

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

FINANCIAL STATEMENT AND  
FEDERAL SINGLE AUDIT REPORT  
OF

NEW PRAIRIE UNITED  
SCHOOL CORPORATION  
LAPORTE COUNTY, INDIANA

July 1, 2014 to June 30, 2016



**FILED**  
01/31/2018



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### SCHEDULE OF OFFICIALS

<u>Office</u>	<u>Official</u>	<u>Term</u>
Treasurer	Kelley Kitchen (Vacant) James Holifield	07-01-14 to 12-01-16 12-02-06 to 01-10-17 01-11-17 to 06-30-18
Superintendent of Schools	Jim Dermody Paul White	07-01-14 to 06-30-15 07-01-15 to 06-30-18
President of the School Board	Richard Shail	07-01-14 to 12-31-17



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INDEPENDENT AUDITOR'S REPORT

TO: THE OFFICIALS OF THE NEW PRAIRIE UNITED SCHOOL  
CORPORATION, LAPORTE COUNTY, INDIANA

**Report on the Financial Statement**

We have audited the accompanying financial statement of the New Prairie United School Corporation (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.

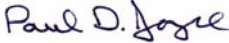
*Other Information*

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 December 20, 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

December 20, 2017



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

TO: THE OFFICIALS OF THE NEW PRAIRIE UNITED SCHOOL  
CORPORATION, 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 New Prairie United School Corporation (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 December 20, 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**

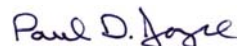
As part of obtaining reasonable assurance about whether the School Corporation's financial statement is free from material misstatement, we performed tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements, noncompliance with which could have a direct and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

**New Prairie United School Corporation's Response to Findings**

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

**Purpose of This Report**

The purpose of this report is solely to describe the scope of our testing of internal control and compliance and the results of that testing, and not to provide an opinion on the effectiveness of the School Corporation's internal control or on compliance. This report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering the School Corporation's internal control and compliance. Accordingly, this communication is not suitable for any other purpose.

  
Paul D. Joyce, CPA  
State Examiner

December 20, 2017

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## FINANCIAL STATEMENT AND ACCOMPANYING NOTES

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

NEW PRAIRIE UNITED SCHOOL CORPORATION  
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	\$ 2,437,539	\$ 18,270,133	\$ 17,240,013	\$ -	\$ 3,467,659	\$ 18,783,721	\$ 17,318,051	\$ (1,198,744)	\$ 3,734,585
Debt Service	509,895	490,318	698,443	-	301,770	582,218	499,546	(46,868)	337,574
Exempt Debt	3,618,905	3,500,476	7,387,232	-	(267,851)	4,936,838	2,992,250	-	1,676,737
Exempt Pension Debt	248,028	157,475	326,106	-	79,397	165,630	148,992	-	96,035
Capital Projects	2,974,221	2,720,076	4,583,253	-	1,111,044	2,881,579	2,282,727	3,334	1,713,230
School Transportation	2,340,521	2,112,142	3,619,433	-	833,230	2,232,793	2,205,652	27,000	887,371
School Bus Replacement	363,870	500,378	510,141	-	354,107	444,467	404,961	-	393,613
Rainy Day	4,090,510	-	-	-	4,090,510	50,092	643,710	1,200,000	4,696,892
Construction	1,965,081	-	1,965,081	-	-	-	3,628,108	3,628,108	-
School Lunch	983,349	1,294,249	1,335,483	-	942,115	1,297,333	1,480,940	-	758,508
Textbook Rental	(173,594)	454,385	550,220	-	(269,429)	518,319	559,034	117,539	(192,605)
Levy Excess	-	-	-	-	-	27,000	-	(27,000)	-
Educational License Plates	245	280	-	(525)	-	169	-	-	169
Literacy Early Intervention Grant	-	-	-	-	-	31,800	19,800	-	12,000
Scholarships and Awards	2,987	-	1,000	-	1,987	11	10	-	1,988
Miscellaneous Programs	1,747	-	499	-	1,248	-	740	-	508
Activity Center Alcoa Grant	1,671	-	1,671	-	-	-	-	-	-
Gifts and Donations Science	-	-	1,371	525	(846)	-	(846)	-	-
Target Corp Education Grant RP	23,968	-	22,118	-	1,850	-	1,687	-	163
NPUSC Activity Ctr	24,467	9,030	17,295	-	16,202	33,549	11,011	-	38,740
Building Trades NPHS	-	41,268	41,043	-	225	5,569	4,606	-	1,188
Arcelor Mittal Grant	3,356	-	3,355	-	1	-	-	(1)	-
IRTF Grant Olive	-	-	-	-	-	500	-	-	500
ALCOA Robotics FTC 2015	-	-	-	-	-	1,000	171	-	829
Robotics Donation	217	-	-	-	217	-	-	-	217
McDonalds Grant	400	-	-	-	400	35	435	-	-
Duneland Health Grant	336	-	-	-	336	-	-	-	336
Teaching Garden	201	-	-	-	201	-	-	-	201
NPUSC Industrial Technology	1,000	-	787	-	213	6	219	-	-
Bridges Grant Olive Elementary	1,302	11,000	13,536	-	(1,234)	15,000	13,726	-	40
Alcoa Grant	324	-	-	-	324	-	-	-	324
PV Action for Healthy Kids	-	1,000	1,000	-	-	-	-	-	-
OTE Action for Healthy Kids	-	1,000	847	-	153	-	-	-	153
RPE Action for Healthy Kids	-	1,000	695	-	305	-	-	-	305
Kids for Caring	-	750	-	-	750	-	-	-	750
United Way Success at Six	18,000	-	22,258	-	(4,258)	16,000	16,711	-	(4,969)
Honeywell Hometown Grant	-	500	-	-	500	-	-	-	500
Confucius Classroom	-	10,000	-	-	10,000	374	10,374	-	-
2016 Summer School Enrichment	-	-	-	-	-	15,919	9,102	-	6,817
Corp Donations/Sponsorship	-	-	-	-	-	2,200	-	-	2,200
PV/RP/OTE	1,037	-	596	-	441	-	275	-	166
Unity Foundation Grant	189	-	77	-	112	-	-	-	112
Unity Grant MS	-	2,595	2,138	-	457	1,850	1,816	-	491

NEW PRAIRIE UNITED SCHOOL CORPORATION  
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
Mentoring for Success	1,764	2,900	4,664	-	-	3,500	-	-	3,500
WSBT I Love to Read	-	-	-	-	-	5,000	25	-	4,975
Formative Assessment	-	-	-	-	-	43,466	43,293	-	173
Drug Free Communities	609	1,250	1,605	-	254	1,200	497	-	957
MS Lead and Seed	5,221	5,337	3,671	-	6,887	-	4,140	-	2,747
Medicaid Reimbursement	-	-	-	-	-	31,891	-	-	31,891
Secured Schools Safety Grant	-	50,000	50,000	-	-	-	-	-	-
2013-2014 NESP	3,304	-	3,304	-	-	-	-	-	-
2014-15 Non-English Speaking	-	8,520	5,112	-	3,408	-	3,408	-	-
Non-English Speaking	-	-	-	-	-	15,485	7,964	-	7,521
School Technology	1,659	31,662	21,780	-	11,541	33,241	40,678	-	4,104
Performance Based Awards	-	110,931	110,931	-	-	-	-	-	-
2013-2014 H/A Making a Difference Grant	(5,759)	5,759	-	-	-	-	-	-	-
2013-2014 High Ability Grant	5,362	-	5,362	-	-	-	-	-	-
High Ability 2014/2015	-	37,781	32,854	-	4,927	-	4,927	-	-
2015/2016 High Ability Grant	-	-	-	-	-	38,774	31,284	-	7,490
Senator David Ford Technology	-	2,654	2,654	-	-	-	-	-	-
Title I 2013-2014	(53,607)	175,009	121,402	-	-	-	-	-	-
Title I Grant 2014 2015	-	335,482	369,860	-	(34,378)	120,357	85,979	-	-
Title I Grant 2015 2016	-	-	-	-	-	243,304	297,054	-	(53,750)
21st Cent Learn Center Title IV 2014-15	-	160,500	196,001	-	(35,501)	49,513	14,012	-	-
21st Cent Learn Center Title IV 2015-16	-	-	-	-	-	107,334	194,275	-	(86,941)
21st Cent Learn Center Title IV 2016-17	-	-	-	-	-	-	3,848	-	(3,848)
WIDA Supplemental Title III	-	363	363	-	-	-	-	-	-
Title II Part A 2012-2014	(413)	4,064	3,651	-	-	-	-	-	-
Title II Part A 2013-2015	(789)	46,805	52,651	-	(6,635)	18,096	11,461	-	-
Title IIA 2014-2016	-	4,324	4,324	-	-	46,853	54,737	-	(7,884)
Title IIA 2015-2017	-	-	-	-	-	-	3,542	-	(3,542)
Title III Limited English 2012-2013	(308)	308	-	-	-	-	-	-	-
Title III Limited English 2013-2014	(887)	6,534	5,540	-	107	-	107	-	-
Title III Limited English 2014-2015	-	4,869	4,869	-	-	8,860	8,860	-	-
Title III Limited English 2015-2017	-	-	-	-	-	7,434	10,141	-	(2,707)
School Nutrition Clearing	-	-	-	-	-	93,340	77,784	-	15,556
Clearing Fund	-	-	-	-	-	258	398	-	(140)
School Lunch EFT from State	357	679,598	679,955	-	-	668,616	668,616	-	-
School Lunch Payroll Clearing	138	37,258	37,342	-	54	25,903	25,957	-	-
Payroll Deductions	(3,110)	3,873,306	3,873,571	-	(3,375)	3,898,498	3,902,850	-	(7,727)
Life Insurance Fringe Benefit	435	5,973	6,185	-	223	1,553	1,776	-	-
<b>Totals</b>	<b>\$ 19,393,748</b>	<b>\$ 35,169,242</b>	<b>\$ 43,943,342</b>	<b>\$ -</b>	<b>\$ 10,619,648</b>	<b>\$ 37,506,448</b>	<b>\$ 37,751,421</b>	<b>\$ 3,703,368</b>	<b>\$ 14,078,043</b>

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

NEW PRAIRIE UNITED SCHOOL CORPORATION  
NOTES TO FINANCIAL STATEMENT

**Note 1. Summary of Significant Accounting Policies**

*A. Reporting Entity*

School Corporation, as used herein, shall include, but is not limited to, 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.

NEW PRAIRIE UNITED SCHOOL CORPORATION  
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.

*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:

*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.

NEW PRAIRIE UNITED SCHOOL CORPORATION  
NOTES TO FINANCIAL STATEMENT  
(Continued)

*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 lien date (March 1 in a year ending before January 1, 2016 and January 1 in a year beginning after December 31, 2015) assessed valuations adjusted for various tax credits. Taxable property is assessed at 100 percent of the true tax value (determined in accordance with rules and regulations adopted by the Indiana Department of Local Government Finance). Taxes may be paid in two equal installments which normally become delinquent if not paid by May 10 and November 10, respectively.

**Note 4. Deposits and Investments**

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

NEW PRAIRIE UNITED SCHOOL CORPORATION  
NOTES TO FINANCIAL STATEMENT  
(Continued)

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

*Funding Policy and Annual Pension Cost*

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

NEW PRAIRIE UNITED SCHOOL CORPORATION  
NOTES TO FINANCIAL STATEMENT  
(Continued)

*B. Teachers' Retirement Fund - Plan Description*

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

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

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

*Funding Policy and Annual Pension Cost*

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

*C. Additional Pension Plans*

The School Corporation also contributes to additional pension plans unique to the School Corporation. Information regarding these plans may be obtained from the School Corporation.

**Note 7. Negative Receipts and Disbursements**

The financial statement contains some receipts and disbursements which appear as negative entries. This is a result of corrections made to the specified funds.

**Note 8. Cash Balance Deficits**

The financial statement contains some funds with deficits in cash. This is a result of grant expenditure reimbursements or expenditure reimbursements from other funds received in subsequent periods.

NEW PRAIRIE UNITED SCHOOL CORPORATION  
NOTES TO FINANCIAL STATEMENT  
(Continued)

**Note 9. Holding Corporation**

The School Corporation has entered into capital leases with the New Prairie United School Building Corporation (the lessor). The lessor was organized as a not-for-profit corporation pursuant to state statute for the purpose of financing and constructing or reconstructing facilities for lease to the School Corporation. The lessor has been determined to be a related-party of the School Corporation. Lease payments during the years ending June 30, 2015 and 2016, totaled \$4,014,000 and \$3,055,000, respectively.

**Note 10. Subsequent Events**

In May of 2016, voters approved a capital referendum. In December of 2016, the School Corporation entered into a capital lease with the New Prairie United School Building Corporation (lessor). The lessor was organized as a not-for-profit organization. Series 2016 bonds were closed on December 1, 2016, with a par value of \$39,295,000. Lease payments began in July 2017 (capitalized interest-only payments for 2017) in the amount of \$1,090,600. The purpose of the bond issuance is to pay costs of comprehensive construction, renovations, and improvements to various NPUSC facilities (including equipment) and to pay interest during construction and issuance expenses.

**Note 11. Other Postemployment**

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

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## OTHER INFORMATION - UNAUDITED

The School Corporation's Financial Reports can be found on the Indiana Department of Education website: <http://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.

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

	General	Debt Service	Exempt Debt	Exempt Pension Debt	Capital Projects	School Transportation	School Bus Replacement	Rainy Day	Construction	School Lunch
Cash and investments - beginning	\$ 2,437,539	\$ 509,895	\$ 3,618,905	\$ 248,028	\$ 2,974,221	\$ 2,340,521	\$ 363,870	\$ 4,090,510	\$ 1,965,081	\$ 983,349
Receipts:										
Local sources	53,537	415,907	3,500,476	157,475	2,691,419	2,098,390	404,268	-	-	634,269
Intermediate sources	44,281	-	-	-	-	-	-	-	-	-
State sources	18,110,727	-	-	-	-	-	-	-	-	17,121
Federal sources	-	-	-	-	-	-	-	-	-	642,859
Other receipts	61,588	74,411	-	-	28,657	13,752	96,110	-	-	-
Total receipts	18,270,133	490,318	3,500,476	157,475	2,720,076	2,112,142	500,378	-	-	1,294,249
Disbursements:										
Instruction	11,322,613	-	-	-	-	-	-	-	-	-
Support services	4,759,586	-	-	-	1,337,309	2,311,562	510,141	-	-	2,425
Noninstructional services	431,005	-	-	-	-	-	-	-	-	1,333,058
Facilities acquisition and construction	-	-	-	-	2,239,982	-	-	-	1,965,081	-
Debt service	726,809	698,443	7,387,232	326,106	1,005,962	1,307,871	-	-	-	-
Nonprogrammed charges	-	-	-	-	-	-	-	-	-	-
Total disbursements	17,240,013	698,443	7,387,232	326,106	4,583,253	3,619,433	510,141	-	1,965,081	1,335,483
Excess (deficiency) of receipts over disbursements	1,030,120	(208,125)	(3,886,756)	(168,631)	(1,863,177)	(1,507,291)	(9,763)	-	(1,965,081)	(41,234)
Other financing sources (uses):										
Proceeds of long-term debt	-	-	-	-	-	-	-	-	-	-
Sale of capital assets	-	-	-	-	-	-	-	-	-	-
Transfers in	-	-	-	-	-	-	-	-	-	-
Transfers out	-	-	-	-	-	-	-	-	-	-
Total other financing sources (uses)	-	-	-	-	-	-	-	-	-	-
Excess (deficiency) of receipts and other financing sources over disbursements and other financing uses	1,030,120	(208,125)	(3,886,756)	(168,631)	(1,863,177)	(1,507,291)	(9,763)	-	(1,965,081)	(41,234)
Cash and investments - ending	\$ 3,467,659	\$ 301,770	\$ (267,851)	\$ 79,397	\$ 1,111,044	\$ 833,230	\$ 354,107	\$ 4,090,510	\$ -	\$ 942,115

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

	Textbook Rental	Levy Excess	Educational License Plates	Literacy Early Intervention Grant	Scholarships and Awards	Miscellaneous Programs	Activity Center Alcoa Grant	Gifts and Donations Science	Target Corp Education Grant RP	NPUSC Activity Ctr
Cash and investments - beginning	\$ (173,594)	\$ -	\$ 245	\$ -	\$ 2,987	\$ 1,747	\$ 1,671	\$ -	\$ 23,968	\$ 24,467
Receipts:										
Local sources	370,459	-	-	-	-	-	-	-	-	9,030
Intermediate sources	-	-	280	-	-	-	-	-	-	-
State sources	83,357	-	-	-	-	-	-	-	-	-
Federal sources	-	-	-	-	-	-	-	-	-	-
Other receipts	569	-	-	-	-	-	-	-	-	-
Total receipts	454,385	-	280	-	-	-	-	-	-	9,030
Disbursements:										
Instruction	-	-	-	-	-	499	1,671	1,371	22,118	16,951
Support services	550,220	-	-	-	-	-	-	-	-	344
Noninstructional services	-	-	-	-	-	-	-	-	-	-
Facilities acquisition and construction	-	-	-	-	-	-	-	-	-	-
Debt service	-	-	-	-	-	-	-	-	-	-
Nonprogrammed charges	-	-	-	-	1,000	-	-	-	-	-
Total disbursements	550,220	-	-	-	1,000	499	1,671	1,371	22,118	17,295
Excess (deficiency) of receipts over disbursements	(95,835)	-	280	-	(1,000)	(499)	(1,671)	(1,371)	(22,118)	(8,265)
Other financing sources (uses):										
Proceeds of long-term debt	-	-	-	-	-	-	-	-	-	-
Sale of capital assets	-	-	-	-	-	-	-	-	-	-
Transfers in	-	-	-	-	-	-	-	525	-	-
Transfers out	-	-	(525)	-	-	-	-	-	-	-
Total other financing sources (uses)	-	-	(525)	-	-	-	-	525	-	-
Excess (deficiency) of receipts and other financing sources over disbursements and other financing uses	(95,835)	-	(245)	-	(1,000)	(499)	(1,671)	(846)	(22,118)	(8,265)
Cash and investments - ending	\$ (269,429)	\$ -	\$ -	\$ -	\$ 1,987	\$ 1,248	\$ -	\$ (846)	\$ 1,850	\$ 16,202

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

	Building Trades NPHS	Arcelor Mittal Grant	IRTF Grant Olive	ALCOA Robotics FTC 2015	Robotics Donation	McDonalds Grant	Duneland Health Grant	Teaching Garden	NPUSC Industrial Technology	Bridges Grant Olive Elementary
Cash and investments - beginning	\$ -	\$ 3,356	\$ -	\$ -	\$ 217	\$ 400	\$ 336	\$ 201	\$ 1,000	\$ 1,302
Receipts:										
Local sources	-	-	-	-	-	-	-	-	-	11,000
Intermediate sources	-	-	-	-	-	-	-	-	-	-
State sources	-	-	-	-	-	-	-	-	-	-
Federal sources	-	-	-	-	-	-	-	-	-	-
Other receipts	41,268	-	-	-	-	-	-	-	-	-
Total receipts	41,268	-	-	-	-	-	-	-	-	11,000
Disbursements:										
Instruction	41,043	3,355	-	-	-	-	-	-	787	13,536
Support services	-	-	-	-	-	-	-	-	-	-
Noninstructional services	-	-	-	-	-	-	-	-	-	-
Facilities acquisition and construction	-	-	-	-	-	-	-	-	-	-
Debt service	-	-	-	-	-	-	-	-	-	-
Nonprogrammed charges	-	-	-	-	-	-	-	-	-	-
Total disbursements	41,043	3,355	-	-	-	-	-	-	787	13,536
Excess (deficiency) of receipts over disbursements	225	(3,355)	-	-	-	-	-	-	(787)	(2,536)
Other financing sources (uses):										
Proceeds of long-term debt	-	-	-	-	-	-	-	-	-	-
Sale of capital assets	-	-	-	-	-	-	-	-	-	-
Transfers in	-	-	-	-	-	-	-	-	-	-
Transfers out	-	-	-	-	-	-	-	-	-	-
Total other financing sources (uses)	-	-	-	-	-	-	-	-	-	-
Excess (deficiency) of receipts and other financing sources over disbursements and other financing uses	225	(3,355)	-	-	-	-	-	-	(787)	(2,536)
Cash and investments - ending	\$ 225	\$ 1	\$ -	\$ -	\$ 217	\$ 400	\$ 336	\$ 201	\$ 213	\$ (1,234)

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

	Alcoa Grant	PV Action for Healthy Kids	OTE Action for Healthy Kids	RPE Action for Healthy Kids	Kids for Caring	United Way Success at Six	Honeywell Hometown Grant	Confucius Classroom	2016 Summer School Enrichment	Corp Donations/ Sponsorship
Cash and investments - beginning	\$ 324	\$ -	\$ -	\$ -	\$ -	\$ 18,000	\$ -	\$ -	\$ -	\$ -
Receipts:										
Local sources	-	1,000	1,000	1,000	750	-	500	10,000	-	-
Intermediate sources	-	-	-	-	-	-	-	-	-	-
State sources	-	-	-	-	-	-	-	-	-	-
Federal sources	-	-	-	-	-	-	-	-	-	-
Other receipts	-	-	-	-	-	-	-	-	-	-
Total receipts	-	1,000	1,000	1,000	750	-	500	10,000	-	-
Disbursements:										
Instruction	-	1,000	847	695	-	22,258	-	-	-	-
Support services	-	-	-	-	-	-	-	-	-	-
Noninstructional services	-	-	-	-	-	-	-	-	-	-
Facilities acquisition and construction	-	-	-	-	-	-	-	-	-	-
Debt service	-	-	-	-	-	-	-	-	-	-
Nonprogrammed charges	-	-	-	-	-	-	-	-	-	-
Total disbursements	-	1,000	847	695	-	22,258	-	-	-	-
Excess (deficiency) of receipts over disbursements	-	-	153	305	750	(22,258)	500	10,000	-	-
Other financing sources (uses):										
Proceeds of long-term debt	-	-	-	-	-	-	-	-	-	-
Sale of capital assets	-	-	-	-	-	-	-	-	-	-
Transfers in	-	-	-	-	-	-	-	-	-	-
Transfers out	-	-	-	-	-	-	-	-	-	-
Total other financing sources (uses)	-	-	-	-	-	-	-	-	-	-
Excess (deficiency) of receipts and other financing sources over disbursements and other financing uses	-	-	153	305	750	(22,258)	500	10,000	-	-
Cash and investments - ending	\$ 324	\$ -	\$ 153	\$ 305	\$ 750	\$ (4,258)	\$ 500	\$ 10,000	\$ -	\$ -

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

	PV/ RP/ OTE	Unity Foundation Grant	Unity Grant MS	Mentoring for Success	WSBT I Love to Read	Formative Assessment	Drug Free Communities	MS Lead and Seed	Medicaid Reimbursement
Cash and investments - beginning	\$ 1,037	\$ 189	\$ -	\$ 1,764	\$ -	\$ -	\$ 609	\$ 5,221	\$ -
Receipts:									
Local sources	-	-	2,595	2,900	-	-	1,250	5,337	-
Intermediate sources	-	-	-	-	-	-	-	-	-
State sources	-	-	-	-	-	-	-	-	-
Federal sources	-	-	-	-	-	-	-	-	-
Other receipts	-	-	-	-	-	-	-	-	-
Total receipts	-	-	2,595	2,900	-	-	1,250	5,337	-
Disbursements:									
Instruction	596	77	2,138	4,664	-	-	1,605	3,671	-
Support services	-	-	-	-	-	-	-	-	-
Noninstructional services	-	-	-	-	-	-	-	-	-
Facilities acquisition and construction	-	-	-	-	-	-	-	-	-
Debt service	-	-	-	-	-	-	-	-	-
Nonprogrammed charges	-	-	-	-	-	-	-	-	-
Total disbursements	596	77	2,138	4,664	-	-	1,605	3,671	-
Excess (deficiency) of receipts over disbursements	(596)	(77)	457	(1,764)	-	-	(355)	1,666	-
Other financing sources (uses):									
Proceeds of long-term debt	-	-	-	-	-	-	-	-	-
Sale of capital assets	-	-	-	-	-	-	-	-	-
Transfers in	-	-	-	-	-	-	-	-	-
Transfers out	-	-	-	-	-	-	-	-	-
Total other financing sources (uses)	-	-	-	-	-	-	-	-	-
Excess (deficiency) of receipts and other financing sources over disbursements and other financing uses	(596)	(77)	457	(1,764)	-	-	(355)	1,666	-
Cash and investments - ending	\$ 441	\$ 112	\$ 457	\$ -	\$ -	\$ -	\$ 254	\$ 6,887	\$ -

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

	Secured Schools Safety Grant	2013-2014 NESP	2014-15 Non-English Speaking	Non-English Speaking	School Technology	Performance Based Awards	2013-2014 H/A Making a Difference Grant	2013-2014 High Ability Grant	High Ability 2014/2015
Cash and investments - beginning	\$ -	\$ 3,304	\$ -	\$ -	\$ 1,659	\$ -	\$ (5,759)	\$ 5,362	\$ -
Receipts:									
Local sources	-	-	-	-	-	-	-	-	-
Intermediate sources	-	-	-	-	-	-	-	-	-
State sources	50,000	-	8,520	-	31,662	110,931	5,759	-	37,781
Federal sources	-	-	-	-	-	-	-	-	-
Other receipts	-	-	-	-	-	-	-	-	-
Total receipts	50,000	-	8,520	-	31,662	110,931	5,759	-	37,781
Disbursements:									
Instruction	-	3,304	5,112	-	-	110,931	-	5,362	32,854
Support services	-	-	-	-	21,780	-	-	-	-
Noninstructional services	-	-	-	-	-	-	-	-	-
Facilities acquisition and construction	50,000	-	-	-	-	-	-	-	-
Debt service	-	-	-	-	-	-	-	-	-
Nonprogrammed charges	-	-	-	-	-	-	-	-	-
Total disbursements	50,000	3,304	5,112	-	21,780	110,931	-	5,362	32,854
Excess (deficiency) of receipts over disbursements	-	(3,304)	3,408	-	9,882	-	5,759	(5,362)	4,927
Other financing sources (uses):									
Proceeds of long-term debt	-	-	-	-	-	-	-	-	-
Sale of capital assets	-	-	-	-	-	-	-	-	-
Transfers in	-	-	-	-	-	-	-	-	-
Transfers out	-	-	-	-	-	-	-	-	-
Total other financing sources (uses)	-	-	-	-	-	-	-	-	-
Excess (deficiency) of receipts and other financing sources over disbursements and other financing uses	-	(3,304)	3,408	-	9,882	-	5,759	(5,362)	4,927
Cash and investments - ending	\$ -	\$ -	\$ 3,408	\$ -	\$ 11,541	\$ -	\$ -	\$ -	\$ 4,927

NEW PRAIRIE UNITED SCHOOL CORPORATION  
 COMBINING SCHEDULE OF RECEIPTS, DISBURSEMENTS,  
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 INVESTMENT BALANCES - REGULATORY BASIS  
 For the Year Ended June 30, 2015

	2015/2016 High Ability Grant	Senator David Ford Technology	Title I 2013-2014	Title I Grant 2014 2015	Title I Grant 2015 2016	21st Cent Learn Center Title IV 2014-15	21st Cent Learn Center Title IV 2015-16	21st Cent Learn Center Title IV 2016-17
Cash and investments - beginning	\$ -	\$ -	\$ (53,607)	\$ -	\$ -	\$ -	\$ -	\$ -
Receipts:								
Local sources	-	-	-	-	-	-	-	-
Intermediate sources	-	-	-	-	-	-	-	-
State sources	-	2,654	-	-	-	-	-	-
Federal sources	-	-	175,009	335,482	-	160,500	-	-
Other receipts	-	-	-	-	-	-	-	-
Total receipts	-	2,654	175,009	335,482	-	160,500	-	-
Disbursements:								
Instruction	-	-	114,161	345,135	-	177,831	-	-
Support services	-	2,654	5,355	21,164	-	18,170	-	-
Noninstructional services	-	-	1,886	3,561	-	-	-	-
Facilities acquisition and construction	-	-	-	-	-	-	-	-
Debt service	-	-	-	-	-	-	-	-
Nonprogrammed charges	-	-	-	-	-	-	-	-
Total disbursements	-	2,654	121,402	369,860	-	196,001	-	-
Excess (deficiency) of receipts over disbursements	-	-	53,607	(34,378)	-	(35,501)	-	-
Other financing sources (uses):								
Proceeds of long-term debt	-	-	-	-	-	-	-	-
Sale of capital assets	-	-	-	-	-	-	-	-
Transfers in	-	-	-	-	-	-	-	-
Transfers out	-	-	-	-	-	-	-	-
Total other financing sources (uses)	-	-	-	-	-	-	-	-
Excess (deficiency) of receipts and other financing sources over disbursements and other financing uses	-	-	53,607	(34,378)	-	(35,501)	-	-
Cash and investments - ending	\$ -	\$ -	\$ -	\$ (34,378)	\$ -	\$ (35,501)	\$ -	\$ -

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

	WIDA Supplemental Title III	Title II Part A 2012-2014	Title II Part A 2013-2015	Title IIA 2014-2016	Title IIA 2015-2017	Title III Limited English 2012-2013	Title III Limited English 2013-2014	Title III Limited English 2014-2015
Cash and investments - beginning	\$ -	\$ (413)	\$ (789)	\$ -	\$ -	\$ (308)	\$ (887)	\$ -
Receipts:								
Local sources	-	-	-	-	-	-	-	-
Intermediate sources	-	-	-	-	-	-	-	-
State sources	-	-	-	-	-	-	-	-
Federal sources	363	4,064	46,805	4,324	-	308	6,534	4,869
Other receipts	-	-	-	-	-	-	-	-
Total receipts	363	4,064	46,805	4,324	-	308	6,534	4,869
Disbursements:								
Instruction	363	1,206	1,386	-	-	-	5,540	4,869
Support services	-	2,445	51,265	4,324	-	-	-	-
Noninstructional services	-	-	-	-	-	-	-	-
Facilities acquisition and construction	-	-	-	-	-	-	-	-
Debt service	-	-	-	-	-	-	-	-
Nonprogrammed charges	-	-	-	-	-	-	-	-
Total disbursements	363	3,651	52,651	4,324	-	-	5,540	4,869
Excess (deficiency) of receipts over disbursements	-	413	(5,846)	-	-	308	994	-
Other financing sources (uses):								
Proceeds of long-term debt	-	-	-	-	-	-	-	-
Sale of capital assets	-	-	-	-	-	-	-	-
Transfers in	-	-	-	-	-	-	-	-
Transfers out	-	-	-	-	-	-	-	-
Total other financing sources (uses)	-	-	-	-	-	-	-	-
Excess (deficiency) of receipts and other financing sources over disbursements and other financing uses	-	413	(5,846)	-	-	308	994	-
Cash and investments - ending	\$ -	\$ -	\$ (6,635)	\$ -	\$ -	\$ -	\$ 107	\$ -

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

	Title III Limited English 2015-2017	School Nutrition Clearing	Clearing Fund	School Lunch EFT from State	School Lunch Payroll Clearing	Payroll Deductions	Life Insurance Fringe Benefit	Totals
Cash and investments - beginning	\$ -	\$ -	\$ -	\$ 357	\$ 138	\$ (3,110)	\$ 435	\$ 19,393,748
Receipts:								
Local sources	-	-	-	-	-	-	-	10,372,562
Intermediate sources	-	-	-	-	-	-	-	44,561
State sources	-	-	-	-	-	-	-	18,458,512
Federal sources	-	-	-	-	-	-	-	1,381,117
Other receipts	-	-	-	679,598	37,258	3,873,306	5,973	4,912,490
Total receipts	-	-	-	679,598	37,258	3,873,306	5,973	35,169,242
Disbursements:								
Instruction	-	-	-	-	-	-	-	12,269,549
Support services	-	-	-	-	-	-	-	9,598,744
Noninstructional services	-	-	-	-	-	-	-	1,769,510
Facilities acquisition and construction	-	-	-	-	-	-	-	4,255,063
Debt service	-	-	-	-	-	-	-	11,452,423
Nonprogrammed charges	-	-	-	679,955	37,342	3,873,571	6,185	4,598,053
Total disbursements	-	-	-	679,955	37,342	3,873,571	6,185	43,943,342
Excess (deficiency) of receipts over disbursements	-	-	-	(357)	(84)	(265)	(212)	(8,774,100)
Other financing sources (uses):								
Proceeds of long-term debt	-	-	-	-	-	-	-	-
Sale of capital assets	-	-	-	-	-	-	-	-
Transfers in	-	-	-	-	-	-	-	525
Transfers out	-	-	-	-	-	-	-	(525)
Total other financing sources (uses)	-	-	-	-	-	-	-	-
Excess (deficiency) of receipts and other financing sources over disbursements and other financing uses	-	-	-	(357)	(84)	(265)	(212)	(8,774,100)
Cash and investments - ending	\$ -	\$ -	\$ -	\$ -	\$ 54	\$ (3,375)	\$ 223	\$ 10,619,648

NEW PRAIRIE UNITED SCHOOL CORPORATION  
 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	Exempt Debt	Exempt Pension Debt	Capital Projects	School Transportation	School Bus Replacement	Rainy Day	Construction	School Lunch
Cash and investments - beginning	\$ 3,467,659	\$ 301,770	\$ (267,851)	\$ 79,397	\$ 1,111,044	\$ 833,230	\$ 354,107	\$ 4,090,510	\$ -	\$ 942,115
Receipts:										
Local sources	2,241	582,218	4,936,838	165,630	2,749,511	2,220,052	431,057	50,092	-	641,703
Intermediate sources	48,003	-	-	-	-	-	-	-	-	-
State sources	18,620,006	-	-	-	-	-	-	-	-	17,425
Federal sources	-	-	-	-	-	-	-	-	-	638,205
Other receipts	113,471	-	-	-	132,068	12,741	13,410	-	-	-
Total receipts	18,783,721	582,218	4,936,838	165,630	2,881,579	2,232,793	444,467	50,092	-	1,297,333
Disbursements:										
Instruction	11,808,648	-	-	-	-	-	-	-	-	-
Support services	5,082,432	-	-	-	1,326,839	2,205,652	404,961	-	-	1,444
Noninstructional services	426,971	-	-	-	-	-	-	-	-	1,479,496
Facilities acquisition and construction	-	-	-	-	955,888	-	-	643,710	3,628,108	-
Debt service	-	499,546	2,992,250	148,992	-	-	-	-	-	-
Nonprogrammed charges	-	-	-	-	-	-	-	-	-	-
Total disbursements	17,318,051	499,546	2,992,250	148,992	2,282,727	2,205,652	404,961	643,710	3,628,108	1,480,940
Excess (deficiency) of receipts over disbursements	1,465,670	82,672	1,944,588	16,638	598,852	27,141	39,506	(593,618)	(3,628,108)	(183,607)
Other financing sources (uses):										
Proceeds of long-term debt	-	70,611	-	-	-	-	-	-	3,628,108	-
Sale of capital assets	1,315	-	-	-	3,334	-	-	-	-	-
Transfers in	1	-	-	-	-	27,000	-	1,200,000	-	-
Transfers out	(1,200,060)	(117,479)	-	-	-	-	-	-	-	-
Total other financing sources (uses)	(1,198,744)	(46,868)	-	-	3,334	27,000	-	1,200,000	3,628,108	-
Excess (deficiency) of receipts and other financing sources over disbursements and other financing uses	266,926	35,804	1,944,588	16,638	602,186	54,141	39,506	606,382	-	(183,607)
Cash and investments - ending	\$ 3,734,585	\$ 337,574	\$ 1,676,737	\$ 96,035	\$ 1,713,230	\$ 887,371	\$ 393,613	\$ 4,696,892	\$ -	\$ 758,508

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

	Textbook Rental	Levy Excess	Educational License Plates	Literacy Early Intervention Grant	Scholarships and Awards	Miscellaneous Programs	Activity Center Alcoa Grant	Gifts and Donations Science	Target Corp Education Grant RP	NPUSC Activity Ctr
Cash and investments - beginning	\$ (269,429)	\$ -	\$ -	\$ -	\$ 1,987	\$ 1,248	\$ -	\$ (846)	\$ 1,850	\$ 16,202
Receipts:										
Local sources	438,670	27,000	-	-	6	-	-	-	-	33,549
Intermediate sources	-	-	169	-	-	-	-	-	-	-
State sources	79,649	-	-	31,800	-	-	-	-	-	-
Federal sources	-	-	-	-	-	-	-	-	-	-
Other receipts	-	-	-	-	5	-	-	-	-	-
Total receipts	518,319	27,000	169	31,800	11	-	-	-	-	33,549
Disbursements:										
Instruction	-	-	-	19,800	-	740	-	(846)	-	7,436
Support services	559,034	-	-	-	5	-	-	-	-	1,903
Noninstructional services	-	-	-	-	-	-	-	-	-	1,672
Facilities acquisition and construction	-	-	-	-	-	-	-	-	1,687	-
Debt service	-	-	-	-	-	-	-	-	-	-
Nonprogrammed charges	-	-	-	-	5	-	-	-	-	-
Total disbursements	559,034	-	-	19,800	10	740	-	(846)	1,687	11,011
Excess (deficiency) of receipts over disbursements	(40,715)	27,000	169	12,000	1	(740)	-	846	(1,687)	22,538
Other financing sources (uses):										
Proceeds of long-term debt	-	-	-	-	-	-	-	-	-	-
Sale of capital assets	-	-	-	-	-	-	-	-	-	-
Transfers in	117,539	-	-	-	-	-	-	-	-	-
Transfers out	-	(27,000)	-	-	-	-	-	-	-	-
Total other financing sources (uses)	117,539	(27,000)	-	-	-	-	-	-	-	-
Excess (deficiency) of receipts and other financing sources over disbursements and other financing uses	76,824	-	169	12,000	1	(740)	-	846	(1,687)	22,538
Cash and investments - ending	\$ (192,605)	\$ -	\$ 169	\$ 12,000	\$ 1,988	\$ 508	\$ -	\$ -	\$ 163	\$ 38,740

NEW PRAIRIE UNITED SCHOOL CORPORATION  
 COMBINING SCHEDULE OF RECEIPTS, DISBURSEMENTS,  
 OTHER FINANCING SOURCES (USES), AND CASH AND  
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 For the Year Ended June 30, 2016

	Building Trades NPHS	Arcelor Mittal Grant	IRTF Grant Olive	ALCOA Robotics FTC 2015	Robotics Donation	McDonalds Grant	Duneland Health Grant	Teaching Garden	NPUSC Industrial Technology	Bridges Grant Olive Elementary
Cash and investments - beginning	\$ 225	\$ 1	\$ -	\$ -	\$ 217	\$ 400	\$ 336	\$ 201	\$ 213	\$ (1,234)
Receipts:										
Local sources	-	-	500	1,000	-	35	-	-	6	15,000
Intermediate sources	-	-	-	-	-	-	-	-	-	-
State sources	-	-	-	-	-	-	-	-	-	-
Federal sources	-	-	-	-	-	-	-	-	-	-
Other receipts	5,569	-	-	-	-	-	-	-	-	-
Total receipts	5,569	-	500	1,000	-	35	-	-	6	15,000
Disbursements:										
Instruction	4,606	-	-	171	-	435	-	-	219	13,726
Support services	-	-	-	-	-	-	-	-	-	-
Noninstructional services	-	-	-	-	-	-	-	-	-	-
Facilities acquisition and construction	-	-	-	-	-	-	-	-	-	-
Debt service	-	-	-	-	-	-	-	-	-	-
Nonprogrammed charges	-	-	-	-	-	-	-	-	-	-
Total disbursements	4,606	-	-	171	-	435	-	-	219	13,726
Excess (deficiency) of receipts over disbursements	963	-	500	829	-	(400)	-	-	(213)	1,274
Other financing sources (uses):										
Proceeds of long-term debt	-	-	-	-	-	-	-	-	-	-
Sale of capital assets	-	-	-	-	-	-	-	-	-	-
Transfers in	-	-	-	-	-	-	-	-	-	-
Transfers out	-	(1)	-	-	-	-	-	-	-	-
Total other financing sources (uses)	-	(1)	-	-	-	-	-	-	-	-
Excess (deficiency) of receipts and other financing sources over disbursements and other financing uses	963	(1)	500	829	-	(400)	-	-	(213)	1,274
Cash and investments - ending	\$ 1,188	\$ -	\$ 500	\$ 829	\$ 217	\$ -	\$ 336	\$ 201	\$ -	\$ 40

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

	Alcoa Grant	PV Action for Healthy Kids	OTE Action for Healthy Kids	RPE Action for Healthy Kids	Kids for Caring	United Way Success at Six	Honeywell Hometown Grant	Confucius Classroom	2016 Summer School Enrichment	Corp Donations/ Sponsorship
Cash and investments - beginning	\$ 324	\$ -	\$ 153	\$ 305	\$ 750	\$ (4,258)	\$ 500	\$ 10,000	\$ -	\$ -
Receipts:										
Local sources	-	-	-	-	-	16,000	-	374	-	2,200
Intermediate sources	-	-	-	-	-	-	-	-	-	-
State sources	-	-	-	-	-	-	-	-	-	-
Federal sources	-	-	-	-	-	-	-	-	-	-
Other receipts	-	-	-	-	-	-	-	-	15,919	-
Total receipts	-	-	-	-	-	16,000	-	374	15,919	2,200
Disbursements:										
Instruction	-	-	-	-	-	16,711	-	9,374	8,988	-
Support services	-	-	-	-	-	-	-	1,000	114	-
Noninstructional services	-	-	-	-	-	-	-	-	-	-
Facilities acquisition and construction	-	-	-	-	-	-	-	-	-	-
Debt service	-	-	-	-	-	-	-	-	-	-
Nonprogrammed charges	-	-	-	-	-	-	-	-	-	-
Total disbursements	-	-	-	-	-	16,711	-	10,374	9,102	-
Excess (deficiency) of receipts over disbursements	-	-	-	-	-	(711)	-	(10,000)	6,817	2,200
Other financing sources (uses):										
Proceeds of long-term debt	-	-	-	-	-	-	-	-	-	-
Sale of capital assets	-	-	-	-	-	-	-	-	-	-
Transfers in	-	-	-	-	-	-	-	-	-	-
Transfers out	-	-	-	-	-	-	-	-	-	-
Total other financing sources (uses)	-	-	-	-	-	-	-	-	-	-
Excess (deficiency) of receipts and other financing sources over disbursements and other financing uses	-	-	-	-	-	(711)	-	(10,000)	6,817	2,200
Cash and investments - ending	\$ 324	\$ -	\$ 153	\$ 305	\$ 750	\$ (4,969)	\$ 500	\$ -	\$ 6,817	\$ 2,200

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

	PV/ RP/ OTE	Unity Foundation Grant	Unity Grant MS	Mentoring for Success	WSBT I Love to Read	Formative Assessment	Drug Free Communities	MS Lead and Seed	Medicaid Reimbursement
Cash and investments - beginning	\$ 441	\$ 112	\$ 457	\$ -	\$ -	\$ -	\$ 254	\$ 6,887	\$ -
Receipts:									
Local sources	-	-	1,850	3,500	5,000	-	1,200	-	-
Intermediate sources	-	-	-	-	-	-	-	-	-
State sources	-	-	-	-	-	43,466	-	-	31,891
Federal sources	-	-	-	-	-	-	-	-	-
Other receipts	-	-	-	-	-	-	-	-	-
Total receipts	-	-	1,850	3,500	5,000	43,466	1,200	-	31,891
Disbursements:									
Instruction	275	-	1,816	-	25	43,293	497	4,140	-
Support services	-	-	-	-	-	-	-	-	-
Noninstructional services	-	-	-	-	-	-	-	-	-
Facilities acquisition and construction	-	-	-	-	-	-	-	-	-
Debt service	-	-	-	-	-	-	-	-	-
Nonprogrammed charges	-	-	-	-	-	-	-	-	-
Total disbursements	275	-	1,816	-	25	43,293	497	4,140	-
Excess (deficiency) of receipts over disbursements	(275)	-	34	3,500	4,975	173	703	(4,140)	31,891
Other financing sources (uses):									
Proceeds of long-term debt	-	-	-	-	-	-	-	-	-
Sale of capital assets	-	-	-	-	-	-	-	-	-
Transfers in	-	-	-	-	-	-	-	-	-
Transfers out	-	-	-	-	-	-	-	-	-
Total other financing sources (uses)	-	-	-	-	-	-	-	-	-
Excess (deficiency) of receipts and other financing sources over disbursements and other financing uses	(275)	-	34	3,500	4,975	173	703	(4,140)	31,891
Cash and investments - ending	\$ 166	\$ 112	\$ 491	\$ 3,500	\$ 4,975	\$ 173	\$ 957	\$ 2,747	\$ 31,891

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

	Secured Schools Safety Grant	2013-2014 NESP	2014-15 Non-English Speaking	Non-English Speaking	School Technology	Performance Based Awards	2013-2014 H/A Making a Difference Grant	2013-2014 High Ability Grant	High Ability 2014/2015
Cash and investments - beginning	\$ -	\$ -	\$ 3,408	\$ -	\$ 11,541	\$ -	\$ -	\$ -	\$ 4,927
Receipts:									
Local sources	-	-	-	-	-	-	-	-	-
Intermediate sources	-	-	-	-	-	-	-	-	-
State sources	-	-	-	15,485	33,241	-	-	-	-
Federal sources	-	-	-	-	-	-	-	-	-
Other receipts	-	-	-	-	-	-	-	-	-
Total receipts	-	-	-	15,485	33,241	-	-	-	-
Disbursements:									
Instruction	-	-	3,408	6,873	-	-	-	-	4,927
Support services	-	-	-	-	40,678	-	-	-	-
Noninstructional services	-	-	-	1,091	-	-	-	-	-
Facilities acquisition and construction	-	-	-	-	-	-	-	-	-
Debt service	-	-	-	-	-	-	-	-	-
Nonprogrammed charges	-	-	-	-	-	-	-	-	-
Total disbursements	-	-	3,408	7,964	40,678	-	-	-	4,927
Excess (deficiency) of receipts over disbursements	-	-	(3,408)	7,521	(7,437)	-	-	-	(4,927)
Other financing sources (uses):									
Proceeds of long-term debt	-	-	-	-	-	-	-	-	-
Sale of capital assets	-	-	-	-	-	-	-	-	-
Transfers in	-	-	-	-	-	-	-	-	-
Transfers out	-	-	-	-	-	-	-	-	-
Total other financing sources (uses)	-	-	-	-	-	-	-	-	-
Excess (deficiency) of receipts and other financing sources over disbursements and other financing uses	-	-	(3,408)	7,521	(7,437)	-	-	-	(4,927)
Cash and investments - ending	\$ -	\$ -	\$ -	\$ 7,521	\$ 4,104	\$ -	\$ -	\$ -	\$ -

NEW PRAIRIE UNITED SCHOOL CORPORATION  
 COMBINING SCHEDULE OF RECEIPTS, DISBURSEMENTS,  
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	2015/2016 High Ability Grant	Senator David Ford Technology	Title I 2013-2014	Title I Grant 2014 2015	Title I Grant 2015 2016	21st Cent Learn Center Title IV 2014-15	21st Cent Learn Center Title IV 2015-16	21st Cent Learn Center Title IV 2016-17
Cash and investments - beginning	\$ -	\$ -	\$ -	\$ (34,378)	\$ -	\$ (35,501)	\$ -	\$ -
Receipts:								
Local sources	-	-	-	-	-	-	-	-
Intermediate sources	-	-	-	-	-	-	-	-
State sources	38,774	-	-	-	-	-	-	-
Federal sources	-	-	-	120,357	243,304	49,513	107,334	-
Other receipts	-	-	-	-	-	-	-	-
Total receipts	38,774	-	-	120,357	243,304	49,513	107,334	-
Disbursements:								
Instruction	31,284	-	-	78,647	273,319	16,445	173,219	3,848
Support services	-	-	-	4,630	22,467	(2,433)	21,056	-
Noninstructional services	-	-	-	2,702	1,268	-	-	-
Facilities acquisition and construction	-	-	-	-	-	-	-	-
Debt service	-	-	-	-	-	-	-	-
Nonprogrammed charges	-	-	-	-	-	-	-	-
Total disbursements	31,284	-	-	85,979	297,054	14,012	194,275	3,848
Excess (deficiency) of receipts over disbursements	7,490	-	-	34,378	(53,750)	35,501	(86,941)	(3,848)
Other financing sources (uses):								
Proceeds of long-term debt	-	-	-	-	-	-	-	-
Sale of capital assets	-	-	-	-	-	-	-	-
Transfers in	-	-	-	-	-	-	-	-
Transfers out	-	-	-	-	-	-	-	-
Total other financing sources (uses)	-	-	-	-	-	-	-	-
Excess (deficiency) of receipts and other financing sources over disbursements and other financing uses	7,490	-	-	34,378	(53,750)	35,501	(86,941)	(3,848)
Cash and investments - ending	\$ 7,490	\$ -	\$ -	\$ -	\$ (53,750)	\$ -	\$ (86,941)	\$ (3,848)

NEW PRAIRIE UNITED SCHOOL CORPORATION  
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	WIDA Supplemental Title III	Title II Part A 2012-2014	Title II Part A 2013-2015	Title IIA 2014-2016	Title IIA 2015-2017	Title III Limited English 2012-2013	Title III Limited English 2013-2014	Title III Limited English 2014-2015
Cash and investments - beginning	\$ -	\$ -	\$ (6,635)	\$ -	\$ -	\$ -	\$ 107	\$ -
Receipts:								
Local sources	-	-	-	-	-	-	-	-
Intermediate sources	-	-	-	-	-	-	-	-
State sources	-	-	-	-	-	-	-	-
Federal sources	-	-	18,096	46,853	-	-	-	8,860
Other receipts	-	-	-	-	-	-	-	-
Total receipts	-	-	18,096	46,853	-	-	-	8,860
Disbursements:								
Instruction	-	-	805	-	-	-	(1,038)	8,860
Support services	-	-	10,656	54,737	3,542	-	1,145	-
Noninstructional services	-	-	-	-	-	-	-	-
Facilities acquisition and construction	-	-	-	-	-	-	-	-
Debt service	-	-	-	-	-	-	-	-
Nonprogrammed charges	-	-	-	-	-	-	-	-
Total disbursements	-	-	11,461	54,737	3,542	-	107	8,860
Excess (deficiency) of receipts over disbursements	-	-	6,635	(7,884)	(3,542)	-	(107)	-
Other financing sources (uses):								
Proceeds of long-term debt	-	-	-	-	-	-	-	-
Sale of capital assets	-	-	-	-	-	-	-	-
Transfers in	-	-	-	-	-	-	-	-
Transfers out	-	-	-	-	-	-	-	-
Total other financing sources (uses)	-	-	-	-	-	-	-	-
Excess (deficiency) of receipts and other financing sources over disbursements and other financing uses	-	-	6,635	(7,884)	(3,542)	-	(107)	-
Cash and investments - ending	\$ -	\$ -	\$ -	\$ (7,884)	\$ (3,542)	\$ -	\$ -	\$ -

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

	Title III Limited English 2015-2017	School Nutrition Clearing	Clearing Fund	School Lunch EFT from State	School Lunch Payroll Clearing	Payroll Deductions	Life Insurance Fringe Benefit	Totals
Cash and investments - beginning	\$ -	\$ -	\$ -	\$ -	\$ 54	\$ (3,375)	\$ 223	\$ 10,619,648
Receipts:								
Local sources	-	-	-	-	-	-	-	12,325,232
Intermediate sources	-	-	-	-	-	-	-	48,172
State sources	-	-	-	-	-	-	-	18,911,737
Federal sources	7,434	-	-	-	-	-	-	1,239,956
Other receipts	-	93,340	258	668,616	25,903	3,898,498	1,553	4,981,351
Total receipts	7,434	93,340	258	668,616	25,903	3,898,498	1,553	37,506,448
Disbursements:								
Instruction	10,141	-	-	-	-	-	-	12,550,792
Support services	-	-	-	-	-	-	-	9,739,862
Noninstructional services	-	-	-	-	-	-	-	1,913,200
Facilities acquisition and construction	-	-	-	-	-	-	-	5,229,393
Debt service	-	-	-	-	-	-	-	3,640,788
Nonprogrammed charges	-	77,784	398	668,616	25,957	3,902,850	1,776	4,677,386
Total disbursements	10,141	77,784	398	668,616	25,957	3,902,850	1,776	37,751,421
Excess (deficiency) of receipts over disbursements	(2,707)	15,556	(140)	-	(54)	(4,352)	(223)	(244,973)
Other financing sources (uses):								
Proceeds of long-term debt	-	-	-	-	-	-	-	3,698,719
Sale of capital assets	-	-	-	-	-	-	-	4,649
Transfers in	-	-	-	-	-	-	-	1,344,540
Transfers out	-	-	-	-	-	-	-	(1,344,540)
Total other financing sources (uses)	-	-	-	-	-	-	-	3,703,368
Excess (deficiency) of receipts and other financing sources over disbursements and other financing uses	(2,707)	15,556	(140)	-	(54)	(4,352)	(223)	3,458,395
Cash and investments - ending	\$ (2,707)	\$ 15,556	\$ (140)	\$ -	\$ -	\$ (7,727)	\$ -	\$ 14,078,043

NEW PRAIRIE UNITED SCHOOL CORPORATION  
SCHEDULE OF LEASES AND DEBT  
June 30, 2016

Lessor	Purpose	Annual Lease Payment	Lease Beginning Date	Lease Ending Date
Governmental activities:				
Adams Remco	Copier Lease	\$ 26,400	06/01/2015	06/30/2018
Apple Inc	Electronic Equipment	318,875	06/13/2013	01/05/2017
Apple Inc Addendum	Electronic Equipment	172,972	06/13/2014	12/13/2017
New Prairie United School Building Corporation	Refund 2005 Bonds and High School Improvements	1,891,500	06/22/2015	07/15/2021
New Prairie United School Building Corporation	Refund 2006 Bonds, Capital and Technology Upgrades	2,084,000	06/01/2013	12/31/2023
New Prairie United School Building Corporation	Improvement Bond New Portion 2015	<u>321,500</u>	01/15/2016	01/15/2026
Total of annual lease payments		<u>\$ 4,815,247</u>		

Type	Description of Debt	Purpose	Ending Principal Balance	Principal and Interest Due Within One Year
Governmental activities:				
General obligation bonds	Issued 2014		\$ 1,740,000	\$ 220,719
General obligation bonds	Pension Bond		540,000	142,360
General obligation bonds	ARRA of 2009 QSCB		1,430,000	213,006
Notes and loans payable	Energy Savings Project		<u>723,805</u>	<u>113,690</u>
Totals			<u>\$ 4,433,805</u>	<u>\$ 689,775</u>

NEW PRAIRIE UNITED SCHOOL CORPORATION  
 SCHEDULE OF CAPITAL ASSETS  
 June 30, 2016

Capital assets are reported at current replacement cost.  
 Contributed or donated assets are reported at estimated fair  
 value at the time received.

	<u>Ending Balance</u>
Governmental activities:	
Land	\$ 538,136
Infrastructure	101,000
Buildings	107,867,800
Improvements other than buildings	2,803,353
Machinery, equipment, and vehicles	19,120,528
Construction in progress	750,000
Books and other	<u>736,500</u>
Total capital assets	<u>\$ 131,917,317</u>

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SUPPLEMENTAL AUDIT OF  
FEDERAL AWARDS



**STATE OF INDIANA**  
AN EQUAL OPPORTUNITY EMPLOYER

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

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

TO: THE OFFICIALS OF THE NEW PRAIRIE UNITED SCHOOL  
CORPORATION, LAPORTE COUNTY, INDIANA

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

We have audited the New Prairie United School Corporation's (School Corporation) compliance with the types of compliance requirements described in the *U.S. Office of Management and Budget (OMB) Circular A-133 Compliance Supplement* that could have a direct and material effect on each of its major federal programs for the period of July 1, 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 the requirements of laws, regulations, contracts, and grants applicable to its federal programs.

***Auditor's Responsibility***

Our responsibility is to express an opinion on compliance for each of the School Corporation's major federal programs based on our audit of the types of compliance requirements referred to above. Except as discussed in the following paragraph, 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.

***Basis for Qualified Opinion on Title I Grants to Local Educational Agencies***

As described in item 2016-006 in the accompanying Schedule of Findings and Questioned Costs, we were unable to obtain sufficient appropriate audit evidence supporting the compliance of the School Corporation with Title I Grants to Local Educational Agencies regarding Special Tests and Provisions - Assessment System Security. Consequently, we were unable to determine whether the School Corporation complied with these requirements applicable to the program.

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

As described in item 2016-003 in the accompanying Schedule of Findings and Questioned Costs, the School Corporation did not comply with requirements regarding Activities Allowed or Unallowed, Allowable Costs/Cost Principles, and Procurement and Suspension and Debarment that are applicable to its Title I Grants to Local Educational Agencies program. Compliance with such requirements is necessary, in our opinion, for the School Corporation to comply with requirements applicable to that program.

***Basis for Qualified Opinion on Twenty-First Century Community Learning Centers***

As described in item 2016-008 in the accompanying Schedule of Findings and Questioned Costs, the School Corporation did not comply with requirements regarding Period of Performance that are applicable to its Twenty-First Century Community Learning Centers program. Compliance with such requirements is necessary, in our opinion, for the School Corporation to comply with requirements applicable to that program.

***Qualified Opinion on Title I Grants to Local Educational Agencies***

In our opinion, except for the effects of such noncompliance, if any, as might have been determined had we been able to examine sufficient evidence regarding the School Corporation's compliance with the requirements of Title I Grants to Local Educational Agencies regarding Special Tests and Provisions - Assessment System Security and the noncompliance described in the *Basis for Qualified Opinion on Title I Grants to Local Educational Agencies* paragraph, the School Corporation complied, in all material respects, with the requirements referred to above that could have a direct and material effect on Title I Grants to Local Educational Agencies for the period of July 1, 2014 to June 30, 2016.

***Qualified Opinion on Twenty-First Century Community Learning Centers***

In our opinion, except for the noncompliance described in the *Basis for Qualified Opinion on Twenty-First Century Community Learning Centers* paragraph, 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 Twenty-First Century Community Learning Centers for the period of July 1, 2014 to June 30, 2016.

***Unmodified Opinion on Each of the Other Major Federal Programs***

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 other major federal programs identified in the Summary of Auditor's Results section of the accompanying Schedule of Findings and Questioned Costs for the period of July 1, 2014 to June 30, 2016.

***Other Matters***

The results of our auditing procedures disclosed instances of noncompliance, which are required to be reported in accordance with OMB Circular A-133 and which are described in the accompanying Schedule of Findings and Questioned Costs as item 2016-009. Our opinion on each major federal program is not modified with respect to these matters.

The School Corporation's response to the noncompliance 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.

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

**Report on Internal Control over Compliance**

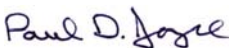
Management of the School Corporation is responsible for establishing and maintaining effective internal control over compliance with the types of compliance requirements referred to above. In planning and performing our audit of compliance, we considered the School Corporation's internal control over 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 items 2016-003, 2016-004, 2016-005, 2016-006, 2016-007, 2016-008, and 2016-009 to be material weaknesses.

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

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

  
Paul D. Joyce, CPA  
State Examiner

December 20, 2017

#### 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.

NEW PRAIRIE UNITED SCHOOL CORPORATION  
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
<b>U. S. DEPARTMENT OF AGRICULTURE</b>							
Child Nutrition Cluster							
School Breakfast Program	Indiana Department of Education	10.553	FY 2014-2015; 2015-2016	\$ -	\$ 105,457	\$ -	\$ 106,183
National School Lunch Program	Indiana Department of Education	10.555	FY 2014-2015; 2015-2016	-	536,939	-	514,137
National School Lunch Program - Commodities			FY 2014-2015; 2015-2016	-	89,702	-	91,610
Total - National School Lunch Program				-	626,641	-	605,747
Summer Food Service Program for Children	Indiana Department of Education	10.559	FY 2014-2015; 2015-2016	-	12,868	-	17,785
Total - Child Nutrition Cluster				-	744,966	-	729,715
Total - U. S. Department of Agriculture				-	744,966	-	729,715
<b>U. S. DEPARTMENT OF EDUCATION</b>							
Title I Grants to Local Educational Agencies	Indiana Department of Education	84.010	14-4805	-	175,009	-	-
			15-4805	-	335,482	-	120,357
			16-4805	-	-	-	243,304
Total - Title I Grants to Local Educational Agencies				-	510,491	-	363,661
Special Education Cluster (IDEA)							
Special Education_Grants to States	Indiana Department of Education	84.027	14213-057-PN01	-	123	-	-
			14214-057-PN01	-	163,838	-	-
			14215-057-PN01	-	396,883	-	185,656
			14216-057-PN01	-	-	-	433,612
			99914-057-TA01	-	7,249	-	140
Total - Special Education_Grants to States				-	568,093	-	619,408

NEW PRAIRIE UNITED SCHOOL CORPORATION  
 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
Special Education_Preschool Grants	Indiana Department of Education	84.173	45714-057-PN01	-	11,685	-	-
			45715-057-PN01	-	19,297	-	5,314
			45716-057-PN01	-	-	-	10,024
Total - Special Education_Preschool Grants				-	30,982	-	15,338
Total - Special Education Cluster (IDEA)				-	599,075	-	634,746
Twenty-First Century Community Learning Centers 21st Century	Indiana Department of Education	84.287	A58-5-15DL-2139	-	160,500	-	49,513
21st Century		84.287	A58-6-16DL-3059	-	-	-	107,334
Total - Twenty-First Century Community Learning Centers				-	160,500	-	156,847
English Language Acquisition State Grants Title III 2012-2013	Indiana Department of Education	84.365	FY 2012-2013	-	308	-	-
Title III 2013-14		84.365	FY 2013-2014	-	6,534	-	-
Title III 2014-2015		84.365	FY 2014-2015	-	4,869	-	8,860
Title III 2014-2015		84.365	FY 2015-2016	-	-	-	7,434
Total - English Language Acquisition State Grants				-	11,711	-	16,294
Improving Teacher Quality State Grants Title II 2012-2014	Indiana Department of Education	84.367	12-4805	-	4,064	-	-
Title II 2013-2015		84.367	13-4805	-	46,805	-	18,096
Title II 2014-2016		84.367	14-4805	-	4,324	-	46,853
Total - Improving Teacher Quality State Grants				-	55,193	-	64,949
Total - U.S. Department of Education				-	1,336,970	-	1,236,497
Total federal awards expended				\$ -	\$ 2,081,936	\$ -	\$ 1,966,212

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

NEW PRAIRIE UNITED SCHOOL CORPORATION  
NOTES TO SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS

**Note 1. *Basis of Presentation***

The accompanying Schedule of Expenditures of Federal Awards (SEFA) includes the federal grant activity of the School Corporation 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.

NEW PRAIRIE UNITED SCHOOL CORPORATION  
SCHEDULE OF FINDINGS AND QUESTIONED COSTS

**Section I - Summary of Auditor's Results**

Financial Statement:

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

Federal Awards:

Internal control over major programs:	
Material weaknesses identified?	yes
Significant deficiencies identified?	none reported
Type of auditor's report issued on compliance for major programs:	Unmodified: Child Nutrition Cluster Qualified: Title I Grants to Local Educational Agencies and Twenty-First Century Community Learning Centers
Any audit findings disclosed that are required to be reported in accordance with section .510(a) of OMB Circular A-133?	yes

Identification of Major Programs:

CFDA Number	Name of Federal Program or Cluster
84.010	Child Nutrition Cluster
84.287	Title I Grants to Local Educational Agencies Twenty-First Century Community Learning Centers

Dollar threshold used to distinguish between Type A and Type B programs: \$300,000

Auditee qualified as low-risk auditee?	no
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**Section II - Financial Statement Findings**

**FINDING 2016-001**

Subject: Preparation of the Schedule of Expenditures of Federal Awards  
Audit Findings: Material Weakness, Noncompliance

NEW PRAIRIE UNITED SCHOOL CORPORATION  
SCHEDULE OF FINDINGS AND QUESTIONED COSTS  
(Continued)

*Condition*

The School Corporation did not have a proper system of internal control in place to prevent, or detect and correct, errors on the Schedule of Expenditures of Federal Awards (SEFA).

The School Corporation failed to properly review the federal grant information prepared and submitted in the Indiana Gateway for government units financial reporting system, which was the source of the SEFA. One employee prepared and submitted the federal grant information without an oversight or review process in order to detect and correct errors before submission. The SEFA presented for audit contained the following errors:

1. The School Breakfast Program was overstated by \$25,803 for the 2015-2016 fiscal year.
2. The National School Lunch Program was understated by \$16,300 for the 2014-2015 fiscal year and overstated by \$393,875 for the 2015-2016 fiscal year.
3. The National School Lunch Program commodities were omitted in the amount of \$89,702 for the 2014-2015 fiscal year and \$91,610 for the 2015-2016 fiscal year.
4. The Summer Food Service Program for Children was overstated by \$16,300 for the 2014-2015 fiscal year.
5. The Special Education\_Grants to States program was understated by \$54,584 for the 2014-2015 fiscal year and by \$92,805 for the 2015-2016 fiscal year.
6. The Special Education\_Preschool Grants program was understated by \$9,321 for the 2014-2015 fiscal year and by \$3,389 for the 2015-2016 fiscal year.

*Context*

The lack of internal controls was a systemic issue throughout the audit period. 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. . . .

NEW PRAIRIE UNITED SCHOOL CORPORATION  
SCHEDULE OF FINDINGS AND QUESTIONED COSTS  
(Continued)

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. . . ."

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. . . ."

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:

NEW PRAIRIE UNITED SCHOOL CORPORATION  
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 that 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*

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

*Effect*

Without a proper system of internal control in place that operated effectively, material misstatements of the SEFA remained 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.

**FINDING 2016-002**

Subject: Financial Transactions and Reporting  
Audit Finding: Material Weakness

*Condition*

The School Corporation had not established and properly implemented an internal control system related to disbursements to ensure proper approval of records and that proper documentation was maintained and made available for audit.

NEW PRAIRIE UNITED SCHOOL CORPORATION  
SCHEDULE OF FINDINGS AND QUESTIONED COSTS  
(Continued)

*Context*

The lack of controls was a systemic issue, which occurred throughout the audit period.

*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. . . ."

*Cause*

The School Corporation had not established a proper system of internal control.

*Effect*

The failure to establish and properly implement controls could have enabled material misstatements or irregularities to remain undetected.

*Recommendation*

We recommended that the School Corporation's management establish effective controls, including segregation of duties, to ensure the accuracy of the disbursements reported in the financial statement.

*Views of Responsible Officials*

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

NEW PRAIRIE UNITED SCHOOL CORPORATION  
SCHEDULE OF FINDINGS AND QUESTIONED COSTS  
(Continued)

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

***FINDING 2016-003***

Subject: Title I Grants to Local Educational Agencies - Activities Allowed or Unallowed; Allowable Costs/Cost Principles; Procurement and Suspension and Debarment

Federal Agency: U.S. Department of Education

Federal Program: Title I Grants to Local Educational Agencies

CFDA Number: 84.010

Federal Award Numbers and Years (or Other Identifying Numbers): 14-4805, 15-4805, 16-4805

Pass-Through Entity: Indiana Department of Education

Compliance Requirements: Activities Allowed or Unallowed; Allowable Costs/Cost Principles; Procurement and Suspension and Debarment

Audit Findings: Material Weakness, Modified Opinion

*Repeat Finding*

This is a repeat finding from the immediate prior audit report. The prior audit finding number was 2014-003.

*Condition*

The School Corporation had not established an effective internal control system related to the grant agreements and the Activities Allowed or Unallowed, Allowable Costs/Cost Principles, and Procurement and Suspension and Debarment compliance requirements.

The following disbursements charged to the Title I Grants to Local Educational Agencies funds were paid without adequate supporting documentation to ensure compliance with the Activities Allowed or Unallowed, Allowable Costs/Cost Principles, and Procurement and Suspension and Debarment compliance requirements.

1. The School Corporation paid \$5,200 to renew an agreement for a reading program.
2. The School Corporation paid \$898 for classroom magazines.
3. The School Corporation paid \$156 for Mom's Breakfast event.

When the sample errors noted above were projected to the population as a whole, additional likely errors of \$10,659 were identified.

*Context*

The lack of controls and payments without adequate supporting documentation were systemic issues 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. . . ."

NEW PRAIRIE UNITED SCHOOL CORPORATION  
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). . . ."

OMB Circular A-87, Attachment A, Part C. states in part:

"1. Factors affecting allowability of costs. To be allowable under Federal awards, costs must meet the following general criteria:

a. Be necessary and reasonable for proper and efficient performance and administration of Federal awards. . . .

j. be adequately documented. . . ."

2 CFR 200.403 states in part

"Except where otherwise authorized by statute, costs must meet the following general criteria in order to be allowable under Federal awards:

(a) Be necessary and reasonable for the performance of the Federal award and be allocable thereto under these principles. . . .

(g) Be adequately documented. See also §§ 200.300 Statutory and national policy requirements through 200.309 Period of performance of this part."

34 CFR 80.36 states in part:

". . . (b) *Procurement standards.*

(1) Grantees and subgrantees will use their own procurement procedures which reflect applicable State and local laws and regulations, provided that the procurements conform to applicable Federal law and the standards identified in this section. . . .

(9) Grantees and subgrantees will maintain records sufficient to detail the significant history of a procurement. These records will include, but are not necessarily limited to the following: rationale for the method of procurement, selection of contract type, contractor selection or rejection, and the basis for the contract price. . . ."

NEW PRAIRIE UNITED SCHOOL CORPORATION  
SCHEDULE OF FINDINGS AND QUESTIONED COSTS  
(Continued)

2 CFR 200.318 states in part:

"(a) The non-Federal entity must use its own documented procurement procedures which reflect applicable State, local, and tribal laws and regulations, provided that the procurements conform to applicable Federal law and the standards identified in this part. . . .

(i) The non-Federal entity must maintain records sufficient to detail the history of procurement. These records will include, but are not necessarily limited to the following: rationale for the method of procurement, selection of contract type, contractor selection or rejection, and the basis for the contract price."

*Cause*

Management had not developed a system of internal controls that would have ensured compliance with the Activities Allowed or Unallowed, Allowable Costs/Cost Principles, and Procurement and Suspension and Debarment compliance requirements.

*Effect*

The failure to establish an effective internal control system enabled noncompliance to go undetected. Noncompliance with the grant agreements and the compliance requirements could have resulted in the loss of federal funds to the School Corporation.

*Questioned Costs*

Known questioned costs of \$6,255 were identified as detailed in the *Condition*.

*Recommendation*

We recommended that the School Corporation establish controls to ensure compliance with the Activities Allowed or Unallowed, Allowable Costs/Cost Principles, and Procurement and Suspension and Debarment compliance requirements.

*Views of Responsible Officials*

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

**FINDING 2016-004**

Subject: Title I Grants to Local Educational Agencies - Cash Management and Reporting  
Federal Agency: U.S. Department of Education  
Federal Program: Title I Grants to Local Educational Agencies  
CFDA Number: 84.010  
Federal Award Numbers and Years (or Other Identifying Numbers): 14-4805, 15-4805, 16-4805  
Pass-Through Entity: Indiana Department of Education  
Compliance Requirements: Cash Management, Reporting  
Audit Finding: Material Weakness

*Repeat Finding*

This is a repeat finding from the immediate prior audit. The prior audit finding number was 2014-003.

NEW PRAIRIE UNITED SCHOOL CORPORATION  
SCHEDULE OF FINDINGS AND QUESTIONED COSTS  
(Continued)

*Condition*

The School Corporation had not established an effective internal control system related to the grant agreement and the Cash Management and Reporting compliance requirements.

One employee prepared and submitted the Reimbursement Requests without documentation of an oversight, review, or approval process.

One employee prepared and submitted the Final Expenditure Report without an oversight, review, or approval process.

*Context*

The lack of internal controls was a systemic issue 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. . . ."

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*

The School Corporation had not developed or implemented a system of internal controls that would have segregated key functions related to the Cash Management and Reporting compliance requirements.

*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 the 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 program.

*Questioned Costs*

There were no questioned costs identified.

NEW PRAIRIE UNITED SCHOOL CORPORATION  
SCHEDULE OF FINDINGS AND QUESTIONED COSTS  
(Continued)

*Recommendation*

We recommended that the School Corporation's management establish controls to ensure compliance with the Cash Management and Reporting compliance requirements.

*Views of Responsible Officials*

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

**FINDING 2016-005**

Subject: Title I Grants to Local Educational Agencies - Eligibility, Special Tests and Provisions - Comparability, and Special Tests and Provisions - Schoolwide Programs  
Federal Agency: U.S. Department of Education  
Federal Program: Title I Grants to Local Educational Agencies  
CFDA Number: 84.010  
Federal Award Numbers and Years (or Other Identifying Numbers): 14-4805, 15-4805, 16-4805  
Pass-Through Entity: Indiana Department of Education  
Compliance Requirements: Eligibility, Special Tests and Provisions - Comparability,  
Special Tests and Provisions - Schoolwide Programs  
Audit Finding: Material Weakness

*Condition*

The School Corporation had not established an effective internal control system related to the grant agreement and the Eligibility, Special Tests and Provisions - Comparability, and Special Tests and Provisions - Schoolwide Programs compliance requirements.

*Eligibility*

The grant application was prepared and submitted by the Title I Director. Evidence of a review or approval over the eligibility summary prepared in the grant application for the 2014-2015 and 2015-2016 fiscal years was not retained or presented for audit.

*Special Tests and Provisions - Comparability*

The School Corporation did not have a review or oversight process to ensure that the comparability report was accurately prepared. One person prepared and submitted the comparability report. There was no segregation of duties, such as an oversight, review, or approval process.

*Special Tests and Provisions - Schoolwide Program*

The School Corporation did not have documentation of a review or oversight to ensure that the Schoolwide Plan was in compliance with the Schoolwide program requirements.

*Context*

The lack of internal controls were systemic issues throughout the audit period.

NEW PRAIRIE UNITED SCHOOL CORPORATION  
SCHEDULE OF FINDINGS AND QUESTIONED COSTS  
(Continued)

*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. . . ."

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*

The School Corporation had not developed a system of internal controls to ensure compliance with the Eligibility, Special Tests and Provisions - Comparability, and Special Tests and Provisions - Schoolwide Programs compliance requirements.

*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 the 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 program.

*Questioned Costs*

There were no questioned costs identified.

*Recommendation*

We recommended that the School Corporation's management establish controls to ensure compliance with the Eligibility, Special Tests and Provisions - Comparability, and Special Tests and Provisions - Schoolwide Programs compliance requirements.

*Views of Responsible Officials*

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

NEW PRAIRIE UNITED SCHOOL CORPORATION  
SCHEDULE OF FINDINGS AND QUESTIONED COSTS  
(Continued)

***FINDING 2016-006***

Subject: Title I Grants to Local Educational Agencies - Special Tests and Provisions - Assessment System Security  
Federal Agency: U.S. Department of Education  
Federal Program: Title I Grants to Local Educational Agencies  
CFDA Number: 84.010  
Federal Award Numbers and Years (or Other Identifying Numbers): 14-4805, 15-4805, 16-4805  
Pass-Through Entity: Indiana Department of Education  
Compliance Requirement: Special Tests and Provisions - Assessment System Security  
Audit Findings: Material Weakness, Modified Opinion

*Condition*

The School Corporation had not established an effective internal control system related to the grant agreement and the Special Tests and Provisions - Assessment System Security compliance requirement. The School Corporation was required to properly implement policies and procedures regarding the security of tests. The School Corporation did not maintain Indiana Testing Security and Integrity Agreements (Agreements) for any individual who administered, handled, or had access to secure test materials at the district or school level in order to verify if the Agreements were reviewed and signed.

*Context*

The lack of controls was a systemic issue throughout the audit period. In addition, Agreements were not retained for audit for the 2014-2015 fiscal year or for the high school for the 2015-2016 fiscal year.

*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. . . ."

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). . . ."

2 CFR 200.207(a) states in part: "The Federal awarding agency or pass-through entity may impose additional specific award conditions as needed. . . ."

NEW PRAIRIE UNITED SCHOOL CORPORATION  
SCHEDULE OF FINDINGS AND QUESTIONED COSTS  
(Continued)

The Indiana Assessment Program Manual, Chapter 10, Section 9, Part A states in part:

". . . School corporation, accredited nonpublic school, charter school, and Choice school administrators must develop, implement and assess procedures for the secure storage, administration and delivery of standardized test books back to the IDOE via the test contractor. . . ."

New Prairie United School Corporation 2623.01 - Test Security Provisions for Statewide Assessments states in part:

". . . The Assistant Superintendent or designee is designated as the Corporation Test Coordinator (CTC) and the individual to whom the test materials are to be delivered. Test materials include examiner's manuals, assessment books, answer documents, practice tests, test tickets and online test access codes.

The CTC shall: . . .

F. require that principals and all staff involved in the administration of the tests strictly follow all procedures described in the testing manuals and those outlined by the IDOE; . . ."

Indiana Assessment Program Manual, Chapter 10, Section 4, Part D states in part: ". . . Ensure all applicable school and corporation staff review and sign the Indiana Testing Security and Integrity Agreement annually by the end of September as described in the *Code of Ethical Practices and Procedures*. . . ."

*Cause*

The School Corporation had not developed a system of internal controls that would have ensured that supporting documentation was completed and maintained for audit to ensure compliance with the Special Tests and Provisions - Assessment System Security compliance requirement.

*Effect*

The failure to maintain and provide adequate supporting documentation prevented the determination of the School Corporation's compliance with the Special Tests and Provisions - Assessment System Security compliance requirement.

*Questioned Costs*

There were no questioned costs identified.

*Recommendation*

We recommended that the School Corporation's management establish controls to ensure that adequate documentation is maintained for audit relating to the Special Tests and Provisions - Assessment System Security compliance requirement.

*Views of Responsible Officials*

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

NEW PRAIRIE UNITED SCHOOL CORPORATION  
SCHEDULE OF FINDINGS AND QUESTIONED COSTS  
(Continued)

***FINDING 2016-007***

Subject: Child Nutrition Cluster - Reporting  
Federal Agency: U.S. Department of Agriculture  
Federal Programs: School Breakfast Program, National School Lunch Program,  
Summer Food Service Program for Children  
CFDA Numbers: 10.553, 10.555, 10.559  
Federal Award Numbers and Years (or Other Identifying Numbers): FY 2014-2015, FY 2015-2016  
Pass-Through Entity: Indiana Department of Education  
Compliance Requirement: Reporting  
Audit Finding: Material Weakness

*Condition*

The School Corporation had not established an effective internal control system related to the grant agreement and the Reporting compliance requirement.

The School Corporation had internal controls in place over the reporting of the monthly Sponsor Claims (claim for reimbursement); however, the controls were not properly implemented.

The Food Service Director prepared the monthly Sponsor Claims (claim for reimbursement) and sent them to the Treasurer for review. There was no documentation that they were reviewed by the Treasurer.

The School Corporation had not established an effective internal control system related to the School Food Authority (SFA) Verification Collection Report. One individual prepared and submitted the report without oversight, review, or approval.

*Context*

The lack of internal controls was a systemic issue 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. . . ."

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). . . ."

NEW PRAIRIE UNITED SCHOOL CORPORATION  
SCHEDULE OF FINDINGS AND QUESTIONED COSTS  
(Continued)

*Cause*

The School Corporation had not established an effective internal control structure to ensure compliance with the Reporting compliance requirement.

*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 requirement. A lack of segregation of duties within an internal control system could have also allowed noncompliance with the compliance requirement 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 to ensure compliance with the Reporting compliance requirement.

*Views of Responsible Officials*

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

**FINDING 2016-008**

Subject: Twenty-First Century Community Learning Centers - Period of Performance

Federal Agency: U.S. Department of Education

Federal Program: Twenty-First Century Community Learning Centers

CFDA Number: 84.287

Federal Award Numbers and Years (or Other Identifying Numbers): A58-5-15DL-2139, A58-6-16DL-3059

Pass-Through Entity: Indiana Department of Education

Compliance Requirement: Period of Performance

Audit Findings: Material Weakness, Modified Opinion

*Condition*

The School Corporation had not established an effective internal control system related to the grant agreements and the Period of Performance compliance requirement.

The School Corporation failed to comply with the Period of Performance compliance requirement that all obligations for expenditures made from program funds were incurred and expended within the period of performance. The obligation and/or payment of the claims did not occur within the period of performance for transactions charged and recorded in the computerized accounting system subsequent to the period of performance.

The underlying obligations for \$39,073 of disbursements tested did not occur within the period of performance.

NEW PRAIRIE UNITED SCHOOL CORPORATION  
SCHEDULE OF FINDINGS AND QUESTIONED COSTS  
(Continued)

*Context*

The School Corporation's failure to comply with the Period of Performance compliance requirement was a systemic issue. Of the payments tested, which were recorded after the period of performance, 14 percent were not obligated within the period of performance.

*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. . . ."

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). . . ."

34 CFR 80.23 states:

"(a) *General.* Where a funding period is specified, a grantee may charge to the award only costs resulting from obligations of the funding period unless carryover of unobligated balances is permitted, in which case the carryover balances may be charged for costs resulting from obligations of the subsequent funding period.

(b) *Liquidation of obligations.* A grantee must liquidate all obligations incurred under the award not later than 90 days after the end of the funding period (or as specified in a program regulation) to coincide with the submission of the annual Financial Status Report (SF-269). The Federal agency may extend this deadline at the request of the grantee."

*Cause*

The School Corporation had not developed a system of internal controls that would have ensured compliance with the grant agreements and the Period of Performance compliance requirement.

*Effect*

The failure to establish an effective internal control system enabled material noncompliance to go undetected. Noncompliance with the grant agreements or the compliance requirement could have resulted in the loss of federal funds to the School Corporation.

*Questioned Costs*

Questioned costs of \$39,073 were identified as noted in the *Condition*.

NEW PRAIRIE UNITED SCHOOL CORPORATION  
SCHEDULE OF FINDINGS AND QUESTIONED COSTS  
(Continued)

*Recommendation*

We recommended that the School Corporation's management establish controls to ensure compliance and comply with the Period of Performance compliance requirement.

*Views of Responsible Officials*

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

**FINDING 2016-009**

Subject: Twenty-First Century Community Learning Centers - Activities  
Allowed or Unallowed and Allowable Costs/Cost Principles

Federal Agency: U.S. Department of Education

Federal Program: Twenty-First Century Community Learning Centers

CFDA Number: 84.287

Federal Award Numbers and Years (or Other Identifying Numbers): A58-5-15DL-2139, A58-6-16DL-3059

Pass-Through Entity: Indiana Department of Education

Compliance Requirements: Activities Allowed or Unallowed, Allowable Costs/Cost Principles

Audit Findings: Material Weakness, Other Matters

*Condition*

The School Corporation had not established an effective internal control system related to the grant agreements and the Activities Allowed or Unallowed and Allowable Costs/Cost Principles compliance requirements.

The following vendor disbursements charged to the Twenty-First Century Community Learning Centers grant funds were paid without adequate supporting documentation to ensure compliance with the Activities Allowed or Unallowed and Allowable Costs/Cost Principles compliance requirements.

1. One claim of \$1,563 for robotics supplies was paid by the School Corporation. The supporting invoice of \$1,919 indicated that it was paid with the School Corporation credit card. We could not determine if the School Corporation had previously paid for that purchase because that credit card accounts payable voucher with supporting documentation could not be located.
2. There were two payroll adjustments which totaled \$1,632 that did not have supporting documentation.

*Context*

The lack of controls was a systemic issue throughout the audit period. The payments without supporting documentation were isolated incidents. Of the adjustments tested, 40 percent did not include supporting documentation in compliance with the requirements for Activities Allowed or Unallowed and Allowable Costs/Cost Principles.

NEW PRAIRIE UNITED SCHOOL CORPORATION  
SCHEDULE OF FINDINGS AND QUESTIONED COSTS  
(Continued)

*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. . . ."

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). . . ."

OMB Circular A-87, Attachment A, Part C. states in part:

"1. Factors affecting allowability of costs. To be allowable under Federal awards, costs must meet the following general criteria:

a. Be necessary and reasonable for proper and efficient performance and administration of Federal awards. . . .

j. be adequately documented. . . ."

2 CFR 200.403 states in part:

"Except where otherwise authorized by statute, costs must meet the following general criteria in order to be allowable under Federal awards:

(a) Be necessary and reasonable for the performance of the Federal award and be allocable thereto under these principles. . . .

(g) Be adequately documented. See also §§ 200.300 Statutory and national policy requirements through 200.309 Period of performance of this part. . . ."

*Cause*

The School Corporation had not developed or implemented a system of internal controls that would have ensured that adequate supporting documentation was maintained to ensure compliance with the Activities Allowed or Unallowed and Allowable Costs/Cost Principles compliance requirements.

*Effect*

The failure to establish an effective internal control system enabled noncompliance to go undetected. Noncompliance with the grant agreements and the compliance requirements could have resulted in the loss of federal funds to the School Corporation.

NEW PRAIRIE UNITED SCHOOL CORPORATION  
SCHEDULE OF FINDINGS AND QUESTIONED COSTS  
(Continued)

*Questioned Costs*

There were no questioned costs identified.

*Recommendation*

We recommended that the School Corporation's management establish controls to ensure compliance and comply with the Activities Allowed or Unallowed and Allowable Costs/Cost Principles compliance requirements.

*Views of Responsible Officials*

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

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#### AUDITEE-PREPARED DOCUMENTS

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



SUMMARY SCHEDULE OF PRIOR AUDIT FINDINGS

**FINDING 2014-02** (Auditor Assigned Reference Number)

Fiscal year in which the finding initially occurred: 2015

Contact Person Responsible for Corrective Action: Tammy Watkins

Contact Phone Number: 574-654-0401

Status of Audit Finding:

An assistant has been hired (starting with the 2015-16 school year). The Food Service Assistant enters Free and Reduced Price meal applications into the Free and Reduced Price meal software application.

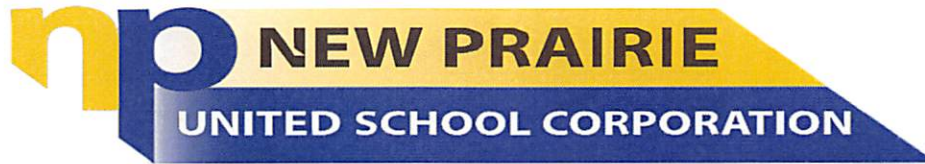
The Food Service Director reviews all applications for accuracy and then signs for approval.

Verification is completed by the Food Service Director.

Tammy Watkins  
(Signature)

Food Service Director  
(Title)

11/16/17  
(Date)



SUMMARY SCHEDULE OF PRIOR AUDIT FINDINGS

**FINDING 2014-003**

Fiscal year in which the finding initially occurred: 2015  
Contact Person Responsible for Corrective Action: Jim Holifield  
Contact Phone Number: 574-654-0206

Status of Audit Finding:

**CASH MANAGEMENT AND REPORTING**

To assist in this area, NPUSC hired an additional business office staff person. (Due to the timing of our 2012-2014 audit, this change was not identified and corrected until May, 2016.) This addition has allowed for a reconfiguration of duties to allow more segregation of duties. This person prepares the Title I reporting/reimbursement requests and submits after it being reviewed and approved by the Director of Finance/Treasurer.

**ACTIVITIES**

The Director of Finance/Treasurer reviews and approves the monthly depository reconciliations, receipt postings, and payroll input. In addition, the Director of Finance/Treasurer ensures that the accounts payable voucher registers presented to the Board of Trustees are accurate. All payroll and benefits Allowance of Vouchers are reviewed and approved by the Director of Finance/Treasurer who also acts as the Title I Fiscal Coordinator. After review, the Vouchers are presented for both payables and payroll to the Board of Trustees for Approval.

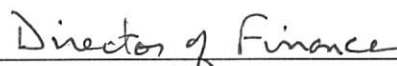
**EQUIPMENT**

NPUSC currently labels all assets purchased and will continue to do so. This is handled through the Technology Department. When equipment is purchased, it is labeled and logged into inventory. A physical inventory (including items purchased with Title I funds) is conducted every two years; this inventory is reviewed and approved by the NPUSC Board of Trustees.

**SUSPENSION AND DISBARMENT**

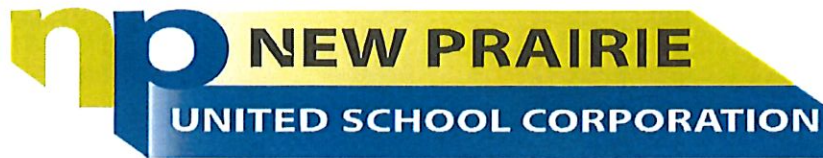
A SAMS report is completed by the business office for all items that are purchased with Title I funds; this is done to ensure that vendors have not been suspended or debarred by the Federal Government.

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

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

12-15-2017

Jim Holifield, Director of Finance  
P: 574-654-7273  
219-778-2814  
F: 574-654-7274



SUMMARY SCHEDULE OF PRIOR AUDIT FINDINGS

**FINDING 2014-004**

Fiscal year in which the finding initially occurred: 2015

Contact Person Responsible for Corrective Action: Jim Holifield

Contact Phone Number: 574-654-0206

Status of Audit Finding:

NPUSC currently labels all assets purchased and will continue to do so.

Purchases of equipment or technology are handled through the Technology Department. Upon receipt, the items are labeled and logged into Inventory. The Inventory List contains, at a minimum: serial number, title holder, % of Federal participation, use, and condition of asset.

A physical bi-annual inventory of all assets, including those purchased with Title I program funds, is completed and approved by the NPUSC Board of Trustees.

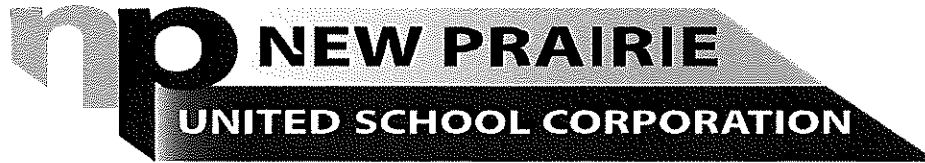
James N. Holifield  
(Signature)

Director of Finance / Treasurer  
(Title)

10-23-17

(Date)

Jim Holifield, Director of Finance  
P: 574-654-7273  
219-778-2814  
F: 574-654-7274



CORRECTIVE ACTION PLAN

**FINDING 2016-001**

Contact Person Responsible for Corrective Action: Jim Holifield  
Contact Phone Number: 574-654-0206

Description of Corrective Action Plan:

The Schedule of Expenditures for Federal Awards will be completed by the Director of Finance and then reviewed and approved by Grant Management prior to submission to Indiana Gateway for Governmental Units financial reporting system.

This corrective action is in place as of November, 2017.

Anticipated Completion Date: Currently in place, as of November, 2017

James N. Holifield  
(Signature)

Director of Finance  
(Title)

12-20-17  
(Date)



CORRECTIVE ACTION PLAN

**FINDING 2016-002**

Contact Person Responsible for Corrective Action: Jim Holifield  
Contact Phone Number: 574-654-0206

Description of Corrective Action Plan:

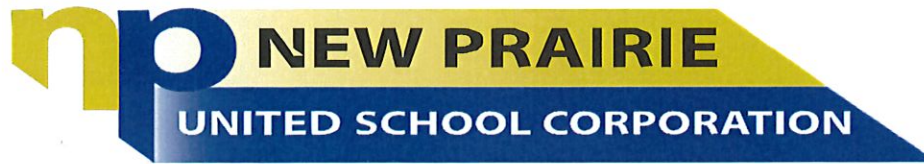
1. NPUSC has developed and implemented an internal control system which meets the standards required by the State Board of Accounts. This internal control plan has been approved by the Board of Trustees. Disbursements are reviewed and approved by the Director of Finance prior to payment being made. Documentation of such review/approval is maintained by NPUSC.

Anticipated Completion Date: Internal Control Plan has been adopted and in place since October, 2016.

*James R. Holifield*  
\_\_\_\_\_  
(Signature)

*Director of Finance*  
\_\_\_\_\_  
(Title)

*01-29-2018*  
\_\_\_\_\_  
(Date)



CORRECTIVE ACTION PLAN

**FINDING 2016-003**

Contact Person Responsible for Corrective Action: Jim Holifield  
Contact Phone Number: 574-654-0206

Description of Corrective Action Plan:

1. Supporting documents for federal grant purchases (including vouchers) will be maintained in the Grant Management office. Verification of documentation sufficiency will be completed by the Director of Finance at the time of reimbursement request approval.
2. Purchase orders and requests for reimbursement are approved by Business Office personnel (other than the person entering the purchase order into the financial management system) after being evaluated for compliance with grant requirements.

Anticipated Completion Date: Action 1 will be completed January, 2018. Action 2 has been in place since June, 2016.

James S. Holifield  
(Signature)

Director of Finance  
(Title)

1 - 3 - 2018  
(Date)



CORRECTIVE ACTION PLAN

**FINDING 2016-004**

Contact Person Responsible for Corrective Action: Jim Holifield  
Contact Phone Number: 574-654-0206

Description of Corrective Action Plan:

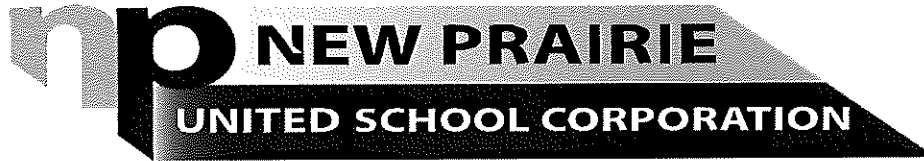
1. Supporting documents for federal grant purchases (including vouchers) will be maintained in the Grant Management office. Verification of documentation sufficiency will be completed by the Director of Finance at the time of reimbursement request approval.
2. Purchase orders and request for reimbursement will be reviewed and approved by Business Office personnel (other than the person entering the purchase order into the financial management system) after being evaluated for compliance with grant requirements.

Anticipated Completion Date: Action 1 will be in place as of January, 2018. Action 2 has been in place since June, 2016.

James T. Holifield  
(Signature)

Director of Finance  
(Title)

12-20-2017  
(Date)



CORRECTIVE ACTION PLAN

**FINDING 2016-005**

Contact Person Responsible for Corrective Action: Jim Holifield  
Contact Phone Number: 574-654-0206

Description of Corrective Action Plan:

1. Title I grant applications are prepared by the Corporation Test Coordinator and then reviewed and approved by the Title I Director, Director of Finance, and Superintendent.
2. Title I comparability report will be prepared by the Corporation Test Coordinator and then reviewed and approved by the Title I Director and Director of Finance, prior to submission.
3. Working copies of the Title I application, Schoolwide Program plan, and subsequent reports will be retained in order to demonstrate completion of actions 1 and 2, above.

Anticipated Completion Date: Actions 1 and 2 have been in place since the prior audit (but documentation was lacking). Action 3 will be been in place beginning January, 2018.

James R. Holifield  
(Signature)

Director of Finance  
(Title)

12-20-17  
(Date)



CORRECTIVE ACTION PLAN

**FINDING 2016-006**

Contact Person Responsible for Corrective Action: Jim Holifield  
Contact Phone Number: 574-654-0206

Description of Corrective Action Plan:

The School Corporation will maintain copies of all testing agreements regarding testing compliance requirements. (Agreements had been complete during the audit period, but had been destroyed after two years. Moving forward, agreements will be retained for a five year period.)

Anticipated Completion Date: Action will be been in place beginning December, 2017.

James S. Holifield  
(Signature)

Director of Finance  
(Title)

12-20-2017  
(Date)

# NEW PRAIRIE UNITED SCHOOL CORPORATION

Dr. Paul White  
5327 N. Cougar Rd.  
New Carlisle, IN 46552  
574-654-7273, 219-778-2814  
FAX 574-654-7274  
www.npusc.k12.in.us

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## CORRECTIVE ACTION PLAN

### **FINDING 2016-007**

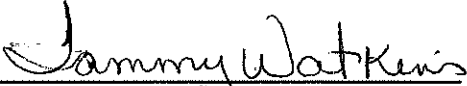
Contact Person Responsible for Corrective Action: Tammy Watkins, Food Service Director  
Contact Phone Number: 574-654-0401

#### Description of Corrective Action Plan:

The Record of Meals Served is generated by the cafeteria POS system and printed by the Food Service Director. The Food Service Director enters the Claim for Reimbursement on line and prints a hard copy. The Record of Meals Served and the hard copy of the Claim for Reimbursement is then given to the Deputy Treasurer to review. The Deputy Treasurer will sign the reviewed Claim for Reimbursement and return it to the Food Service Office to be filed.

#### Anticipated Completion Date:

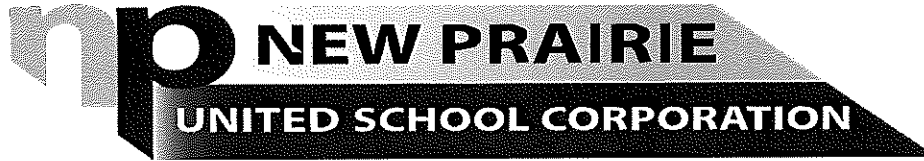
This process was already put in place in January of 2017 due to the Treasurer Position being vacated in December 2016.

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

\_\_\_\_\_  
Food Service Director  
(Title)

\_\_\_\_\_  
December 20, 2017  
(Date)

“A CULTURE OF EXCELLENCE”



CORRECTIVE ACTION PLAN

**FINDING 2016-008**

Contact Person Responsible for Corrective Action: Jim Holifield  
Contact Phone Number: 574-654-0206

Description of Corrective Action Plan:

Compliance with 21<sup>st</sup> Century Grant Period of Performance requirements will be reviewed by the Director of Finance to ensure that expenditures are incurred and expended during the correct period of performance.

Anticipated Completion Date: Action will be been in place beginning December, 2017.

James R. Holifield  
(Signature)

Director of Finance  
(Title)

12-20-2017  
(Date)



CORRECTIVE ACTION PLAN

**FINDING 2016-009**

Contact Person Responsible for Corrective Action: Jim Holifield  
Contact Phone Number: 574-654-0206

Description of Corrective Action Plan:

1. Supporting documents for 21<sup>st</sup> Century grant purchases (including vouchers) will be maintained in the Grant Management office. Verification of documentation sufficiency will be completed by the Director of Finance at the time of purchase request approval.
2. With our current software, all adjustments (including grants) must be reviewed and approved by the Director of Finance. (as of May, 2017)

Anticipated Completion Date: Action 1 will be in place as of January, 2018. Action 2 has been in place since May, 2017.

James R. Holifield  
(Signature)

Director of Finance  
(Title)

01-29-2018  
(Date)

#### OTHER REPORTS

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