

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

FINANCIAL STATEMENT AND  
FEDERAL SINGLE AUDIT REPORT  
OF

SOUTHWEST DUBOIS COUNTY SCHOOL CORPORATION  
DUBOIS COUNTY, INDIANA

July 1, 2014 to June 30, 2016



**FILED**  
03/15/2018



## 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
Supplemental Audit of Federal Awards:	
Independent Auditor's Report on Compliance for Each Major Federal Program and on Internal Control over Compliance .....	44-46
Schedule of Expenditures of Federal Awards and Accompanying Notes:	
Schedule of Expenditures of Federal Awards.....	48-49
Notes to Schedule of Expenditures of Federal Awards .....	50
Schedule of Findings and Questioned Costs .....	51-58
Auditee-Prepared Document:	
Corrective Action Plan .....	60-63
Other Reports.....	64

SCHEDULE OF OFFICIALS

<u>Office</u>	<u>Official</u>	<u>Term</u>
Treasurer	Allison Pund	01-01-14 to 12-31-18
Superintendent of Schools	Michael Eineman Timothy LaGrange	07-01-14 to 06-30-17 07-01-17 to 06-30-18
President of the School Board	Kevin Wertman Christopher Neu	01-01-14 to 12-31-16 01-01-17 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](http://www.in.gov/sboa)

INDEPENDENT AUDITOR'S REPORT

TO: THE OFFICIALS OF THE SOUTHWEST DUBOIS COUNTY  
SCHOOL CORPORATION, DUBOIS COUNTY, INDIANA

**Report on the Financial Statement**

We have audited the accompanying financial statement of the Southwest Dubois County School Corporation (School Corporation), which comprises the financial position and results of operations for the period of July 1, 2014 to June 30, 2016, and the related notes to the financial statement as listed in the Table of Contents.

***Management's Responsibility for the Financial Statement***

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

***Auditor's Responsibility***

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

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

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

INDEPENDENT AUDITOR'S REPORT  
(Continued)

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

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

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

***Adverse Opinion on U.S. Generally Accepted Accounting Principles***

In our opinion, because of the significance of the matter discussed in the *Basis for Adverse Opinion on U.S. Generally Accepted Accounting Principles* paragraph, the financial statement referred to above does not present fairly, in accordance with accounting principles generally accepted in the United States of America, the financial position and results of operations of the School Corporation for the period of July 1, 2014 to June 30, 2016.

***Opinion on Regulatory Basis of Accounting***

In our opinion, the financial statement referred to above presents fairly, in all material respects, the financial position and results of operations of the School Corporation for the period of July 1, 2014 to June 30, 2016, in accordance with the financial reporting provisions of the Indiana State Board of Accounts described in Note 1.

***Other Matters***

*Supplementary Information*

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

*Other Information*

Our audit was conducted for the purpose of forming an opinion on the School Corporation's financial statement. The Combining Schedules of Receipts, Disbursements, Other Financing Sources (Uses), and Cash and Investment Balances - Regulatory Basis, Schedule of Payables and Receivables, and Schedule of Leases and Debt, 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 March 1, 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

March 1, 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](http://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 SOUTHWEST DUBOIS COUNTY  
SCHOOL CORPORATION, DUBOIS 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 Southwest Dubois County School Corporation (School Corporation), which comprises the financial position and results of operations for the period of July 1, 2014 to June 30, 2016, and the related notes to the financial statement, and have issued our report thereon dated March 1, 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.

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

A deficiency in internal control exists when the design or operation of a control does not allow management or employees, in the normal course of performing their assigned functions, to prevent, or detect and correct, misstatements on a timely basis. A material weakness is a deficiency, or a combination of deficiencies, in internal control, such that there is a reasonable possibility that a material misstatement of the School Corporation's financial statement will not be prevented, or detected and corrected, on a timely basis. We consider the deficiencies described in the accompanying Schedule of Findings and Questioned Costs as items 2016-001 and 2016-002 to be material weaknesses.

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

**Compliance and Other Matters**

As part of obtaining reasonable assurance about whether the School Corporation's financial statement is free from material misstatement, we performed tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements, noncompliance with which could have a direct and material effect on the determination of financial statement amounts. However, providing an opinion on compliance with those provisions was not an objective of our audit and, accordingly, we do not express such an opinion. The results of our tests disclosed instances of noncompliance or other matters that are required to be reported under *Government Auditing Standards* and which are described in the accompanying Schedule of Findings and Questioned Costs as item 2016-001.

**Southwest Dubois County School Corporation's Response to Findings**

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

**Purpose of This Report**

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

  
Paul D. Joyce, CPA  
State Examiner

March 1, 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.

SOUTHWEST DUBOIS COUNTY SCHOOL CORPORATION  
STATEMENT OF RECEIPTS, DISBURSEMENTS, OTHER  
FINANCING SOURCES (USES), AND CASH AND INVESTMENT BALANCES -  
REGULATORY BASIS  
For the Years Ended June 30, 2015 and 2016

Fund	Cash and Investments 07-01-14	Receipts	Disbursements	Other Financing Sources (Uses)	Cash and Investments 06-30-15	Receipts	Disbursements	Other Financing Sources (Uses)	Cash and Investments 06-30-16
General	\$ 2,960,928	\$ 11,200,326	\$ 10,507,978	\$ 10,658	\$ 3,663,934	\$ 11,179,432	\$ 10,709,053	\$ 9,174	\$ 4,143,487
Referendum Tax Levy	977,153	1,377,932	1,187,774	-	1,167,311	1,090,439	874,069	-	1,383,681
Debt Service	473,769	1,404,839	1,166,000	-	712,608	1,259,113	1,213,346	-	758,375
Retirement/Severance Bond Debt Service	60,227	411,221	378,375	-	93,073	383,697	350,642	-	126,128
Capital Projects	1,625,226	1,194,467	1,566,507	350	1,253,536	1,386,069	1,339,618	-	1,299,987
School Transportation	1,793,379	972,990	747,978	-	2,018,391	844,669	804,305	(250,000)	1,808,755
School Bus Replacement	551,765	134,158	169,030	-	516,893	60,939	144,802	(50,000)	383,030
Rainy Day	1,664,010	2,497	-	-	1,666,507	2,508	-	300,000	1,969,015
School Lunch	316,940	1,017,467	947,975	-	386,432	965,472	1,001,514	-	350,390
Textbook Rental	169,915	268,053	238,738	479	199,709	315,539	281,430	1,215	235,033
Self-Insurance	3,947,963	1,894,278	1,866,835	-	3,975,406	1,941,948	1,476,671	-	4,440,683
Joint Services and Supply - Other	359,481	543,575	517,685	-	385,371	529,723	503,653	6,000	417,441
SIEC Supplemental Education Services	193,434	-	15,001	-	178,433	-	1,598	-	176,835
SIEC Interlocal	69,952	39,174	35,747	-	73,379	5,987	17,726	3,000	64,640
SIEC Unemployment Liability	79,109	-	-	-	79,109	-	-	-	79,109
SIEC Obligated Retirement	8,794	-	-	-	8,794	-	-	-	8,794
Child Care Program	(215)	9,921	9,061	-	645	8,484	11,103	-	(1,974)
Educational License Plates	525	56	-	-	581	56	-	-	637
Alternative Education	33,605	12,797	59,315	-	(12,913)	50,421	1,971	-	35,537
Early Intervention Grant	-	-	-	-	-	12,450	-	-	12,450
School Intervention and Career Counseling	(3,662)	-	(3,662)	-	-	-	-	-	-
Donations, Gifts, and Trusts	23,353	13,242	5,924	47	30,718	7,066	4,551	27	33,260
Friends of Memorial Gym Donations	3,267	-	280	-	2,987	-	-	-	2,987
RIDGE Donations	5,075	12,531	5,217	-	12,389	5,000	5,369	-	12,020
RIDGE Fees	(7,373)	70,998	55,349	-	8,276	45	809	-	7,512
Formative Assessment	-	-	-	-	-	17,690	16,673	-	1,017
Instruction Support	-	30,652	24,511	-	6,141	-	6,141	-	-
High Ability 2013-14	4,658	-	4,658	-	-	-	-	-	-
High Ability 15-16	-	-	-	-	-	16,992	28,245	-	(11,253)
SIEC High Ability Writing Team	(2,999)	46,093	43,294	-	(200)	66,109	65,569	-	340
Drug Free Communities	-	250	-	-	250	-	-	-	250
Medicaid Reimbursement	5,856	8,359	-	(10,658)	3,557	11,751	-	(9,174)	6,134
Secured Schools Safety Grant	-	-	15,000	-	(15,000)	15,000	47,068	-	(47,068)
Non-English Speaking Programs	6,404	21,527	21,566	-	6,365	-	6,365	-	-
NESP 2015-2016	-	-	-	-	-	60,110	34,990	-	25,120
SW DUBOIS TECHNOLOGY FUND	16,199	374	4,029	-	12,544	-	5,305	-	7,239
State Connectivity	3,661	4,887	-	-	8,548	6,564	11,559	-	3,553
SIEC - State Connectivity	1,398	5,236	5,183	-	1,451	6,132	5,771	-	1,812

SOUTHWEST DUBOIS COUNTY SCHOOL CORPORATION  
STATEMENT OF RECEIPTS, DISBURSEMENTS, OTHER  
FINANCING SOURCES (USES), AND CASH AND INVESTMENT BALANCES -  
REGULATORY BASIS  
For the Years Ended June 30, 2015 and 2016

Fund	Cash and Investments 07-01-14	Receipts	Disbursements	Other Financing Sources (Uses)	Cash and Investments 06-30-15	Receipts	Disbursements	Other Financing Sources (Uses)	Cash and Investments 06-30-16
Performance Based Awards	-	51,021	51,021	-	-	-	-	-	-
SW Dubois Multi-Bldg Construction	233,758	-	123,276	-	110,482	-	87,816	-	22,666
TITLE I 2014-2015	-	187,620	200,640	-	(13,020)	37,799	24,779	-	-
TITLE I 15-16	-	-	-	-	-	194,711	212,334	-	(17,623)
TITLE I 2017-2018	(9,359)	19,992	10,633	-	-	-	-	-	-
MIGRANT ED 2014-2015	-	70,363	85,086	-	(14,723)	602,292	644,716	-	(57,147)
SIEC Migrant Ed 13/14	(129,601)	675,047	560,831	-	(15,385)	134,170	118,785	-	-
SIEC CTE Math 2012-2013	(140)	140	-	-	-	-	-	-	-
SIEC CTE Math 2013-2014	(1,134)	4,202	3,068	-	-	-	-	-	-
Medicaid Reimbursement - Federal	96,600	29,656	16,721	-	109,535	35,211	19,474	-	125,272
21ST CENTURY YEAR 3	-	169,314	215,938	-	(46,624)	98,325	51,701	-	-
21st Century RIDGE Year 4 2013-14	(2,416)	2,416	-	-	-	-	-	-	-
21ST CENTURY 15-16	-	-	5,835	-	(5,835)	214,047	222,815	-	(14,603)
21st Century 2016-2017	-	-	-	-	-	-	691	-	(691)
Improving Teaching Quality, Title II Part A, 2011-12	(58)	-	(58)	-	-	-	-	-	-
Improving Teaching Quality, Title II Part A, 2012-13	(1,887)	10,120	8,233	-	-	4,162	4,162	-	-
TITLE II 2014-2016	-	18,169	23,358	-	(5,189)	12,970	8,728	-	(947)
Title II 2015-2017	-	-	-	-	-	4,966	8,268	-	(3,302)
SIEC Title III 2011-12	(10,952)	11,996	1,044	-	-	5,435	5,435	-	-
TITLE III ESL - SW 14-16	-	6,473	6,473	-	-	20,798	20,906	-	(108)
Title III 17-19	-	10,056	10,056	-	-	1,442	1,442	-	-
TITLE III SIEC WIDA	-	691	691	-	-	-	-	-	-
SIEC TITLE III 2014-2016	-	14,503	14,503	-	-	320	320	-	-
Title III 15-17	-	-	-	-	-	7,554	7,554	-	-
Payroll Withholding	103,816	2,525,581	2,526,623	-	102,774	2,578,901	2,584,990	-	96,685
Cafeteria Clearing	109,871	910,430	1,035,796	-	(15,495)	906,224	888,876	-	1,853
ECA Activity Reimbursement	(2,103)	19,703	26,402	-	(8,802)	23,608	21,976	-	(7,170)
457B	-	16,658	16,658	-	-	2,052	2,052	-	-
Miscellaneous Clearing	-	940	909	-	32	706	706	-	32
<b>Totals</b>	<b>\$ 15,728,192</b>	<b>\$ 25,452,991</b>	<b>\$ 24,539,085</b>	<b>\$ 876</b>	<b>\$ 16,642,975</b>	<b>\$ 25,135,098</b>	<b>\$ 23,908,442</b>	<b>\$ 10,242</b>	<b>\$ 17,879,872</b>

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

SOUTHWEST DUBOIS COUNTY 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.

SOUTHWEST DUBOIS COUNTY SCHOOL CORPORATION  
NOTES TO FINANCIAL STATEMENT  
(Continued)

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

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

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

*E. Disbursements*

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

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

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

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

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

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

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

*F. Other Financing Sources and Uses*

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

*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.

SOUTHWEST DUBOIS COUNTY SCHOOL CORPORATION  
NOTES TO FINANCIAL STATEMENT  
(Continued)

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

**G. Fund Accounting**

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

**Note 2. Budgets**

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

**Note 3. Property Taxes**

Property taxes levied are collected by the County Treasurer and are scheduled to be distributed to the School Corporation in June and December; however, situations can arise which would delay the distributions. State statute (IC 6-1.1-17-16) requires the Indiana Department of Local Government Finance to establish property tax rates and levies by February 15. These rates were based upon the preceding year's lien date (March 1 in a year ending before January 1, 2016 and January 1 in a year beginning after December 31, 2015) assessed valuations adjusted for various tax credits. Taxable property is assessed at 100 percent of the true tax value (determined in accordance with rules and regulations adopted by the Indiana Department of Local Government Finance). Taxes may be paid in two equal installments which normally become delinquent if not paid by May 10 and November 10, respectively.

**Note 4. Deposits and Investments**

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

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.

SOUTHWEST DUBOIS COUNTY SCHOOL CORPORATION  
NOTES TO FINANCIAL STATEMENT  
(Continued)

**Note 5. Risk Management**

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

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

**Note 6. Pension Plans**

*A. Public Employees' Retirement Fund*

*Plan Description*

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

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

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

*Funding Policy and Annual Pension Cost*

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

SOUTHWEST DUBOIS COUNTY SCHOOL CORPORATION  
NOTES TO FINANCIAL STATEMENT  
(Continued)

*B. Teachers' Retirement Fund*

*Plan Description*

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

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

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

*Funding Policy and Annual Pension Cost*

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

**Note 7. Cash Balance Deficits**

The financial statement contains some funds with deficits in cash. This is a result of the Indiana Department of Education requiring that these grant funds be spent prior to being reimbursed. These grant funds were expected to have negative balances because of the manner in which the grants are administered. The reimbursements for the expenditures made by the School Corporation were not received by June 30.

**Note 8. Holding Corporations**

The School Corporation has entered into a capital lease with Southwest Dubois County Elementary Facilities 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 2015 and 2016, totaled \$1,166,000 and \$1,167,544, respectively.

SOUTHWEST DUBOIS COUNTY SCHOOL CORPORATION  
NOTES TO FINANCIAL STATEMENT  
(Continued)

The School Corporation has entered into a capital lease with Southwest Dubois County Multi-School Building Corporation (the lessor). The lessor was organized as a not-for-profit corporation pursuant to state statute for the purpose of financing and constructing or reconstructing facilities for lease to the School Corporation. The lessor has been determined to be a related-party of the School Corporation. Lease payments during the years 2015 and 2016 totaled \$55,840 and \$56,956, respectively.

**Note 9. Other Postemployment Benefits**

The School Corporation provides to eligible retirees and their spouses the following benefits: postemployment health, dental and vision insurance, and bridge to retirement benefits, as authorized by Indiana Code 5-10-8. The School Corporation also provides termination benefits to eligible retirees. These benefits pose a liability to the School Corporation for this year and in future years. Information regarding the benefits can be obtained by contacting the School Corporation.

(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.

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

	General	Referendum Tax Levy	Debt Service	Retirement/ Severance Bond Debt Service	Capital Projects	School Transportation	School Bus Replacement
Cash and investments - beginning	\$ 2,960,928	\$ 977,153	\$ 473,769	\$ 60,227	\$ 1,625,226	\$ 1,793,379	\$ 551,765
Receipts:							
Local sources	126,668	1,377,932	1,404,839	411,221	1,194,467	970,348	134,158
Intermediate sources	210	-	-	-	-	-	-
State sources	11,073,448	-	-	-	-	-	-
Federal sources	-	-	-	-	-	-	-
Other receipts	-	-	-	-	-	2,642	-
Total receipts	11,200,326	1,377,932	1,404,839	411,221	1,194,467	972,990	134,158
Disbursements:							
Instruction	7,327,662	-	-	-	-	-	-
Support services	2,993,533	-	-	-	682,403	747,978	169,030
Noninstructional services	186,783	-	-	-	-	-	-
Facilities acquisition and construction	-	-	-	-	884,104	-	-
Debt service	-	1,187,774	1,166,000	378,375	-	-	-
Nonprogrammed charges	-	-	-	-	-	-	-
Total disbursements	10,507,978	1,187,774	1,166,000	378,375	1,566,507	747,978	169,030
Excess (deficiency) of receipts over disbursements	692,348	190,158	238,839	32,846	(372,040)	225,012	(34,872)
Other financing sources (uses):							
Sale of capital assets	-	-	-	-	350	-	-
Transfers in	10,658	-	-	-	-	-	-
Transfers out	-	-	-	-	-	-	-
Total other financing sources (uses)	10,658	-	-	-	350	-	-
Excess (deficiency) of receipts and other financing sources over disbursements and other financing uses	703,006	190,158	238,839	32,846	(371,690)	225,012	(34,872)
Cash and investments - ending	\$ 3,663,934	\$ 1,167,311	\$ 712,608	\$ 93,073	\$ 1,253,536	\$ 2,018,391	\$ 516,893

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

	Rainy Day	School Lunch	Textbook Rental	Self- Insurance	Joint Services and Supply - Other	SIEC Supplemental Education Services	SIEC Interlocal
Cash and investments - beginning	\$ 1,664,010	\$ 316,940	\$ 169,915	\$ 3,947,963	\$ 359,481	\$ 193,434	\$ 69,952
Receipts:							
Local sources	2,497	378,371	126,244	1,894,278	543,075	-	39,174
Intermediate sources	-	-	-	-	-	-	-
State sources	-	11,686	69,992	-	500	-	-
Federal sources	-	625,935	-	-	-	-	-
Other receipts	-	1,475	71,817	-	-	-	-
Total receipts	2,497	1,017,467	268,053	1,894,278	543,575	-	39,174
Disbursements:							
Instruction	-	-	-	-	-	-	-
Support services	-	1,487	238,738	-	511,185	15,001	35,747
Noninstructional services	-	946,488	-	-	-	-	-
Facilities acquisition and construction	-	-	-	-	-	-	-
Debt service	-	-	-	-	6,500	-	-
Nonprogrammed charges	-	-	-	1,866,835	-	-	-
Total disbursements	-	947,975	238,738	1,866,835	517,685	15,001	35,747
Excess (deficiency) of receipts over disbursements	2,497	69,492	29,315	27,443	25,890	(15,001)	3,427
Other financing sources (uses):							
Sale of capital assets	-	-	479	-	-	-	-
Transfers in	-	42,093	-	-	-	-	-
Transfers out	-	(42,093)	-	-	-	-	-
Total other financing sources (uses)	-	-	479	-	-	-	-
Excess (deficiency) of receipts and other financing sources over disbursements and other financing uses	2,497	69,492	29,794	27,443	25,890	(15,001)	3,427
Cash and investments - ending	\$ 1,666,507	\$ 386,432	\$ 199,709	\$ 3,975,406	\$ 385,371	\$ 178,433	\$ 73,379

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

	SIEC Unemployment Liability	SIEC Obligated Retirement	Child Care Program	Educational License Plates	Alternative Education	Early Intervention Grant	School Intervention and Career Counseling
Cash and investments - beginning	\$ 79,109	\$ 8,794	\$ (215)	\$ 525	\$ 33,605	\$ -	\$ (3,662)
Receipts:							
Local sources	-	-	9,921	-	-	-	-
Intermediate sources	-	-	-	56	-	-	-
State sources	-	-	-	-	12,797	-	-
Federal sources	-	-	-	-	-	-	-
Other receipts	-	-	-	-	-	-	-
Total receipts	-	-	9,921	56	12,797	-	-
Disbursements:							
Instruction	-	-	9,061	-	59,315	-	-
Support services	-	-	-	-	-	-	(3,662)
Noninstructional services	-	-	-	-	-	-	-
Facilities acquisition and construction	-	-	-	-	-	-	-
Debt service	-	-	-	-	-	-	-
Nonprogrammed charges	-	-	-	-	-	-	-
Total disbursements	-	-	9,061	-	59,315	-	(3,662)
Excess (deficiency) of receipts over disbursements	-	-	860	56	(46,518)	-	3,662
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	-	-	860	56	(46,518)	-	3,662
Cash and investments - ending	\$ 79,109	\$ 8,794	\$ 645	\$ 581	\$ (12,913)	\$ -	\$ -

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

	Donations, Gifts, and Trusts	Friends of Memorial Gym Donations	RIDGE Donations	RIDGE Fees	Formative Assessment	Instruction Support	High Ability 2013-14
Cash and investments - beginning	\$ 23,353	\$ 3,267	\$ 5,075	\$ (7,373)	\$ -	\$ -	\$ 4,658
Receipts:							
Local sources	13,242	-	12,531	70,998	-	-	-
Intermediate sources	-	-	-	-	-	-	-
State sources	-	-	-	-	-	30,652	-
Federal sources	-	-	-	-	-	-	-
Other receipts	-	-	-	-	-	-	-
Total receipts	13,242	-	12,531	70,998	-	30,652	-
Disbursements:							
Instruction	3,600	-	-	33,388	-	24,511	4,658
Support services	2,324	280	5,217	21,961	-	-	-
Noninstructional services	-	-	-	-	-	-	-
Facilities acquisition and construction	-	-	-	-	-	-	-
Debt service	-	-	-	-	-	-	-
Nonprogrammed charges	-	-	-	-	-	-	-
Total disbursements	5,924	280	5,217	55,349	-	24,511	4,658
Excess (deficiency) of receipts over disbursements	7,318	(280)	7,314	15,649	-	6,141	(4,658)
Other financing sources (uses):							
Sale of capital assets	47	-	-	-	-	-	-
Transfers in	-	-	-	-	-	-	-
Transfers out	-	-	-	-	-	-	-
Total other financing sources (uses)	47	-	-	-	-	-	-
Excess (deficiency) of receipts and other financing sources over disbursements and other financing uses	7,365	(280)	7,314	15,649	-	6,141	(4,658)
Cash and investments - ending	\$ 30,718	\$ 2,987	\$ 12,389	\$ 8,276	\$ -	\$ 6,141	\$ -

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

	High Ability 15-16	SIEC High Ability Writing Team	Drug Free Communities	Medicaid Reimbursement	Secured Schools Safety Grant	Non-English Speaking Programs	NESP 2015-2016
Cash and investments - beginning	\$ -	\$ (2,999)	\$ -	\$ 5,856	\$ -	\$ 6,404	\$ -
Receipts:							
Local sources	-	-	-	-	-	-	-
Intermediate sources	-	-	-	-	-	-	-
State sources	-	46,093	250	8,359	-	21,527	-
Federal sources	-	-	-	-	-	-	-
Other receipts	-	-	-	-	-	-	-
Total receipts	-	46,093	250	8,359	-	21,527	-
Disbursements:							
Instruction	-	-	-	-	-	21,566	-
Support services	-	43,294	-	-	-	-	-
Noninstructional services	-	-	-	-	-	-	-
Facilities acquisition and construction	-	-	-	-	15,000	-	-
Debt service	-	-	-	-	-	-	-
Nonprogrammed charges	-	-	-	-	-	-	-
Total disbursements	-	43,294	-	-	15,000	21,566	-
Excess (deficiency) of receipts over disbursements	-	2,799	250	8,359	(15,000)	(39)	-
Other financing sources (uses):							
Sale of capital assets	-	-	-	-	-	-	-
Transfers in	-	-	-	-	-	-	-
Transfers out	-	-	-	(10,658)	-	-	-
Total other financing sources (uses)	-	-	-	(10,658)	-	-	-
Excess (deficiency) of receipts and other financing sources over disbursements and other financing uses	-	2,799	250	(2,299)	(15,000)	(39)	-
Cash and investments - ending	\$ -	\$ (200)	\$ 250	\$ 3,557	\$ (15,000)	\$ 6,365	\$ -

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

	SW DUBOIS TECHNOLOGY FUND	State Connectivity	SIEC - State Connectivity	Performance Based Awards	SW Dubois Multi-Bldg Construction	TITLE I 2014-2015	TITLE I 15-16
Cash and investments - beginning	\$ 16,199	\$ 3,661	\$ 1,398	\$ -	\$ 233,758	\$ -	\$ -
Receipts:							
Local sources	374	-	-	-	-	-	-
Intermediate sources	-	-	-	-	-	-	-
State sources	-	4,887	5,236	51,021	-	-	-
Federal sources	-	-	-	-	-	187,620	-
Other receipts	-	-	-	-	-	-	-
Total receipts	374	4,887	5,236	51,021	-	187,620	-
Disbursements:							
Instruction	-	-	-	51,021	-	100,083	-
Support services	-	-	5,183	-	-	95,552	-
Noninstructional services	-	-	-	-	-	5,005	-
Facilities acquisition and construction	4,029	-	-	-	123,276	-	-
Debt service	-	-	-	-	-	-	-
Nonprogrammed charges	-	-	-	-	-	-	-
Total disbursements	4,029	-	5,183	51,021	123,276	200,640	-
Excess (deficiency) of receipts over disbursements	(3,655)	4,887	53	-	(123,276)	(13,020)	-
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	(3,655)	4,887	53	-	(123,276)	(13,020)	-
Cash and investments - ending	\$ 12,544	\$ 8,548	\$ 1,451	\$ -	\$ 110,482	\$ (13,020)	\$ -

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

	TITLE I 2017-2018	MIGRANT ED 2014-2015	SIEC Migrant Ed 13/14	SIEC CTE Math 2012-2013	SIEC CTE Math 2013-2014	Medicaid Reimbursement - Federal	21ST CENTURY YEAR 3
Cash and investments - beginning	\$ (9,359)	\$ -	\$ (129,601)	\$ (140)	\$ (1,134)	\$ 96,600	\$ -
Receipts:							
Local sources	-	-	-	-	-	10,993	-
Intermediate sources	-	-	-	-	-	-	-
State sources	-	-	-	-	-	-	-
Federal sources	19,992	70,363	675,047	140	4,202	18,663	169,314
Other receipts	-	-	-	-	-	-	-
Total receipts	19,992	70,363	675,047	140	4,202	29,656	169,314
Disbursements:							
Instruction	-	81,094	538,226	-	-	-	94,361
Support services	10,633	3,992	22,605	-	3,068	16,721	121,577
Noninstructional services	-	-	-	-	-	-	-
Facilities acquisition and construction	-	-	-	-	-	-	-
Debt service	-	-	-	-	-	-	-
Nonprogrammed charges	-	-	-	-	-	-	-
Total disbursements	10,633	85,086	560,831	-	3,068	16,721	215,938
Excess (deficiency) of receipts over disbursements	9,359	(14,723)	114,216	140	1,134	12,935	(46,624)
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	9,359	(14,723)	114,216	140	1,134	12,935	(46,624)
Cash and investments - ending	\$ -	\$ (14,723)	\$ (15,385)	\$ -	\$ -	\$ 109,535	\$ (46,624)

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

	21st Century RIDGE Year 4 2013-14	21ST CENTURY 15-16	21st Century 2016-2017	Improving Teacher Quality, Title II Part A, 2011-12	Improving Teacher Quality, Title II Part A, 2012-13	TITLE II 2014-2016	Title II 2015-2017
Cash and investments - beginning	\$ (2,416)	\$ -	\$ -	\$ (58)	\$ (1,887)	\$ -	\$ -
Receipts:							
Local sources	-	-	-	-	-	-	-
Intermediate sources	-	-	-	-	-	-	-
State sources	-	-	-	-	-	-	-
Federal sources	2,416	-	-	-	10,120	18,169	-
Other receipts	-	-	-	-	-	-	-
Total receipts	2,416	-	-	-	10,120	18,169	-
Disbursements:							
Instruction	-	1,854	-	-	4,549	23,358	-
Support services	-	3,981	-	(58)	3,684	-	-
Noninstructional services	-	-	-	-	-	-	-
Facilities acquisition and construction	-	-	-	-	-	-	-
Debt service	-	-	-	-	-	-	-
Nonprogrammed charges	-	-	-	-	-	-	-
Total disbursements	-	5,835	-	(58)	8,233	23,358	-
Excess (deficiency) of receipts over disbursements	2,416	(5,835)	-	58	1,887	(5,189)	-
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	2,416	(5,835)	-	58	1,887	(5,189)	-
Cash and investments - ending	\$ -	\$ (5,835)	\$ -	\$ -	\$ -	\$ (5,189)	\$ -

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

	SIEC Title III 2011-12	TITLE III ESL - SW 14-16	Title III 17-19	TITLE III SIEC WIDA	SIEC TITLE III 2014-2016	Title III 15-17
Cash and investments - beginning	\$ (10,952)	\$ -	\$ -	\$ -	\$ -	\$ -
Receipts:						
Local sources	-	-	-	-	-	-
Intermediate sources	-	-	-	-	-	-
State sources	-	-	-	-	-	-
Federal sources	11,996	6,473	10,056	691	14,503	-
Other receipts	-	-	-	-	-	-
Total receipts	11,996	6,473	10,056	691	14,503	-
Disbursements:						
Instruction	-	4,638	9,141	691	-	-
Support services	1,044	1,835	915	-	14,503	-
Noninstructional services	-	-	-	-	-	-
Facilities acquisition and construction	-	-	-	-	-	-
Debt service	-	-	-	-	-	-
Nonprogrammed charges	-	-	-	-	-	-
Total disbursements	1,044	6,473	10,056	691	14,503	-
Excess (deficiency) of receipts over disbursements	10,952	-	-	-	-	-
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	10,952	-	-	-	-	-
Cash and investments - ending	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -

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

	Payroll Withholding	Cafeteria Clearing	ECA Activity Reimbursement	457B	Miscellaneous Clearing	Totals
Cash and investments - beginning	\$ 103,816	\$ 109,871	\$ (2,103)	\$ -	\$ -	\$ 15,728,192
Receipts:						
Local sources	-	-	-	-	-	8,721,331
Intermediate sources	-	-	-	-	-	266
State sources	-	-	-	-	-	11,336,448
Federal sources	-	-	-	-	-	1,845,700
Other receipts	2,525,581	910,430	19,703	16,658	940	3,549,246
Total receipts	2,525,581	910,430	19,703	16,658	940	25,452,991
Disbursements:						
Instruction	-	-	-	-	-	8,392,777
Support services	-	-	-	-	-	5,769,751
Noninstructional services	-	-	-	-	-	1,138,276
Facilities acquisition and construction	-	-	-	-	-	1,026,409
Debt service	2,526,623	1,035,796	26,402	16,658	909	6,345,037
Nonprogrammed charges	-	-	-	-	-	1,866,835
Total disbursements	2,526,623	1,035,796	26,402	16,658	909	24,539,085
Excess (deficiency) of receipts over disbursements	(1,042)	(125,366)	(6,699)	-	32	913,907
Other financing sources (uses):						
Sale of capital assets	-	-	-	-	-	876
Transfers in	-	-	-	-	-	52,751
Transfers out	-	-	-	-	-	(52,751)
Total other financing sources (uses)	-	-	-	-	-	876
Excess (deficiency) of receipts and other financing sources over disbursements and other financing uses	(1,042)	(125,366)	(6,699)	-	32	914,783
Cash and investments - ending	\$ 102,774	\$ (15,495)	\$ (8,802)	\$ -	\$ 32	\$ 16,642,975

SOUTHWEST DUBOIS COUNTY 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	Referendum Tax Levy	Debt Service	Retirement/ Severance Bond Debt Service	Capital Projects	School Transportation	School Bus Replacement
Cash and investments - beginning	\$ 3,663,934	\$ 1,167,311	\$ 712,608	\$ 93,073	\$ 1,253,536	\$ 2,018,391	\$ 516,893
Receipts:							
Local sources	161,489	1,090,439	1,259,113	383,697	1,374,840	840,853	60,939
Intermediate sources	210	-	-	-	-	-	-
State sources	11,017,733	-	-	-	-	-	-
Federal sources	-	-	-	-	-	-	-
Other	-	-	-	-	11,229	3,816	-
Total receipts	11,179,432	1,090,439	1,259,113	383,697	1,386,069	844,669	60,939
Disbursements:							
Instruction	7,603,081	-	-	-	-	-	-
Support services	2,860,993	-	44,302	-	642,210	804,305	144,802
Noninstructional services	244,979	-	-	-	-	-	-
Facilities acquisition and construction	-	-	-	-	697,408	-	-
Debt service	-	874,069	1,169,044	350,642	-	-	-
Nonprogrammed charges	-	-	-	-	-	-	-
Total disbursements	10,709,053	874,069	1,213,346	350,642	1,339,618	804,305	144,802
Excess (deficiency) of receipts over disbursements	470,379	216,370	45,767	33,055	46,451	40,364	(83,863)
Other financing sources (uses):							
Sale of capital assets	-	-	-	-	-	-	-
Transfers in	9,174	-	-	-	-	-	-
Transfers out	-	-	-	-	-	(250,000)	(50,000)
Total other financing sources (uses)	9,174	-	-	-	-	(250,000)	(50,000)
Excess (deficiency) of receipts and other financing sources over disbursements and other financing uses	479,553	216,370	45,767	33,055	46,451	(209,636)	(133,863)
Cash and investments - ending	\$ 4,143,487	\$ 1,383,681	\$ 758,375	\$ 126,128	\$ 1,299,987	\$ 1,808,755	\$ 383,030

SOUTHWEST DUBOIS COUNTY 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

	Rainy Day	School Lunch	Textbook Rental	Self- Insurance	Joint Services and Supply - Other	SIEC Supplemental Education Services	SIEC Interlocal
Cash and investments - beginning	\$ 1,666,507	\$ 386,432	\$ 199,709	\$ 3,975,406	\$ 385,371	\$ 178,433	\$ 73,379
Receipts:							
Local sources	2,508	378,091	140,296	1,941,948	529,723	-	5,987
Intermediate sources	-	-	-	-	-	-	-
State sources	-	11,646	65,008	-	-	-	-
Federal sources	-	575,335	-	-	-	-	-
Other	-	400	110,235	-	-	-	-
Total receipts	2,508	965,472	315,539	1,941,948	529,723	-	5,987
Disbursements:							
Instruction	-	-	-	-	-	-	-
Support services	-	1,715	281,430	-	501,653	1,598	17,726
Noninstructional services	-	999,799	-	-	-	-	-
Facilities acquisition and construction	-	-	-	-	-	-	-
Debt service	-	-	-	-	2,000	-	-
Nonprogrammed charges	-	-	-	1,476,671	-	-	-
Total disbursements	-	1,001,514	281,430	1,476,671	503,653	1,598	17,726
Excess (deficiency) of receipts over disbursements	2,508	(36,042)	34,109	465,277	26,070	(1,598)	(11,739)
Other financing sources (uses):							
Sale of capital assets	-	-	1,215	-	9,000	-	-
Transfers in	300,000	-	-	-	-	-	3,000
Transfers out	-	-	-	-	(3,000)	-	-
Total other financing sources (uses)	300,000	-	1,215	-	6,000	-	3,000
Excess (deficiency) of receipts and other financing sources over disbursements and other financing uses	302,508	(36,042)	35,324	465,277	32,070	(1,598)	(8,739)
Cash and investments - ending	\$ 1,969,015	\$ 350,390	\$ 235,033	\$ 4,440,683	\$ 417,441	\$ 176,835	\$ 64,640

SOUTHWEST DUBOIS COUNTY 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

	SIEC Unemployment Liability	SIEC Obligated Retirement	Child Care Program	Educational License Plates	Alternative Education	Early Intervention Grant	School Intervention and Career Counseling
Cash and investments - beginning	\$ 79,109	\$ 8,794	\$ 645	\$ 581	\$ (12,913)	\$ -	\$ -
Receipts:							
Local sources	-	-	8,484	-	14,884	-	-
Intermediate sources	-	-	-	56	-	-	-
State sources	-	-	-	-	35,537	12,450	-
Federal sources	-	-	-	-	-	-	-
Other	-	-	-	-	-	-	-
Total receipts	-	-	8,484	56	50,421	12,450	-
Disbursements:							
Instruction	-	-	11,103	-	1,971	-	-
Support services	-	-	-	-	-	-	-
Noninstructional services	-	-	-	-	-	-	-
Facilities acquisition and construction	-	-	-	-	-	-	-
Debt service	-	-	-	-	-	-	-
Nonprogrammed charges	-	-	-	-	-	-	-
Total disbursements	-	-	11,103	-	1,971	-	-
Excess (deficiency) of receipts over disbursements	-	-	(2,619)	56	48,450	12,450	-
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	-	-	(2,619)	56	48,450	12,450	-
Cash and investments - ending	\$ 79,109	\$ 8,794	\$ (1,974)	\$ 637	\$ 35,537	\$ 12,450	\$ -

SOUTHWEST DUBOIS COUNTY 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

	Donations, Gifts, and Trusts	Friends of Memorial Gym Donations	RIDGE Donations	RIDGE Fees	Formative Assessment	Instruction Support	High Ability 2013-14
Cash and investments - beginning	\$ 30,718	\$ 2,987	\$ 12,389	\$ 8,276	\$ -	\$ 6,141	\$ -
Receipts:							
Local sources	7,066	-	5,000	45	-	-	-
Intermediate sources	-	-	-	-	-	-	-
State sources	-	-	-	-	17,690	-	-
Federal sources	-	-	-	-	-	-	-
Other	-	-	-	-	-	-	-
Total receipts	7,066	-	5,000	45	17,690	-	-
Disbursements:							
Instruction	4,507	-	-	554	-	6,141	-
Support services	44	-	5,369	255	-	-	-
Noninstructional services	-	-	-	-	-	-	-
Facilities acquisition and construction	-	-	-	-	16,673	-	-
Debt service	-	-	-	-	-	-	-
Nonprogrammed charges	-	-	-	-	-	-	-
Total disbursements	4,551	-	5,369	809	16,673	6,141	-
Excess (deficiency) of receipts over disbursements	2,515	-	(369)	(764)	1,017	(6,141)	-
Other financing sources (uses):							
Sale of capital assets	27	-	-	-	-	-	-
Transfers in	-	-	-	-	-	-	-
Transfers out	-	-	-	-	-	-	-
Total other financing sources (uses)	27	-	-	-	-	-	-
Excess (deficiency) of receipts and other financing sources over disbursements and other financing uses	2,542	-	(369)	(764)	1,017	(6,141)	-
Cash and investments - ending	\$ 33,260	\$ 2,987	\$ 12,020	\$ 7,512	\$ 1,017	\$ -	\$ -

SOUTHWEST DUBOIS COUNTY 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

	High Ability 15-16	SIEC High Ability Writing Team	Drug Free Communities	Medicaid Reimbursement	Secured Schools Safety Grant	Non-English Speaking Programs	NESP 2015-2016
Cash and investments - beginning	\$ -	\$ (200)	\$ 250	\$ 3,557	\$ (15,000)	\$ 6,365	\$ -
Receipts:							
Local sources	-	-	-	-	-	-	-
Intermediate sources	-	-	-	-	-	-	-
State sources	16,992	66,109	-	11,751	-	-	60,110
Federal sources	-	-	-	-	15,000	-	-
Other	-	-	-	-	-	-	-
Total receipts	16,992	66,109	-	11,751	15,000	-	60,110
Disbursements:							
Instruction	28,245	-	-	-	-	6,365	34,990
Support services	-	62,220	-	-	22,068	-	-
Noninstructional services	-	-	-	-	-	-	-
Facilities acquisition and construction	-	-	-	-	25,000	-	-
Debt service	-	-	-	-	-	-	-
Nonprogrammed charges	-	3,349	-	-	-	-	-
Total disbursements	28,245	65,569	-	-	47,068	6,365	34,990
Excess (deficiency) of receipts over disbursements	(11,253)	540	-	11,751	(32,068)	(6,365)	25,120
Other financing sources (uses):							
Sale of capital assets	-	-	-	-	-	-	-
Transfers in	-	-	-	-	-	-	-
Transfers out	-	-	-	(9,174)	-	-	-
Total other financing sources (uses)	-	-	-	(9,174)	-	-	-
Excess (deficiency) of receipts and other financing sources over disbursements and other financing uses	(11,253)	540	-	2,577	(32,068)	(6,365)	25,120
Cash and investments - ending	\$ (11,253)	\$ 340	\$ 250	\$ 6,134	\$ (47,068)	\$ -	\$ 25,120

SOUTHWEST DUBOIS COUNTY 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

	SW DUBOIS TECHNOLOGY FUND	State Connectivity	SIEC - State Connectivity	Performance Based Awards	SW Dubois Multi-Bldg Construction	TITLE I 2014-2015	TITLE I 15-16
Cash and investments - beginning	\$ 12,544	\$ 8,548	\$ 1,451	\$ -	\$ 110,482	\$ (13,020)	\$ -
Receipts:							
Local sources	-	-	-	-	-	-	-
Intermediate sources	-	-	-	-	-	-	-
State sources	-	6,564	6,132	-	-	-	-
Federal sources	-	-	-	-	-	37,799	194,711
Other	-	-	-	-	-	-	-
Total receipts	-	6,564	6,132	-	-	37,799	194,711
Disbursements:							
Instruction	-	-	-	-	-	10,041	102,666
Support services	-	11,559	5,771	-	-	11,561	105,206
Noninstructional services	-	-	-	-	-	174	2,042
Facilities acquisition and construction	5,305	-	-	-	87,816	-	-
Debt service	-	-	-	-	-	-	-
Nonprogrammed charges	-	-	-	-	-	3,003	2,420
Total disbursements	5,305	11,559	5,771	-	87,816	24,779	212,334
Excess (deficiency) of receipts over disbursements	(5,305)	(4,995)	361	-	(87,816)	13,020	(17,623)
Other financing sources (uses):							
Sale of capital assets	-	-	-	-	-	-	-
Transfers in	-	-	-	-	-	-	-
Transfers out	-	-	-	-	-	-	-
Total other financing sources (uses)	-	-	-	-	-	-	-
Excess (deficiency) of receipts and other financing sources over disbursements and other financing uses	(5,305)	(4,995)	361	-	(87,816)	13,020	(17,623)
Cash and investments - ending	\$ 7,239	\$ 3,553	\$ 1,812	\$ -	\$ 22,666	\$ -	\$ (17,623)

SOUTHWEST DUBOIS COUNTY 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 I 2017-2018	MIGRANT ED 2014-2015	SIEC Migrant Ed 13/14	SIEC CTE Math 2012-2013	SIEC CTE Math 2013-2014	Medicaid Reimbursement - Federal	21ST CENTURY YEAR 3
Cash and investments - beginning	\$ -	\$ (14,723)	\$ (15,385)	\$ -	\$ -	\$ 109,535	\$ (46,624)
Receipts:							
Local sources	-	-	-	-	-	13,773	-
Intermediate sources	-	-	-	-	-	-	-
State sources	-	-	-	-	-	-	-
Federal sources	-	602,292	134,170	-	-	21,438	98,325
Other	-	-	-	-	-	-	-
Total receipts	-	602,292	134,170	-	-	35,211	98,325
Disbursements:							
Instruction	-	620,218	118,305	-	-	-	2,935
Support services	-	24,498	480	-	-	19,474	48,766
Noninstructional services	-	-	-	-	-	-	-
Facilities acquisition and construction	-	-	-	-	-	-	-
Debt service	-	-	-	-	-	-	-
Nonprogrammed charges	-	-	-	-	-	-	-
Total disbursements	-	644,716	118,785	-	-	19,474	51,701
Excess (deficiency) of receipts over disbursements	-	(42,424)	15,385	-	-	15,737	46,624
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	-	(42,424)	15,385	-	-	15,737	46,624
Cash and investments - ending	\$ -	\$ (57,147)	\$ -	\$ -	\$ -	\$ 125,272	\$ -

SOUTHWEST DUBOIS COUNTY 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

	21st Century RIDGE Year 4 2013-14	21ST CENTURY 15-16	21st Century 2016-2017	Improving Teacher Quality, Title II Part A, 2011-12	Improving Teacher Quality, Title II Part A, 2012-13	TITLE II 2014-2016	Title II 2015-2017
Cash and investments - beginning	\$ -	\$ (5,835)	\$ -	\$ -	\$ -	\$ (5,189)	\$ -
Receipts:							
Local sources	-	-	-	-	-	-	-
Intermediate sources	-	-	-	-	-	-	-
State sources	-	-	-	-	-	-	-
Federal sources	-	214,047	-	-	4,162	12,970	4,966
Other	-	-	-	-	-	-	-
Total receipts	-	214,047	-	-	4,162	12,970	4,966
Disbursements:							
Instruction	-	97,894	-	-	-	5,699	8,268
Support services	-	124,921	691	-	4,162	3,029	-
Noninstructional services	-	-	-	-	-	-	-
Facilities acquisition and construction	-	-	-	-	-	-	-
Debt service	-	-	-	-	-	-	-
Nonprogrammed charges	-	-	-	-	-	-	-
Total disbursements	-	222,815	691	-	4,162	8,728	8,268
Excess (deficiency) of receipts over disbursements	-	(8,768)	(691)	-	-	4,242	(3,302)
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	-	(8,768)	(691)	-	-	4,242	(3,302)
Cash and investments - ending	\$ -	\$ (14,603)	\$ (691)	\$ -	\$ -	\$ (947)	\$ (3,302)

SOUTHWEST DUBOIS COUNTY 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

	SIEC Title III 2011-12	TITLE III ESL - SW 14-16	Title III 17-19	TITLE III SIEC WIDA	SIEC TITLE III 2014-2016	Title III 15-17
Cash and investments - beginning	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Receipts:						
Local sources	-	-	-	-	-	-
Intermediate sources	-	-	-	-	-	-
State sources	-	-	-	-	-	-
Federal sources	5,435	20,798	1,442	-	320	7,554
Other	-	-	-	-	-	-
Total receipts	<u>5,435</u>	<u>20,798</u>	<u>1,442</u>	<u>-</u>	<u>320</u>	<u>7,554</u>
Disbursements:						
Instruction	-	15,524	(2)	-	-	-
Support services	5,435	5,382	1,444	-	320	7,554
Noninstructional services	-	-	-	-	-	-
Facilities acquisition and construction	-	-	-	-	-	-
Debt service	-	-	-	-	-	-
Nonprogrammed charges	-	-	-	-	-	-
Total disbursements	<u>5,435</u>	<u>20,906</u>	<u>1,442</u>	<u>-</u>	<u>320</u>	<u>7,554</u>
Excess (deficiency) of receipts over disbursements	-	(108)	-	-	-	-
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>
Excess (deficiency) of receipts and other financing sources over disbursements and other financing uses	-	(108)	-	-	-	-
Cash and investments - ending	<u>\$ -</u>	<u>\$ (108)</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>

SOUTHWEST DUBOIS COUNTY 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

	Payroll Withholding	Cafeteria Clearing	ECA Activity Reimbursement	457B	Miscellaneous Clearing	Totals
Cash and investments - beginning	\$ 102,774	\$ (15,495)	\$ (8,802)	\$ -	\$ 32	\$ 16,642,975
Receipts:						
Local sources	-	-	-	-	-	8,219,175
Intermediate sources	-	-	-	-	-	266
State sources	-	-	-	-	-	11,327,722
Federal sources	-	-	-	-	-	1,950,764
Other	2,578,901	906,224	23,608	2,052	706	3,637,171
Total receipts	2,578,901	906,224	23,608	2,052	706	25,135,098
Disbursements:						
Instruction	-	-	-	-	-	8,678,505
Support services	-	-	-	-	-	5,770,943
Noninstructional services	-	-	-	-	-	1,246,994
Facilities acquisition and construction	-	-	-	-	-	832,202
Debt service	2,584,990	888,876	21,976	2,052	706	5,894,355
Nonprogrammed charges	-	-	-	-	-	1,485,443
Total disbursements	2,584,990	888,876	21,976	2,052	706	23,908,442
Excess (deficiency) of receipts over disbursements	(6,089)	17,348	1,632	-	-	1,226,656
Other financing sources (uses):						
Sale of capital assets	-	-	-	-	-	10,242
Transfers in	-	-	-	-	-	312,174
Transfers out	-	-	-	-	-	(312,174)
Total other financing sources (uses)	-	-	-	-	-	10,242
Excess (deficiency) of receipts and other financing sources over disbursements and other financing uses	(6,089)	17,348	1,632	-	-	1,236,898
Cash and investments - ending	\$ 96,685	\$ 1,853	\$ (7,170)	\$ -	\$ 32	\$ 17,879,872

SOUTHWEST DUBOIS COUNTY SCHOOL CORPORATION  
SCHEDULE OF PAYABLES AND RECEIVABLES  
June 30, 2016

<u>Government or Enterprise</u>	<u>Accounts Payable</u>	<u>Accounts Receivable</u>
Governmental activities	<u>\$ -</u>	<u>\$ 3,963</u>

SOUTHWEST DUBOIS COUNTY SCHOOL CORPORATION  
 SCHEDULE OF LEASES AND DEBT  
 June 30, 2016

Lessor	Purpose	Annual Lease Payment	Lease Beginning Date	Lease Ending Date
Governmental activities:				
Southwest Dubois County Elementary Facilities Corporation	Elementary Schools Renovation and Addition	\$ 1,171,500	7/15/1998	6/30/2019
Southwest Dubois County Multi-School Building Corporation	Middle and High School Renovation and Addition	<u>57,000</u>	6/30/2011	12/31/2027
Total governmental activities		<u>1,228,500</u>		
Total of annual lease payments		<u>\$ 1,228,500</u>		

Description of Debt	Ending Principal Balance	Principal and Interest Due Within One Year
Type		
Governmental activities:		
General obligation bonds	\$ 2,489,461	\$ 348,413
Notes and loans payable	118,032	62,047
Notes and loans payable	<u>7,416,759</u>	<u>755,568</u>
Total governmental activities	<u>10,024,252</u>	<u>1,166,028</u>
Totals	<u>\$ 10,024,252</u>	<u>\$ 1,166,028</u>

(This page intentionally left blank.)

SUPPLEMENTAL AUDIT OF  
FEDERAL AWARDS



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

TO: THE OFFICIALS OF THE SOUTHWEST DUBOIS COUNTY  
SCHOOL CORPORATION, DUBOIS COUNTY, INDIANA

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

We have audited the Southwest Dubois County School Corporation's (School Corporation) compliance with the types of compliance requirements described in the *U.S. Office of Management and Budget (OMB) Circular A-133 Compliance Supplement* that could have a direct and material effect on each of its major federal programs for the period of July 1, 2014 to June 30, 2016. The School Corporation's major federal programs are identified in the Summary of Auditor's Results section of the accompanying Schedule of Findings and Questioned Costs.

***Management's Responsibility***

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

***Auditor's Responsibility***

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

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

***Opinion on Each Major Federal Program***

In our opinion, the School Corporation complied, in all material respects, with the types of compliance requirements referred to above that could have a direct and material effect on each of its major federal programs for the period of July 1, 2014 to June 30, 2016.

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

***Other Matters***

The results of our auditing procedures disclosed instances of noncompliance, which are required to be reported in accordance with OMB Circular A-133 and which are described in the accompanying Schedule of Findings and Questioned Costs as items 2016-003 and 2016-004. 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 OMB Circular A-133, but not for the purpose of expressing an opinion on the effectiveness of internal control over compliance. Accordingly, we do not express an opinion on the effectiveness of the School Corporation's internal control over compliance.


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

A deficiency in internal control over compliance exists when the design or operation of a control over compliance does not allow management or employees, in the normal course of performing their assigned functions, to prevent, or detect and correct, noncompliance with a type of compliance requirement of a federal program on a timely basis. A material weakness in internal control over compliance is a deficiency, or a combination of deficiencies, in internal control over compliance, such that there is a reasonable possibility that material noncompliance with a type of compliance requirement of a federal program will not be prevented, or detected and corrected, on a timely basis. We consider the deficiencies in internal control over compliance described in the accompanying Schedule of Findings and Questioned Costs as items 2016-003 and 2016-004 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.

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

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

  
Paul D. Joyce, CPA  
State Examiner

March 1, 2018

#### 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.

SOUTHWEST DUBOIS COUNTY SCHOOL CORPORATION  
SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS  
For the Years Ended June 30, 2015 and 2016

Federal Grantor Agency Cluster Title/Program Title/Project Title	Pass-Through Entity or Direct Grant	Federal CFDA Number	Pass-Through Entity (or Other) Identifying Number	Pass-Through To Subrecipient 06-30-15	Total Federal Awards Expended 06-30-15	Pass-Through To Subrecipient 06-30-16	Total Federal Awards Expended 06-30-16
<b>Department of Agriculture</b>							
<b>Child Nutrition Cluster</b>							
School Breakfast Program	Indiana Department of Education	10.553	FY 2015	\$ -	\$ 107,344	\$ -	\$ -
School Breakfast Program		10.553	FY 2016	-	-	-	112,372
<b>Total - School Breakfast Program</b>				<b>-</b>	<b>107,344</b>	<b>-</b>	<b>112,372</b>
<b>National School Lunch Program</b>							
National School Lunch Program	Indiana Department of Education	10.555	FY 2015	-	445,108	-	-
National School Lunch Program		10.555	FY 2016	-	-	-	467,205
School Lunch Commodities		10.555	FY 2015	-	64,422	-	-
School Lunch Commodities		10.555	FY 2016	-	-	-	64,530
<b>Total - National School Lunch Program</b>				<b>-</b>	<b>509,530</b>	<b>-</b>	<b>531,735</b>
<b>Summer Food Service Program for Children</b>							
Summer Food Service Program for Children	Indiana Department of Education	10.559	FY 2015	-	10,655	-	-
Summer Food Service Program for Children		10.559	FY 2016	-	-	-	13,812
<b>Total - Summer Food Service Program for Children</b>				<b>-</b>	<b>10,655</b>	<b>-</b>	<b>13,812</b>
<b>Total - Child Nutrition Cluster</b>				<b>-</b>	<b>627,529</b>	<b>-</b>	<b>657,919</b>
<b>Child and Adult Care Food Program</b>							
Child and Adult Care Food Program	Indiana Department of Education	10.558	FY 2016	-	-	-	43
<b>Total - Child and Adult Care Food Program</b>				<b>-</b>	<b>-</b>	<b>-</b>	<b>43</b>
<b>Total - Department of Agriculture</b>				<b>-</b>	<b>627,529</b>	<b>-</b>	<b>657,962</b>
<b>Department of Education</b>							
<b>Special Education Cluster (IDEA)</b>							
<b>Special Education Grants to States</b>							
FY 2013 Part B IDEA 611	Indiana Department of Education	84.027	14213-011-PN01	-	17,897	-	-
FY 2014 Part B IDEA 611		84.027	14214-011-PN01	-	178,479	-	22,073
FY 2015 Part B IDEA 611		84.027	14215-011-PN01	-	183,922	-	194,363
FY 2016 Part B IDEA 611		84.027	14216-009-PN01	-	-	-	172,179
FY 2014 TECH ASSIST Grant		84.027	99914-011-TA01	-	3,179	-	834
<b>Total - Special Education Grants to States</b>				<b>-</b>	<b>383,477</b>	<b>-</b>	<b>389,449</b>
<b>Special Education Preschool Grants</b>							
FY 2014 Part B 619 PRESCHOOL	Indiana Department of Education	84.173	45714-011-PN01	-	8,861	-	-
FY 2015 Part B 619 PRESCHOOL		84.173	45715-011-PN01	-	6,623	-	9,242
FY 2016 Part B 619 PRESCHOOL		84.173	45716-009-PN01	-	-	-	7,142
<b>Total - Special Education Preschool Grants</b>				<b>-</b>	<b>15,484</b>	<b>-</b>	<b>16,384</b>
<b>Total - Special Education Cluster (IDEA)</b>				<b>-</b>	<b>398,961</b>	<b>-</b>	<b>405,833</b>
<b>Title I Grants to Local Educational Agencies</b>							
Title I 2017-2018	Indiana Department of Education	84.010	14-2110	-	19,992	-	-
Title I 2014-2015		84.010	15-2110	-	187,620	-	37,799
Title I 15-16		84.010	16-2110	-	-	-	194,711
<b>Total - Title I Grants to Local Educational Agencies</b>				<b>-</b>	<b>207,612</b>	<b>-</b>	<b>232,510</b>

SOUTHWEST DUBOIS COUNTY SCHOOL CORPORATION  
SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS  
For the Years Ended June 30, 2015 and 2016

Federal Grantor Agency Cluster Title/Program Title/Project Title	Pass-Through Entity or Direct Grant	Federal CFDA Number	Pass-Through Entity (or Other) Identifying Number	Pass-Through To Subrecipient 06-30-15	Total Federal Awards Expended 06-30-15	Pass-Through To Subrecipient 06-30-16	Total Federal Awards Expended 06-30-16
Migrant Education State Grant Program	Indiana Department of Education						
SIEC Migrant Ed Grant 13-14		84.011	38213-016-PN01	-	675,047	-	134,171
Migrant Ed 2014-2015		84.011	38214-012-PN01	-	70,363	-	602,292
<b>Total - Migrant Education State Grant Program</b>				-	<b>745,410</b>	-	<b>736,463</b>
Career and Technical Education -- Basic Grant to States	Indiana Department of Education						
SIEC CTE-Math 2012-2013		84.048	A58-3-13CI-0801	-	140	-	-
SIEC CTE-Math 2013-2014		84.048	A58-3-13CI-0801	-	4,202	-	-
<b>Total - Career and Technical Education -- Basic Grant to States</b>				-	<b>4,342</b>	-	-
Twenty-First Century Community Learning Centers	Indiana Department of Education						
21st Century - Ridge Year #4		84.287	FY 13-14	-	2,416	-	-
21st Century Year 3		84.287	FY 14-15	-	169,314	-	98,325
21st Century 15-16		84.287	FY 15-16	-	-	-	214,047
<b>Total - Twenty-First Century Community Learning Centers</b>				-	<b>171,730</b>	-	<b>312,372</b>
English Language Acquisition State Grants	Indiana Department of Education						
Title III SIEC WIDA		84.365	01113-398-PN01	-	691	-	-
Title III 17-19		84.365	01114-079-PN01	-	10,056	-	1,442
SIEC Title III 16-18		84.365	01114-101-PN01	-	11,996	-	5,435
Title III ESL - SW 14-16		84.365	01115-015-PN01	-	6,473	-	20,798
SIEC Title III 2014-2016		84.365	01115-107-PN01	-	14,503	-	320
Title III 15-17		84.365	01116-015-PN01	-	-	-	7,554
<b>Total - English Language Acquisition State Grants</b>				-	<b>43,719</b>	-	<b>35,549</b>
Improving Teacher Quality State Grants	Indiana Department of Education						
Title IIA - FFY2013		84.367	13-2110	-	10,120	-	4,162
Title II 2014-2016		84.367	14-2110	-	18,169	-	12,970
Title II 2015-2017		84.367	15-2110	-	-	-	4,966
<b>Total - Improving Teacher Quality State Grants</b>				-	<b>28,289</b>	-	<b>22,098</b>
<b>Total - Department of Education</b>				-	<b>1,600,063</b>	-	<b>1,744,825</b>
<b>Department of Health and Human Services</b>							
Medicaid Cluster							
Medical Assistance Program	Indiana Department of Education						
Medicaid Reimbursement/Federal		93.778	2014/2015	-	18,663	-	-
Medicaid Reimbursement/Federal		93.778	2015/2016	-	-	-	21,438
<b>Total - Medical Assistance Program</b>				-	<b>18,663</b>	-	<b>21,438</b>
<b>Total - Medicaid Cluster</b>				-	<b>18,663</b>	-	<b>21,438</b>
<b>Total - Department of Health and Human Services</b>				-	<b>18,663</b>	-	<b>21,438</b>
<b>Total federal awards expended</b>				<b>\$ -</b>	<b>\$ 2,246,255</b>	<b>\$ -</b>	<b>\$ 2,424,225</b>

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

SOUTHWEST DUBOIS COUNTY SCHOOL CORPORATION  
NOTES TO SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS

**Note 1. Basis of Presentation**

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

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

**Note 2. Summary of Significant Accounting Policies**

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

**Note 3. Exceptional Children's Cooperative**

The School Corporation is a member of the Exceptional Children's Cooperative (Cooperative). The Cooperative operates the Special Education program for the School Corporation. As a result, some activity for the Special Education Cluster (IDEA) that is presented on the Schedule of Expenditures of Federal Awards is not presented as receipts and disbursements in the financial statement of the School Corporation.

SOUTHWEST DUBOIS COUNTY SCHOOL CORPORATION  
SCHEDULE OF FINDINGS AND QUESTIONED COSTS

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

Financial Statement:

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

Federal Awards:

Internal control over major programs:	
Material weaknesses identified?	yes
Significant deficiencies identified?	none reported
Type of auditor's report issued on compliance for major programs:	
Special Education Cluster (IDEA)	Unmodified
Migrant Education State Grant Program	Unmodified
Twenty-First Century Community Learning Centers	Unmodified
Any audit findings disclosed that are required to be reported in accordance with section .510(a) of OMB Circular A-133?	yes

Identification of Major Programs:

CFDA Number	Name of Federal Program or Cluster
84.011	Special Education Cluster (IDEA)
84.287	Migrant Education State Grant Program
	Twenty-First Century Community Learning Centers

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

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

**Section II - Financial Statement Findings**

**FINDING 2016-001**

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

SOUTHWEST DUBOIS COUNTY SCHOOL CORPORATION  
SCHEDULE OF FINDINGS AND QUESTIONED COSTS  
(Continued)

*Condition*

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

*Context*

The SEFA contained the following errors: The federal expenditures were overstated by \$746,117 for fiscal year 2015 and understated by \$70,873 for fiscal year 2016. In addition, program titles were incorrect for four grants, the federal CFDA number was incorrect for one grant, and the pass-through entity (or other) identifying number was incorrect for two grants.

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

*Criteria*

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

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

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

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

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

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

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

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

SOUTHWEST DUBOIS COUNTY SCHOOL CORPORATION  
SCHEDULE OF FINDINGS AND QUESTIONED COSTS  
(Continued)

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

*Cause*

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

*Effect*

Without a proper system of internal control in place that operated effectively, material misstatements of the SEFA remained undetected. The SEFA contained the errors identified in the *Context*.

*Recommendation*

We recommended the School Corporation's management establish controls to prevent, or detect and correct, errors on the SEFA.

*Views of Responsible Officials*

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

**FINDING 2016-002**

Subject: Internal Controls over Financial Transactions and Reporting  
Audit Finding: Material Weakness

*Condition*

Management of the School Corporation had not established an adequate internal control system related to Financial Transactions and Reporting of the activity in the Self-Insurance fund.

The School Corporation utilized a third-party Administrator to administer the Southwest Dubois County School Corporation Employee Benefit Trust (Self-Insurance fund). The Administrator provided the School Corporation with a detailed reconciliation worksheet showing the trust's monthly income and expenditures and ending cash balances. The School Corporation used the reconciliation worksheets to enter the receipts and disbursements to the Self-Insurance fund on the financial statement.

SOUTHWEST DUBOIS COUNTY SCHOOL CORPORATION  
SCHEDULE OF FINDINGS AND QUESTIONED COSTS  
(Continued)

There was no evidence of any controls to verify that the information received from the Administrator was accurate or to ensure that the receipts and disbursements reflected in the Self-Insurance fund on the financial statement were accurate.

*Context*

This was a systemic problem as controls over the Self-Insurance fund did not exist during the audit period.

*Criteria*

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

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

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

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

*Cause*

Management of the School Corporation had not established a proper system of internal control to ensure proper reporting of the Receipts, Disbursements, and Cash Balance of the Self-Insurance fund.

*Effect*

The failure to establish a proper system of internal control could have enabled material misstatements within the Self-Insurance fund to occur and remain undetected.

*Recommendation*

We recommended that the School Corporation establish a system of controls related to Financial Transactions and Reporting related to the Self-Insurance fund. We recommended that the School Corporation establish controls to verify the accuracy of the information received from the Administrator to ensure proper reporting of Self-Insurance fund transactions in the financial statement.

*Views of Responsible Officials*

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

SOUTHWEST DUBOIS COUNTY SCHOOL CORPORATION  
SCHEDULE OF FINDINGS AND QUESTIONED COSTS  
(Continued)

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

***FINDING 2016-003***

Subject: Special Education Grants to States - Procurement and Suspension and Debarment

Federal Agency: Department of Education

Federal Program: Special Education Grants to States

CFDA Number: 84.027

Federal Award Numbers and Years (or Other Identifying Numbers): 14213-011-PN01, 14214-011-PN01,  
14215-011-PN01, 14216-009-PN01,  
99914-011-TA01

Pass-Through Entity: Indiana Department of Education

Compliance Requirement: Procurement and Suspension and Debarment

Audit Findings: Material Weakness, Other Matters

*Condition*

The School Corporation was a member of the Exceptional Children's Cooperative (Cooperative). The Cooperative operated the special education program on behalf of the School Corporation and managed the special education grant funds.

Management of the Cooperative had not established an effective internal control system to ensure compliance with requirements related to the grant agreement and the Procurement and Suspension and Debarment compliance requirement.

The Cooperative's Director signed the Application and Assurance Plan as a Condition of Federal Assistance, which stated that the Cooperative would check the subcontractors to make sure they were not presently debarred, suspended, proposed for debarment, declared ineligible, or voluntarily excluded by any federal agency or by any department, agency, or political subdivision of the State of Indiana. However, the Cooperative did not have procedures in place to verify that the vendors were not suspended or debarred or otherwise excluded from or ineligible for participation in federal assistance programs prior to entering into a covered transaction with them. The School Corporation, which is ultimately responsible for compliance with the compliance requirement, did not monitor the Cooperative's procedures or implement its own controls related to the compliance requirement.

*Context*

During the 2014-2015 and 2015-2016 school years, there were two covered transactions entered into that exceeded \$25,000. The Cooperative did not verify that the vendors were not suspended or debarred prior to entering into either covered transaction.

*Criteria*

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

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

SOUTHWEST DUBOIS COUNTY SCHOOL CORPORATION  
SCHEDULE OF FINDINGS AND QUESTIONED COSTS  
(Continued)

2 CFR 200.303 states in part:

"The non-Federal entity must:

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

2 CFR 180.300 states:

"When you enter into a covered transaction with another person at the next lower tier, you must verify that the person with whom you intend to do business is not excluded or disqualified. You do this by:

- (a) Checking SAM Exclusions; or
- (b) Collecting a certification from that person; or
- (c) Adding a clause or condition to the covered transaction with that person."

*Cause*

Management of the School Corporation had not developed a system of internal controls that would have ensured that the Cooperative complied with the grant agreement and the Procurement and Suspension and Debarment requirements.

*Effect*

The failure to establish an effective internal control system enabled material noncompliance to go undetected. Noncompliance with the grant agreement or 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's management develop and implement procedures and establish controls to monitor the Cooperative to ensure compliance with the grant agreement and the Procurement and Suspension and Debarment requirements listed above.

*Views of Responsible Officials*

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

SOUTHWEST DUBOIS COUNTY SCHOOL CORPORATION  
SCHEDULE OF FINDINGS AND QUESTIONED COSTS  
(Continued)

***FINDING 2016-004***

Subject: Twenty-First Century Community Learning Centers - Allowable Costs/Cost Principles  
Federal Agency: Department of Education  
Federal Program: Twenty-First Century Community Learning Centers  
CFDA Number: 84.287  
Federal Award Number and Year (or Other Identifying Number): FY14-15  
Pass-Through Entity: Indiana Department of Education  
Compliance Requirement: Allowable Costs/Cost Principles  
Audit Findings: Material Weakness, Other Matters

*Condition*

The School Corporation had not established an effective internal control system to ensure compliance with requirements related to the grant agreement and the Allowable Costs/Cost Principles compliance requirement.

The Indiana Department of Education (IDOE) prepared an indirect cost allocation plan from the School Corporation's Biannual Financial Report, which determined a fixed rate for indirect costs. However, the School Corporation did not apply the indirect cost fixed rate percentage to claim the indirect costs. The School Corporation claimed the amount budgeted for indirect costs with no documentation to support the basis for claiming indirect costs.

*Context*

Internal control issues were systemic during fiscal year 2014-2015. The calculated indirect cost fixed rate percentage was not used in fiscal year 2014-2015.

*Criteria*

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

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

34 CFR 80.20(b) states in part:

"The financial management systems of other grantees and subgrantees must meet the following standards:

- (1) *Financial reporting.* Accurate, current, and complete disclosure of the financial results of financially assisted activities must be made in accordance with the financial reporting requirements of the grant or subgrant.
- (2) *Accounting records.* Grantees and subgrantees must maintain records which adequately identify the source and application of funds provided for financially-assisted activities. These records must contain information pertaining to grant or subgrant awards and authorizations, obligations, unobligated balances, assets, liabilities, outlays or expenditures, and income. . . .

SOUTHWEST DUBOIS COUNTY SCHOOL CORPORATION  
SCHEDULE OF FINDINGS AND QUESTIONED COSTS  
(Continued)

- (6) *Source documentation.* Accounting records must be supported by such source documentation as cancelled checks, paid bills, payrolls, time and attendance records, contract and subgrant award documents, etc. . . ."

OMB Circular A-87, Attachment E, section F(3) states:

"Indirect cost allocations not using rates. In certain situations, a governmental unit, because of the nature of its awards, may be required to develop a cost allocation plan that distributes indirect (and, in some cases, direct) costs to the specific funding sources. In these cases, a narrative cost allocation methodology should be developed, documented, maintained for audit, or submitted, as appropriate, to the cognizant agency for review, negotiation, and approval."

*Cause*

Management had not developed a system of internal controls that would have ensured compliance with the Allowable Costs/Cost Principles compliance requirement.

*Effect*

The failure to establish an effective internal control system enabled material noncompliance to go undetected. Noncompliance with the grant agreement or 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's management establish controls to ensure compliance with the Allowable Costs/Cost Principles compliance requirement.

*Views of Responsible Officials*

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

AUDITEE-PREPARED DOCUMENT

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

# Southwest Dubois County School Corporation

113 N Jackson St, Huntingburg IN 47542  
Phone 812-683-3971 • Fax 812-683-2752  
www.swdubois.k12.in.us • lagranget@swdubois.k12.in.us

**Tim LaGrange, Superintendent**

## CORRECTIVE ACTION PLAN

### **FINDING 2016-001**

Contact Person Responsible for Corrective Action: Allison Pund  
Contact Phone Number: 812-683-3971

Views of Responsible Official: We concur with the finding.

Description of Corrective Action Plan: Treasurer will carefully prepare the SEFA and the Superintendent will review it and ensure it is accurate and complete.

Anticipated Completion Date: Immediate

Allison Pund  
(Signature)

Treasurer  
(Title)

2/26/18  
(Date)



# Southwest Dubois County School Corporation

113 N Jackson St, Huntingburg IN 47542  
Phone 812-683-3971 • Fax 812-683-2752  
www.swdubois.k12.in.us • lagranget@swdubois.k12.in.us  
**Tim LaGrange, Superintendent**

## CORRECTIVE ACTION PLAN

### **FINDING 2016-002**

Contact Person Responsible for Corrective Action: Allison Pund  
Contact Phone Number: 812-683-3971

Views of Responsible Official: We concur with the finding

Description of Corrective Action Plan: To increase the Internal Controls of our Self-Insurance plan, we requested that we receive monthly statements for all accounts through the plan. These statements will be reconciled monthly with the account breakdown given by the Self-Insurance plan. Due to HIPPA regulations and the sensitive nature of the Trust, Southwest Dubois County Schools will continue to ensure Dunn and Associates follow all requirements set forth in the trust agreement. Dunn and Associates has had several different agencies audit and review their records. They will continue to submit to these audits and inform Southwest Dubois County Schools immediately if there are any findings associated with funds related to the Southwest Dubois County Employee Benefit Trust.

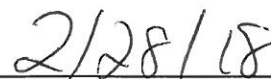
Anticipated Completion Date: Immediately



(Signature)



(Title)



(Date)



# Southwest Dubois County School Corporation

113 N Jackson St, Huntingburg IN 47542  
Phone 812-683-3971 • Fax 812-683-2752  
www.swdubois.k12.in.us • lagranget@swdubois.k12.in.us  
**Tim LaGrange, Superintendent**

## CORRECTIVE ACTION PLAN

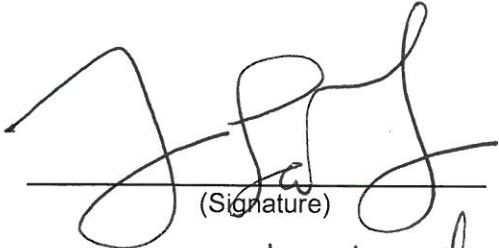
### **FINDING 2016-003**

Contact Person Responsible for Corrective Action: Timothy LaGrange  
Contact Phone Number: 812-683-3971

Views of Responsible Official: We concur with the finding.

Description of Corrective Action Plan: As a member of the Board of the Exceptional Children's Co-op, the superintendent will ensure that the Exceptional Children's Co-op verifies that vendors are not suspended or debarred from participating in federal assistance programs prior to awarding contracts with them.

Anticipated Completion Date: Immediate

  
\_\_\_\_\_  
(Signature)  
*Superintendent*  
\_\_\_\_\_  
(Title)  
2/26/18  
\_\_\_\_\_



# Southwest Dubois County School Corporation

113 N Jackson St, Huntingburg IN 47542  
Phone 812-683-3971 • Fax 812-683-2752  
www.swdubois.k12.in.us • lagranget@swdubois.k12.in.us  
**Tim LaGrange, Superintendent**

## CORRECTIVE ACTION PLAN

### **FINDING 2016-004**

Contact Person Responsible for Corrective Action: Allison Pund  
Contact Phone Number: 812-683-3971

Views of Responsible Official: We concur with the finding.

Description of Corrective Action Plan: Documentation will be maintained to support what we will be claiming for Indirect Costs.

Anticipated Completion Date: Immediate

Allison Pund  
(Signature)

Treasurer  
(Title)

2/28/18  
(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/>.