

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

FINANCIAL STATEMENT AND
FEDERAL SINGLE AUDIT REPORT
OF

TIPPECANOE VALLEY SCHOOL CORPORATION
KOSCIUSKO COUNTY, INDIANA

July 1, 2015 to June 30, 2017



FILED
03/14/2018

TABLE OF CONTENTS

<u>Description</u>	<u>Page</u>
Schedule of Officials	2
Independent Auditor's Report	3-5
Independent Auditor's Report on Internal Control over Financial Reporting and on Compliance and Other Matters Based on an Audit of the Financial Statement Performed in Accordance with <i>Government Auditing Standards</i>	6-7
Financial Statement and Accompanying Notes:	
Statement of Receipts, Disbursements, Other Financing Sources (Uses), and Cash and Investment Balances - Regulatory Basis.....	10-11
Notes to Financial Statement	12-17
Other Information - Unaudited:	
Combining Schedules of Receipts, Disbursements, Other Financing Sources (Uses), and Cash and Investment Balances - Regulatory Basis.....	20-39
Schedule of Payables and Receivables	40
Schedule of Leases and Debt	41
Schedule of Capital Assets.....	43
Supplemental Audit of Federal Awards:	
Independent Auditor's Report on Compliance for Each Major Federal Program and on Internal Control over Compliance	46-47
Schedule of Expenditures of Federal Awards and Accompanying Notes:	
Schedule of Expenditures of Federal Awards.....	50-51
Notes to Schedule of Expenditures of Federal Awards	52
Schedule of Findings and Questioned Costs	53-58
Auditee-Prepared Documents:	
Summary Schedule of Prior Audit Findings.....	60-61
Corrective Action Plan	62-64
Other Reports.....	65

SCHEDULE OF OFFICIALS

<u>Office</u>	<u>Official</u>	<u>Term</u>
Treasurer	Jessica McFarland	07-01-15 to 06-30-18
Superintendent of Schools	Brett R. Boggs	07-01-15 to 06-30-18
President of the School Board	Bryan Murphy Dave O'Brien Todd Hoffman Adam Heckaman	01-01-15 to 12-31-15 01-01-16 to 12-31-16 01-01-17 to 12-31-17 01-01-18 to 12-31-18



STATE OF INDIANA
AN EQUAL OPPORTUNITY EMPLOYER

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

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

INDEPENDENT AUDITOR'S REPORT

TO: THE OFFICIALS OF THE TIPPECANOE VALLEY SCHOOL
CORPORATION, KOSCIUSKO COUNTY, INDIANA

Report on the Financial Statement

We have audited the accompanying financial statement of the Tippecanoe Valley School Corporation (School Corporation), which comprises the financial position and results of operations for the period of July 1, 2015 to June 30, 2017, 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, 2015 to June 30, 2017.

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, 2015 to June 30, 2017, 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 Title 2 U.S. *Code of Federal Regulations* Part 200, *Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards*, and is not a required part of the financial statement. Such information is the responsibility of management and was derived from and relates directly to the underlying accounting and other records used to prepare the financial statement. The information has been subjected to the auditing procedures applied in the audit of the financial statement and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the financial statement or to the financial statement itself, and other additional procedures in accordance with auditing standards generally accepted in the United States of America. In our opinion, the Schedule of Expenditures of Federal Awards is fairly stated, in all material respects, in relation to the financial statement taken as a whole.


Other Information

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

INDEPENDENT AUDITOR'S REPORT
(Continued)

Other Reporting Required by *Government Auditing Standards*

In accordance with *Government Auditing Standards*, we have also issued a report dated February 20, 2018, 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 solely 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 effectiveness of the School Corporation's internal control over financial reporting or on compliance. That report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering the School Corporation's internal control over financial reporting and compliance.


Paul D. Joyce, CPA
State Examiner

February 20, 2018



STATE OF INDIANA
AN EQUAL OPPORTUNITY EMPLOYER

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

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

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

TO: THE OFFICIALS OF THE TIPPECANOE VALLEY SCHOOL
CORPORATION, KOSCIUSKO 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 Tippecanoe Valley School Corporation (School Corporation), which comprises the financial position and results of operations for the period of July 1, 2015 to June 30, 2017, and the related notes to the financial statement, and have issued our report thereon dated February 20, 2018, 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.

A deficiency in internal control exists when the design or operation of a control does not allow management or employees, in the normal course of performing their assigned functions, to prevent, or detect and correct, misstatements on a timely basis. A material weakness is a deficiency, or combination of deficiencies, in internal control, such that there is a reasonable possibility that a material misstatement of the School Corporation's financial statement will not be prevented, or detected and corrected, on a timely basis. A significant deficiency is a deficiency, or combination of deficiencies, in internal control that is less severe than a material weakness, yet important enough to merit attention by those charged with governance.

Our consideration of internal control was for the limited purpose described in the first paragraph of this section 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. We did identify certain deficiencies in internal control, described in the accompanying Schedule of Findings and Questioned Costs as item 2017-001, that we consider to be a material weakness.

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

Compliance and Other Matters

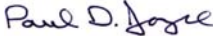
As part of obtaining reasonable assurance about whether the School Corporation's financial statement is free of material misstatement, we performed tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements, noncompliance with which could have a direct and material effect on the determination of financial statement amounts. However, providing an opinion on compliance with those provisions was not an objective of our audit and, accordingly, we do not express such an opinion. The results of our tests disclosed no instances of noncompliance or other matters that are required to be reported under *Government Auditing*.

Tippecanoe Valley 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 statements and, accordingly, we express no opinion on it.

Purpose of This Report

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


Paul D. Joyce, CPA
State Examiner

February 20, 2018

(This page intentionally left blank.)

FINANCIAL STATEMENT AND ACCOMPANYING NOTES

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

TIPPECANOE VALLEY SCHOOL CORPORATION
STATEMENT OF RECEIPTS, DISBURSEMENTS,
OTHER FINANCING SOURCES (USES), AND CASH AND
INVESTMENT BALANCES - REGULATORY BASIS
For the Years Ended June 30, 2016 and 2017

Fund	Cash and	Receipts	Disbursements	Other	Cash and	Receipts	Disbursements	Other	Cash and
	Investments			Financing	Investments			Financing	Investments
	07-01-15			Sources (Uses)	06-30-16			Sources (Uses)	06-30-17
General	\$ 7,143,270	\$ 12,791,271	\$ 12,637,398	\$ (493,469)	\$ 6,803,674	\$ 12,411,341	\$ 12,769,445	\$ 26,145	\$ 6,471,715
Debt Service	1,681,703	2,642,518	2,555,970	-	1,768,251	2,453,261	2,571,268	-	1,650,244
Capital Projects	2,757,676	1,689,257	1,481,530	-	2,965,403	1,695,850	1,340,856	-	3,320,397
School Transportation	1,651,246	1,412,778	1,131,992	653	1,932,685	1,437,967	1,209,105	(176,000)	1,985,547
School Bus Replacement	464,295	304,694	293,323	-	475,666	354,207	362,205	-	467,668
Rainy Day	600,000	22,241	17,450	500,000	1,104,791	2,575	405,032	176,000	878,334
Construction	-	381,000	193,590	-	187,410	-	26,928	-	160,482
School Lunch	659,926	1,108,414	1,282,998	-	485,342	1,283,989	1,309,453	-	459,878
Textbook Rental	463,254	343,576	388,647	-	418,183	365,890	394,633	-	389,440
Self-Insurance	7,445,907	2,938,744	2,928,321	-	7,456,330	3,009,628	3,065,637	-	7,400,321
Levy Excess	653	-	-	(653)	-	-	-	-	-
Educational License Plates	6,081	75	-	-	6,156	94	-	-	6,250
Alternative Education	14,165	13,103	10,694	-	16,574	11,950	10,617	-	17,907
Early Intervention Grant 2016-2017	-	-	-	-	-	8,658	-	-	8,658
Comp Counseling Initiative Grant	-	-	-	-	-	30,000	12,370	-	17,630
KCCF-Counseling Grant	-	-	-	-	-	14,000	-	-	14,000
Instructional Support	653	-	-	-	653	-	-	-	653
Keys Grant	3,364	6,610	6,862	-	3,112	2,021	3,290	-	1,843
United Way Grant	(197)	-	-	-	(197)	-	-	-	(197)
Vision Care Needs	468	-	-	-	468	-	-	-	468
United Way Grant 2010 - 2011	6,709	-	1,615	-	5,094	-	5,094	-	-
Summer Reading Camp	60	-	-	-	60	-	-	-	60
PBL Grant	3,089	-	-	-	3,089	-	-	-	3,089
United Way Grant 2014-2015	7,442	-	12,474	-	(5,032)	-	(5,032)	-	-
United Way Grant 2015-2016	-	15,830	-	-	15,830	-	15,830	-	-
United Way	-	-	-	-	-	24,634	24,011	-	623
Miscellaneous Grants	8,253	8,064	7,639	-	8,678	15,009	16,242	-	7,445
Preschool Grant-United Way	-	8,000	8,001	-	(1)	16,000	20,677	-	(4,678)
Scholarships and Awards	480	-	-	-	480	-	32	-	448
DEKKO	1,315	34,228	18,876	-	16,667	3,500	18,973	-	1,194
Graduation Coaches	2,964	6,250	5,695	-	3,519	3,000	6,255	-	264
Career Coach	1,543	3,125	3,784	-	884	1,500	2,332	-	52
Building Trades	349	-	-	-	349	-	-	-	349
Kosciusko Community Hospital	-	-	-	-	-	25,000	-	-	25,000
Formative Assessment	-	-	-	-	-	23,394	23,394	-	-
Gifted & Talented 2014 - 2015	3,049	-	3,049	-	-	-	-	-	-
Gifted & Talented 2015 - 2016	-	33,107	31,942	-	1,165	-	1,165	-	-
Gifted & Talented 2016 - 2017	-	-	-	-	-	32,544	27,574	-	4,970
Secured Schools Safety Grant	(3,269)	24,091	24,091	-	(3,269)	29,104	40,836	-	(15,001)
Non-English Speaking 2013 - 2014	(43)	-	-	-	(43)	-	-	-	(43)
Non-English Speaking 2014 - 2015	2,666	-	2,666	-	-	-	-	-	-
Non-English Speaking 2015-2016	-	25,796	23,206	-	2,590	-	2,591	-	(1)

TIPPECANOE VALLEY SCHOOL CORPORATION
STATEMENT OF RECEIPTS, DISBURSEMENTS,
OTHER FINANCING SOURCES (USES), AND CASH AND
INVESTMENT BALANCES - REGULATORY BASIS
For the Years Ended June 30, 2016 and 2017

Fund	Cash and Investments 07-01-15	Receipts	Disbursements	Other Financing Sources (Uses)	Cash and Investments 06-30-16	Receipts	Disbursements	Other Financing Sources (Uses)	Cash and Investments 06-30-17
Non-English Speaking 2016-2017	-	-	-	-	-	27,302	23,858	-	3,444
School Technology	15,455	4,404	7,440	-	12,419	6,308	-	-	18,727
Career and Technical Performance Grant	-	-	-	-	-	15,201	-	-	15,201
School Performance Award	1,451	31,145	32,563	-	33	30,910	31,010	-	(67)
Random Drug Testing Program	-	3,000	3,000	-	-	5,100	5,100	-	-
Career Fair	1,303	570	640	-	1,233	900	415	-	1,718
Wind Power Project	92,778	74,276	10,225	-	156,829	74,196	4,027	-	226,998
TVHS Distinguished Alumni	(477)	1,438	1,737	-	(776)	1,460	1,778	-	(1,094)
Title I 2014 - 2015	(28,761)	63,015	34,254	-	-	-	-	-	-
Title I 2015 - 2016	-	270,031	308,301	-	(38,270)	36,345	(1,923)	-	(2)
Title I 2016 - 2017	-	-	-	-	-	227,136	267,031	-	(39,895)
Title I School Improvement	-	-	795	-	(795)	15,000	14,205	-	-
Title I School Improvement - 2017	-	-	-	-	-	-	15,237	-	(15,237)
(IDEA, Part B) LEA Capacity Building (Sliver) Grants	-	-	-	-	-	142,876	201,338	-	(58,462)
Fed School Age 2010 - 2011	(232)	-	-	-	(232)	-	-	-	(232)
Fed School Age 2011 - 2012	206	-	(14)	-	220	-	-	-	220
Fed School Age 2013 - 2014	(13,330)	16,412	3,082	-	-	-	-	-	-
Technical Assistance 2013 - 2014	-	-	-	-	-	-	-	-	-
Fed School Age 2014 - 2015	(30,185)	208,954	181,115	-	(2,346)	18,800	16,454	-	-
Fed School Age 2015 - 2016	-	158,120	213,914	-	(55,794)	257,008	201,801	-	(587)
Fed Pre-School 2013 - 2014	-	-	-	-	-	-	-	-	-
Fed Pre-School 2014 - 2015	-	-	-	-	-	-	-	-	-
Fed Pre-School 2015 - 2016	-	11,406	11,406	-	-	-	-	-	-
Fed Pre-School 2016 - 2017	-	-	-	-	-	11,923	11,923	-	-
Medicaid Reimbursement - Federal	39,467	66,031	56,107	-	49,391	66,308	71,158	-	44,541
Improving Teacher Quality, No Child Left, Title II, Part A	-	-	-	-	-	-	-	-	-
Title II Part A 2013 - 2014	(4,357)	7,992	3,634	-	1	-	-	-	1
Title II Part A 2014 - 2015	-	49,105	53,538	-	(4,433)	7,313	2,879	-	1
Title II Part A 2015 - 2016	-	-	4,085	-	(4,085)	45,181	44,973	-	(3,877)
Title II Part A 2016 - 2017	-	-	-	-	-	-	4,085	-	(4,085)
Title III - English Proficiency Migrant	-	-	-	-	-	-	791	-	(791)
LEP 2014 - 2015	(5,598)	15,329	9,735	-	(4)	3,294	3,289	-	1
Title III - Heritage Lang	(4,011)	8,740	4,729	-	-	438	438	-	-
LEP 2015 - 2016	-	-	2,150	-	(2,150)	10,095	7,946	-	(1)
Payroll Withholdings	34,487	3,041,082	3,103,332	-	(27,763)	3,164,229	3,162,402	-	(25,935)
Totals	\$ 23,025,267	\$ 27,843,822	\$ 27,117,581	\$ 6,531	\$ 23,758,039	\$ 27,422,439	\$ 27,771,028	\$ 26,145	\$ 23,435,596

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

TIPPECANOE VALLEY 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.

TIPPECANOE VALLEY 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.

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

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

E. Disbursements

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

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

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

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

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

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

Nonprogrammed charges. Amounts disbursed for donations to foundations, securities purchased, indirect costs, scholarships, and self-insurance payments.

F. Other Financing Sources and Uses

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

TIPPECANOE VALLEY SCHOOL CORPORATION
NOTES TO FINANCIAL STATEMENT
(Continued)

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

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

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

G. Fund Accounting

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

Note 2. Budgets

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

Note 3. Property Taxes

Property taxes levied are collected by the County Treasurer and are scheduled to be distributed to the School Corporation in June and December; however, situations can arise which would delay the distributions. State statute (IC 6-1.1-17-16) requires the Indiana Department of Local Government Finance to establish property tax rates and levies by February 15. These rates were based upon the preceding year's 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.

TIPPECANOE VALLEY SCHOOL CORPORATION
NOTES TO FINANCIAL STATEMENT
(Continued)

Note 4. Deposits and Investments

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

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

Note 5. Risk Management

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

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

Note 6. Pension Plans

A. Public Employees' Retirement Fund

Plan Description

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

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

TIPPECANOE VALLEY SCHOOL CORPORATION
NOTES TO FINANCIAL STATEMENT
(Continued)

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.

B. Teachers' Retirement Fund

Plan Description

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

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

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

Funding Policy and Annual Pension Cost

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

Note 7. Negative Receipts and Disbursements

The financial statement contains some receipts and/or disbursements which appear as negative entries. This is the result of the correction of errors from prior periods. The errors made in the prior period were corrected by reversing the original entry. Since the original entry and the correction were made in separate periods, a negative receipt/disbursement was shown in the current period.

TIPPECANOE VALLEY SCHOOL CORPORATION
NOTES TO FINANCIAL STATEMENT
(Continued)

Note 8. Cash Balance Deficits

The financial statement contains some funds with deficits in cash. This is a result of the funds being set up for reimbursable grants. The reimbursements for expenditures made by the School Corporation were not received by June 30, 2016 or 2017. In addition, there were funds that had overdrawn cash balances due to expenditures exceeding receipts.

Note 9. Holding Corporations

The School Corporation has entered into a capital lease with Tippecanoe Valley 1997 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, 2016 and 2017, totaled \$840,000 and \$840,000, respectively.

The School Corporation has entered into a capital lease with Tippecanoe Valley 2004 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, 2016 and 2017, totaled \$1,225,000 and \$1,225,000, respectively.

The School Corporation has entered into a capital lease with Tippecanoe Valley 2011 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, 2016 and 2017, totaled \$348,000 and 348,000, respectively.

The School Corporation has entered into a capital lease with Tippecanoe Valley Akron 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. No lease payments were made during the years ending June 30, 2016 or 2017. Lease payments are scheduled to begin on July 15, 2018.

Note 10. Other Postemployment Benefits

The School Corporation provides to eligible retirees and their spouses the following benefit: life insurance. This benefit poses a liability to the School Corporation for this year and in future years. Information regarding this benefit can be obtained by contacting the School Corporation.

(This page intentionally left blank.)

OTHER INFORMATION - UNAUDITED

The School Corporation's Financial Reports can be found on the Indiana Department of Education website: <http://www.doe.in.gov/finance/school-financial-reports>. This website is maintained by the Indiana Department of Education. More current financial information is available from the School Corporation Treasurer's office. Additionally, some financial information of the School Corporation can be found on the Indiana Gateway for Government Units 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.

TIPPECANOE VALLEY 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	Capital Projects	School Transportation	School Bus Replacement	Rainy Day	Construction	School Lunch
Cash and investments - beginning	\$ 7,143,270	\$ 1,681,703	\$ 2,757,676	\$ 1,651,246	\$ 464,295	\$ 600,000	\$ -	\$ 659,926
Receipts:								
Local sources	132,953	2,642,518	1,683,180	1,390,995	304,694	22,241	-	361,357
Intermediate sources	360	-	-	-	-	-	-	-
State sources	12,548,199	-	-	-	-	-	-	10,419
Federal sources	-	-	-	-	-	-	-	734,657
Temporary loans	-	-	-	-	-	-	381,000	-
Other receipts	109,759	-	6,077	21,783	-	-	-	1,981
Total receipts	12,791,271	2,642,518	1,689,257	1,412,778	304,694	22,241	381,000	1,108,414
Disbursements:								
Current:								
Instruction	7,618,398	-	-	-	-	-	-	-
Support services	3,313,123	-	1,247,695	1,131,992	293,323	-	193,590	-
Noninstructional services	5,877	-	-	-	-	-	-	1,249,009
Facilities acquisition and construction	-	-	233,835	-	-	17,450	-	-
Debt services	-	2,555,970	-	-	-	-	-	-
Nonprogrammed charges	1,700,000	-	-	-	-	-	-	33,989
Total disbursements	12,637,398	2,555,970	1,481,530	1,131,992	293,323	17,450	193,590	1,282,998
Excess (deficiency) of receipts over disbursements	153,873	86,548	207,727	280,786	11,371	4,791	187,410	(174,584)
Other financing sources (uses):								
Sale of capital assets	6,531	-	-	-	-	-	-	-
Transfers in	-	-	-	653	-	500,000	-	-
Transfers out	(500,000)	-	-	-	-	-	-	-
Total other financing sources (uses)	(493,469)	-	-	653	-	500,000	-	-
Excess (deficiency) of receipts and other financing sources over disbursements and other financing uses	(339,596)	86,548	207,727	281,439	11,371	504,791	187,410	(174,584)
Cash and investments - ending	\$ 6,803,674	\$ 1,768,251	\$ 2,965,403	\$ 1,932,685	\$ 475,666	\$ 1,104,791	\$ 187,410	\$ 485,342

TIPPECANOE VALLEY 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	Self- Insurance	Levy Excess	Educational License Plates	Alternative Education	Early Intervention Grant 2016-2017	Comp Counseling Initiative Grant	KCCF- Counseling Grant
Cash and investments - beginning	\$ 463,254	\$ 7,445,907	\$ 653	\$ 6,081	\$ 14,165	\$ -	\$ -	\$ -
Receipts:								
Local sources	176,118	2,938,744	-	-	-	-	-	-
Intermediate sources	-	-	-	75	-	-	-	-
State sources	147,191	-	-	-	13,103	-	-	-
Federal sources	-	-	-	-	-	-	-	-
Temporary loans	-	-	-	-	-	-	-	-
Other receipts	20,267	-	-	-	-	-	-	-
Total receipts	343,576	2,938,744	-	75	13,103	-	-	-
Disbursements:								
Current:								
Instruction	-	2,289,512	-	-	10,694	-	-	-
Support services	388,647	628,577	-	-	-	-	-	-
Noninstructional services	-	10,232	-	-	-	-	-	-
Facilities acquisition and construction	-	-	-	-	-	-	-	-
Debt services	-	-	-	-	-	-	-	-
Nonprogrammed charges	-	-	-	-	-	-	-	-
Total disbursements	388,647	2,928,321	-	-	10,694	-	-	-
Excess (deficiency) of receipts over disbursements	(45,071)	10,423	-	75	2,409	-	-	-
Other financing sources (uses):								
Sale of capital assets	-	-	-	-	-	-	-	-
Transfers in	-	-	-	-	-	-	-	-
Transfers out	-	-	(653)	-	-	-	-	-
Total other financing sources (uses)	-	-	(653)	-	-	-	-	-
Excess (deficiency) of receipts and other financing sources over disbursements and other financing uses	(45,071)	10,423	(653)	75	2,409	-	-	-
Cash and investments - ending	\$ 418,183	\$ 7,456,330	\$ -	\$ 6,156	\$ 16,574	\$ -	\$ -	\$ -

TIPPECANOE VALLEY 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

	Instructional Support	Keys Grant	United Way Grant	Vision Care Needs	United Way Grant 2010 - 2011	Summer Reading Camp	PBL Grant	United Way Grant 2014-2015
Cash and investments - beginning	\$ 653	\$ 3,364	\$ (197)	\$ 468	\$ 6,709	\$ 60	\$ 3,089	\$ 7,442
Receipts:								
Local sources	-	-	-	-	-	-	-	-
Intermediate sources	-	6,610	-	-	-	-	-	-
State sources	-	-	-	-	-	-	-	-
Federal sources	-	-	-	-	-	-	-	-
Temporary loans	-	-	-	-	-	-	-	-
Other receipts	-	-	-	-	-	-	-	-
Total receipts	-	6,610	-	-	-	-	-	-
Disbursements:								
Current:								
Instruction	-	-	-	-	-	-	-	-
Support services	-	6,862	-	-	1,615	-	-	12,474
Noninstructional services	-	-	-	-	-	-	-	-
Facilities acquisition and construction	-	-	-	-	-	-	-	-
Debt services	-	-	-	-	-	-	-	-
Nonprogrammed charges	-	-	-	-	-	-	-	-
Total disbursements	-	6,862	-	-	1,615	-	-	12,474
Excess (deficiency) of receipts over disbursements	-	(252)	-	-	(1,615)	-	-	(12,474)
Other financing sources (uses):								
Sale of capital assets	-	-	-	-	-	-	-	-
Transfers in	-	-	-	-	-	-	-	-
Transfers out	-	-	-	-	-	-	-	-
Total other financing sources (uses)	-	-	-	-	-	-	-	-
Excess (deficiency) of receipts and other financing sources over disbursements and other financing uses	-	(252)	-	-	(1,615)	-	-	(12,474)
Cash and investments - ending	\$ 653	\$ 3,112	\$ (197)	\$ 468	\$ 5,094	\$ 60	\$ 3,089	\$ (5,032)

TIPPECANOE VALLEY 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

	United Way Grant 2015-2016	United Way	Miscellaneous Grants	Preschool Grant- United Way	Scholarships and Awards	DEKKO	Graduation Coaches	Career Coach
Cash and investments - beginning	\$ -	\$ -	\$ 8,253	\$ -	\$ 480	\$ 1,315	\$ 2,964	\$ 1,543
Receipts:								
Local sources	-	-	-	-	-	-	-	-
Intermediate sources	15,830	-	8,064	8,000	-	34,228	6,250	3,125
State sources	-	-	-	-	-	-	-	-
Federal sources	-	-	-	-	-	-	-	-
Temporary loans	-	-	-	-	-	-	-	-
Other receipts	-	-	-	-	-	-	-	-
Total receipts	15,830	-	8,064	8,000	-	34,228	6,250	3,125
Disbursements:								
Current:								
Instruction	-	-	678	8,001	-	3,876	-	-
Support services	-	-	225	-	-	15,000	5,695	3,784
Noninstructional services	-	-	6,736	-	-	-	-	-
Facilities acquisition and construction	-	-	-	-	-	-	-	-
Debt services	-	-	-	-	-	-	-	-
Nonprogrammed charges	-	-	-	-	-	-	-	-
Total disbursements	-	-	7,639	8,001	-	18,876	5,695	3,784
Excess (deficiency) of receipts over disbursements	15,830	-	425	(1)	-	15,352	555	(659)
Other financing sources (uses):								
Sale of capital assets	-	-	-	-	-	-	-	-
Transfers in	-	-	-	-	-	-	-	-
Transfers out	-	-	-	-	-	-	-	-
Total other financing sources (uses)	-	-	-	-	-	-	-	-
Excess (deficiency) of receipts and other financing sources over disbursements and other financing uses	15,830	-	425	(1)	-	15,352	555	(659)
Cash and investments - ending	\$ 15,830	\$ -	\$ 8,678	\$ (1)	\$ 480	\$ 16,667	\$ 3,519	\$ 884

TIPPECANOE VALLEY 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

	Building Trades	Kosciusko Community Hospital	Formative Assessment	Gifted & Talented 2014 - 2015	Gifted & Talented 2015 - 2016	Gifted & Talented 2016 - 2017	Secured Schools Safety Grant	Non-English Speaking 2013 - 2014
Cash and investments - beginning	\$ 349	\$ -	\$ -	\$ 3,049	\$ -	\$ -	\$ (3,269)	\$ (43)
Receipts:								
Local sources	-	-	-	-	-	-	-	-
Intermediate sources	-	-	-	-	-	-	-	-
State sources	-	-	-	-	33,107	-	24,091	-
Federal sources	-	-	-	-	-	-	-	-
Temporary loans	-	-	-	-	-	-	-	-
Other receipts	-	-	-	-	-	-	-	-
Total receipts	-	-	-	-	33,107	-	24,091	-
Disbursements:								
Current:								
Instruction	-	-	-	3,049	31,942	-	-	-
Support services	-	-	-	-	-	-	24,091	-
Noninstructional services	-	-	-	-	-	-	-	-
Facilities acquisition and construction	-	-	-	-	-	-	-	-
Debt services	-	-	-	-	-	-	-	-
Nonprogrammed charges	-	-	-	-	-	-	-	-
Total disbursements	-	-	-	3,049	31,942	-	24,091	-
Excess (deficiency) of receipts over disbursements	-	-	-	(3,049)	1,165	-	-	-
Other financing sources (uses):								
Sale of capital assets	-	-	-	-	-	-	-	-
Transfers in	-	-	-	-	-	-	-	-
Transfers out	-	-	-	-	-	-	-	-
Total other financing sources (uses)	-	-	-	-	-	-	-	-
Excess (deficiency) of receipts and other financing sources over disbursements and other financing uses	-	-	-	(3,049)	1,165	-	-	-
Cash and investments - ending	\$ 349	\$ -	\$ -	\$ -	\$ 1,165	\$ -	\$ (3,269)	\$ (43)

TIPPECANOE VALLEY 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

	Non-English Speaking 2014 - 2015	Non-English Speaking 2015-2016	Non-English Speaking 2016-2017	School Technology	Career and Technical Performance Grant	School Performance Award	Random Drug Testing Program	Career Fair
Cash and investments - beginning	\$ 2,666	\$ -	\$ -	\$ 15,455	\$ -	\$ 1,451	\$ -	\$ 1,303
Receipts:								
Local sources	-	-	-	-	-	-	3,000	-
Intermediate sources	-	-	-	-	-	-	-	-
State sources	-	25,796	-	-	-	31,145	-	-
Federal sources	-	-	-	-	-	-	-	-
Temporary loans	-	-	-	-	-	-	-	-
Other receipts	-	-	-	4,404	-	-	-	570
Total receipts	-	25,796	-	4,404	-	31,145	3,000	570
Disbursements:								
Current:								
Instruction	2,666	23,206	-	-	-	32,563	3,000	-
Support services	-	-	-	7,440	-	-	-	640
Noninstructional services	-	-	-	-	-	-	-	-
Facilities acquisition and construction	-	-	-	-	-	-	-	-
Debt services	-	-	-	-	-	-	-	-
Nonprogrammed charges	-	-	-	-	-	-	-	-
Total disbursements	2,666	23,206	-	7,440	-	32,563	3,000	640
Excess (deficiency) of receipts over disbursements	(2,666)	2,590	-	(3,036)	-	(1,418)	-	(70)
Other financing sources (uses):								
Sale of capital assets	-	-	-	-	-	-	-	-
Transfers in	-	-	-	-	-	-	-	-
Transfers out	-	-	-	-	-	-	-	-
Total other financing sources (uses)	-	-	-	-	-	-	-	-
Excess (deficiency) of receipts and other financing sources over disbursements and other financing uses	(2,666)	2,590	-	(3,036)	-	(1,418)	-	(70)
Cash and investments - ending	\$ -	\$ 2,590	\$ -	\$ 12,419	\$ -	\$ 33	\$ -	\$ 1,233

TIPPECANOE VALLEY 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

	Wind Power Project	TVHS Distinguished Alumni	Title I 2014 - 2015	Title I 2015 - 2016	Title I 2016 - 2017	Title I School Improvement	Title I School Improvement - 2017	(IDEA, Part B) LEA Capacity Building (Sliver) Grants
Cash and investments - beginning	\$ 92,778	\$ (477)	\$ (28,761)	\$ -	\$ -	\$ -	\$ -	\$ -
Receipts:								
Local sources	-	-	-	-	-	-	-	-
Intermediate sources	-	-	-	-	-	-	-	-
State sources	-	-	-	-	-	-	-	-
Federal sources	74,276	-	63,015	270,031	-	-	-	-
Temporary loans	-	-	-	-	-	-	-	-
Other receipts	-	1,438	-	-	-	-	-	-
Total receipts	74,276	1,438	63,015	270,031	-	-	-	-
Disbursements:								
Current:								
Instruction	-	-	34,254	211,094	-	-	-	-
Support services	10,225	1,737	-	97,207	-	795	-	-
Noninstructional services	-	-	-	-	-	-	-	-
Facilities acquisition and construction	-	-	-	-	-	-	-	-
Debt services	-	-	-	-	-	-	-	-
Nonprogrammed charges	-	-	-	-	-	-	-	-
Total disbursements	10,225	1,737	34,254	308,301	-	795	-	-
Excess (deficiency) of receipts over disbursements	64,051	(299)	28,761	(38,270)	-	(795)	-	-
Other financing sources (uses):								
Sale of capital assets	-	-	-	-	-	-	-	-
Transfers in	-	-	-	-	-	-	-	-
Transfers out	-	-	-	-	-	-	-	-
Total other financing sources (uses)	-	-	-	-	-	-	-	-
Excess (deficiency) of receipts and other financing sources over disbursements and other financing uses	64,051	(299)	28,761	(38,270)	-	(795)	-	-
Cash and investments - ending	\$ 156,829	\$ (776)	\$ -	\$ (38,270)	\$ -	\$ (795)	\$ -	\$ -

TIPPECANOE VALLEY 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

	Fed School Age 2010 - 2011	Fed School Age 2011 - 2012	Fed School Age 2013 - 2014	Technical Assistance 2013 - 2014	Fed School Age 2014 - 2015	Fed School Age 2015 - 2016	Fed Pre-School 2013 - 2014	Fed Pre-School 2014 - 2015
Cash and investments - beginning	\$ (232)	\$ 206	\$ (13,330)	\$ -	\$ (30,185)	\$ -	\$ -	\$ -
Receipts:								
Local sources	-	-	-	-	-	-	-	-
Intermediate sources	-	-	-	-	-	-	-	-
State sources	-	-	-	-	-	-	-	-
Federal sources	-	-	16,412	-	208,954	158,120	-	-
Temporary loans	-	-	-	-	-	-	-	-
Other receipts	-	-	-	-	-	-	-	-
Total receipts	-	-	16,412	-	208,954	158,120	-	-
Disbursements:								
Current:								
Instruction	-	-	-	-	25,979	42,722	-	-
Support services	-	(14)	3,082	-	155,136	171,192	-	-
Noninstructional services	-	-	-	-	-	-	-	-
Facilities acquisition and construction	-	-	-	-	-	-	-	-
Debt services	-	-	-	-	-	-	-	-
Nonprogrammed charges	-	-	-	-	-	-	-	-
Total disbursements	-	(14)	3,082	-	181,115	213,914	-	-
Excess (deficiency) of receipts over disbursements	-	14	13,330	-	27,839	(55,794)	-	-
Other financing sources (uses):								
Sale of capital assets	-	-	-	-	-	-	-	-
Transfers in	-	-	-	-	-	-	-	-
Transfers out	-	-	-	-	-	-	-	-
Total other financing sources (uses)	-	-	-	-	-	-	-	-
Excess (deficiency) of receipts and other financing sources over disbursements and other financing uses	-	14	13,330	-	27,839	(55,794)	-	-
Cash and investments - ending	\$ (232)	\$ 220	\$ -	\$ -	\$ (2,346)	\$ (55,794)	\$ -	\$ -

TIPPECANOE VALLEY 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

	Fed Pre-School 2015 - 2016	Fed Pre-School 2016 - 2017	Medicaid Reimbursement - Federal	Improving Teacher Quality, No Child Left, Title II, Part A	Title II Part A 2013 - 2014	Title II Part A 2014 - 2015	Title II Part A 2015 - 2016	Title II Part A 2016 - 2017
Cash and investments - beginning	\$ -	\$ -	\$ 39,467	\$ -	\$ (4,357)	\$ -	\$ -	\$ -
Receipts:								
Local sources	-	-	-	-	-	-	-	-
Intermediate sources	-	-	-	-	-	-	-	-
State sources	-	-	66,031	-	-	-	-	-
Federal sources	11,406	-	-	-	7,992	49,105	-	-
Temporary loans	-	-	-	-	-	-	-	-
Other receipts	-	-	-	-	-	-	-	-
Total receipts	11,406	-	66,031	-	7,992	49,105	-	-
Disbursements:								
Current:								
Instruction	11,406	-	31,132	-	3,634	53,538	4,085	-
Support services	-	-	24,975	-	-	-	-	-
Noninstructional services	-	-	-	-	-	-	-	-
Facilities acquisition and construction	-	-	-	-	-	-	-	-
Debt services	-	-	-	-	-	-	-	-
Nonprogrammed charges	-	-	-	-	-	-	-	-
Total disbursements	11,406	-	56,107	-	3,634	53,538	4,085	-
Excess (deficiency) of receipts over disbursements	-	-	9,924	-	4,358	(4,433)	(4,085)	-
Other financing sources (uses):								
Sale of capital assets	-	-	-	-	-	-	-	-
Transfers in	-	-	-	-	-	-	-	-
Transfers out	-	-	-	-	-	-	-	-
Total other financing sources (uses)	-	-	-	-	-	-	-	-
Excess (deficiency) of receipts and other financing sources over disbursements and other financing uses	-	-	9,924	-	4,358	(4,433)	(4,085)	-
Cash and investments - ending	\$ -	\$ -	\$ 49,391	\$ -	\$ 1	\$ (4,433)	\$ (4,085)	\$ -

TIPPECANOE VALLEY 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 - English Proficiency Migrant	LEP 2014 -2015	Title III - Heritage Lang	LEP 2015 -2016	Payroll Withholdings	Totals
Cash and investments - beginning	\$ -	\$ (5,598)	\$ (4,011)	\$ -	\$ 34,487	\$ 23,025,267
Receipts:						
Local sources	-	-	-	-	-	9,655,800
Intermediate sources	-	-	-	-	-	82,542
State sources	-	-	-	-	-	12,899,082
Federal sources	-	15,329	8,740	-	-	1,618,037
Temporary loans	-	-	-	-	-	381,000
Other receipts	-	-	-	-	3,041,082	3,207,361
Total receipts	-	15,329	8,740	-	3,041,082	27,843,822
Disbursements:						
Current:						
Instruction	-	9,735	4,729	2,150	-	10,462,043
Support services	-	-	-	-	-	7,739,108
Noninstructional services	-	-	-	-	-	1,271,854
Facilities acquisition and construction	-	-	-	-	-	251,285
Debt services	-	-	-	-	-	2,555,970
Nonprogrammed charges	-	-	-	-	3,103,332	4,837,321
Total disbursements	-	9,735	4,729	2,150	3,103,332	27,117,581
Excess (deficiency) of receipts over disbursements	-	5,594	4,011	(2,150)	(62,250)	726,241
Other financing sources (uses):						
Sale of capital assets	-	-	-	-	-	6,531
Transfers in	-	-	-	-	-	500,653
Transfers out	-	-	-	-	-	(500,653)
Total other financing sources (uses)	-	-	-	-	-	6,531
Excess (deficiency) of receipts and other financing sources over disbursements and other financing uses	-	5,594	4,011	(2,150)	(62,250)	732,772
Cash and investments - ending	\$ -	\$ (4)	\$ -	\$ (2,150)	\$ (27,763)	\$ 23,758,039

TIPPECANOE VALLEY SCHOOL CORPORATION
 COMBINING SCHEDULE OF RECEIPTS, DISBURSEMENTS,
 OTHER FINANCING SOURCES (USES), AND CASH AND
 INVESTMENT BALANCES - REGULATORY BASIS
 For the Year Ended June 30, 2017

	General	Debt Service	Capital Projects	School Transportation	School Bus Replacement	Rainy Day	Construction	School Lunch
Cash and investments - beginning	\$ 6,803,674	\$ 1,768,251	\$ 2,965,403	\$ 1,932,685	\$ 475,666	\$ 1,104,791	\$ 187,410	\$ 485,342
Receipts:								
Local sources	172,307	2,453,261	1,693,625	1,437,927	354,207	2,575	-	357,161
Intermediate sources	360	-	-	-	-	-	-	-
State sources	12,202,396	-	-	-	-	-	-	10,193
Federal sources	-	-	-	-	-	-	-	907,329
Other receipts	36,278	-	2,225	40	-	-	-	9,306
Total receipts	12,411,341	2,453,261	1,695,850	1,437,967	354,207	2,575	-	1,283,989
Disbursements:								
Current:								
Instruction	7,683,724	-	-	-	-	-	-	-
Support services	3,361,035	-	1,132,145	1,209,105	362,205	186,977	26,928	-
Noninstructional services	24,686	-	-	-	-	-	-	1,309,453
Facilities acquisition and construction	-	-	208,711	-	-	218,055	-	-
Debt services	-	2,571,268	-	-	-	-	-	-
Nonprogrammed charges	1,700,000	-	-	-	-	-	-	-
Total disbursements	12,769,445	2,571,268	1,340,856	1,209,105	362,205	405,032	26,928	1,309,453
Excess (deficiency) of receipts over disbursements	(358,104)	(118,007)	354,994	228,862	(7,998)	(402,457)	(26,928)	(25,464)
Other financing sources (uses):								
Sale of capital assets	26,145	-	-	-	-	-	-	-
Transfers in	-	-	-	-	-	176,000	-	-
Transfers out	-	-	-	(176,000)	-	-	-	-
Total other financing sources (uses)	26,145	-	-	(176,000)	-	176,000	-	-
Excess (deficiency) of receipts and other financing sources over disbursements and other financing uses	(331,959)	(118,007)	354,994	52,862	(7,998)	(226,457)	(26,928)	(25,464)
Cash and investments - ending	\$ 6,471,715	\$ 1,650,244	\$ 3,320,397	\$ 1,985,547	\$ 467,668	\$ 878,334	\$ 160,482	\$ 459,878

TIPPECANOE VALLEY SCHOOL CORPORATION
 COMBINING SCHEDULE OF RECEIPTS, DISBURSEMENTS,
 OTHER FINANCING SOURCES (USES), AND CASH AND
 INVESTMENT BALANCES - REGULATORY BASIS
 For the Year Ended June 30, 2017

	Textbook Rental	Self- Insurance	Levy Excess	Educational License Plates	Alternative Education	Early Intervention Grant 2016-2017	Comp Counseling Initiative Grant	KCCF- Counseling Grant
Cash and investments - beginning	\$ 418,183	\$ 7,456,330	\$ -	\$ 6,156	\$ 16,574	\$ -	\$ -	\$ -
Receipts:								
Local sources	188,944	3,009,628	-	-	-	-	30,000	14,000
Intermediate sources	-	-	-	94	-	-	-	-
State sources	165,460	-	-	-	11,950	8,658	-	-
Federal sources	-	-	-	-	-	-	-	-
Other receipts	11,486	-	-	-	-	-	-	-
Total receipts	<u>365,890</u>	<u>3,009,628</u>	<u>-</u>	<u>94</u>	<u>11,950</u>	<u>8,658</u>	<u>30,000</u>	<u>14,000</u>
Disbursements:								
Current:								
Instruction	-	1,238,813	-	-	10,617	-	-	-
Support services	394,633	357,977	-	-	-	-	12,370	-
Noninstructional services	-	10,571	-	-	-	-	-	-
Facilities acquisition and construction	-	-	-	-	-	-	-	-
Debt services	-	-	-	-	-	-	-	-
Nonprogrammed charges	-	1,458,276	-	-	-	-	-	-
Total disbursements	<u>394,633</u>	<u>3,065,637</u>	<u>-</u>	<u>-</u>	<u>10,617</u>	<u>-</u>	<u>12,370</u>	<u>-</u>
Excess (deficiency) of receipts over disbursements	<u>(28,743)</u>	<u>(56,009)</u>	<u>-</u>	<u>94</u>	<u>1,333</u>	<u>8,658</u>	<u>17,630</u>	<u>14,000</u>
Other financing sources (uses):								
Sale of capital assets	-	-	-	-	-	-	-	-
Transfers in	-	-	-	-	-	-	-	-
Transfers out	-	-	-	-	-	-	-	-
Total other financing sources (uses)	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Excess (deficiency) of receipts and other financing sources over disbursements and other financing uses	<u>(28,743)</u>	<u>(56,009)</u>	<u>-</u>	<u>94</u>	<u>1,333</u>	<u>8,658</u>	<u>17,630</u>	<u>14,000</u>
Cash and investments - ending	<u>\$ 389,440</u>	<u>\$ 7,400,321</u>	<u>\$ -</u>	<u>\$ 6,250</u>	<u>\$ 17,907</u>	<u>\$ 8,658</u>	<u>\$ 17,630</u>	<u>\$ 14,000</u>

TIPPECANOE VALLEY SCHOOL CORPORATION
 COMBINING SCHEDULE OF RECEIPTS, DISBURSEMENTS,
 OTHER FINANCING SOURCES (USES), AND CASH AND
 INVESTMENT BALANCES - REGULATORY BASIS
 For the Year Ended June 30, 2017

	Instructional Support	Keys Grant	United Way Grant	Vision Care Needs	United Way Grant 2010 - 2011	Summer Reading Camp	PBL Grant	United Way Grant 2014-2015
Cash and investments - beginning	\$ 653	\$ 3,112	\$ (197)	\$ 468	\$ 5,094	\$ 60	\$ 3,089	\$ (5,032)
Receipts:								
Local sources	-	-	-	-	-	-	-	-
Intermediate sources	-	2,021	-	-	-	-	-	-
State sources	-	-	-	-	-	-	-	-
Federal sources	-	-	-	-	-	-	-	-
Other receipts	-	-	-	-	-	-	-	-
Total receipts	-	2,021	-	-	-	-	-	-
Disbursements:								
Current:								
Instruction	-	-	-	-	-	-	-	-
Support services	-	3,290	-	-	5,094	-	-	(5,032)
Noninstructional services	-	-	-	-	-	-	-	-
Facilities acquisition and construction	-	-	-	-	-	-	-	-
Debt services	-	-	-	-	-	-	-	-
Nonprogrammed charges	-	-	-	-	-	-	-	-
Total disbursements	-	3,290	-	-	5,094	-	-	(5,032)
Excess (deficiency) of receipts over disbursements	-	(1,269)	-	-	(5,094)	-	-	5,032
Other financing sources (uses):								
Sale of capital assets	-	-	-	-	-	-	-	-
Transfers in	-	-	-	-	-	-	-	-
Transfers out	-	-	-	-	-	-	-	-
Total other financing sources (uses)	-	-	-	-	-	-	-	-
Excess (deficiency) of receipts and other financing sources over disbursements and other financing uses	-	(1,269)	-	-	(5,094)	-	-	5,032
Cash and investments - ending	\$ 653	\$ 1,843	\$ (197)	\$ 468	\$ -	\$ 60	\$ 3,089	\$ -

TIPPECANOE VALLEY SCHOOL CORPORATION
 COMBINING SCHEDULE OF RECEIPTS, DISBURSEMENTS,
 OTHER FINANCING SOURCES (USES), AND CASH AND
 INVESTMENT BALANCES - REGULATORY BASIS
 For the Year Ended June 30, 2017

	United Way Grant 2015-2016	United Way	Miscellaneous Grants	Preschool Grant- United Way	Scholarships and Awards	DEKKO	Graduation Coaches	Career Coach
Cash and investments - beginning	\$ 15,830	\$ -	\$ 8,678	\$ (1)	\$ 480	\$ 16,667	\$ 3,519	\$ 884
Receipts:								
Local sources	-	-	-	-	-	-	-	-
Intermediate sources	-	9,067	15,009	16,000	-	3,500	3,000	1,500
State sources	-	-	-	-	-	-	-	-
Federal sources	-	-	-	-	-	-	-	-
Other receipts	-	15,567	-	-	-	-	-	-
Total receipts	-	24,634	15,009	16,000	-	3,500	3,000	1,500
Disbursements:								
Current:								
Instruction	-	-	6,668	20,677	32	10,395	-	-
Support services	15,830	24,011	-	-	-	8,578	6,255	2,332
Noninstructional services	-	-	3,161	-	-	-	-	-
Facilities acquisition and construction	-	-	6,413	-	-	-	-	-
Debt services	-	-	-	-	-	-	-	-
Nonprogrammed charges	-	-	-	-	-	-	-	-
Total disbursements	15,830	24,011	16,242	20,677	32	18,973	6,255	2,332
Excess (deficiency) of receipts over disbursements	(15,830)	623	(1,233)	(4,677)	(32)	(15,473)	(3,255)	(832)
Other financing sources (uses):								
Sale of capital assets	-	-	-	-	-	-	-	-
Transfers in	-	-	-	-	-	-	-	-
Transfers out	-	-	-	-	-	-	-	-
Total other financing sources (uses)	-	-	-	-	-	-	-	-
Excess (deficiency) of receipts and other financing sources over disbursements and other financing uses	(15,830)	623	(1,233)	(4,677)	(32)	(15,473)	(3,255)	(832)
Cash and investments - ending	\$ -	\$ 623	\$ 7,445	\$ (4,678)	\$ 448	\$ 1,194	\$ 264	\$ 52

TIPPECANOE VALLEY SCHOOL CORPORATION
 COMBINING SCHEDULE OF RECEIPTS, DISBURSEMENTS,
 OTHER FINANCING SOURCES (USES), AND CASH AND
 INVESTMENT BALANCES - REGULATORY BASIS
 For the Year Ended June 30, 2017

	Building Trades	Kosciusko Community Hospital	Formative Assessment	Gifted & Talented 2014 - 2015	Gifted & Talented 2015 - 2016	Gifted & Talented 2016 - 2017	Secured Schools Safety Grant	Non-English Speaking 2013 - 2014
Cash and investments - beginning	\$ 349	\$ -	\$ -	\$ -	\$ 1,165	\$ -	\$ (3,269)	\$ (43)
Receipts:								
Local sources	-	25,000	-	-	-	-	-	-
Intermediate sources	-	-	-	-	-	-	-	-
State sources	-	-	23,394	-	-	32,544	29,104	-
Federal sources	-	-	-	-	-	-	-	-
Other receipts	-	-	-	-	-	-	-	-
Total receipts	-	25,000	23,394	-	-	32,544	29,104	-
Disbursements:								
Current:								
Instruction	-	-	-	-	1,165	27,574	-	-
Support services	-	-	23,394	-	-	-	40,836	-
Noninstructional services	-	-	-	-	-	-	-	-
Facilities acquisition and construction	-	-	-	-	-	-	-	-
Debt services	-	-	-	-	-	-	-	-
Nonprogrammed charges	-	-	-	-	-	-	-	-
Total disbursements	-	-	23,394	-	1,165	27,574	40,836	-
Excess (deficiency) of receipts over disbursements	-	25,000	-	-	(1,165)	4,970	(11,732)	-
Other financing sources (uses):								
Sale of capital assets	-	-	-	-	-	-	-	-
Transfers in	-	-	-	-	-	-	-	-
Transfers out	-	-	-	-	-	-	-	-
Total other financing sources (uses)	-	-	-	-	-	-	-	-
Excess (deficiency) of receipts and other financing sources over disbursements and other financing uses	-	25,000	-	-	(1,165)	4,970	(11,732)	-
Cash and investments - ending	\$ 349	\$ 25,000	\$ -	\$ -	\$ -	\$ 4,970	\$ (15,001)	\$ (43)

TIPPECANOE VALLEY SCHOOL CORPORATION
 COMBINING SCHEDULE OF RECEIPTS, DISBURSEMENTS,
 OTHER FINANCING SOURCES (USES), AND CASH AND
 INVESTMENT BALANCES - REGULATORY BASIS
 For the Year Ended June 30, 2017

	Non-English Speaking 2014 - 2015	Non-English Speaking 2015-2016	Non-English Speaking 2016-2017	School Technology	Career and Technical Performance Grant	School Performance Award	Random Drug Testing Program	Career Fair
Cash and investments - beginning	\$ -	\$ 2,590	\$ -	\$ 12,419	\$ -	\$ 33	\$ -	\$ 1,233
Receipts:								
Local sources	-	-	-	-	-	-	5,100	-
Intermediate sources	-	-	-	-	-	-	-	-
State sources	-	-	27,302	-	15,201	30,910	-	-
Federal sources	-	-	-	-	-	-	-	-
Other receipts	-	-	-	6,308	-	-	-	900
Total receipts	-	-	27,302	6,308	15,201	30,910	5,100	900
Disbursements:								
Current:								
Instruction	-	2,591	23,858	-	-	31,010	5,100	-
Support services	-	-	-	-	-	-	-	415
Noninstructional services	-	-	-	-	-	-	-	-
Facilities acquisition and construction	-	-	-	-	-	-	-	-
Debt services	-	-	-	-	-	-	-	-
Nonprogrammed charges	-	-	-	-	-	-	-	-
Total disbursements	-	2,591	23,858	-	-	31,010	5,100	415
Excess (deficiency) of receipts over disbursements	-	(2,591)	3,444	6,308	15,201	(100)	-	485
Other financing sources (uses):								
Sale of capital assets	-	-	-	-	-	-	-	-
Transfers in	-	-	-	-	-	-	-	-
Transfers out	-	-	-	-	-	-	-	-
Total other financing sources (uses)	-	-	-	-	-	-	-	-
Excess (deficiency) of receipts and other financing sources over disbursements and other financing uses	-	(2,591)	3,444	6,308	15,201	(100)	-	485
Cash and investments - ending	\$ -	\$ (1)	\$ 3,444	\$ 18,727	\$ 15,201	\$ (67)	\$ -	\$ 1,718

TIPPECANOE VALLEY SCHOOL CORPORATION
 COMBINING SCHEDULE OF RECEIPTS, DISBURSEMENTS,
 OTHER FINANCING SOURCES (USES), AND CASH AND
 INVESTMENT BALANCES - REGULATORY BASIS
 For the Year Ended June 30, 2017

	Wind Power Project	TVHS Distinguished Alumni	Title I 2014 - 2015	Title I 2015 - 2016	Title I 2016 - 2017	Title I School Improvement	Title I School Improvement - 2017	(IDEA, Part B) LEA Capacity Building (Sliver) Grants
Cash and investments - beginning	\$ 156,829	\$ (776)	\$ -	\$ (38,270)	\$ -	\$ (795)	\$ -	\$ -
Receipts:								
Local sources	-	-	-	-	-	-	-	-
Intermediate sources	-	-	-	-	-	-	-	-
State sources	-	-	-	-	-	-	-	-
Federal sources	74,196	-	-	36,345	227,136	15,000	-	142,876
Other receipts	-	1,460	-	-	-	-	-	-
Total receipts	74,196	1,460	-	36,345	227,136	15,000	-	142,876
Disbursements:								
Current:								
Instruction	-	-	-	31,992	135,043	11,500	9,536	45,819
Support services	4,027	1,778	-	(33,915)	131,988	2,705	5,701	155,519
Noninstructional services	-	-	-	-	-	-	-	-
Facilities acquisition and construction	-	-	-	-	-	-	-	-
Debt services	-	-	-	-	-	-	-	-
Nonprogrammed charges	-	-	-	-	-	-	-	-
Total disbursements	4,027	1,778	-	(1,923)	267,031	14,205	15,237	201,338
Excess (deficiency) of receipts over disbursements	70,169	(318)	-	38,268	(39,895)	795	(15,237)	(58,462)
Other financing sources (uses):								
Sale of capital assets	-	-	-	-	-	-	-	-
Transfers in	-	-	-	-	-	-	-	-
Transfers out	-	-	-	-	-	-	-	-
Total other financing sources (uses)	-	-	-	-	-	-	-	-
Excess (deficiency) of receipts and other financing sources over disbursements and other financing uses	70,169	(318)	-	38,268	(39,895)	795	(15,237)	(58,462)
Cash and investments - ending	\$ 226,998	\$ (1,094)	\$ -	\$ (2)	\$ (39,895)	\$ -	\$ (15,237)	\$ (58,462)

TIPPECANOE VALLEY SCHOOL CORPORATION
 COMBINING SCHEDULE OF RECEIPTS, DISBURSEMENTS,
 OTHER FINANCING SOURCES (USES), AND CASH AND
 INVESTMENT BALANCES - REGULATORY BASIS
 For the Year Ended June 30, 2017

	Fed School Age 2010 - 2011	Fed School Age 2011 - 2012	Fed School Age 2013 - 2014	Technical Assistance 2013 - 2014	Fed School Age 2014 - 2015	Fed School Age 2015 - 2016	Fed Pre-School 2013 - 2014	Fed Pre-School 2014 - 2015
Cash and investments - beginning	\$ (232)	\$ 220	\$ -	\$ -	\$ (2,346)	\$ (55,794)	\$ -	\$ -
Receipts:								
Local sources	-	-	-	-	-	-	-	-
Intermediate sources	-	-	-	-	-	-	-	-
State sources	-	-	-	-	-	-	-	-
Federal sources	-	-	-	-	18,800	257,008	-	-
Other receipts	-	-	-	-	-	-	-	-
Total receipts	-	-	-	-	18,800	257,008	-	-
Disbursements:								
Current:								
Instruction	-	-	-	-	440	18,009	-	-
Support services	-	-	-	-	16,014	183,792	-	-
Noninstructional services	-	-	-	-	-	-	-	-
Facilities acquisition and construction	-	-	-	-	-	-	-	-
Debt services	-	-	-	-	-	-	-	-
Nonprogrammed charges	-	-	-	-	-	-	-	-
Total disbursements	-	-	-	-	16,454	201,801	-	-
Excess (deficiency) of receipts over disbursements	-	-	-	-	2,346	55,207	-	-
Other financing sources (uses):								
Sale of capital assets	-	-	-	-	-	-	-	-
Transfers in	-	-	-	-	-	-	-	-
Transfers out	-	-	-	-	-	-	-	-
Total other financing sources (uses)	-	-	-	-	-	-	-	-
Excess (deficiency) of receipts and other financing sources over disbursements and other financing uses	-	-	-	-	2,346	55,207	-	-
Cash and investments - ending	\$ (232)	\$ 220	\$ -	\$ -	\$ -	\$ (587)	\$ -	\$ -

TIPPECANOE VALLEY SCHOOL CORPORATION
 COMBINING SCHEDULE OF RECEIPTS, DISBURSEMENTS,
 OTHER FINANCING SOURCES (USES), AND CASH AND
 INVESTMENT BALANCES - REGULATORY BASIS
 For the Year Ended June 30, 2017

	Fed Pre-School 2015 - 2016	Fed Pre-School 2016 - 2017	Medicaid Reimbursement - Federal	Improving Teacher Quality, No Child Left, Title II, Part A	Title II Part A 2013 - 2014	Title II Part A 2014 - 2015	Title II Part A 2015 - 2016	Title II Part A 2016 - 2017
Cash and investments - beginning	\$ -	\$ -	\$ 49,391	\$ -	\$ 1	\$ (4,433)	\$ (4,085)	\$ -
Receipts:								
Local sources	-	-	-	-	-	-	-	-
Intermediate sources	-	-	-	-	-	-	-	-
State sources	-	-	66,308	-	-	-	-	-
Federal sources	-	11,923	-	-	-	7,313	45,181	-
Other receipts	-	-	-	-	-	-	-	-
Total receipts	-	11,923	66,308	-	-	7,313	45,181	-
Disbursements:								
Current:								
Instruction	-	11,923	51,694	-	-	2,879	44,973	4,085
Support services	-	-	19,464	-	-	-	-	-
Noninstructional services	-	-	-	-	-	-	-	-
Facilities acquisition and construction	-	-	-	-	-	-	-	-
Debt services	-	-	-	-	-	-	-	-
Nonprogrammed charges	-	-	-	-	-	-	-	-
Total disbursements	-	11,923	71,158	-	-	2,879	44,973	4,085
Excess (deficiency) of receipts over disbursements	-	-	(4,850)	-	-	4,434	208	(4,085)
Other financing sources (uses):								
Sale of capital assets	-	-	-	-	-	-	-	-
Transfers in	-	-	-	-	-	-	-	-
Transfers out	-	-	-	-	-	-	-	-
Total other financing sources (uses)	-	-	-	-	-	-	-	-
Excess (deficiency) of receipts and other financing sources over disbursements and other financing uses	-	-	(4,850)	-	-	4,434	208	(4,085)
Cash and investments - ending	\$ -	\$ -	\$ 44,541	\$ -	\$ 1	\$ 1	\$ (3,877)	\$ (4,085)

TIPPECANOE VALLEY SCHOOL CORPORATION
 COMBINING SCHEDULE OF RECEIPTS, DISBURSEMENTS,
 OTHER FINANCING SOURCES (USES), AND CASH AND
 INVESTMENT BALANCES - REGULATORY BASIS
 For the Year Ended June 30, 2017

	Title III - English Proficiency Migrant	LEP 2014 -2015	Title III - Heritage Lang	LEP 2015 -2016	Payroll Withholdings	Totals
Cash and investments - beginning	\$ -	\$ (4)	\$ -	\$ (2,150)	\$ (27,763)	\$ 23,758,039
Receipts:						
Local sources	-	-	-	-	-	9,743,735
Intermediate sources	-	-	-	-	-	50,551
State sources	-	-	-	-	-	12,623,420
Federal sources	-	3,294	438	10,095	-	1,756,934
Other receipts	-	-	-	-	3,164,229	3,247,799
Total receipts	-	3,294	438	10,095	3,164,229	27,422,439
Disbursements:						
Current:						
Instruction	791	3,289	438	7,946	-	9,442,581
Support services	-	-	-	-	-	7,655,451
Noninstructional services	-	-	-	-	-	1,347,871
Facilities acquisition and construction	-	-	-	-	-	433,179
Debt services	-	-	-	-	-	2,571,268
Nonprogrammed charges	-	-	-	-	3,162,402	6,320,678
Total disbursements	791	3,289	438	7,946	3,162,402	27,771,028
Excess (deficiency) of receipts over disbursements	(791)	5	-	2,149	1,827	(348,589)
Other financing sources (uses):						
Sale of capital assets	-	-	-	-	-	26,145
Transfers in	-	-	-	-	-	176,000
Transfers out	-	-	-	-	-	(176,000)
Total other financing sources (uses)	-	-	-	-	-	26,145
Excess (deficiency) of receipts and other financing sources over disbursements and other financing uses	(791)	5	-	2,149	1,827	(322,444)
Cash and investments - ending	\$ (791)	\$ 1	\$ -	\$ (1)	\$ (25,935)	\$ 23,435,596

TIPPECANOE VALLEY SCHOOL CORPORATION
SCHEDULE OF PAYABLES AND RECEIVABLES
June 30, 2017

<u>Government or Enterprise</u>	<u>Accounts Payable</u>	<u>Accounts Receivable</u>
Governmental activities	<u>\$ 118,262</u>	<u>\$ -</u>

TIPPECANOE VALLEY SCHOOL CORPORATION
SCHEDULE OF LEASES AND DEBT
June 30, 2017

Lessor	Purpose	Annual Lease Payment	Lease Beginning Date	Lease Ending Date
Governmental activities:				
Tippecanoe Valley 2004 School Building Corporation	High School	\$ 1,225,000	7/5/2005	1/5/2024
Tippecanoe Valley 1997 Building Corporation	Mentone Elementary School	840,000	1/15/2006	1/15/2018
Tippecanoe Valley 2011 School Building Corporation	WInd Turbine	348,000	1/15/2012	1/5/2026
Tippecanoe Valley Akron Building Corporation	Akron Elementary	<u>998,200</u>	7/15/2016	1/15/2036
Total of annual lease payments		<u>\$ 3,411,200</u>		

Description of Debt	Ending Principal Balance	Principal and Interest Due Within One Year
Type	Purpose	
Governmental activities:		
Notes and loans payable	Common School Loan	<u>\$ 330,000</u> <u>\$ 72,600</u>

(This page intentionally left blank.)

TIPPECANOE VALLEY SCHOOL CORPORATION
SCHEDULE OF CAPITAL ASSETS
June 30, 2017

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

	<u>Ending Balance</u>
Governmental activities:	
Buildings	\$ 37,428,248
Improvements other than buildings	15,540,476
Machinery, equipment, and vehicles	<u>6,203,713</u>
Total capital assets	<u>\$ 59,172,437</u>

(This page intentionally left blank.)

SUPPLEMENTAL AUDIT OF
FEDERAL AWARDS



STATE OF INDIANA
AN EQUAL OPPORTUNITY EMPLOYER

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

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

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

TO: THE OFFICIALS OF THE TIPPECANOE VALLEY SCHOOL
CORPORATION, KOSCIUSKO COUNTY, INDIANA

Report on Compliance for Each Major Federal Program

We have audited the Tippecanoe Valley School Corporation's (School Corporation) compliance with the types of compliance requirements described in the *OMB Compliance Supplement* that could have a direct and material effect on each of its major federal programs for the period of July 1, 2015 to June 30, 2017. The School Corporation's major federal programs are identified in the Summary of Auditor's Results section of the accompanying Schedule of Findings and Questioned Costs.

Management's Responsibility

Management is responsible for compliance with federal statutes, regulations, and the terms and conditions of its federal awards applicable to its federal programs.

Auditor's Responsibility

Our responsibility is to express an opinion on compliance for each of the School Corporation's major federal programs based on our audit of the types of compliance requirements referred to above. We conducted our audit of compliance in accordance with auditing standards generally accepted in the United States of America; the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States; and the audit requirements of Title 2 U.S. *Code of Federal Regulations* Part 200, *Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards* (Uniform Guidance). Those standards and the Uniform Guidance require that we plan and perform the audit to obtain reasonable assurance about whether noncompliance with the types of compliance requirements referred to above that could have a direct and material effect on a major federal program occurred. An audit includes examining, on a test basis, evidence about the School Corporation's compliance with those requirements and performing such other procedures as we considered necessary in the circumstances.

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

Opinion on Each Major Federal Program

In our opinion, the School Corporation complied, in all material respects, with the types of compliance requirements referred to above that could have a direct and material effect on each of its major federal programs for the period of July 1, 2015 to June 30, 2017.

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

Other Matters

The results of our auditing procedures disclosed instances of noncompliance, which are required to be reported in accordance with the Uniform Guidance and which are described in the accompanying Schedule of Findings and Questioned Costs as item 2017-002. 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.

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 the Uniform Guidance, but not for the purpose of expressing an opinion on the effectiveness of internal control over compliance. Accordingly, we do not express an opinion on the effectiveness of the School Corporation's internal control over compliance.

A deficiency in internal control over compliance exists when the design or operation of a control over compliance does not allow management or employees, in the normal course of performing their assigned functions, to prevent, or detect and correct, noncompliance with a type of compliance requirement of a federal program on a timely basis. A material weakness in internal control over compliance is a deficiency, or 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. A significant deficiency in internal control over compliance is a deficiency, or a combination of deficiencies, in internal control over compliance with a type of compliance requirement of a federal program that is less severe than a material weakness in internal control over compliance, yet important enough to merit attention by those charged with governance.

Our consideration of internal control over compliance was for the limited purpose described in the first paragraph of this section and was not designed to identify all deficiencies in internal control over compliance that might be material weaknesses or significant deficiencies and, therefore, material weaknesses or significant deficiencies may exist that were not identified. We identified certain deficiencies in internal control over compliance, as described in the accompanying Schedule of Findings and Questioned Costs as items 2017-002 and 2017-003, that we consider 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 the Uniform Guidance. Accordingly, this report is not suitable for any other purpose.


Paul D. Joyce, CPA
State Examiner

(This page intentionally left blank.)

SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS AND ACCOMPANYING NOTES

The Schedule of Expenditures of Federal Awards and accompanying notes presented were approved by management of the School Corporation. The schedule and notes are presented as intended by the School Corporation.

TIPPECANOE VALLEY SCHOOL CORPORATION
SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS
For the Years Ended June 30, 2016 and 2017

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 06-30-16	Total Federal Awards Expended 06-30-16	Pass-Through To Subrecipient 06-30-17	Total Federal Awards Expended 06-30-17
<u>Department of Agriculture</u>							
Child Nutrition Cluster	Indiana Department of Education						
School Breakfast Program		10.553	FY2016	\$ -	\$ 128,636	\$ -	\$ -
			FY2017	-	-	-	122,179
Total - School Breakfast Program				-	128,636	-	122,179
National School Lunch Program		10.555	FY2016	-	650,133	-	-
			FY2017	-	-	-	764,725
Commodities			FY2016	-	73,480	-	-
			FY2017	-	-	-	83,021
Total - National School Lunch Program				-	723,613	-	847,746
Summer Food Service Program for Children		10.559	FY2016	-	35,471	-	-
			FY2017	-	-	-	28,738
Total - Summer Food Service Program For Children				-	35,471	-	28,738
Total - Child Nutrition Cluster				-	887,720	-	998,663
Total - Department of Agriculture				-	887,720	-	998,663
<u>Department of Education</u>							
Special Education Cluster (IDEA)	Indiana Department of Education						
Special Education_Grants to States		84.027	14214-045-PN01	-	6,379	-	-
			14215-143-PN01	-	218,987	-	18,800
			14216-114-PN01	-	158,120	-	257,008
			14217-114-PN01	-	-	-	142,876
Total - Special Education_Grants to States				-	383,486	-	418,684

TIPPECANOE VALLEY SCHOOL CORPORATION
SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS
For the Years Ended June 30, 2016 and 2017

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 06-30-16	Total Federal Awards Expended 06-30-16	Pass-Through To Subrecipient 06-30-17	Total Federal Awards Expended 06-30-17
Special Education_Preschool Grants		84.173	45716-114-PN01	-	11,406	-	-
			45717-114-PN01	-	-	-	11,923
Total - Special Education_Preschool Grants				-	11,406	-	11,923
Total - Special Education Cluster (IDEA)				-	394,892	-	430,607
Title I Grants to Local Educational Agencies	Indiana Department of Education	84.010					
			SY 2014-2015	-	63,015	-	-
			SY 2015-2016	-	270,031	-	36,345
			SY 2016-2017	-	-	-	242,136
Total - Title I Grants to Local Educational Agencies				-	333,046	-	278,481
English Language Acquisition State Grants	Indiana Department of Education	84.365					
			01115-044-PN01	-	24,069	-	3,732
			01116-045-PN01	-	-	-	10,095
Total - English Language Acquisition State Grants				-	24,069	-	13,827
Supporting Effective Instruction State Grant	Indiana Department of Education	84.367					
			FFY2013	-	7,992	-	-
			FFY2014	-	49,105	-	7,313
			FFY2015	-	-	-	45,181
Total - Supporting Effective Instruction State Grant				-	57,097	-	52,494
Total - Department of Education				-	809,104	-	775,409
Total federal awards expended				\$ -	\$ 1,696,824	\$ -	\$ 1,774,072

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

TIPPECANOE VALLEY 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, 2016 and 2017. The information in the SEFA is presented in accordance with the requirements of Title 2 U.S. *Code of Federal Regulations* Part 200, *Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards* (Uniform Guidance). 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.

The Uniform Guidance requires an annual audit of nonfederal entities expending a total amount of federal awards equal to or in excess of \$750,000 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 the Uniform Guidance, 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. The School Corporation has elected not to use the 10 percent de minimis indirect cost rate allowed under the Uniform Guidance.

TIPPECANOE VALLEY 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 weakness identified?	yes
Significant deficiency identified?	none reported
Noncompliance material to financial statement noted?	no

Federal Awards:

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

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

<u>CFDA Number</u>	<u>Name of Federal Program or Cluster</u>	<u>Opinion Issued</u>
84.010	Child Nutrition Cluster Title I Grants to Local Educational Agencies	Unmodified Unmodified

Dollar threshold used to distinguish between Type A and Type B programs: \$750,000

Auditee qualified as low-risk auditee?	no
--	----

Section II - Financial Statement Findings

FINDING 2017-001

Subject: Financial Transactions and Reporting
Audit Finding: Material Weakness

Repeat Finding

This is a repeat of Finding 2015-001 from the immediate prior audit.

Condition

There were several deficiencies in the internal control system of the School Corporation related to Financial Transactions and Reporting.

TIPPECANOE VALLEY SCHOOL CORPORATION
SCHEDULE OF FINDINGS AND QUESTIONED COSTS
(Continued)

1. Lack of Segregation of Duties: The School Corporation had not separated incompatible activities related to Cash Balances and Receipts. All four of the School Corporation's Extracurricular Account (ECA) Treasurers, who accounted for the food service transactions and balances, reconciled their bank statements monthly. However, there was no control in place to ensure the accuracy of the monthly reconcilements.

There were also no adequate controls to ensure the accuracy of the school lunch receipts that were posted to the records and reported in the financial statement. Only one of the four ECAs had a review process in place.

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

Criteria

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

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

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

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

Cause

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

Effect

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

Recommendation

We recommended that the School Corporation establish a system of internal controls related to Financial Transactions and Reporting.

TIPPECANOE VALLEY SCHOOL CORPORATION
SCHEDULE OF FINDINGS AND QUESTIONED COSTS
(Continued)

Views of Responsible Officials

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

Section III - Federal Award Findings and Questioned Costs

FINDING 2017-002

Subject: Child Nutrition Cluster - Cash Management
Federal Agency: Department of Agriculture
Federal Programs: School Breakfast Program, National School Lunch Program
CFDA Numbers: 10.553, 10.555
Federal Award Numbers and Years (or Other Identifying Numbers): FY15-16, FY16-17
Pass-Through Entity: Indiana Department of Education
Compliance Requirement: Cash Management
Audit Findings: Material Weakness, Other Matters

Repeat Finding

This is a repeat finding from the immediate prior audit. The prior audit finding number was 2015-003.

Condition

The School Corporation had not established an effective internal control system related to the grant agreement and the Cash Management compliance requirement. The School Corporation did not have effective controls to monitor the net cash resources of the School Lunch fund and failed to ensure that the amount did not exceed the 3 months average expenditures.

Context

The lack of controls and noncompliance were systemic problems. The net cash resources in the School Lunch fund exceeded the 3 months average expenditures for all 24 months of the audit period. The average excess balances were \$209,300 and \$137,362 for FY2016 and FY2017, respectively.

Criteria

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). . . ."

TIPPECANOE VALLEY SCHOOL CORPORATION
SCHEDULE OF FINDINGS AND QUESTIONED COSTS
(Continued)

7 CFR 210.14(b) states:

"*Net cash resources.* The school food authority shall limit its net cash resources to an amount that does not exceed 3 months average expenditures for its nonprofit school food service or such other amount as may be approved by the State agency in accordance with §210.19(a)."

7 CFR 220.7(e) states in part:

"Each school food authority approved to participate in the program shall . . . with respect to participating schools under its jurisdiction:

- (iv) Limit its net cash resource to an amount that does not exceed three months average expenditure for its nonprofit school food service or such other amount as may be approved by the State agency;"

Cause

Management had not developed a system of internal controls that would have ensured compliance with the Cash Management compliance requirement.

Effect

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

Questioned Costs

There were no questioned costs identified.

Recommendation

We recommended that the School Corporation establish controls to ensure compliance and comply with the Cash Management 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 2017-003

Subject: Child Nutrition Cluster - Program Income
Federal Agency: Department of Agriculture
Federal Programs: School Breakfast Program, National School Lunch Program
CFDA Numbers: 10.553, 10.555
Federal Award Numbers and Years (or Other Identifying Numbers): FY15-16, FY16-17
Pass-Through Entity: Indiana Department of Education
Compliance Requirement: Program Income
Audit Finding: Material Weakness

TIPPECANOE VALLEY SCHOOL CORPORATION
SCHEDULE OF FINDINGS AND QUESTIONED COSTS
(Continued)

Repeat Finding

This is a repeat finding from the immediate prior audit. The prior audit finding number was 2015-002.

Condition

The School Corporation had not established an effective internal control system related to the grant agreement and the requirements for Program Income. The School Corporation had not designed or implemented adequate policies and procedures to ensure that all of the collections received for sold breakfast and lunches were properly deposited and recorded into the School Lunch fund.

Context

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

Criteria

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 that would have segregated key functions related to the Program Income 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 Program Income compliance requirement.

TIPPECANOE VALLEY SCHOOL CORPORATION
SCHEDULE OF FINDINGS AND QUESTIONED COSTS
(Continued)

Views of Responsible Officials

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

AUDITEE-PREPARED DOCUMENTS

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



Tippecanoe Valley School Corporation

8343 South State Road 19

Akron, IN 46910

Phone: 574.598-2759

Fax: 574.598-2773

Mr. Brett R. Boggs, Ed.S.
Superintendent

Mr. Blaine Conley, Ed.S.
Assistant Superintendent

SUMMARY SCHEDULE OF PRIOR AUDIT FINDINGS

FINDING 2015 - 001

Fiscal year in which the finding initially occurred: 07/01/13-06/30/15
Pass-Through Entity, if pass-through or Federal Grantor Agency, if direct:
Contact Person Responsible for Corrective Action: Jessica McFarland
Contact Phone Number: 574-598-2759

Status of Audit Finding:

New control procedures have been implemented in response to Audit Finding 2015-001. Review procedures have been put in place for monthly bank reconcilements of the ECA accounts as well as their daily school lunch receipts. Building Principals will be reviewing the bank reconcilements on a monthly basis. The lunch receipts will be verified and reviewed by the cafeteria manager.

FINDING 2015 - 002

Fiscal year in which the finding initially occurred: 07/01/13-06/30/15
Pass-Through Entity, if pass-through or Federal Grantor Agency, if direct:
Contact Person Responsible for Corrective Action: Jessica McFarland
Contact Phone Number: 574-598-2759

Status of Audit Finding:

Eligibility

Policies and procedures have been implemented to review students' eligibility for free and reduced priced lunches separate from the employee who conducted the initial procedure.

Program Income

Prepaid lunch funds were created at each school to properly account for prepayments

Reporting

Procedures have been and will continue to be implanted for a secondary review of the Annual Financial Report, the monthly sponsor claims and the verifications summary reports.

Special Tests and Provisions – Verification

The School Corporation was using the computer application as the second review of verification under the direction of the Indiana Department of Education. A review process will now be implemented for the verifications.

FINDING 2015 - 003

Fiscal year in which the finding initially occurred: 07/01/13-06/30/15
Pass-Through Entity, if pass-through or Federal Grantor Agency, if direct:
Contact Person Responsible for Corrective Action: Jessica McFarland
Contact Phone Number: 574-598-2759

Committed to Student Success Through the Development of Character, Leadership, and Literacy

Status of Audit Finding:

A documented plan has been made to spend down the current School Lunch funds. Furthermore, account balances will be reviewed on a periodic basis.

FINDING 2015 - 004

Fiscal year in which the finding initially occurred: 07/01/13-06/30/15

Pass-Through Entity, if pass-through or Federal Grantor Agency, if direct:

Contact Person Responsible for Corrective Action: Jessica McFarland

Contact Phone Number: 574-598-2759

Status of Audit Finding:

Internal controls will be implemented to ensure compliance to the grant agreement and the Allowable Costs/Cost Principles requirement. Furthermore, there will be procedures in place to ensure proper documentation of employee time and effort reports.

FINDING 2015 - 005

Fiscal year in which the finding initially occurred: 07/01/13-06/30/15

Pass-Through Entity, if pass-through or Federal Grantor Agency, if direct:

Contact Person Responsible for Corrective Action: Jessica McFarland

Contact Phone Number: 574-598-2759

Status of Audit Finding:

Procedures have been implemented for the review of the monthly reimbursement request prior to submission.

FINDING 2015 - 006

Fiscal year in which the finding initially occurred: 07/01/13-06/30/15

Pass-Through Entity, if pass-through or Federal Grantor Agency, if direct:

Contact Person Responsible for Corrective Action: Jessica McFarland

Contact Phone Number: 574-598-2759

Status of Audit Finding:

Procedures will be implemented to ensure that the required comparability reports will be completed and submitted properly.

Jessica McFarland
(Signature)

Corporation Treasurer
(Title)

12-4-17
(Date)



Tippecanoe Valley School Corporation

8343 South State Road 19

Akron, IN 46910

Phone: 574.598-2759

Fax: 574.598-2773

Mr. Brett R. Boggs, Ed.S.
Superintendent

Mr. Blaine Conley, Ed.S.
Assistant Superintendent

CORRECTIVE ACTION PLAN

FINDING 2017 - 001 (Auditor Assigned Reference Number)
Contact Person Responsible for Corrective Action: Jessica McFarland
Contact Phone Number: 574-598-2759

Views of Responsible Official: We concur with the finding.

Description of Corrective Action Plan:

New control procedures have been implemented in response to Audit Finding 2017-001. Review procedures will be put in place for monthly bank reconciliements of the ECA accounts as well as their daily school lunch receipts. Building Principals will be reviewing the bank reconciliements on a monthly basis. The lunch receipts will be verified and reviewed by the cafeteria manager.

Anticipated Completion Date: Will be continuous from February 19, 2018.

Jessica McFarland
(Signature)
Corporation Treasurer
(Title)
2-19-18
(Date)



Tippecanoe Valley School Corporation

8343 South State Road 19

Akron, IN 46910

Phone: 574.598-2759

Fax: 574.598-2773

Mr. Brett R. Boggs, Ed.S.
Superintendent

Mr. Blaine Conley, Ed.S.
Assistant Superintendent

CORRECTIVE ACTION PLAN

FINDING 2017 - 002 (Auditor Assigned Reference Number)

Contact Person Responsible for Corrective Action: Jessica McFarland

Contact Phone Number: 574-598-2759

Views of Responsible Official: We concur with the finding.

Description of Corrective Action Plan:

A documented plan will be made to spend down the current School Lunch funds. Furthermore, account balances will be reviewed on a periodic basis.

Anticipated Completion Date: Will be continuous from February 19, 2018.

Jessica McFarland
(Signature)
Corporation Treasurer
(Title)
2-19-18
(Date)



Tippecanoe Valley School Corporation

8343 South State Road 19

Akron, IN 46910

Phone: 574.598-2759

Fax: 574.598-2773

Mr. Brett R. Boggs, Ed.S.
Superintendent

Mr. Blaine Conley, Ed.S.
Assistant Superintendent

CORRECTIVE ACTION PLAN

FINDING 2017 - 003 (Auditor Assigned Reference Number)

Contact Person Responsible for Corrective Action: Jessica McFarland

Contact Phone Number: 574-598-2759

Views of Responsible Official: We concur with the finding.

Description of Corrective Action Plan:

Procedures will be implemented at each school for the review of program revenue.

Anticipated Completion Date: Will be continuous from February 19, 2018.

Jessica McFarland
(Signature)

Corporation Treasurer
(Title)

2-19-18

(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/>.