

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

FINANCIAL STATEMENT AND
FEDERAL SINGLE AUDIT REPORT
OF

METROPOLITAN SCHOOL DISTRICT
OF DECATUR TOWNSHIP
MARION COUNTY, INDIANA

July 1, 2013 to June 30, 2015



FILED
06/04/2018

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.....	21-40
Schedule of Payables and Receivables	41
Schedule of Leases and Debt	42
Schedule of Capital Assets.....	43
Supplemental Audit of Federal Awards:	
Independent Auditor's Report on Compliance for Each Major Federal Program and on Internal Control over Compliance	46-48
Schedule of Expenditures of Federal Awards and Accompanying Notes:	
Schedule of Expenditures of Federal Awards.....	51-53
Notes to Schedule of Expenditures of Federal Awards	54
Schedule of Findings and Questioned Costs	55-76
Auditee-Prepared Documents:	
Summary Schedule of Prior Audit Findings.....	78-84
Corrective Action Plan	85-97
Other Reports.....	98

SCHEDULE OF OFFICIALS

<u>Office</u>	<u>Official</u>	<u>Term</u>
Treasurer	W. Kirk Farmer	07-01-13 to 06-30-18
Superintendent of Schools	Dr. Debbie Sullivan Nathan S. Davis (interim) Dr. Matt Prusiecki	07-01-13 to 07-19-13 07-20-13 to 08-26-13 08-27-13 to 06-30-18
President of the School Board	Dale Henson Judith Collins Larry Taylor Dale Henson Judith Collins	07-01-13 to 12-31-13 01-01-14 to 12-31-15 01-01-16 to 12-31-16 01-01-17 to 12-31-17 01-01-18 to 12-31-18



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INDEPENDENT AUDITOR'S REPORT

TO: THE OFFICIALS OF THE METROPOLITAN SCHOOL DISTRICT
OF DECATUR TOWNSHIP, MARION COUNTY, INDIANA

Report on the Financial Statement

We have audited the accompanying financial statement of the Metropolitan School District of Decatur Township (School Corporation), which comprises the financial position and results of operations for the period of July 1, 2013 to June 30, 2015, and the related notes to the financial statement as listed in the Table of Contents.

Management's Responsibility for the Financial Statement

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

Auditor's Responsibility

Our responsibility is to express an opinion on this financial statement based on our audit. We conducted our audit in accordance with auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statement is free 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, 2013 to June 30, 2015.

Opinion on Regulatory Basis of Accounting

In our opinion, the financial statement referred to above presents fairly, in all material respects, the financial position and results of operations of the School Corporation for the period of July 1, 2013 to June 30, 2015, in accordance with the financial reporting provisions of the Indiana State Board of Accounts described in Note 1.

Other Matters

Supplementary Information

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

Other Information

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

INDEPENDENT AUDITOR'S REPORT
(Continued)

Other Reporting Required by *Government Auditing Standards*

In accordance with *Government Auditing Standards*, we have also issued a report dated May 24, 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

May 24, 2018



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

TO: THE OFFICIALS OF THE METROPOLITAN SCHOOL DISTRICT
OF DECATUR TOWNSHIP, MARION COUNTY, INDIANA

We have audited, in accordance with auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States, the financial statement of the Metropolitan School District of Decatur Township (School Corporation), which comprises the financial position and results of operations for the period of July 1, 2013 to June 30, 2015, and the related notes to the financial statement, and have issued our report thereon dated May 24, 2018, wherein we noted the School Corporation followed accounting practices the Indiana State Board of Accounts prescribes rather than accounting principles generally accepted in the United States of America.

Internal Control over Financial Reporting

In planning and performing our audit of the financial statement, we considered the School Corporation's internal control over financial reporting (internal control) to determine the audit procedures that are appropriate in the circumstances for the purpose of expressing our opinion on the financial statement, but not for the purpose of expressing an opinion on the effectiveness of the School Corporation's internal control. Accordingly, we do not express an opinion on the effectiveness of the School Corporation's internal control.

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

Our consideration of internal control was for the limited purpose described in the first paragraph of this section and was not designed to identify all deficiencies in internal control that might be material weaknesses or significant deficiencies and, therefore, material weaknesses or significant deficiencies may exist that were not identified. Given these limitations, during our audit we did not identify any deficiencies in internal control that we consider to be material weaknesses. However, material weaknesses may exist that have not been identified.


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 no instances of noncompliance or other matters that are required to be reported under *Government Auditing Standards*.

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

May 24, 2018

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FINANCIAL STATEMENT AND ACCOMPANYING NOTES

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

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

Fund	Cash and Investments 07-01-13	Receipts	Disbursements	Other Financing Sources (Uses)	Cash and Investments 06-30-14	Receipts	Disbursements	Other Financing Sources (Uses)	Cash and Investments 06-30-15
General	\$ 1,036,298	\$ 43,586,560	\$ 42,198,197	\$ (1,406,547)	\$ 1,018,114	\$ 43,583,750	\$ 41,610,429	\$ (1,970,761)	\$ 1,020,674
Referendum Tax Levy	-	-	-	-	-	2,058,261	2,207,434	1,100,000	950,827
Debt Service	2,056,341	12,315,594	14,538,139	215,506	49,302	12,388,641	12,337,584	(51,205)	49,154
Retirement/Severance Bond Debt Service	-	694,822	773,460	78,638	-	703,154	772,362	100,508	31,300
Capital Projects	1,688,096	2,972,134	2,496,044	-	2,164,186	3,012,556	4,573,872	3,341	606,211
School Transportation	693,535	2,222,691	2,194,277	-	721,949	1,919,638	1,599,567	(400,000)	642,020
School Bus Replacement	-	316,747	-	(187,556)	129,191	420,189	254,407	-	294,973
Rainy Day	783,359	167	782,591	1,108,918	1,109,853	9,906	1,383,893	1,137,110	872,976
Liberty Renovation	-	-	-	-	-	-	735,962	1,985,150	1,249,188
DTES Interior Renovation	-	-	-	-	-	-	124,797	1,986,874	1,862,077
DTES Exterior Renovation	-	-	-	-	-	-	114,022	1,986,874	1,872,852
School Lunch	833,459	4,926,993	4,562,564	-	1,197,888	5,615,924	5,336,920	60,841	1,537,733
Textbook Rental	38,965	471,934	590,683	228,389	148,605	544,627	244,674	69,464	518,022
Child Care Program	-	-	-	-	-	159,560	147,499	41,481	53,542
Alternative Education 2013	10,932	-	10,932	-	-	-	-	-	-
Alternative Education 2013-2014	-	39,690	37,131	-	2,559	-	2,559	-	-
Alternative Education 2014-2015	-	-	-	-	-	41,540	34,769	-	6,771
Early Intervention Grant 2014-15	-	-	-	-	-	3,830	3,830	-	-
American Bottling	7,500	32,500	38,160	-	1,840	33,150	30,479	-	4,511
District Fundraiser	-	558	558	-	-	1,391	891	-	500
UWCI Student Success 2014-15	-	-	-	-	-	52,864	56,256	-	(3,392)
UW Home is Where the Hear is	-	-	-	-	-	1,303	1,303	-	-
On My Way Pre-K	-	-	-	-	-	-	21,150	-	(21,150)
Labels for Education	-	-	-	-	-	1,000	-	-	1,000
UWCI Pre-K Classroom Start Up	-	-	-	-	-	-	3,113	-	(3,113)
Lowe's Engineering Grant	1,184	-	105	-	1,079	-	198	-	881
Challenger Learning Center	5,146	-	5,146	-	-	-	-	-	-
Scholarships and Awards	1,004	-	1,004	-	-	-	-	-	-
Eugene Smith Scholarship	44,221	-	-	-	44,221	-	-	-	44,221
Richard H. Crossover Scholarship	800	2,000	2,800	-	-	1,985	-	-	1,985
Clarke Special Ed Donation	5,533	-	1,592	-	3,941	-	2,200	-	1,741
Computer Integrated Manufacturing	5,000	-	5,000	-	-	-	-	-	-
IU East Asian Studies	300	-	300	-	-	-	-	-	-
Walmart Local Giving	-	2,000	1,991	-	9	-	9	-	-
CICF College Readiness 2013-14	54,537	-	54,006	-	531	-	531	-	-
CICF College Readiness 2014-15	-	15,000	8,453	-	6,547	75,000	61,590	-	19,957
Library Grant 12-13	1,200	-	1,200	-	-	-	-	-	-
Media Center Enrichment 2013-14	-	10,500	9,462	-	1,038	-	1,038	-	-
Media Center Enrichment 2014-15	-	-	-	-	-	10,500	10,361	-	139
High Ability Grant 2014-15	-	-	-	-	-	53,260	39,001	-	14,259
Medicaid Reimbursement	199,208	317,242	31,461	(37,348)	447,641	215,124	69,334	(42,773)	550,658
Early Childhood Center Preschool	26,227	159,234	143,979	-	41,482	-	-	(41,482)	-
Secured Schools Safety Grant	-	-	-	-	-	60,128	89,360	-	(29,232)
NESP Grant 2013-14	-	26,179	26,179	-	-	-	-	-	-

METROPOLITAN SCHOOL DISTRICT OF DECATUR TOWNSHIP
STATEMENT OF RECEIPTS, DISBURSEMENTS,
OTHER FINANCING SOURCES (USES), AND CASH AND
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For the Years Ended June 30, 2014 and 2015

Fund	Cash and Investments 07-01-13	Receipts	Disbursements	Other Financing Sources (Uses)	Cash and Investments 06-30-14	Receipts	Disbursements	Other Financing Sources (Uses)	Cash and Investments 06-30-15
NESP Grant 2014-15	-	-	-	-	-	28,399	26,295	-	2,104
School Technology	9,665	3,617	3,125	-	10,157	3,495	12,637	-	1,015
Performance Based Awards	-	-	-	-	-	36,942	36,942	-	-
High Ability 2012-13	303	-	303	-	-	-	-	-	-
High Ability 2013-14	-	53,059	52,519	-	540	-	540	-	-
GQE Remediation 2013-14	32,905	-	26,651	-	6,254	-	6,254	-	-
Preventive Remediation 2013-14	25,185	-	25,185	-	-	-	-	-	-
GQE Remediation Grant 2014-15	-	36,766	-	-	36,766	-	33,638	-	3,128
Preventive Remediation Grant 2014-15	-	23,467	-	-	23,467	-	23,467	-	-
GQE Remediation Grant 2015-16	-	-	-	-	-	34,127	-	-	34,127
Preventive Remediation Grant 2015-16	-	-	-	-	-	24,036	-	-	24,036
Refund of Insurance	1,189	-	50	-	1,139	-	1	-	1,138
Liability Insurance Claim	48,095	-	44,773	-	3,322	-	3,322	-	-
Preventive Remediation 2012-13	2,747	29,060	23,626	-	8,181	7,372	6,723	-	8,830
GQE Remediation 2012-13	5,914	-	5,914	-	-	-	-	-	-
One on One Tech Initiative	27,709	17,571	225	-	45,055	32,313	61,984	-	15,384
Title I 2012-2013	(152,472)	394,301	241,829	-	-	-	-	-	-
Title I 2013-14	-	979,639	1,076,621	-	(96,982)	384,195	287,213	-	-
Title I 2014-15	-	-	-	-	-	1,001,300	1,133,885	-	(132,585)
Special Ed Improvement 2013	(3,069)	69,980	66,911	-	-	-	-	-	-
Technology Related Assistance for Individuals With Disabilities	-	-	-	-	-	5,707	5,707	-	-
21st Century Learning Center	-	-	-	-	-	125,386	152,181	-	(26,795)
21st Century / Club Phoenix 2015-16	-	-	-	-	-	-	6,547	-	(6,547)
Arts in Education	-	2,250	-	-	2,250	750	3,000	-	-
Improving Teaching Quality, No Child Left, Title II, Part A	(6,746)	58,915	52,169	-	-	-	-	-	-
Title II Part A 2012-2014	(1,623)	56,767	109,365	-	(54,221)	102,456	48,235	-	-
Title II Part A 2013-15	-	5,447	10,537	-	(5,090)	33,516	41,166	-	(12,740)
Title II Part A 2014-16	-	-	-	-	-	10,051	30,683	-	(20,632)
Title III ESL 2012-13	(2,779)	7,429	4,650	-	-	-	-	-	-
Title III ESL 2013-14	-	27,462	30,134	-	(2,672)	13,406	10,734	-	-
Title III WIDA 2014	-	-	-	-	-	1,066	1,066	-	-
Title III ESL 2014-15	-	-	-	-	-	24,965	32,612	-	(7,647)
Math & Science Partnership (Sc	(6,830)	15,553	8,723	-	-	-	-	-	-
MSP (Science) 2012-13	(4,289)	207,866	203,577	-	-	-	-	-	-
Teacher Incentive Grant 12/13	(26,002)	418,275	392,273	-	-	-	-	-	-
Teacher Incentive /TAP 2013-14	-	213,073	235,500	-	(22,427)	233,438	211,011	-	-
Teacher Incentive/TAP 2014-15	-	-	-	-	-	235,838	266,857	-	(31,019)
New Technology Grants	65,430	-	63,116	-	2,314	-	2,314	-	-
Payroll Withholding	131,501	11,115,299	11,081,321	-	165,479	10,908,022	10,916,415	-	157,086
Totals	\$ 7,639,678	\$ 81,848,341	\$ 82,274,511	\$ -	\$ 7,213,508	\$ 84,214,061	\$ 85,232,823	\$ 5,965,422	\$ 12,160,168

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

METROPOLITAN SCHOOL DISTRICT OF DECATUR TOWNSHIP
NOTES TO FINANCIAL STATEMENT

Note 1. Summary of Significant Accounting Policies

A. Reporting Entity

School Corporation, as used herein, shall include, but is not limited to, the following: school townships, school towns, school cities, consolidated school corporations, joint schools, metropolitan school districts, township school districts, county schools, united schools, school districts, cooperatives, educational service centers, community schools, community school corporations, and charter schools.

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

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

B. Basis of Accounting

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

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

C. Cash and Investments

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

D. Receipts

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

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

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

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.

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

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.

Interfund loans. Amounts temporarily transferred from one fund to a depleted fund for use in paying current operating expenses. Such advancement shall not be made for a period extending beyond the budget year.

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.

Interfund loans. Amounts temporarily transferred from one fund to a depleted fund for use in paying current operating expenses. Such advancement shall not be made for a period extending beyond the budget year.

F. Other Financing Sources and Uses

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

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

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

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

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

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

G. Fund Accounting

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

Note 2. Budgets

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

Note 3. Property Taxes

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

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

Note 4. Deposits and Investments

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

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

Note 5. Risk Management

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

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

Note 6. Pension Plans

A. Public Employees' Retirement Fund

Plan Description

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

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

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

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

Funding Policy and Annual Pension Cost

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

B. Teachers' Retirement Fund

Plan Description

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

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

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

Funding Policy and Annual Pension Cost

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

Note 7. Cash Balance Deficits

The financial statement contains some funds with deficits in cash. This is a result of funds being set up for reimbursable grants.

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

Note 8. *Holding Corporations*

The School Corporation has entered into a capital lease with Decatur Township 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 ending June 30, 2014 and 2015, totaled \$6,437,498 and \$9,476,178, respectively.

Note 9. *Other Postemployment Benefits*

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

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OTHER INFORMATION - UNAUDITED

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

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

	General	Referendum Tax Levy	Debt Service	Retirement/ Severance Bond Debt Service	Capital Projects	School Transportation	School Bus Replacement	Rainy Day	Liberty Renovation
Cash and investments - beginning	\$ 1,036,298	\$ -	\$ 2,056,341	\$ -	\$ 1,688,096	\$ 693,535	\$ -	\$ 783,359	\$ -
Receipts:									
Local sources	1,130,257	-	12,315,594	600,609	2,972,134	2,142,713	316,747	-	-
Intermediate sources	-	-	-	-	-	-	-	-	-
State sources	42,453,420	-	-	-	-	79,978	-	-	-
Federal sources	-	-	-	-	-	-	-	-	-
Interfund loans	-	-	-	94,213	-	-	-	-	-
Other receipts	2,883	-	-	-	-	-	-	167	-
Total receipts	43,586,560	-	12,315,594	694,822	2,972,134	2,222,691	316,747	167	-
Disbursements:									
Instruction	29,414,790	-	-	-	-	-	-	-	-
Support services	12,370,656	-	1,750	-	1,512,860	2,189,550	-	308,231	-
Noninstructional services	408,669	-	-	-	-	-	-	-	-
Facilities acquisition and construction	4,082	-	-	-	687,576	4,727	-	-	-
Debt service	-	-	14,536,389	773,460	295,608	-	-	380,147	-
Nonprogrammed charges	-	-	-	-	-	-	-	-	-
Interfund loans	-	-	-	-	-	-	-	94,213	-
Total disbursements	42,198,197	-	14,538,139	773,460	2,496,044	2,194,277	-	782,591	-
Excess (deficiency) of receipts over disbursements	1,388,363	-	(2,222,545)	(78,638)	476,090	28,414	316,747	(782,424)	-
Other financing sources (uses):									
Transfers in	37,348	-	443,895	78,638	-	-	-	1,108,918	-
Transfers out	(1,443,895)	-	(228,389)	-	-	-	(187,556)	-	-
Total other financing sources (uses)	(1,406,547)	-	215,506	78,638	-	-	(187,556)	1,108,918	-
Excess (deficiency) of receipts and other financing sources over disbursements and other financing uses	(18,184)	-	(2,007,039)	-	476,090	28,414	129,191	326,494	-
Cash and investments - ending	\$ 1,018,114	\$ -	\$ 49,302	\$ -	\$ 2,164,186	\$ 721,949	\$ 129,191	\$ 1,109,853	\$ -

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

	DTES Interior Renovation	DTES Exterior Renovation	School Lunch	Textbook Rental	Child Care Program	Alternative Education 2013	Alternative Education 2013-2014	Alternative Education 2014-2015	Early Intervention Grant 2014-15
Cash and investments - beginning	\$ -	\$ -	\$ 833,459	\$ 38,965	\$ -	\$ 10,932	\$ -	\$ -	\$ -
Receipts:									
Local sources	-	-	1,704,485	172,252	-	-	-	-	-
Intermediate sources	-	-	-	-	-	-	-	-	-
State sources	-	-	24,312	299,582	-	-	39,690	-	-
Federal sources	-	-	3,198,118	-	-	-	-	-	-
Interfund loans	-	-	-	-	-	-	-	-	-
Other receipts	-	-	78	100	-	-	-	-	-
Total receipts	-	-	4,926,993	471,934	-	-	39,690	-	-
Disbursements:									
Instruction	-	-	-	-	-	10,932	37,131	-	-
Support services	-	-	809,201	590,683	-	-	-	-	-
Noninstructional services	-	-	3,630,629	-	-	-	-	-	-
Facilities acquisition and construction	-	-	122,734	-	-	-	-	-	-
Debt service	-	-	-	-	-	-	-	-	-
Nonprogrammed charges	-	-	-	-	-	-	-	-	-
Interfund loans	-	-	-	-	-	-	-	-	-
Total disbursements	-	-	4,562,564	590,683	-	10,932	37,131	-	-
Excess (deficiency) of receipts over disbursements	-	-	364,429	(118,749)	-	(10,932)	2,559	-	-
Other financing sources (uses):									
Transfers in	-	-	-	228,389	-	-	-	-	-
Transfers out	-	-	-	-	-	-	-	-	-
Total other financing sources (uses)	-	-	-	228,389	-	-	-	-	-
Excess (deficiency) of receipts and other financing sources over disbursements and other financing uses	-	-	364,429	109,640	-	(10,932)	2,559	-	-
Cash and investments - ending	\$ -	\$ -	\$ 1,197,888	\$ 148,605	\$ -	\$ -	\$ 2,559	\$ -	\$ -

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

	American Bottling	District Fundraiser	UWCI Student Success 2014-15	UW Home is Where the Hear is	On My Way Pre-K	Labels for Education	UWCI Pre-K Classroom Start Up	Lowe's Engineering Grant	Challenger Learning Center
Cash and investments - beginning	\$ 7,500	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 1,184	\$ 5,146
Receipts:									
Local sources	32,500	-	-	-	-	-	-	-	-
Intermediate sources	-	-	-	-	-	-	-	-	-
State sources	-	-	-	-	-	-	-	-	-
Federal sources	-	-	-	-	-	-	-	-	-
Interfund loans	-	-	-	-	-	-	-	-	-
Other receipts	-	558	-	-	-	-	-	-	-
Total receipts	32,500	558	-	-	-	-	-	-	-
Disbursements:									
Instruction	-	-	-	-	-	-	-	105	-
Support services	38,160	558	-	-	-	-	-	-	5,146
Noninstructional services	-	-	-	-	-	-	-	-	-
Facilities acquisition and construction	-	-	-	-	-	-	-	-	-
Debt service	-	-	-	-	-	-	-	-	-
Nonprogrammed charges	-	-	-	-	-	-	-	-	-
Interfund loans	-	-	-	-	-	-	-	-	-
Total disbursements	38,160	558	-	-	-	-	-	105	5,146
Excess (deficiency) of receipts over disbursements	(5,660)	-	-	-	-	-	-	(105)	(5,146)
Other financing sources (uses):									
Transfers in	-	-	-	-	-	-	-	-	-
Transfers out	-	-	-	-	-	-	-	-	-
Total other financing sources (uses)	-	-	-	-	-	-	-	-	-
Excess (deficiency) of receipts and other financing sources over disbursements and other financing uses	(5,660)	-	-	-	-	-	-	(105)	(5,146)
Cash and investments - ending	\$ 1,840	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 1,079	\$ -

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

	Scholarships and Awards	Eugene Smith Scholarship	Richard H. Crosser Scholarship	Clarke Special Ed Donation	Computer Integrated Manufacturing	IU East Asian Studies	Walmart Local Giving	CICF College Readiness 2013-14	CICF College Readiness 2014-15
Cash and investments - beginning	\$ 1,004	\$ 44,221	\$ 800	\$ 5,533	\$ 5,000	\$ 300	\$ -	\$ 54,537	\$ -
Receipts:									
Local sources	-	-	2,000	-	-	-	-	-	15,000
Intermediate sources	-	-	-	-	-	-	2,000	-	-
State sources	-	-	-	-	-	-	-	-	-
Federal sources	-	-	-	-	-	-	-	-	-
Interfund loans	-	-	-	-	-	-	-	-	-
Other receipts	-	-	-	-	-	-	-	-	-
Total receipts	-	-	2,000	-	-	-	2,000	-	15,000
Disbursements:									
Instruction	-	-	-	1,592	-	300	-	22,984	-
Support services	-	-	-	-	-	-	-	30,137	8,453
Noninstructional services	-	-	-	-	-	-	-	885	-
Facilities acquisition and construction	-	-	-	-	5,000	-	1,991	-	-
Debt service	-	-	-	-	-	-	-	-	-
Nonprogrammed charges	1,004	-	2,800	-	-	-	-	-	-
Interfund loans	-	-	-	-	-	-	-	-	-
Total disbursements	1,004	-	2,800	1,592	5,000	300	1,991	54,006	8,453
Excess (deficiency) of receipts over disbursements	(1,004)	-	(800)	(1,592)	(5,000)	(300)	9	(54,006)	6,547
Other financing sources (uses):									
Transfers in	-	-	-	-	-	-	-	-	-
Transfers out	-	-	-	-	-	-	-	-	-
Total other financing sources (uses)	-	-	-	-	-	-	-	-	-
Excess (deficiency) of receipts and other financing sources over disbursements and other financing uses	(1,004)	-	(800)	(1,592)	(5,000)	(300)	9	(54,006)	6,547
Cash and investments - ending	\$ -	\$ 44,221	\$ -	\$ 3,941	\$ -	\$ -	\$ 9	\$ 531	\$ 6,547

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

	Library Grant 12-13	Media Center Enrichment 2013-14	Media Center Enrichment 2014-15	High Ability Grant 2014-15	Medicaid Reimbursement	Early Childhood Center Preschool	Secured Schools Safety Grant	NESP Grant 2013-14
Cash and investments - beginning	\$ 1,200	\$ -	\$ -	\$ -	\$ 199,208	\$ 26,227	\$ -	\$ -
Receipts:								
Local sources	-	10,500	-	-	-	159,234	-	-
Intermediate sources	-	-	-	-	-	-	-	-
State sources	-	-	-	-	317,242	-	-	26,179
Federal sources	-	-	-	-	-	-	-	-
Interfund loans	-	-	-	-	-	-	-	-
Other receipts	-	-	-	-	-	-	-	-
Total receipts	-	10,500	-	-	317,242	159,234	-	26,179
Disbursements:								
Instruction	-	-	-	-	-	143,979	-	26,179
Support services	836	2,741	-	-	31,461	-	-	-
Noninstructional services	-	-	-	-	-	-	-	-
Facilities acquisition and construction	364	6,721	-	-	-	-	-	-
Debt service	-	-	-	-	-	-	-	-
Nonprogrammed charges	-	-	-	-	-	-	-	-
Interfund loans	-	-	-	-	-	-	-	-
Total disbursements	1,200	9,462	-	-	31,461	143,979	-	26,179
Excess (deficiency) of receipts over disbursements	(1,200)	1,038	-	-	285,781	15,255	-	-
Other financing sources (uses):								
Transfers in	-	-	-	-	-	-	-	-
Transfers out	-	-	-	-	(37,348)	-	-	-
Total other financing sources (uses)	-	-	-	-	(37,348)	-	-	-
Excess (deficiency) of receipts and other financing sources over disbursements and other financing uses	(1,200)	1,038	-	-	248,433	15,255	-	-
Cash and investments - ending	\$ -	\$ 1,038	\$ -	\$ -	\$ 447,641	\$ 41,482	\$ -	\$ -

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

	NESP Grant 2014-15	School Technology	Performance Based Awards	High Ability 2012-13	High Ability 2013-14	GQE Remediation 2013-14	Preventive Remediation 2013-14	GQE Remediation Grant 2014-15
Cash and investments - beginning	\$ -	\$ 9,665	\$ -	\$ 303	\$ -	\$ 32,905	\$ 25,185	\$ -
Receipts:								
Local sources	-	-	-	-	-	-	-	-
Intermediate sources	-	-	-	-	-	-	-	-
State sources	-	3,617	-	-	53,059	-	-	36,766
Federal sources	-	-	-	-	-	-	-	-
Interfund loans	-	-	-	-	-	-	-	-
Other receipts	-	-	-	-	-	-	-	-
Total receipts	-	3,617	-	-	53,059	-	-	36,766
Disbursements:								
Instruction	-	-	-	303	52,519	26,651	25,185	-
Support services	-	3,125	-	-	-	-	-	-
Noninstructional services	-	-	-	-	-	-	-	-
Facilities acquisition and construction	-	-	-	-	-	-	-	-
Debt service	-	-	-	-	-	-	-	-
Nonprogrammed charges	-	-	-	-	-	-	-	-
Interfund loans	-	-	-	-	-	-	-	-
Total disbursements	-	3,125	-	303	52,519	26,651	25,185	-
Excess (deficiency) of receipts over disbursements	-	492	-	(303)	540	(26,651)	(25,185)	36,766
Other financing sources (uses):								
Transfers in	-	-	-	-	-	-	-	-
Transfers out	-	-	-	-	-	-	-	-
Total other financing sources (uses)	-	-	-	-	-	-	-	-
Excess (deficiency) of receipts and other financing sources over disbursements and other financing uses	-	492	-	(303)	540	(26,651)	(25,185)	36,766
Cash and investments - ending	\$ -	\$ 10,157	\$ -	\$ -	\$ 540	\$ 6,254	\$ -	\$ 36,766

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

	Preventive Remediation Grant 2014-15	GQE Remediation Grant 2015-16	Preventive Remediation Grant 2015-16	Refund of Insurance	Liability Insurance Claim	Preventive Remediation 2012-13	GQE Remediation 2012-13	One on One Tech Initiative
Cash and investments - beginning	\$ -	\$ -	\$ -	\$ 1,189	\$ 48,095	\$ 2,747	\$ 5,914	\$ 27,709
Receipts:								
Local sources	-	-	-	-	-	-	-	17,571
Intermediate sources	-	-	-	-	-	-	-	-
State sources	23,467	-	-	-	-	-	-	-
Federal sources	-	-	-	-	-	-	-	-
Interfund loans	-	-	-	-	-	-	-	-
Other receipts	-	-	-	-	-	29,060	-	-
Total receipts	23,467	-	-	-	-	29,060	-	17,571
Disbursements:								
Instruction	-	-	-	50	39,576	-	5,914	-
Support services	-	-	-	-	5,197	11,069	-	225
Noninstructional services	-	-	-	-	-	-	-	-
Facilities acquisition and construction	-	-	-	-	-	12,557	-	-
Debt service	-	-	-	-	-	-	-	-
Nonprogrammed charges	-	-	-	-	-	-	-	-
Interfund loans	-	-	-	-	-	-	-	-
Total disbursements	-	-	-	50	44,773	23,626	5,914	225
Excess (deficiency) of receipts over disbursements	23,467	-	-	(50)	(44,773)	5,434	(5,914)	17,346
Other financing sources (uses):								
Transfers in	-	-	-	-	-	-	-	-
Transfers out	-	-	-	-	-	-	-	-
Total other financing sources (uses)	-	-	-	-	-	-	-	-
Excess (deficiency) of receipts and other financing sources over disbursements and other financing uses	23,467	-	-	(50)	(44,773)	5,434	(5,914)	17,346
Cash and investments - ending	\$ 23,467	\$ -	\$ -	\$ 1,139	\$ 3,322	\$ 8,181	\$ -	\$ 45,055

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

	Title I 2012-2013	Title I 2013-14	Title I 2014-15	Special Ed Improvement 2013	Technology Related Assistance for Individuals with Disabilities	21st Century Learning Center	21st Century / Club Phoenix 2015-16	Arts in Education
Cash and investments - beginning	\$ (152,472)	\$ -	\$ -	\$ (3,069)	\$ -	\$ -	\$ -	\$ -
Receipts:								
Local sources	-	-	-	-	-	-	-	-
Intermediate sources	-	-	-	-	-	-	-	-
State sources	-	-	-	-	-	-	-	-
Federal sources	394,301	979,639	-	69,980	-	-	-	2,250
Interfund loans	-	-	-	-	-	-	-	-
Other receipts	-	-	-	-	-	-	-	-
Total receipts	394,301	979,639	-	69,980	-	-	-	2,250
Disbursements:								
Instruction	121,599	525,937	-	11,925	-	-	-	-
Support services	116,974	536,514	-	-	-	-	-	-
Noninstructional services	3,256	14,170	-	-	-	-	-	-
Facilities acquisition and construction	-	-	-	54,986	-	-	-	-
Debt service	-	-	-	-	-	-	-	-
Nonprogrammed charges	-	-	-	-	-	-	-	-
Interfund loans	-	-	-	-	-	-	-	-
Total disbursements	241,829	1,076,621	-	66,911	-	-	-	-
Excess (deficiency) of receipts over disbursements	152,472	(96,982)	-	3,069	-	-	-	2,250
Other financing sources (uses):								
Transfers in	-	-	-	-	-	-	-	-
Transfers out	-	-	-	-	-	-	-	-
Total other financing sources (uses)	-	-	-	-	-	-	-	-
Excess (deficiency) of receipts and other financing sources over disbursements and other financing uses	152,472	(96,982)	-	3,069	-	-	-	2,250
Cash and investments - ending	\$ -	\$ (96,982)	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 2,250

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

	Improving Teaching Quality, No Child Left, Title II, Part A	Title II Part A 2012-2014	Title II Part A 2013-15	Title II Part A 2014-16	Title III ESL 2012-13	Title III ESL 2013-14	Title III WIDA 2014	Title III ESL 2014-15
Cash and investments - beginning	\$ (6,746)	\$ (1,623)	\$ -	\$ -	\$ (2,779)	\$ -	\$ -	\$ -
Receipts:								
Local sources	-	-	-	-	-	-	-	-
Intermediate sources	-	-	-	-	-	-	-	-
State sources	-	-	-	-	-	-	-	-
Federal sources	58,915	56,767	5,447	-	7,429	27,462	-	-
Interfund loans	-	-	-	-	-	-	-	-
Other receipts	-	-	-	-	-	-	-	-
Total receipts	58,915	56,767	5,447	-	7,429	27,462	-	-
Disbursements:								
Instruction	17,282	50,362	-	-	3,917	27,714	-	-
Support services	33,524	59,003	10,537	-	733	2,420	-	-
Noninstructional services	-	-	-	-	-	-	-	-
Facilities acquisition and construction	-	-	-	-	-	-	-	-
Debt service	-	-	-	-	-	-	-	-
Nonprogrammed charges	1,363	-	-	-	-	-	-	-
Interfund loans	-	-	-	-	-	-	-	-
Total disbursements	52,169	109,365	10,537	-	4,650	30,134	-	-
Excess (deficiency) of receipts over disbursements	6,746	(52,598)	(5,090)	-	2,779	(2,672)	-	-
Other financing sources (uses):								
Transfers in	-	-	-	-	-	-	-	-
Transfers out	-	-	-	-	-	-	-	-
Total other financing sources (uses)	-	-	-	-	-	-	-	-
Excess (deficiency) of receipts and other financing sources over disbursements and other financing uses	6,746	(52,598)	(5,090)	-	2,779	(2,672)	-	-
Cash and investments - ending	\$ -	\$ (54,221)	\$ (5,090)	\$ -	\$ -	\$ (2,672)	\$ -	\$ -

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

	Math & Science Partnership (Sc)	MSP (Science) 2012-13	Teacher Incentive Grant 12/13	Teacher Incentive/TAP 2013-14	Teacher Incentive/TAP 2014-15	New Technology Grants	Payroll Withholding	Totals
Cash and investments - beginning	\$ (6,830)	\$ (4,289)	\$ (26,002)	\$ -	\$ -	\$ 65,430	\$ 131,501	\$ 7,639,678
Receipts:								
Local sources	-	-	-	-	-	-	-	21,591,596
Intermediate sources	-	-	-	-	-	-	-	2,000
State sources	-	-	-	-	-	-	-	43,357,312
Federal sources	15,553	207,866	418,275	213,073	-	-	-	5,655,075
Interfund loans	-	-	-	-	-	-	-	94,213
Other receipts	-	-	-	-	-	-	11,115,299	11,148,145
Total receipts	15,553	207,866	418,275	213,073	-	-	11,115,299	81,848,341
Disbursements:								
Instruction	-	1,801	370,171	162,400	-	45,000	-	31,146,298
Support services	8,723	201,776	22,102	73,100	-	18,116	-	19,003,561
Noninstructional services	-	-	-	-	-	-	-	4,057,609
Facilities acquisition and construction	-	-	-	-	-	-	-	900,738
Debt service	-	-	-	-	-	-	-	15,985,604
Nonprogrammed charges	-	-	-	-	-	-	-	5,167
Interfund loans	-	-	-	-	-	-	11,081,321	11,175,534
Total disbursements	8,723	203,577	392,273	235,500	-	63,116	11,081,321	82,274,511
Excess (deficiency) of receipts over disbursements	6,830	4,289	26,002	(22,427)	-	(63,116)	33,978	(426,170)
Other financing sources (uses):								
Transfers in	-	-	-	-	-	-	-	1,897,188
Transfers out	-	-	-	-	-	-	-	(1,897,188)
Total other financing sources (uses)	-	-	-	-	-	-	-	-
Excess (deficiency) of receipts and other financing sources over disbursements and other financing uses	6,830	4,289	26,002	(22,427)	-	(63,116)	33,978	(426,170)
Cash and investments - ending	\$ -	\$ -	\$ -	\$ (22,427)	\$ -	\$ 2,314	\$ 165,479	\$ 7,213,508

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

	General	Referendum Tax Levy	Debt Service	Retirement/ Severance Bond Debt Service	Capital Projects	School Transportation	School Bus Replacement	Rainy Day	Liberty Renovation
Cash and investments - beginning	\$ 1,018,114	\$ -	\$ 49,302	\$ -	\$ 2,164,186	\$ 721,949	\$ 129,191	\$ 1,109,853	\$ -
Receipts:									
Local sources	906,358	2,058,261	12,388,641	703,154	3,012,556	1,853,668	420,189	9,906	-
State sources	42,677,086	-	-	-	-	65,944	-	-	-
Federal sources	-	-	-	-	-	-	-	-	-
Other receipts	306	-	-	-	-	26	-	-	-
Total receipts	43,583,750	2,058,261	12,388,641	703,154	3,012,556	1,919,638	420,189	9,906	-
Disbursements:									
Instruction	29,120,394	-	-	-	-	-	-	197,494	-
Support services	12,032,996	1,997,538	6,000	-	1,814,860	1,438,829	254,407	413,840	1,615
Noninstructional services	423,739	-	-	-	-	-	-	-	-
Facilities acquisition and construction	33,300	209,896	-	-	1,855,258	10,651	-	-	734,347
Debt service	-	-	12,331,584	772,362	903,754	150,087	-	772,559	-
Nonprogrammed charges	-	-	-	-	-	-	-	-	-
Total disbursements	41,610,429	2,207,434	12,337,584	772,362	4,573,872	1,599,567	254,407	1,383,893	735,962
Excess (deficiency) of receipts over disbursements	1,973,321	(149,173)	51,057	(69,208)	(1,561,316)	320,071	165,782	(1,373,987)	(735,962)
Other financing sources (uses):									
Proceeds of long-term debt	-	-	-	-	-	-	-	-	1,985,150
Sale of capital assets	-	-	-	-	3,341	-	-	-	-
Transfers in	79,747	1,100,000	150,000	100,508	-	-	-	1,837,110	-
Transfers out	(2,050,508)	-	(201,205)	-	-	(400,000)	-	(700,000)	-
Total other financing sources (uses)	(1,970,761)	1,100,000	(51,205)	100,508	3,341	(400,000)	-	1,137,110	1,985,150
Excess (deficiency) of receipts and other financing sources over disbursements and other financing uses	2,560	950,827	(148)	31,300	(1,557,975)	(79,929)	165,782	(236,877)	1,249,188
Cash and investments - ending	\$ 1,020,674	\$ 950,827	\$ 49,154	\$ 31,300	\$ 606,211	\$ 642,020	\$ 294,973	\$ 872,976	\$ 1,249,188

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

	DTES Interior Renovation	DTES Exterior Renovation	School Lunch	Textbook Rental	Child Care Program	Alternative Education 2013	Alternative Education 2013-2014	Alternative Education 2014-2015	Early Intervention Grant 2014-15
Cash and investments - beginning	\$ -	\$ -	\$ 1,197,888	\$ 148,605	\$ -	\$ -	\$ 2,559	\$ -	\$ -
Receipts:									
Local sources	-	-	2,433,727	237,228	159,560	-	-	-	-
State sources	-	-	24,028	307,241	-	-	-	41,540	3,830
Federal sources	-	-	3,158,083	-	-	-	-	-	-
Other receipts	-	-	86	158	-	-	-	-	-
Total receipts	-	-	5,615,924	544,627	159,560	-	-	41,540	3,830
Disbursements:									
Instruction	-	-	-	-	147,499	-	2,559	34,769	3,830
Support services	1,615	1,615	1,440,208	244,674	-	-	-	-	-
Noninstructional services	-	-	3,651,862	-	-	-	-	-	-
Facilities acquisition and construction	123,182	112,407	124,850	-	-	-	-	-	-
Debt service	-	-	-	-	-	-	-	-	-
Nonprogrammed charges	-	-	120,000	-	-	-	-	-	-
Total disbursements	124,797	114,022	5,336,920	244,674	147,499	-	2,559	34,769	3,830
Excess (deficiency) of receipts over disbursements	(124,797)	(114,022)	279,004	299,953	12,061	-	(2,559)	6,771	-
Other financing sources (uses):									
Proceeds of long-term debt	1,986,874	1,986,874	-	-	-	-	-	-	-
Sale of capital assets	-	-	841	2,342	-	-	-	-	-
Transfers in	-	-	60,000	67,122	106,567	-	-	-	-
Transfers out	-	-	-	-	(65,086)	-	-	-	-
Total other financing sources (uses)	1,986,874	1,986,874	60,841	69,464	41,481	-	-	-	-
Excess (deficiency) of receipts and other financing sources over disbursements and other financing uses	1,862,077	1,872,852	339,845	369,417	53,542	-	(2,559)	6,771	-
Cash and investments - ending	\$ 1,862,077	\$ 1,872,852	\$ 1,537,733	\$ 518,022	\$ 53,542	\$ -	\$ -	\$ 6,771	\$ -

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

	American Bottling	District Fundraiser	UWCI Student Success 2014-15	UW Home is Where the Hear is	On My Way Pre-K	Labels for Education	UWCI Pre-K Classroom Start Up	Lowe's Engineering Grant	Challenger Learning Center
Cash and investments - beginning	\$ 1,840	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 1,079	\$ -
Receipts:									
Local sources	33,150	-	52,864	1,303	-	1,000	-	-	-
State sources	-	-	-	-	-	-	-	-	-
Federal sources	-	-	-	-	-	-	-	-	-
Other receipts	-	1,391	-	-	-	-	-	-	-
Total receipts	33,150	1,391	52,864	1,303	-	1,000	-	-	-
Disbursements:									
Instruction	-	-	56,256	1,303	5,639	-	500	198	-
Support services	30,479	891	-	-	2,165	-	-	-	-
Noninstructional services	-	-	-	-	-	-	-	-	-
Facilities acquisition and construction	-	-	-	-	13,346	-	2,613	-	-
Debt service	-	-	-	-	-	-	-	-	-
Nonprogrammed charges	-	-	-	-	-	-	-	-	-
Total disbursements	30,479	891	56,256	1,303	21,150	-	3,113	198	-
Excess (deficiency) of receipts over disbursements	2,671	500	(3,392)	-	(21,150)	1,000	(3,113)	(198)	-
Other financing sources (uses):									
Proceeds of long-term debt	-	-	-	-	-	-	-	-	-
Sale of capital assets	-	-	-	-	-	-	-	-	-
Transfers in	-	-	-	-	-	-	-	-	-
Transfers out	-	-	-	-	-	-	-	-	-
Total other financing sources (uses)	-	-	-	-	-	-	-	-	-
Excess (deficiency) of receipts and other financing sources over disbursements and other financing uses	2,671	500	(3,392)	-	(21,150)	1,000	(3,113)	(198)	-
Cash and investments - ending	\$ 4,511	\$ 500	\$ (3,392)	\$ -	\$ (21,150)	\$ 1,000	\$ (3,113)	\$ 881	\$ -

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

	Scholarships and Awards	Eugene Smith Scholarship	Richard H. Crosser Scholarship	Clarke Special Ed Donation	Computer Integrated Manufacturing	IU East Asian Studies	Walmart Local Giving	CICF College Readiness 2013-14	CICF College Readiness 2014-15
Cash and investments - beginning	\$ -	\$ 44,221	\$ -	\$ 3,941	\$ -	\$ -	\$ 9	\$ 531	\$ 6,547
Receipts:									
Local sources	-	-	1,985	-	-	-	-	-	75,000
State sources	-	-	-	-	-	-	-	-	-
Federal sources	-	-	-	-	-	-	-	-	-
Other receipts	-	-	-	-	-	-	-	-	-
Total receipts	-	-	1,985	-	-	-	-	-	75,000
Disbursements:									
Instruction	-	-	-	2,200	-	-	-	531	27,886
Support services	-	-	-	-	-	-	-	-	33,704
Noninstructional services	-	-	-	-	-	-	-	-	-
Facilities acquisition and construction	-	-	-	-	-	-	9	-	-
Debt service	-	-	-	-	-	-	-	-	-
Nonprogrammed charges	-	-	-	-	-	-	-	-	-
Total disbursements	-	-	-	2,200	-	-	9	531	61,590
Excess (deficiency) of receipts over disbursements	-	-	1,985	(2,200)	-	-	(9)	(531)	13,410
Other financing sources (uses):									
Proceeds of long-term debt	-	-	-	-	-	-	-	-	-
Sale of capital assets	-	-	-	-	-	-	-	-	-
Transfers in	-	-	-	-	-	-	-	-	-
Transfers out	-	-	-	-	-	-	-	-	-
Total other financing sources (uses)	-	-	-	-	-	-	-	-	-
Excess (deficiency) of receipts and other financing sources over disbursements and other financing uses	-	-	1,985	(2,200)	-	-	(9)	(531)	13,410
Cash and investments - ending	\$ -	\$ 44,221	\$ 1,985	\$ 1,741	\$ -	\$ -	\$ -	\$ -	\$ 19,957

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

	Library Grant 12-13	Media Center Enrichment 2013-14	Media Center Enrichment 2014-15	High Ability Grant 2014-15	Medicaid Reimbursement	Early Childhood Center Preschool	Secured Schools Safety Grant	NESP Grant 2013-14
Cash and investments - beginning	\$ -	\$ 1,038	\$ -	\$ -	\$ 447,641	\$ 41,482	\$ -	\$ -
Receipts:								
Local sources	-	-	10,500	-	-	-	-	-
State sources	-	-	-	53,260	215,124	-	60,128	-
Federal sources	-	-	-	-	-	-	-	-
Other receipts	-	-	-	-	-	-	-	-
Total receipts	-	-	10,500	53,260	215,124	-	60,128	-
Disbursements:								
Instruction	-	-	-	39,001	775	-	-	-
Support services	-	1,038	6,661	-	68,559	-	89,360	-
Noninstructional services	-	-	-	-	-	-	-	-
Facilities acquisition and construction	-	-	3,700	-	-	-	-	-
Debt service	-	-	-	-	-	-	-	-
Nonprogrammed charges	-	-	-	-	-	-	-	-
Total disbursements	-	1,038	10,361	39,001	69,334	-	89,360	-
Excess (deficiency) of receipts over disbursements	-	(1,038)	139	14,259	145,790	-	(29,232)	-
Other financing sources (uses):								
Proceeds of long-term debt	-	-	-	-	-	-	-	-
Sale of capital assets	-	-	-	-	-	-	-	-
Transfers in	-	-	-	-	-	-	-	-
Transfers out	-	-	-	-	(42,773)	(41,482)	-	-
Total other financing sources (uses)	-	-	-	-	(42,773)	(41,482)	-	-
Excess (deficiency) of receipts and other financing sources over disbursements and other financing uses	-	(1,038)	139	14,259	103,017	(41,482)	(29,232)	-
Cash and investments - ending	\$ -	\$ -	\$ 139	\$ 14,259	\$ 550,658	\$ -	\$ (29,232)	\$ -

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

	NESP Grant 2014-15	School Technology	Performance Based Awards	High Ability 2012-13	High Ability 2013-14	GQE Remediation 2013-14	Preventive Remediation 2013-14	GQE Remediation Grant 2014-15
Cash and investments - beginning	\$ -	\$ 10,157	\$ -	\$ -	\$ 540	\$ 6,254	\$ -	\$ 36,766
Receipts:								
Local sources	-	-	-	-	-	-	-	-
State sources	28,399	3,495	36,942	-	-	-	-	-
Federal sources	-	-	-	-	-	-	-	-
Other receipts	-	-	-	-	-	-	-	-
Total receipts	28,399	3,495	36,942	-	-	-	-	-
Disbursements:								
Instruction	26,295	-	36,942	-	540	6,254	-	33,638
Support services	-	12,637	-	-	-	-	-	-
Noninstructional services	-	-	-	-	-	-	-	-
Facilities acquisition and construction	-	-	-	-	-	-	-	-
Debt service	-	-	-	-	-	-	-	-
Nonprogrammed charges	-	-	-	-	-	-	-	-
Total disbursements	26,295	12,637	36,942	-	540	6,254	-	33,638
Excess (deficiency) of receipts over disbursements	2,104	(9,142)	-	-	(540)	(6,254)	-	(33,638)
Other financing sources (uses):								
Proceeds of long-term debt	-	-	-	-	-	-	-	-
Sale of capital assets	-	-	-	-	-	-	-	-
Transfers in	-	-	-	-	-	-	-	-
Transfers out	-	-	-	-	-	-	-	-
Total other financing sources (uses)	-	-	-	-	-	-	-	-
Excess (deficiency) of receipts and other financing sources over disbursements and other financing uses	2,104	(9,142)	-	-	(540)	(6,254)	-	(33,638)
Cash and investments - ending	\$ 2,104	\$ 1,015	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 3,128

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

	Preventive Remediation Grant 2014-15	GQE Remediation Grant 2015-16	Preventive Remediation Grant 2015-16	Refund of Insurance	Liability Insurance Claim	Preventive Remediation 2012-13	GQE Remediation 2012-13	One on One Tech Initiative
Cash and investments - beginning	\$ 23,467	\$ -	\$ -	\$ 1,139	\$ 3,322	\$ 8,181	\$ -	\$ 45,055
Receipts:								
Local sources	-	-	-	-	-	-	-	32,313
State sources	-	34,127	24,036	-	-	-	-	-
Federal sources	-	-	-	-	-	-	-	-
Other receipts	-	-	-	-	-	7,372	-	-
Total receipts	-	34,127	24,036	-	-	7,372	-	32,313
Disbursements:								
Instruction	23,467	-	-	-	2,872	-	-	-
Support services	-	-	-	1	450	3,448	-	61,984
Noninstructional services	-	-	-	-	-	-	-	-
Facilities acquisition and construction	-	-	-	-	-	3,275	-	-
Debt service	-	-	-	-	-	-	-	-
Nonprogrammed charges	-	-	-	-	-	-	-	-
Total disbursements	23,467	-	-	1	3,322	6,723	-	61,984
Excess (deficiency) of receipts over disbursements	(23,467)	34,127	24,036	(1)	(3,322)	649	-	(29,671)
Other financing sources (uses):								
Proceeds of long-term debt	-	-	-	-	-	-	-	-
Sale of capital assets	-	-	-	-	-	-	-	-
Transfers in	-	-	-	-	-	-	-	-
Transfers out	-	-	-	-	-	-	-	-
Total other financing sources (uses)	-	-	-	-	-	-	-	-
Excess (deficiency) of receipts and other financing sources over disbursements and other financing uses	(23,467)	34,127	24,036	(1)	(3,322)	649	-	(29,671)
Cash and investments - ending	\$ -	\$ 34,127	\$ 24,036	\$ 1,138	\$ -	\$ 8,830	\$ -	\$ 15,384

METROPOLITAN SCHOOL DISTRICT OF DECATUR TOWNSHIP
 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 2012-2013	Title I 2013-14	Title I 2014-15	Special Ed Improvement 2013	Technology Related Assistance for Individuals with Disabilities	21st Century Learning Center	21st Century / Club Phoenix 2015-16	Arts in Education
Cash and investments - beginning	\$ -	\$ (96,982)	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 2,250
Receipts:								
Local sources	-	-	-	-	-	-	-	-
State sources	-	-	-	-	-	-	-	-
Federal sources	-	384,195	1,001,300	-	5,707	125,386	-	750
Other receipts	-	-	-	-	-	-	-	-
Total receipts	-	384,195	1,001,300	-	5,707	125,386	-	750
Disbursements:								
Instruction	-	139,318	257,476	-	-	-	-	3,000
Support services	-	140,318	849,572	-	5,707	31,695	-	-
Noninstructional services	-	4,381	26,837	-	-	118,667	6,547	-
Facilities acquisition and construction	-	-	-	-	-	1,819	-	-
Debt service	-	-	-	-	-	-	-	-
Nonprogrammed charges	-	3,196	-	-	-	-	-	-
Total disbursements	-	287,213	1,133,885	-	5,707	152,181	6,547	3,000
Excess (deficiency) of receipts over disbursements	-	96,982	(132,585)	-	-	(26,795)	(6,547)	(2,250)
Other financing sources (uses):								
Proceeds of long-term debt	-	-	-	-	-	-	-	-
Sale of capital assets	-	-	-	-	-	-	-	-
Transfers in	-	-	-	-	-	-	-	-
Transfers out	-	-	-	-	-	-	-	-
Total other financing sources (uses)	-	-	-	-	-	-	-	-
Excess (deficiency) of receipts and other financing sources over disbursements and other financing uses	-	96,982	(132,585)	-	-	(26,795)	(6,547)	(2,250)
Cash and investments - ending	\$ -	\$ -	\$ (132,585)	\$ -	\$ -	\$ (26,795)	\$ (6,547)	\$ -

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

	Improving Teaching Quality, No Child Left, Title II, Part A	Title II Part A 2012-2014	Title II Part A 2013-15	Title II Part A 2014-16	Title III ESL 2012-13	Title III ESL 2013-14	Title III WIDA 2014	Title III ESL 2014-15
Cash and investments - beginning	\$ -	\$ (54,221)	\$ (5,090)	\$ -	\$ -	\$ (2,672)	\$ -	\$ -
Receipts:								
Local sources	-	-	-	-	-	-	-	-
State sources	-	-	-	-	-	-	-	-
Federal sources	-	102,456	33,516	10,051	-	13,406	1,066	24,965
Other receipts	-	-	-	-	-	-	-	-
Total receipts	-	102,456	33,516	10,051	-	13,406	1,066	24,965
Disbursements:								
Instruction	-	(123)	-	-	-	10,608	-	27,368
Support services	-	48,358	40,603	30,683	-	126	1,066	5,244
Noninstructional services	-	-	-	-	-	-	-	-
Facilities acquisition and construction	-	-	-	-	-	-	-	-
Debt service	-	-	-	-	-	-	-	-
Nonprogrammed charges	-	-	563	-	-	-	-	-
Total disbursements	-	48,235	41,166	30,683	-	10,734	1,066	32,612
Excess (deficiency) of receipts over disbursements	-	54,221	(7,650)	(20,632)	-	2,672	-	(7,647)
Other financing sources (uses):								
Proceeds of long-term debt	-	-	-	-	-	-	-	-
Sale of capital assets	-	-	-	-	-	-	-	-
Transfers in	-	-	-	-	-	-	-	-
Transfers out	-	-	-	-	-	-	-	-
Total other financing sources (uses)	-	-	-	-	-	-	-	-
Excess (deficiency) of receipts and other financing sources over disbursements and other financing uses	-	54,221	(7,650)	(20,632)	-	2,672	-	(7,647)
Cash and investments - ending	\$ -	\$ -	\$ (12,740)	\$ (20,632)	\$ -	\$ -	\$ -	\$ (7,647)

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

	Math & Science Partnership (Sc)	MSP (Science) 2012-13	Teacher Incentive Grant 12/13	Teacher Incentive/TAP 2013-14	Teacher Incentive/TAP 2014-15	New Technology Grants	Payroll Withholding	Totals
Cash and investments - beginning	\$ -	\$ -	\$ -	\$ (22,427)	\$ -	\$ 2,314	\$ 165,479	\$ 7,213,508
Receipts:								
Local sources	-	-	-	-	-	-	-	24,391,363
State sources	-	-	-	-	-	-	-	43,575,180
Federal sources	-	-	-	233,438	235,838	-	-	5,330,157
Other receipts	-	-	-	-	-	-	10,908,022	10,917,361
Total receipts	-	-	-	233,438	235,838	-	10,908,022	84,214,061
Disbursements:								
Instruction	-	-	-	174,291	172,864	-	-	30,555,644
Support services	-	-	-	36,720	93,993	2,314	-	21,245,973
Noninstructional services	-	-	-	-	-	-	-	4,232,033
Facilities acquisition and construction	-	-	-	-	-	-	-	3,228,653
Debt service	-	-	-	-	-	-	-	14,930,346
Nonprogrammed charges	-	-	-	-	-	-	10,916,415	11,040,174
Total disbursements	-	-	-	211,011	266,857	2,314	10,916,415	85,232,823
Excess (deficiency) of receipts over disbursements	-	-	-	22,427	(31,019)	(2,314)	(8,393)	(1,018,762)
Other financing sources (uses):								
Proceeds of long-term debt	-	-	-	-	-	-	-	5,958,898
Sale of capital assets	-	-	-	-	-	-	-	6,524
Transfers in	-	-	-	-	-	-	-	3,501,054
Transfers out	-	-	-	-	-	-	-	(3,501,054)
Total other financing sources (uses)	-	-	-	-	-	-	-	5,965,422
Excess (deficiency) of receipts and other financing sources over disbursements and other financing uses	-	-	-	22,427	(31,019)	(2,314)	(8,393)	4,946,660
Cash and investments - ending	\$ -	\$ -	\$ -	\$ -	\$ (31,019)	\$ -	\$ 157,086	\$ 12,160,168

METROPOLITAN SCHOOL DISTRICT OF DECATUR TOWNSHIP
SCHEDULE OF PAYABLES AND RECEIVABLES
June 30, 2015

<u>Government or Enterprise</u>	<u>Accounts Payable</u>	<u>Accounts Receivable</u>
Governmental activities	<u>\$ 5,257,527</u>	<u>\$ 314,765</u>

METROPOLITAN SCHOOL DISTRICT OF DECATUR TOWNSHIP
 SCHEDULE OF LEASES AND DEBT
 June 30, 2015

Lessor	Purpose	Annual Lease Payment	Lease Beginning Date	Lease Ending Date
Governmental activities:				
Decatur Township Multi-School Building Corporation	High School & DTSE Renovation - 2015	\$ 5,605,000	2/24/2015	1/15/2029
Decatur Township Multi-School Building Corporation	High School Renovation - 2006 B	5,680,500	9/1/2006	1/15/2023
Decatur Township Multi-School Building Corporation	Middle School & Technology Phase 2 - 2005	1,145,068	2/28/2005	1/15/2018
Decatur Township Multi-School Building Corporation	Capital Appreciation Bond - 1999	999	2/28/2005	1/15/2021
MSD of Decatur Township	i-Pad Phase 1 Lease	<u>434,889</u>	4/9/2015	11/15/2018
Total governmental activities		<u>12,866,456</u>		
Total of annual lease payments		<u>\$ 12,866,456</u>		

Type	Description of Debt Purpose	Ending Principal Balance	Principal and Interest Due Within One Year
Governmental activities:			
General obligation bonds	Pension Bonds - 2003 Amended	\$ 2,318,850	\$ 778,518
General obligation bonds	MSD of Decatur Township GO Bonds LEE Addition - 2015	2,000,000	71,966
Tax anticipation warrants	Capital Projects Fund	75,638	75,820
Tax anticipation warrants	Transportation Fund	74,401	74,580
Notes and loans payable	Common School - A0420	557,980	91,369
Notes and loans payable	Common School - A0425	<u>1,500,000</u>	<u>258,000</u>
Total governmental activities		<u>\$ 6,526,869</u>	<u>\$ 1,350,253</u>

METROPOLITAN SCHOOL DISTRICT OF DECATUR TOWNSHIP
 SCHEDULE OF CAPITAL ASSETS
 June 30, 2015

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

	<u>Ending Balance</u>
Governmental activities:	
Land	\$ 5,160,292
Buildings	222,704,759
Improvements other than buildings	9,801,075
Machinery, equipment, and vehicles	12,297,420
Construction in progress	<u>974,781</u>
Total governmental activities	<u>250,938,327</u>
Total capital assets	<u><u>\$ 250,938,327</u></u>

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SUPPLEMENTAL AUDIT OF
FEDERAL AWARDS



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

TO: THE OFFICIALS OF THE METROPOLITAN SCHOOL DISTRICT
OF DECATUR TOWNSHIP, MARION COUNTY, INDIANA

Report on Compliance for Each Major Federal Program

We have audited the Metropolitan School District of Decatur Township's (School Corporation) compliance with the types of compliance requirements described in the *U.S. Office of Management and Budget (OMB) Circular A-133 Compliance Supplement* that could have a direct and material effect on each of its major federal programs for the period of July 1, 2013 to June 30, 2015. The School Corporation's major federal programs are identified in the Summary of Auditor's Results section of the accompanying Schedule of Findings and Questioned Costs.

Management's Responsibility

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

Auditor's Responsibility

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

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

Basis for Qualified Opinion on the Special Education Cluster (IDEA)

As described in item 2015-001 in the accompanying Schedule of Findings and Questioned Costs, we were unable to obtain sufficient appropriate audit evidence supporting the compliance of the School Corporation with requirements regarding Cash Management, Period of Availability, and Reporting. Consequently, we were unable to determine whether the School Corporation complied with these requirements applicable to the program.

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

As described in item 2015-002 in the accompanying Schedule of Findings and Questioned Costs, the School Corporation did not comply with the requirements regarding Allowable Costs/Cost Principles that are applicable to its Special Education Cluster (IDEA). Compliance with such requirements is necessary, in our opinion, for the School Corporation to comply with requirements applicable to that program.

Qualified Opinion on the Special Education Cluster (IDEA)

In our opinion, except for the effects of such noncompliance, if any, as might have been determined had we been able to examine sufficient evidence regarding the School Corporation's compliance with the requirements of the Special Education Cluster (IDEA) regarding Allowable Costs/Cost Principles, and except for the noncompliance with Cash Management, Period of Availability, and Reporting, described in the *Basis for Qualified Opinion on the Special Education Cluster (IDEA)* paragraph, the School Corporation complied, in all material respects, with the types of compliance requirements referred to above that could have a direct and material effect on Special Education Cluster (IDEA) for the period of July 1, 2013 to June 30, 2015.

Basis for Qualified Opinion on Child Nutrition Cluster and Title I Grants to Local Educational Agencies.

As described in items 2015-008 and 2015-012 in the accompanying Schedule of Findings and Questioned Costs, we were unable to obtain sufficient appropriate audit evidence supporting the compliance of the School Corporation with requirements regarding Eligibility. Consequently, we were unable to determine whether the School Corporation complied with this requirement applicable to the program.

Qualified Opinion on Child Nutrition Cluster and Title I Grants to Local Educational Agencies

In our opinion, except for the effects of such noncompliance, if any, as might have been determined had we been able to examine sufficient evidence regarding the School Corporation's compliance with the requirements of the National School Lunch Program, School Breakfast Program, and Title I Grants to Local Educational Agencies regarding Eligibility, described in the *Basis for Qualified Opinion on Child Nutrition Cluster and Title I Grants to Local Educational Agencies* paragraph the School Corporation complied, in all material respects, with the requirements referred to above that could have a direct and material effect on the Child Nutrition Cluster and Title I Grants to Local Educational Agencies for the period of July 1, 2013 to June 30, 2015.

Unmodified Opinion on Each of the Other Major Federal Programs

In our opinion, the School Corporation complied, in all material respects, with the types of compliance requirements referred to above that could have a direct and material effect on its other major federal program identified in the Summary of Auditor's Results section of the accompanying Schedule of Findings and Questioned Costs for the period of July 1, 2013 to June 30, 2015.

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 2015-004, 2015-005, 2015-006, 2015-007, 2015-010, 2015-011, and 2015-013. Our opinion on each major federal program is not modified with respect to these matters.

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

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 2015-001, 2015-002, 2015-003, 2015-004, 2015-005, 2015-006, 2015-007, 2015-008, 2015-009, 2015-010, 2015-011, 2015-012, and 2015-013, to be material weaknesses.

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

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


Paul D. Joyce, CPA
State Examiner

May 24, 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.

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METROPOLITAN SCHOOL DISTRICT OF DECATUR TOWNSHIP
 SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS
 For the Years Ended June 30, 2014 and 2015

Federal Grantor Agency Cluster Title/Program Title/Project Title	Pass-Through Entity or Direct Grant	Federal CFDA Number	Pass-Through Entity (or Other) Identifying Number	Passed Through to Subrecipient 06-30-14	Total Federal Awards Expended 06-30-14	Passed Through to Subrecipient 06-30-15	Total Federal Awards Expended 06-30-15
Department of Agriculture							
Child Nutrition Cluster							
School Breakfast Program							
	Indiana Department of Education	10.553					
			SY 2014	\$ -	\$ 900,088	\$ -	\$ -
			SY 2015	-	-	-	866,536
				<u>-</u>	<u>900,088</u>	<u>-</u>	<u>866,536</u>
	Total - School Breakfast Program						
				<u>-</u>	<u>900,088</u>	<u>-</u>	<u>866,536</u>
National School Lunch Program							
	Indiana Department of Education	10.555					
			SY 2014	-	2,044,584	-	-
			SY 2014	-	286,616	-	-
			SY 2015	-	-	-	1,910,987
			SY 2015	-	-	-	240,730
				<u>-</u>	<u>-</u>	<u>-</u>	<u>2,272,307</u>
	Total - National School Lunch Program			<u>-</u>	<u>2,331,200</u>	<u>-</u>	<u>2,151,717</u>
Summer Food Service Program for Children							
	Indiana Department of Education	10.559					
			SY 2014	-	137,725	-	-
			SY 2015	-	-	-	149,238
				<u>-</u>	<u>137,725</u>	<u>-</u>	<u>149,238</u>
	Total - Summer Food Service Program for Children			<u>-</u>	<u>137,725</u>	<u>-</u>	<u>149,238</u>
	Total - Child Nutrition Cluster			<u>-</u>	<u>3,369,013</u>	<u>-</u>	<u>3,167,491</u>
Child and Adult Care Food Program							
	Indiana Department of Education	10.558					
			SY 2014	-	115,485	-	-
			SY 2015	-	-	-	231,322
				<u>-</u>	<u>115,485</u>	<u>-</u>	<u>231,322</u>
	Total - Child and Adult Care Food Program			<u>-</u>	<u>115,485</u>	<u>-</u>	<u>231,322</u>
	Total - Department of Agriculture			<u>-</u>	<u>3,484,498</u>	<u>-</u>	<u>3,398,813</u>
National Endowment for the Humanities							
Promotion of the Arts Partnership Agreements							
	Indiana Arts Commission	45.025					
			A154-4-AIE20	-	2,250	-	-
			A154-4-AIE20	-	-	-	750
				<u>-</u>	<u>2,250</u>	<u>-</u>	<u>750</u>
	Total - Promotion of the Arts Partnership Agreements			<u>-</u>	<u>2,250</u>	<u>-</u>	<u>750</u>
	Total - National Endowment for the Humanities			<u>-</u>	<u>2,250</u>	<u>-</u>	<u>750</u>
Department of Education							
Special Education Cluster							
Special Education Grants to States							
	Indiana Department of Education	84.027					
			14212-053-PN01	-	3,697	-	-
			14213-053-PN01	-	494,004	-	40,377
			14214-053-PN01	-	882,813	-	449,003
			14215-053-PN01	-	-	-	723,854
			99914-053-PN01	-	2,715	-	-
			A58-3-13DL-1444	-	69,980	-	-
			FY 2014	-	-	-	6,662
				<u>-</u>	<u>-</u>	<u>-</u>	<u>6,662</u>
	Total - Special Education Grant to States			<u>-</u>	<u>1,453,209</u>	<u>-</u>	<u>1,219,896</u>

METROPOLITAN SCHOOL DISTRICT OF DECATUR TOWNSHIP
 SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS
 For the Years Ended June 30, 2014 and 2015

Federal Grantor Agency Cluster Title/Program Title/Project Title	Pass-Through Entity or Direct Grant	Federal CFDA Number	Pass-Through Entity (or Other) Identifying Number	Passed Through to Subrecipient 06-30-14	Total Federal Awards Expended 06-30-14	Passed Through to Subrecipient 06-30-15	Total Federal Awards Expended 06-30-15
Special Education Preschool Grants	Indiana Department of Education	84.173					
Special Education Preschool Grants			45713-053-PN01	-	13,899	-	-
Special Education Preschool Grants			45714-053-PN01	-	32,637	-	13,755
Special Education Preschool Grants			45715-053-PN01	-	-	-	28,406
Total - Special Education Preschool Grants				-	46,536	-	42,161
Total - Special Education Cluster				-	1,499,745	-	1,262,057
Teacher Incentive Fund	Indiana Department of Education	84.374					
Teacher Incentive Fund			2012-13	-	418,275	-	-
Teacher Incentive Fund			2013-14	-	213,073	-	233,438
Teacher Incentive Fund			2014-2015	-	-	-	235,838
Total - Teacher Incentive Fund				-	631,348	-	469,276
Title I Grants to Local Educational Agencies	Indiana Department of Education	84.010					
Title I Grants to Local Educational Agencies			13-5300	-	394,301	-	-
Title I Grants to Local Educational Agencies			14-5300	-	979,639	-	384,195
Title I Grants to Local Educational Agencies			15-5300	-	-	-	1,001,300
Total - Title I Grants to Local Education Agencies				-	1,373,940	-	1,385,495
Twenty-First Century Community Learning Centers	Indiana Department of Education	84.287					
Twenty-First Century Community Learning Centers			A58-5-15DL-2138	-	-	-	125,386
English Language Acquisition State Grants	Indiana Department of Education	84.365					
English Language Acquisition State Grants			01113-355-PN01	-	-	-	1,066
English Language Acquisition State Grants			01114-043-PN01	-	-	-	13,406
English Language Acquisition State Grants			01115-061-PN-01	-	-	-	24,965
English Language Acquisition State Grants			2012-13	-	7,429	-	-
English Language Acquisition State Grants			2013-14	-	27,462	-	-
Total - English Language Acquisition State Grants				-	34,891	-	39,437
Mathematics and Science Partnerships	Indiana Department of Education	84.366					
Mathematics and Science Partnership			A58-1-11CI-270	-	15,553	-	-
Mathematics and Science Partnership			A58-1-11CI-270	-	207,866	-	-
Total - Mathematics and Science Partnerships				-	223,419	-	-
Improving Teacher Quality State Grants	Indiana Department of Education	84.367					
Improving Teacher Quality State Grants			2011-13	-	58,915	-	-
Improving Teacher Quality State Grants			2012-14	-	56,767	-	102,456
Improving Teacher Quality State Grants			2013-15	-	5,447	-	33,516
Improving Teacher Quality State Grants			2014-2016	-	-	-	10,051
Total - Improving Teacher Quality State Grants				-	121,129	-	146,023
ARRA State Fiscal Stabilization Fund (SFSF) - Government Services, Recovery Act	Indiana Department of Education	84.397					
New Technology Stimulus			07/09 - 06/11	-	63,116	-	-
New Technology Stimulus			07/09 - 06/11	-	-	-	2,315
Total - ARRA State Fiscal Stabilization Fund (SFSF) - Government Services, Recovery Act				-	63,116	-	2,315
Total - Department of Education				-	3,947,588	-	3,429,989

METROPOLITAN SCHOOL DISTRICT OF DECATUR TOWNSHIP
 SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS
 For the Years Ended June 30, 2014 and 2015

Federal Grantor Agency Cluster Title/Program Title/Project Title	Pass-Through Entity or Direct Grant	Federal CFDA Number	Pass-Through Entity (or Other) Identifying Number	Passed Through to Subrecipient 06-30-14	Total Federal Awards Expended 06-30-14	Passed Through to Subrecipient 06-30-15	Total Federal Awards Expended 06-30-15
<u>Department of Health and Human Services</u>							
Cooperative Agreements to Support Comprehensive School Health Programs to Prevent the Spread of HIV and Other Important Health Problems	Indiana Department of Education	93.938	SY2014	-	100	-	-
Preventive Health and Health Services Block Grant	Indiana Department of Education	93.991	SY2014	-	450	-	-
<u>Medicaid Cluster</u>							
Medical Assistance Program	Indiana Department of Education	93.778					
Medical Assistance Program			5300	-	231,219	-	-
Medical Assistance Program			5300	-	-	-	141,901
Total - Department of Health and Human Services				-	231,769	-	141,901
<u>Social Security Administration</u>							
Social Security-Disability Insurance	Family and Social Services Administration	96.001					
Social Security-Disability Insurance			5300	-	728	-	-
Social Security-Disability Insurance			5300	-	-	-	756
Total - Social Security Administration				-	728	-	756
Total federal awards expended				-	\$ 7,666,833	-	\$ 6,972,209

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

METROPOLITAN SCHOOL DISTRICT OF DECATUR TOWNSHIP
NOTES TO SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS

Note 1. Basis of Presentation

The accompanying Schedule of Expenditures of Federal Awards (SEFA) includes the federal grant activity of the School Corporation under programs of the federal government for the years ended June 30, 2014 and 2015. 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.

METROPOLITAN SCHOOL DISTRICT OF DECATUR TOWNSHIP
SCHEDULE OF FINDINGS AND QUESTIONED COSTS

Section I - Summary of Auditor's Results

Financial Statement:

Type of auditor's report issued:	Adverse as to GAAP; Unmodified as to Regulatory Basis
Internal control over financial reporting:	
Material weakness identified?	no
Significant deficiency identified?	none reported
Noncompliance material to financial statement noted?	no

Federal Awards:

Internal control over major programs:	
Material weaknesses identified?	yes
Significant deficiency identified?	none reported
Type of auditor's report issued on compliance for major programs:	Qualified - Special Education Cluster (IDEA), Child Nutrition Cluster, Title I Grants to Local Educational Agencies; Unmodified for Improving Quality Teacher State Grants
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
	Special Education Cluster (IDEA)
	Child Nutrition Cluster
84.010	Title I Grants to Local Educational Agencies
84.367	Improving Teacher Quality State Grants

Dollar threshold used to distinguish between Type A and Type B programs: \$439,171

Auditee qualified as low-risk auditee?	yes
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Section II - Financial Statement Findings

No matters are reportable.

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

Section III - Federal Award Findings and Questioned Costs

FINDING 2015-001

Subject: Special Education Cluster (IDEA) - Cash Management,
Period of Availability, and Reporting

Federal Agency: Department of Education

Federal Programs: Special Education Grants to States, Special Education Preschool Grants

CFDA Numbers: 84.027, 84.173

Federal Award Numbers and Years (or Other Identifying Numbers): 14212-053-PN01, 14213-053-PN01,
14214-053-PN01, 14215-053-PN01,
99914-053-PN01, A58-3-13DL-1444,
45713-053-PN01, 45714-053-PN01,
45715-053-PN01

Pass-Through Entity: Indiana Department of Education

Compliance Requirements: Cash Management, Period of Availability, Reporting

Audit Findings: Material Weakness, Modified Opinion

Condition

The School Corporation was a member of the Southside Special Services of Marion County (Cooperative). The grant agreements for the federal programs were between the Indiana Department of Education and each member school corporation of the Cooperative. The member school corporations of the Cooperative had determined that it was beneficial to pool their resources to provide special education services to those in need. The Cooperative designated a Fiscal Agent, who was responsible for the accounting records of the Cooperative. During the audit period, the Fiscal Agent of the Cooperative spent the federal money on behalf of the School Corporation and other member school corporations and was responsible for following the compliance requirements related to Cash Management, Period of Availability, and Reporting.

An effective internal control system was not in place at the School Corporation in order to ensure compliance with requirements related to the grant agreement and the Cash Management, Period of Availability, and Reporting compliance requirements.

Reimbursement reports for the Special Education Cluster (IDEA) were completed every two weeks throughout the audit period. These requests for reimbursement were integral components of the School Corporation's compliance with the Cash Management, Period of Availability, and Reporting compliance requirements. Detailed supporting documentation used to prepare the reimbursement reports was not maintained. As a result, it could not be determined whether the expenditures claimed were correct and for the period stated on the reimbursement requests.

Context

The lack of controls and noncompliance were systemic issues, which occurred throughout the audit period.

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

Criteria

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

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

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. . . ."

34 CFR 80.23(a) states:

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

Cause

Management had not developed a system of internal controls that would have ensured that supporting documentation related to the Cash Management, Period of Availability, and Reporting compliance requirements was maintained and made available for audit.

Effect

The failure to establish an effective internal control system and provide sufficient supporting documentation prevented the determination of the School Corporation's compliance with the grant agreement and the Cash Management, Period of Availability, and Reporting compliance requirements.

Questioned Costs

There were no questioned costs identified.

Recommendation

We recommended that the School Corporation's management establish controls to ensure that documentation related to the grant agreement and the Cash Management, Period of Availability, and Reporting compliance requirements will be maintained and available for audit.

Views of Responsible Officials

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

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

FINDING 2015-002

Subject: Special Education Cluster (IDEA) - Allowable Costs/Cost Principles

Federal Agency: Department of Education

Federal Programs: Special Education Grants to States, Special Education Preschool Grants

CFDA Numbers: 84.027, 84.173

Federal Award Numbers and Years (or Other Identifying Numbers): 14212-053-PN01, 14213-053-PN01,
14214-053-PN01, 14215-053-PN01,
99914-053-PN01, A58-3-13DL-1444,
45713-053-PN01, 45714-053-PN01,
45715-053-PN01

Pass-Through Entity: Indiana Department of Education

Compliance Requirement: Allowable Costs/Cost Principals

Audit Findings: Material Weakness, Modified Opinion

Condition

The School Corporation was a member of the Southside Special Services of Marion County (Cooperative). The grant agreements for the federal programs were between the Indiana Department of Education and each member school corporation of the Cooperative. The member school corporations of the Cooperative had determined that it was beneficial to pool their resources to provide special education services to those in need. The Cooperative designated a Fiscal Agent, who was responsible for the accounting records of the Cooperative. During the audit period, the Fiscal Agent of the Cooperative spent the federal money on behalf of the School Corporation and other member school corporations and was responsible for following the compliance requirements related to Allowable Costs/Cost Principles.

An effective internal control system was not in place at the School Corporation in order to ensure compliance with requirements related to the grant agreement and the Allowable Costs/Cost Principals compliance requirement.

The School Corporation had not designed or implemented adequate policies or procedures to ensure that Semi-Annual Certifications and time and effort records were in compliance with program requirements. The School Corporation failed to maintain proper Semi-Annual Certifications and time and effort records on all full and part-time employees paid from the Special Education Cluster (IDEA) for the audit period.

Context

The lack of controls and noncompliance were systemic issues, which occurred throughout the audit period.

Criteria

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

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

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

OMB Circular A-87, Attachment B, item 8h states in part:

". . . (3) Where employees are expected to work solely on a single Federal award or cost objective, charges for their salaries and wages will be supported by periodic certifications that the employees worked solely on that program for the period covered by the certification. These certifications will be prepared at least semi-annually and will be signed by the employee or supervisory official having first hand knowledge of the work performed by the employee.

(4) Where employees work on multiple activities or cost objectives, a distribution of their salaries or wages will be supported by personnel activity reports or equivalent documentation which meets the standards in subsection (5) unless a statistical sampling system (see subsection (6)) or other substitute system has been approved by the cognizant Federal agency. Such documentary support will be required where employees work on:

- (a) More than one Federal award,
- (b) A Federal award and a non-Federal award,
- (c) An indirect cost activity and a direct cost activity,
- (d) Two or more indirect activities which are allocated using different allocation bases, or
- (e) An unallowable activity and a direct or indirect cost activity. . . ."

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 placed the School Corporation in noncompliance with the grant agreement and the Allowable Costs/Cost Principles compliance requirement.

Questioned Costs

There were no questioned costs identified.

Recommendation

We recommended that the School Corporation's management establish controls to ensure compliance with the grant agreement and the Allowable Costs/Cost Principle compliance requirement.

Views of Responsible Officials

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

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

FINDING 2015-003

Subject: School Breakfast Program and National School Lunch Program - Reporting
Federal Agency: Department of Agriculture
Federal Programs: School Breakfast Program, National School Lunch Program
CFDA Numbers: 10.553, 10.555
Federal Award Numbers and Years (or Other Identifying Numbers): SY 2014, SY 2015
Pass-Through Entity: Indiana Department of Education
Compliance Requirement: Reporting
Audit Finding: Material Weakness

Repeat Finding

This is a repeat finding from the immediately prior audit report. The prior audit finding number was 2013-001.

Condition

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

The School Corporation relied on one employee to prepare and submit the food service monthly Sponsor Claims (claims for reimbursement) and the Annual Financial Report.

Context

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

Criteria

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

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

Cause

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

Effect

The failure to establish an effective internal control system, which would include segregation of duties, placed the School Corporation at risk of noncompliance with the grant agreement and the Reporting compliance requirement.

Questioned Costs

There were no questioned costs identified.

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

Recommendation

We recommended that the School Corporation's management establish controls to ensure compliance with the grant agreement and the Reporting compliance requirement.

Views of Responsible Officials

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

FINDING 2015-004

Subject: School Breakfast Program and National School Lunch Program - Program Income

Federal Agency: Department of Agriculture

Federal Programs: School Breakfast Program, National School Lunch Program

CFDA Numbers: 10.553, 10.555

Federal Award Numbers and Years (or Other Identifying Numbers): SY 2014, SY 2015

Pass-Through Entity: Indiana Department of Education

Compliance Requirement: Program Income

Audit Findings: Material Weakness, Other Matters

Condition

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

The School Corporation established a single fund, the School Lunch fund, to record all activity of the food service programs. All receipts from sales, as well as prepayments, were recorded directly in the School Lunch fund. Prepayments were not recorded in a separate fund.

Context

The lack of controls and noncompliance were systemic issues, which occurred throughout the audit period.

Criteria

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

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

7 CFR 210.14(c) states:

"*Financial assurances.* The school food authority shall meet the requirements of the State agency for compliance with § 210.19(a) including any separation of records of nonprofit school food service from records of any other food service which may be operated by the school food authority as provided in paragraph (a) of this section."

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

7 CFR 220.13(i) states in part: "Each State agency . . . shall establish a financial management system under which School Food Authorities shall account for all revenues and expenditures of their nonprofit school food service. . . ."

Cause

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

Effect

The failure to establish an effective internal control system placed the School Corporation in non-compliance with the grant agreement and the Program Income compliance requirement.

Questioned Costs

There were no questioned costs identified.

Recommendation

We recommended that the School Corporation's management establish controls to ensure compliance with the grant agreement and the Program Income compliance requirement.

Views of Responsible Officials

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

FINDING 2015-005

Subject: School Breakfast Program and National School Lunch Program - Cash Management
Federal Agency: Department of Agriculture
Federal Programs: School Breakfast Program, National School Lunch Program
CFDA Numbers: 10.553, 10.555
Federal Award Numbers and Years (or Other Identifying Numbers): SY 2014, SY 2015
Pass-Through Entity: Indiana Department of Education
Compliance Requirement: Cash Management
Audit Findings: Material Weakness, Other Matters

Condition

An effective internal control system was not in place at the School Corporation in order to ensure compliance with requirements related to the grant agreement and the Cash Management compliance requirement.

No audit evidence was presented that indicated the School Corporation had monitored the School Lunch fund to ensure the balance of the fund (net cash resources) was not more than the three months average expenditures. No audit evidence was presented that indicated a spend down was in place for the months in which the School Lunch fund exceeded the three months average expenditures.

Context

The lack of controls and noncompliance were systemic issues, which occurred throughout audit period.

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

Criteria

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

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

7 CFR 210.14(b) states: "*Net cash resources*. The school food authority shall limit its net cash resources to an amount that does not exceed 3 months average expenditures for its nonprofit school food service or such other amount as may be approved by the State agency in accordance with § 210.19(a)."

7 CFR 220.7(e) states in part:

". . . the School Food Authority shall, with respect to participating schools under its jurisdiction:
. . .

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

Cause

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

Effect

The failure to establish an effective internal control system placed the School Corporation in noncompliance with the grant agreement and the Cash Management compliance requirement.

Questioned Costs

There were no questioned costs identified.

Recommendation

We recommended that the School Corporation's management establish controls to ensure compliance with the grant agreement and the Cash Management compliance requirement.

Views of Responsible Officials

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

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

FINDING 2015-006

Subject: Child Nutrition Cluster - Suspension and Debarment
Federal Agency: Department of Agriculture
Federal Programs: School Breakfast Program, National School Lunch Program,
Summer Food Service Program for Children
CFDA Numbers: 10.553, 10.555, 10.559
Federal Award Numbers and Years (or Other Identifying Numbers): SY 2014, SY 2015
Pass-Through Entity: Indiana Department of Education
Compliance Requirement: Procurement and Suspension and Debarment
Audit Findings: Material Weakness, Other Matters

Repeat Finding

This is a repeat finding from the immediately prior audit report. The prior audit finding number was 2013-003.

Condition

An effective internal control system was not in place at the School Corporation in order to ensure compliance with requirements related to the grant agreement and the Procurement and Suspension and Debarment compliance requirement.

The School Corporation did not perform any procedures to ensure compliance with requirements regarding verification that vendors were not suspended or debarred from participation in federal programs before entering into a contract.

Context

The lack of controls and noncompliance were systemic issues, which occurred throughout the audit period.

Criteria

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

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

2 CFR 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."

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

Cause

Management had not developed a system of internal controls that would have ensured compliance with the Procurement and Suspension and Debarment compliance requirement.

Effect

The failure to establish an effective internal control system placed the School Corporation in noncompliance with the grant agreement and the Procurement and Suspension and Debarment compliance requirement.

Questioned Costs

There were no question costs identified.

Recommendation

We recommended that the School Corporation's management establish controls to ensure compliance with the grant agreement and the Procurement and Suspension and Debarment compliance requirement.

Views of Responsible Officials

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

FINDING 2015-007

Subject: National School Lunch Program - Special Tests and Provisions - Paid Lunch Equity
Federal Agency: Department of Agriculture
Federal Program: National School Lunch Program
CFDA Number: 10.555
Federal Award Numbers and Years (or Other Identifying Numbers): SY 2014, SY 2015
Pass-Through Entity: Indiana Department of Education
Compliance Requirement: Special Tests and Provisions - Paid Lunch Equity
Audit Findings: Material Weakness, Other Matters

Condition

An effective internal control system was not in place at the School Corporation in order to ensure that documentation was maintained to support the School Corporation's compliance with requirements related to the grant agreement and the Special Tests and Provisions - Paid Lunch Equity compliance requirement. There was no segregation of duties, such as an oversight, review, or approval process.

The School Board minutes indicated that they approved a five cent increase in the school lunch prices for the 2013-2014 school year and an additional five cent increase for the 2014-2015 school year. However, the paid lunch equity form and the supporting documentation were not presented for audit.

Context

The lack of controls and was a systemic issue, which occurred throughout the audit period. The lack of supporting documentation prevented the determination of the School Corporation's compliance with the Special Tests and Provisions - Paid Lunch Equity compliance requirement.

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

Criteria

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

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

7 CFR 210.15(b) states in part:

"*Recordkeeping summary.* In order to participate in the Program, a school food authority or a school, as applicable, must maintain records to demonstrate compliance with Program requirements. These records include but are not limited to: . . .

(6) Records to document compliance with the requirements in § 210.14(e); . . ."

7 CFR 210.14(e) states in part:

"*Pricing paid lunches.* For each school year beginning July 1, 2011, school food authorities shall establish prices for paid lunches in accordance with this paragraph.

(1) *Calculation procedures.* Each school food authority shall:

(i) Determine the average price of paid lunches. The average shall be determined based on the total number of paid lunches claimed for the month of October in the previous school year, at each different price charged by the school food authority.

(ii) Calculate the difference between the per meal Federal reimbursement for paid and free lunches received by the school food authority in the previous school year (*i.e.*, the reimbursement difference);

(iii) Compare the average price of a paid lunch under paragraph (e)(1)(i) of this section to the difference between reimbursement rates under paragraph (e)(1)(ii) of this section. . . ."

Cause

Management had not developed a system of internal controls that would have ensured that documentation was maintained to support the School Corporation's compliance with the Special Tests and Provisions - Paid Lunch Equity compliance requirement.

Effect

The failure to establish an effective internal control system, which would include segregation of duties, resulted in the inability to verify the School Corporation's compliance with the grant agreement and the Special Tests and Provisions - Paid Lunch Equity compliance requirement.

Questioned Costs

There were no questioned costs identified.

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

Recommendation

We recommended that the School Corporation's management establish internal controls to ensure that documentation will be maintained to support compliance with the grant agreement and the Special Tests and Provisions - Paid Lunch Equity compliance requirement.

Views of Responsible Officials

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

FINDING 2015-008

Subject: School Breakfast Program and National School Lunch Program - Eligibility
Federal Agency: Department of Agriculture
Federal Programs: School Breakfast Program, National School Lunch Program
CFDA Numbers: 10.553, 10.555
Federal Award Numbers and Years (or Other Identifying Numbers): SY 2014, SY 2015
Pass-Through Entity: Indiana Department of Education
Compliance Requirement: Eligibility
Audit Findings: Material Weakness, Modified Opinion

Condition

An effective internal control system was not in place at the School Corporation in order to ensure that documentation supporting compliance with the grant agreement and the Eligibility compliance requirement was maintained.

The School Corporation used a point of sales software system to manage some of the functions of the program. The software system was used to assist in making eligibility determinations and also as a database record for applications submitted and student eligibility designations. The School Corporation was not able to access information in the software system for the audit period; therefore, eligibility testing could not be performed.

Context

The lack of controls was a systemic issue, which occurred throughout the audit period. The inability to access information from the software system prevented the determination of the School Corporation's compliance for the entire audit period.

Criteria

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

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

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

7 CFR 210.23(c) states:

"Retention of records. State agencies and school food authorities may retain necessary records in their original form or on microfilm. State agency records shall be retained for a period of 3 years after the date of submission of the final Financial Status Report for the fiscal year. School food authority records shall be retained for a period of 3 years after submission of the final Claim for Reimbursement for the fiscal year. In either case, if audit findings have not been resolved, the records shall be retained beyond the 3-year period as long as required for the resolution of the issues raised by the audit."

7 CFR 220.7(e) states in part:

". . . the School Food Authority shall, with respect to participating schools under its jurisdiction:
. . .

- (13) Upon request, make all accounts and records pertaining to its nonprofit school food service available to the State agency, to FNS and to OA for audit or review at a reasonable time and place. Such records shall be retained for a period of three years after the end of the fiscal year to which they pertain, except that if audit findings have not been resolved, the records shall be retained beyond the three-year period as long as required for the resolution of the issues raised by the audit; . . ."

Cause

The School Corporation switched to a different point of sales software vendor after the close of the audit period. Management of the School Corporation had not developed a system of internal controls that would have ensured records from the previous point of sales software vendor were retained and available for audit.

Effect

The failure to establish an effective internal control system prevented the determination of the School Corporation's compliance with the grant agreement and the Eligibility compliance requirement.

Questioned Costs

There were no questioned costs identified.

Recommendation

We recommended that the School Corporation's management establish controls to ensure that supporting documentation related to the grant agreement and the Eligibility compliance requirement will be maintained and made available for audit.

Views of Responsible Officials

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

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

FINDING 2015-009

Subject: Title I Grants to Local Educational Agencies - Reporting
Federal Agency: Department of Education
Federal Program: Title I Grants to Local Educational Agencies
CFDA Numbers: 84.010
Federal Award Numbers and Years (or Other Identifying Numbers): 13-5300, 14-5300
Pass-Through Entity: Indiana Department of Education
Compliance Requirement: Reporting
Audit Finding: Material Weakness

Repeat Finding

This is a repeat finding from the immediately prior audit report. The prior audit finding number was 2013-004.

Condition

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

The School Corporation relied on one employee to prepare and submit the Final Expenditure Reports with no review or oversight process.

Context

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

Criteria

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

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

Cause

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

Effect

The failure to establish an effective internal control system, which would include segregation of duties, placed the School Corporation at risk of noncompliance with the grant agreement and the Reporting compliance requirement.

Questioned Costs

There were no questioned costs identified.

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

Recommendation

We recommended that the School Corporation's management establish controls to ensure compliance with the grant agreement and the Reporting compliance requirement.

Views of Responsible Officials

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

FINDING 2015-010

Subject: Title I Grants to Local Educational Agencies - Allowable Costs/Cost Principles
Federal Agency: Department of Education
Federal Program: Title I Grants to Local Educational Agencies
CFDA Number: 84.010
Federal Award Numbers and Years (or Other Identifying Numbers): 13-5300, 14-5300, 15-5300
Pass-Through Entity: Indiana Department of Education
Compliance Requirement: Allowable Costs/Cost Principles
Audit Findings: Material Weakness, Other Matters

Condition

An effective internal control system was not in place at the School Corporation in order to ensure compliance with requirements related to the grant agreement and the Allowable Costs/Cost Principles compliance requirement.

The Title I department did not have a proper system of internal controls in place related to assigning payroll costs to three employees who worked partially on federal activities and partially on other non-federal activities.

The School Corporation was required to maintain Semi-Annual Certifications in order to comply with the time and effort requirements applicable to employees who worked solely on Title I under the Title I grant awarded under the requirements of OMB Circular A-133. Of the four sets of Semi-Annual Certifications that should have been filed during the audit period, only the Semi-Annual Certifications for July 29, 2014, were provided.

Context

The lack of controls and noncompliance were systemic issues, which occurred throughout the audit period, except for the Semi-Annual Certifications for July 29, 2014.

Criteria

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

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

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

OMB Circular A-87, Attachment B, section 8h, states in part:

". . . (3) Where employees are expected to work solely on a single Federal award or cost objective, charges for their salaries and wages will be supported by periodic certifications that the employees worked solely on that program for the period covered by the certification. These certifications will be prepared at least semi-annually and will be signed by the employee or supervisory official having first hand knowledge of the work performed by the employee.

(4) Where employees work on multiple activities or cost objectives, a distribution of their salaries or wages will be supported by personnel activity reports or equivalent documentation which meets the standards in subsection (5) unless a statistical sampling system (see subsection (6)) or other substitute system has been approved by the cognizant Federal agency. Such documentary support will be required where employees work on:

- (a) More than one Federal award,
- (b) A Federal award and a non-Federal award,
- (c) An indirect cost activity and a direct cost activity,
- (d) Two or more indirect activities which are allocated using different allocation bases, or
- (e) An unallowable activity and a direct or indirect cost activity. . . ."

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 placed the School Corporation in noncompliance with the grant agreement and the Allowable Costs/Cost Principles compliance requirement.

Questioned Costs

There were no questioned costs identified.

Recommendation

We recommended that the School Corporation's management establish controls to ensure compliance with the grant agreement and 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.

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

FINDING 2015-011

Subject: Title I Grants to Local Educational Agencies - Special Tests and Provisions - Annual Report Card, High School Graduation Rate
Federal Agency: Department of Education
Federal Program: Title I Grants to Local Educational Agencies
CFDA Number: 84.010
Federal Award Numbers and Years (or Other Identifying Numbers): 13-5300, 14-5300, 15-5300
Pass-Through Entity: Indiana Department of Education
Compliance Requirement: Special Tests and Provisions - Annual Report Card, High School Graduation Rate
Audit Findings: Material Weakness, Other Matters

Condition

An effective internal control system was not in place at the School Corporation in order to ensure compliance with requirements related to the grant agreement and the Special Tests and Provisions - Annual Report Card, High School Graduation Rate compliance requirement.

Supporting documentation was not consistently maintained for the students who were removed from their graduation cohort.

For 2 of the 15 students selected to be examined who were removed from their graduation cohort, evidence of oversight or review was not provided. For one student examined, supporting documentation indicated that the student graduated and should not have been removed from the cohort.

Context

The lack of controls and noncompliance were systemic issues, which occurred throughout the audit period.

Criteria

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

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

34 CFR 200.19(b)(1)(ii)(B) states in part:

"To remove a student from the cohort, a school or LEA must confirm in writing that the student transferred out, emigrated to another country, or is deceased.

- (1) To confirm that a student transferred out, the school or LEA must have official written documentation that the student enrolled in another school or in an educational program that culminates in the award of a regular high school diploma. . . ."

Cause

Management had not developed a system of internal controls that would have ensured compliance with the Special Tests and Provisions - Annual Report Card, High School Graduation Rate compliance requirement.

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

Effect

The failure to establish an effective internal control system placed the School Corporation in noncompliance with the grant agreement and the Special Tests and Provisions - Annual Report Card, High School Graduation Rate compliance requirement.

Questioned Costs

There were no questioned costs identified.

Recommendation

We recommended that the School Corporation's management establish controls to ensure compliance with the grant agreement and the Special Tests and Provisions - Annual Report Card, High School Graduation Rate compliance requirement.

Views of Responsible Officials

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

FINDING 2015-012

Subject: Title I Grants to Local Educational Agencies - Eligibility
Federal Agency: Department of Education
Federal Program: Title I Grants to Local Educational Agencies
CFDA Number: 84.010
Federal Award Numbers and Years (or Other Identifying Numbers): 13-5300, 14-5300, 15-5300
Pass-Through Entity: Indiana Department of Education
Compliance Requirement: Eligibility
Audit Findings: Material Weakness, Modified Opinion

Condition

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

There was not an oversight or review process established for individual targeted assistance eligibility determinations. For both targeted assistance schools examined, sufficient audit evidence was not provided for verifying student selection for participation in the program.

Context

The lack of controls was a systemic issue, which occurred throughout the audit period. Sufficient documentation was not provided to support compliance with the Eligibility compliance requirement.

Criteria

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

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

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

34 CFR 74.53(b) states in part:

"Financial records, supporting documents, statistical records, and all other records pertinent to an award shall be retained for a period of three years from the date of submission of the final expenditure report or, for awards that are renewed quarterly or annually, from the date of the submission of the quarterly or annual financial report, as authorized by the Secretary. . . ."

Cause

Management had not developed a system of internal controls that would have ensured that documentation related to the Eligibility compliance requirement was maintained and made available for audit.

Effect

The failure to maintain and provide appropriate supporting documentation prevented the determination of the School Corporation's compliance with the grant agreement and the Eligibility compliance requirement.

Questioned Costs

There were no questioned costs identified.

Recommendation

We recommended that the School Corporation's management establish internal controls to ensure that documentation related to the grant agreement and the Eligibility compliance requirement will be maintained and made available for audit.

Views of Responsible Officials

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

FINDING 2015-013

Subject: Title I Grants to Local Educational Agencies - Earmarking
Federal Agency: Department of Education
Federal Program: Title I Grants to Local Educational Agencies
CFDA Number: 84.010
Federal Award Number and Year (or Other Identifying Number): 14-5300
Pass-Through Entity: Indiana Department of Education
Compliance Requirement: Matching, Level of Effort, Earmarking
Audit Findings: Material Weakness, Other Matters

Condition

An effective internal control system was not in place at the School Corporation in order to ensure compliance with the grant agreement and the Matching, Level of Effort, Earmarking compliance requirement.

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

The allocation amount for Neglected Institutions for the fiscal year 2013 Title I grant was \$201,699. The actual amount spent was \$166,817. This resulted in a shortfall of \$34,882 spent for Neglected Institutions.

The allocation amount for Neglected Institutions for the fiscal year 2014 Title I grant was \$210,000. The actual amount spent was \$143,185. This resulted in a shortfall of \$66,815 spent for Neglected Institutions.

The allocation amount for Parental Involvement for the fiscal year 2014 Title I grant was \$38,200. The actual amount spent was \$36,543. This resulted in a shortfall of \$1,657 spent for Parental Involvement.

Context

The lack of controls and noncompliance were systemic issues, which occurred throughout the audit period.

Criteria

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

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

The Title I Fiscal Handbook 2014-2015 provided by Indiana Department of Education states in part:

"Certain reservations or set-asides are required for LEAs. Some set-asides are *mandatory*, with the percentage of the current allocation determined by NCLB requirements. Others are at the *discretion* of the LEA. Neglected is determined by the amount stated on the Allocation letter. All set-asides should be deducted from the total allocation (Basic, Targeted, EFIG, Concentration) before determining the amount of money that goes to each school served. . . ."

"An LEA must reserve 1% of its grant allocation if the allocation is \$500,000 or above. 95% of the 1% must be budgeted at the school level."

Cause

Management had not developed a system of internal controls that would have ensured compliance with the Matching, Level of Effort, Earmarking compliance requirement.

Effect

The failure to establish an effective internal control system placed the School Corporation in noncompliance with the Matching, Level of Effort, Earmarking compliance requirement.

Questioned Costs

There were no questioned costs identified.

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

Recommendation

We recommended that the School Corporation's management establish controls to ensure compliance with the grant agreement and the Matching, Level of Effort, Earmarking 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 DOCUMENTS

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



Finding 2013 – 001:

**Internal Controls Over Compliance Requirements –
Child Nutrition Cluster**

Fiscal Year

2013

Pass-Through Entity

Indiana Department of Education

Contact Person Responsible for
Corrective Action

Kirk Farmer

Contact Phone Number

(317) 856 - 5265

Status of Audit Finding:

Management established separate funds to account for catering as well as vending and allocated administrative staffing costs to these funds when not directly related to the purpose of the program.

Kirk Farmer

Signature

Chief Financial Officer

Title

04 / 12 / 18

Date



Finding 2013 – 002:

**Allowable Costs / Cost Principles, Program Income –
Child Nutrition Cluster**

Fiscal Year

2013

Pass-Through Entity

Indiana Department of Education

Contact Person Responsible for
Corrective Action

Kirk Farmer

Contact Phone Number

(317) 856 - 5265

Status of Audit Finding:

Department administration were trained and directed to utilize fiscal guidance provided by the US Department of Agriculture (USDA), to verify if a specific expenditure is allowable under the grant agreement. Staff compensation paid for activities not allowed by the grant agreement, such as the vending manager salary, were paid from the Vending Fund. Expenses not permitted by district policy were discontinued.

Kirk Farmer

Signature

Chief Financial Officer

Title

04 / 12 / 18

Date



Finding 2013 – 003:

Procurement, Suspension and Debarment – Child Nutrition Cluster

Fiscal Year

2013

Pass-Through Entity

Indiana Department of Education

Contact Person Responsible for Corrective Action

Kirk Farmer

Contact Phone Number

(317) 856 - 5265

Status of Audit Finding:

Department administration were trained and directed to utilize the System for Award Management (SAM), to verify if an entity or individual have been declared ineligible to receive Federal contracts due to a violation of Executive Order 12549, before awarding a contract for goods or services which exceeds \$25,000. This procedure was not continued after transition of staff in the department.

Kirk Farmer

Signature

Chief Financial Officer

Title

04 / 12 / 18

Date



Finding 2013 – 004:

Internal Controls Over Compliance Requirements – Title I Cluster

Fiscal Year

2013

Pass-Through Entity

Indiana Department of Education

Contact Person Responsible for Corrective Action

Kirk Farmer

Contact Phone Number

(317) 856 - 5265

Status of Audit Finding:

Department administration were trained and directed to utilize the Title I Fiscal Guidance Handbook provided by the Indiana Department of Education to ensure only expenses which are allowable are paid from federal funds. Proper segregation of duties were established by having multiple staff reviewing and approving claims.

Kirk Farmer

Signature

Chief Financial Officer

Title

04 / 12 / 18

Date



Finding 2013 – 005:

Allowable Activities & Costs / Cost Principles – Title I

Fiscal Year

2013

Pass-Through Entity

Indiana Department of Education

Contact Person Responsible for Corrective Action

Kirk Farmer

Contact Phone Number

(317) 856 - 5265

Status of Audit Finding:

The school district Title I Administrator, including periods of staff transition, has been informed that only expenses associated with the five elementary schools determined eligible to receive Title I services can be paid from the grant agreement.

Kirk Farmer

Signature

Chief Financial Officer

Title

04 / 12 / 18

Date



Finding 2013 – 006:

Procurement, Suspension, & Debarment – Title I

Fiscal Year

2013

Pass-Through Entity

Indiana Department of Education

Contact Person Responsible for Corrective Action

Kirk Farmer

Contact Phone Number

(317) 856 - 5265

Status of Audit Finding:

The school district did not budget or expend funds on contracts for goods or services which exceeded \$25,000 after the prior audit exit conference. Department administration have been informed and directed to utilize the System for Award Management (SAM), to verify if an entity or individual have been declared ineligible to receive Federal contracts due to a violation.

Kirk Farmer

Signature

Chief Financial Officer

Title

04 / 12 / 18

Date





Finding 2013 – 007:

**Internal Controls Over Compliance Requirements –
Teacher Incentive Fund**

Fiscal Year

2013

Pass-Through Entity

Indiana Department of Education

Contact Person Responsible for
Corrective Action

Kirk Farmer

Contact Phone Number

(317) 856 - 5265

Status of Audit Finding:

The school district did not budget or expend funds on contracts for goods or services which exceeded \$25,000 after the prior audit exit conference. Department administration were directed to collaborate with Business Department staff to ensure only salary, stipends, and benefit expenses which are allowable under the grant agreement are paid from federal funds.

Kirk Farmer

Signature

Chief Financial Officer

Title

04 / 12 / 18

Date



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CORRECTIVE ACTION PLAN

FINDING 2015-001

Contact Person Responsible for Corrective Action: Kirk Farmer
Contact Phone Number: (317) 856 - 5265

Views of Responsible Official: We concur with the identified findings.

Description of Corrective Action Plan:

The school district will begin to account for the Special Education Cluster (IDEA) grants locally instead of Southside Special Services of Marion County (Cooperative) acting as the Fiscal Agent. Procedures currently utilized to request reimbursement monthly for federal grants, one of which is to retain supporting expenditure detail, will be implemented for the Special Education Cluster (IDEA).

Anticipated Completion Date: July 1, 2018

Kirk Farmer

(Signature)

CFO

(Title)

05 / 22 / 18

(Date)



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CORRECTIVE ACTION PLAN

FINDING 2015-002

Contact Person Responsible for Corrective Action: Kirk Farmer
Contact Phone Number: (317) 856-5265

Views of Responsible Official: We concur with the identified findings.

Description of Corrective Action Plan:

The school district will begin to account for the Special Education Cluster (IDEA) grants locally instead of Southside Special Services of Marion County (Cooperative) acting as the Fiscal Agent. Procedures will be established to ensure the Grant Administrator compiles or maintains annual certifications and time / effort logs. These will be provided to the Business Department to determine adherence to Allowable Costs / Cost Principles under the Special Education Cluster (IDEA).

Anticipated Completion Date: July 1, 2018

Kirk Farmer

(Signature)

CFO

(Title)

05 / 22 / 18

(Date)



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CORRECTIVE ACTION PLAN

FINDING 2015-003

Contact Person Responsible for Corrective Action: Becky Betz

Contact Phone Number: 317-856-5265

We concur with the finding.

Description of Corrective Action Plan:

The food service director will review and sign off on all monthly reimbursement reports before they are submitted to the state for reimbursement.

The child nutrition administrative assistant will review the annual financial report and sign off before it is submitted to the state by the food service director.

Anticipated Completion Date:
Immediately.

Becky Betz
(Signature)

Director of Child Nutrition
(Title)

5/23/18
(Date)





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CORRECTIVE ACTION PLAN

FINDING 2015-004

Contact Person Responsible for Corrective Action: Becky Betz

Contact Phone Number: 317-856-5265

We concur with the finding.

Description of Corrective Action Plan:

The food service department will create an 8400 account and balance monthly to be able to track the prepayments.

Anticipated Completion Date:

Will start new process July 1, 2018.

Becky Betz
(Signature)

Director of Child Nutrition
(Title)

5/23/18
(Date)



CORRECTIVE ACTION PLAN

FINDING 2015-005

Contact Person Responsible for Corrective Action: Becky Betz
Contact Phone Number: 317-856-5265

We concur with the finding.

Description of Corrective Action Plan:

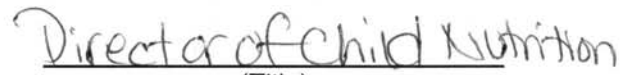
The food service director works with the department of education yearly to create a spend down plan for the 800 fund. The plan is approved yearly by the department of education. Once this plan has been created and approved, the CFO will review. The food service director and CFO will continue to review the plan throughout the year as purchases are made. The food service director will save any written correspondence with the department of education and CFO detailing this plan and progress throughout the year.

Anticipated Completion Date:

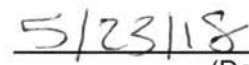
Will start new process July 1, 2018.



(Signature)



(Title)



(Date)



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CORRECTIVE ACTION PLAN

FINDING 2015-006

Contact Person Responsible for Corrective Action: Becky Betz

Contact Phone Number: 317-856-5265

We concur with the finding.

Description of Corrective Action Plan:

The food service department will ensure that all vendors that we purchase from have not been suspended or debarred from participation in federal programs by either looking them up on the federal website or including language in our contracts that has the vendor attest that they are not suspended or debarred.

Anticipated Completion Date:
Immediately.

Becky Betz
(Signature)

Director of Child Nutrition
(Title)

5/23/18
(Date)



CORRECTIVE ACTION PLAN

FINDING 2015-007

Contact Person Responsible for Corrective Action: Becky Betz

Contact Phone Number: 317-856-5265

We concur with the finding.

Description of Corrective Action Plan:

The food service director will complete all Paid Lunch Equity documentation as required by the USDA yearly. This documentation will be reviewed by the assistant director before submission. All written documentation between the food service director and the department of education regarding the paid lunch equity will be saved for review. Any raise in lunch price that is required by the outcome of the paid lunch equity tool will be requested by the food service director to the school board for approval. All documentation of this request and approval will be documented in writing and saved.

Anticipated Completion Date:

Immediately.

Becky Betz
(Signature)

Director of Child Nutrition
(Title)

5/23/18
(Date)



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CORRECTIVE ACTION PLAN

FINDING 2015-008

Contact Person Responsible for Corrective Action: Becky Betz

Contact Phone Number: 317-856-5265

We concur with the finding.

Description of Corrective Action Plan:

The food service department will ensure that all completed free and reduced meal applications are properly saved and accessible for review. All applications will be saved for the 5 year time frame as required by the USDA.

Anticipated Completion Date:
Immediately.

Becky Betz
(Signature)

Director of Child Nutrition
(Title)

5/23/18
(Date)





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CORRECTIVE ACTION PLAN

FINDING 2015-009

Contact Person Responsible for Corrective Action: Stephanie Hofer

Title of Contact Person: Director of Elementary Education

Contact Phone Number: (317) 856-5265

Views of Responsible Official: We concur with the finding.

Description of Corrective Action Plan:

In order to improve the existing internal control structure moving forward, management will develop procedures to ensure those items detailed below are addressed.

- Department administration will be trained and will utilize the Title I Fiscal Guidance Handbook System provided by the Indiana Department of Education.
- District administration will implement a process within the department to ensure compliance with requirements related to the grant agreement and the "Reporting" compliance requirement

Anticipated Completion Date: July 1, 2018

Stephanie Hofer
(Signature)

Director of Elementary Ed
(Title)

5/25/18
(Date)





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CORRECTIVE ACTION PLAN

FINDING 2015-010

Contact Person Responsible for Corrective Action: Stephanie Hofer

Title of Contact Person: Director of Elementary Education

Contact Phone Number: (317) 856-5265

Views of Responsible Official: We concur with the finding.

Description of Corrective Action Plan:

In order to improve the existing internal control structure moving forward, management will develop procedures to ensure those items detailed below are addressed.

- Expenses, which are allowable, are paid from federal funds and proper segregation of duties is established by having the Business Department review claims.
- A process will be in place for the department to ensure compliance with requirements related to the grant agreement and the Allowable Costs/Cost Principles compliance requirement.
- The department will implement a process that supports employees who work partially on federal activities and partially on other non-federal activities to maintain adequate supporting documentation for the distribution of their wages.
- The School Corporation will comply with the time and effort requirements for those employees who worked solely and partially on Title I under the Title I grant awarded under the requirements of OMB Circular A-133. A "PAR" form will be put into place for employees to track time working on Title.

Anticipated Completion Date: July 1, 2018

Steph Hofer
(Signature)

Director of Elementary Ed
(Title)

5/25/18
(Date)





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FINDING 2015-011

Contact Person Responsible for Corrective Action: Stephanie Hofer

Title of Contact Person: Director of Elementary Education

Contact Phone Number: (317) 856-5265

Views of Responsible Official: We concur with the finding.

Description of Corrective Action Plan:

- We will develop procedures and processes to ensure compliance with requirements related to the grant agreement and the Special Tests and Provisions - Annual Report Card, High School Graduation Rate compliance requirement. Supporting documentation will be consistently maintained for those students who are removed from their graduation cohort.

Anticipated Completion Date: July 1, 2018

Stephanie Hofer
(Signature)

Director of Elementary Ed
(Title)

5/25/18
(Date)





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CORRECTIVE ACTION PLAN

FINDING 2015-012

Contact Person Responsible for Corrective Action: Stephanie Hofer

Title of Contact Person: Director of Elementary Education

Contact Phone Number: (317) 856-5265

Views of Responsible Official: We concur with the finding.

Description of Corrective Action Plan:

- District administration will implement a process to ensure compliance with requirements related to the grant agreement and the Eligibility compliance requirement. We will implement a process for individual targeted assistance eligibility determinations.

Anticipated Completion Date: July 1, 2018

Stephanie Hofer
(Signature)

Director of Elementary Ed
(Title)

5/25/18
(Date)





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CORRECTIVE ACTION PLAN

FINDING 2015-013

Contact Person Responsible for Corrective Action: Stephanie Hofer

Title of Contact Person: Director of Elementary Education

Contact Phone Number: (317) 856-5265

Views of Responsible Official: We concur with the findings.

Description of Corrective Action Plan:

- Department administration will be trained and directed to utilize the Title I Fiscal Guidance Handbook System provided by the Indiana Department of Education. An effective internal control system will be in place at the School Corporation in order to ensure compliance with the grant agreement and the Matching, Level of Effort, Earmarking compliance requirement.

Anticipated Completion Date: July 1, 2018

Stephanie Hofer
(Signature)

Director of Elementary Ed
(Title)

5/25/18
(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/>.