 to June 30, 2016 the school has been working on putting the corrective action plan into play.

Even though the current administration was not in place during the period that the audit was conducted. We are more than willing to take on the responsibility and correcting the issues that were identified.

Description of Corrective Action Plan:

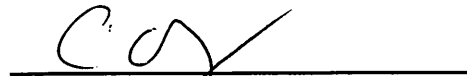
SEFA:

- Future SEFA reporting will be in accordance with OMB Circular A-133, Subpart C, Section 310 (b), Schedule of expenditures of Federal awards.
- Future reports will be prepared by the Corporation Treasurer and verified by the Deputy Treasurer before submit.

Anticipated Completion Date: Already in place.



Sherie Breitenbach
Corporation Treasurer
May 31, 2017



Curtiss Strietelmeier
Superintendent
May 31, 2017

METROPOLITAN SCHOOL DISTRICT of NEW DURHAM TOWNSHIP

207 E. Valparaiso Street, Westville, Indiana 46391-9712

Phone (219) 785-2239 • Fax (219) 785-4584

Administration

Curtis A. Strietelmeier, Ph.D., Superintendent
Alissa L. Schnick, Secondary Principal
Brian A. Ton, Elementary Principal
Joshua T. Goeringer, Athletic Director/Asst. Principal

Board of Trustees

Lynn M Wilson, President
Mark D Parkman, Vice President
Vicki Hannon, Secretary
Karen Jedrysek, Deputy Secretary
Gurpreet Singh, Member

CORRECTIVE ACTION PLAN

FINDING 2016-003 – INTERNAL CONTROL OVER ELIGIBILITY, PROGRAM INCOME, AND REPORTING

Contact Person Responsible for Corrective Action: Curtiss Strietelmeier, Sherie Breitenbach, & Lori Sikora
Contact Phone Number: 219-785-2239

Views of Responsible Official:

The audit with the corrective action plan from the audit period of July 1, 2012 to June 30, 2014 was not filed until February 1, 2016. We are currently being audited for the audit period of July 1, 2014 to June 30, 2016. That would mean that July 1, 2014 to February 1, 2016 of current audit period would be with the audit period of July 1, 2012 to June 30, 2014. School was not informed of any problems until exit interview, which was in January 2016. That would mean the School Corporation could not put the corrective action plan into play until February 2016. For the last five months of the current audit period of July 1, 2014 to June 30, 2016 the school has been working on putting the corrective action plan into play.

Even though the current administration was not in place during the period that the audit was conducted. We are more than willing to take on the responsibility and correcting the issues that were identified.

Description of Corrective Action Plan:

Eligibility:

- Collection of applications for Free and Reduced Lunch are at student registration, MealTime on line, Food Service Department, & in each school office.
- Corporation Secretary will provide a list of students who qualify for free lunch as a result of direct certification to the Director of Food service three times during the school year.
- Social Worker will provide a list of students who qualify for free lunch as a result of homeless status and foster child status to Director of Food Service as soon as they receive the information of the student's status.
- Director of Food Service will use Federal Guidelines to determine eligibility level for all applications.
- Office Manager will review approval status.
- Director of Food Service will update student status in MealTime.
- Office Manager will print off the letters from MealTime for each applicant to inform families of qualification.
- Director of Food Service will review the letters, sign the letters, and mail the letters.
- Director of Food Service will set all student status to not eligible at the end of the first 30 days of the next school year, if no new application has been received.

Program Income:

- Office Manager collects all daily payments for elementary and enters into student's accounts.

- Cashiers collect all daily payments for student meals purchased and balance drawer at the end of the day against MealTime readout and cashier sign off on report. They give balanced drawer to the Office Manager.
- Office Manager and another employee recounts all the monies collected through daily payment and reconciles against Mealtime report.
- Office Manager and employee complete deposit ticket and put all in bank bag and lock. The locked deposit bag is taken to the bank by Director of Food Service or Corporation Treasurer or Deputy Treasurer.
- Office Manager makes a copy of the daily deposit ticket, checks, and prints out the MealTime daily report. End of the week all is turned into the Corporation Treasurer.
- Corporation Treasurer has a monthly spreadsheet that all the information is entered into.
- Office Manager at month end turns in a monthly report to the Corporation Treasurer. Corporation Treasurer makes sure the report matches the spreadsheet for the month.
- Corporation Treasurer enters all the daily deposits, on line payments, State reimbursements into Komputrol using fund number 8400.
- Corporation Treasurer at month end moves the money from fund 8400 to fund 0800 for meals purchased during the month.
- Corporation Treasurer gives all receipt copies to Director of Food Service and verify and signs monthly report before Director of Food Service submits for reimbursement.

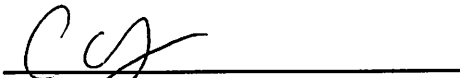
Reporting:

- Director of Food Service will review and sign-off on Annual Financial Report before it is submitted via Gateway by the Corporation Treasurer.

Anticipated Completion Date: May 1, 2016



Sherie Breitenbach
Corporation Treasurer
May 31, 2017



Curtiss Strietelmeier
Superintendent
May 31, 2017



Lori Sikora
Director Food Service
May 31, 2017

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/>.