

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

FINANCIAL STATEMENT AND
FEDERAL SINGLE AUDIT REPORT
OF

SOUTH BEND COMMUNITY SCHOOL CORPORATION
ST. JOSEPH COUNTY, INDIANA

July 1, 2015 to June 30, 2017



FILED

06/28/2018

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SCHEDULE OF OFFICIALS

<u>Office</u>	<u>Official</u>	<u>Term</u>
Treasurer	Robert M. Orlowski (Vacant) Dr. Katherine Turk	01-01-15 to 06-30-16 07-01-16 to 09-18-16 09-19-16 to 12-31-18
Superintendent of Schools	Carole L. Schmidt Dr. Kenneth Spells	07-01-15 to 06-30-16 07-01-16 to 06-30-19
President of the School Board	Jay Caponigro Stanley F. Wruble, III	01-01-15 to 12-31-16 01-01-17 to 12-31-18



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INDEPENDENT AUDITOR'S REPORT

TO: THE OFFICIALS OF THE SOUTH BEND COMMUNITY SCHOOL
CORPORATION, ST. JOSEPH COUNTY, INDIANA

Report on the Financial Statement

We have audited the accompanying financial statement of the South Bend Community School Corporation (School Corporation), which comprises the financial position and results of operations for the period of July 1, 2015 to June 30, 2017, and the related notes to the financial statement as listed in the Table of Contents.

Management's Responsibility for the Financial Statement

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

Auditor's Responsibility

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

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

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

INDEPENDENT AUDITOR'S REPORT
(Continued)

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

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

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

Adverse Opinion on U.S. Generally Accepted Accounting Principles

In our opinion, because of the significance of the matter discussed in the *Basis for Adverse Opinion on U.S. Generally Accepted Accounting Principles* paragraph, the financial statement referred to above does not present fairly, in accordance with accounting principles generally accepted in the United States of America, the financial position and results of operations of the School Corporation for the period of July 1, 2015 to June 30, 2017.

Opinion on Regulatory Basis of Accounting

In our opinion, the financial statement referred to above presents fairly, in all material respects, the financial position and results of operations of the School Corporation for the period of July 1, 2015 to June 30, 2017, in accordance with the financial reporting provisions of the Indiana State Board of Accounts described in Note 1.

Other Matters

Supplementary Information

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

Other Information

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

INDEPENDENT AUDITOR'S REPORT
(Continued)

Other Reporting Required by *Government Auditing Standards*

In accordance with *Government Auditing Standards*, we have also issued a report dated June 21, 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

June 21, 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 SOUTH BEND COMMUNITY SCHOOL
CORPORATION, ST. JOSEPH 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 South Bend Community School Corporation (School Corporation), which comprises the financial position and results of operations for the period of July 1, 2015 to June 30, 2017, and the related notes to the financial statement, and have issued our report thereon dated June 21, 2018, wherein we noted the School Corporation followed accounting practices the Indiana State Board of Accounts prescribes rather than accounting principles generally accepted in the United States of America.

Internal Control over Financial Reporting

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

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

Our consideration of internal control was for the limited purpose described in the first paragraph of this section and was not designed to identify all deficiencies in internal control that might be material weaknesses or significant deficiencies and, therefore, material weaknesses or significant deficiencies may exist that were not identified. We did identify certain deficiencies in internal control, described in the accompanying Schedule of Findings and Questioned Costs as item 2017-001, that we consider to be a material weakness.

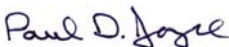
INDEPENDENT AUDITOR'S REPORT ON INTERNAL CONTROL OVER FINANCIAL REPORTING
AND ON COMPLIANCE AND OTHER MATTERS BASED ON AN AUDIT OF THE FINANCIAL
STATEMENT PERFORMED IN ACCORDANCE WITH *GOVERNMENT AUDITING STANDARDS*
(Continued)

South Bend Community School Corporation's Response to Findings

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

Purpose of This Report

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


Paul D. Joyce, CPA
State Examiner

June 21, 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.

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

Fund	Cash and Investments			Other Financing Sources (Uses)	Cash and Investments			Other Financing Sources (Uses)	Cash and Investments
	07-01-15	Receipts	Disbursements		06-30-16	Receipts	Disbursements		
General	\$ 8,622,937	\$ 129,008,789	\$ 128,411,144	\$ 243,813	\$ 9,464,395	\$ 126,864,711	\$ 123,504,106	\$ 233,191	\$ 13,058,191
Debt Service	7	985,911	100,338	(408,950)	476,630	992,220	40,911	(869,963)	557,976
Exempt Debt	9,281,077	18,564,470	18,666,288	-	9,179,259	17,945,225	17,974,338	-	9,150,146
Exempt Pension Debt	1,588,524	2,989,909	3,148,082	-	1,430,351	2,733,873	3,619,667	-	544,557
Capital Projects	9,224,290	10,460,156	9,030,169	-	10,654,277	10,711,522	11,205,542	-	10,160,257
School Transportation	4,537,136	13,440,061	12,679,597	-	5,297,600	13,944,919	12,076,326	-	7,166,193
School Bus Replacement	1,338,224	2,119,056	1,650,956	-	1,806,324	2,227,392	2,430,797	-	1,602,919
Rainy Day	816,000	-	-	-	816,000	-	-	-	816,000
Retirement/Severance Bond	7,329,989	92,504	718,184	-	6,704,309	95,220	627,081	-	6,172,448
Post-Retirement/Severance Future Benefits	3,461,129	509,642	118,576	-	3,852,195	41,527	245,171	-	3,648,551
Construction	4,987,283	179,649	1,328,111	-	3,838,821	42,467	1,811,585	-	2,069,703
School Lunch	3,534,618	11,942,446	11,517,817	-	3,959,247	9,259,462	9,242,085	-	3,976,624
Textbook Rental	1,536,963	1,701,047	2,711,271	408,950	935,689	1,661,187	2,423,464	869,963	1,043,375
Self-Insurance	17,864,269	32,874,030	31,768,342	-	18,989,957	25,460,243	30,063,541	-	14,366,659
Levy Excess	5,074	-	-	-	5,074	-	-	-	5,074
Key Institute CTE Grant	-	5,000	2,500	-	2,500	-	2,393	-	107
Print Shop	96,445	20,075	-	-	116,520	20,018	-	-	136,538
Costume Shop	-	-	-	-	-	9,835	7,629	-	2,206
Joint Services and Supply - Other	76	-	-	-	76	-	-	(76)	-
Summer Sch Credit Redemption	7,434	-	-	-	7,434	-	-	-	7,434
Summer Redemption	442,266	-	-	-	442,266	-	-	-	442,266
Governor Money	429,739	-	113,824	-	315,915	-	35,137	-	280,778
Northern Ind. Conference	1,070	1,019	1,019	-	1,070	838	52	-	1,856
Alumni Association	17,509	48,028	53,125	-	12,412	49,205	49,207	-	12,410
Public Education Foundation	1,380	4,136	3,235	-	2,281	2,783	2,717	-	2,347
Art Association	-	173,183	76,701	-	96,482	180,181	276,662	-	1
Child Care Program	1,992	679	2,671	-	-	-	-	-	-
Historical Society	-	173,183	76,701	-	96,482	179,865	276,345	-	2
Judgments	4,299	48,920	17,340	-	35,879	50,000	73,888	-	11,991
SAFE School Haven	2,235	-	-	-	2,235	-	14	-	2,221
Early Intervention Grant	16,113	3,261	4,940	-	14,434	3,770	8,731	-	9,473
Reading Recovery	171,409	130,367	217,882	-	83,894	116,845	72,826	-	127,913
Lily Grant	-	-	-	-	-	50,000	16,367	-	33,633
Instructional Support	198,091	146,214	167,479	-	176,826	108,099	99,065	12,500	198,360
Adult and Continuing Education	56,490	44,787	53,232	(2,979)	45,066	24,492	6,101	(12,500)	50,957
Extra-Curricular Activities	35,525	18,232	16,044	-	37,713	23,050	12,001	-	48,762
Cultural Arts	919	707	-	(813)	813	1,544	-	-	2,357
Welfare Activities	236	-	-	-	236	24,000	5,803	-	18,433
Scholarships and Awards	3,122	6,850	8,816	-	1,156	-	156	-	1,000
Construction, Remodeling, and Equipping Buildings	43,951	24,403	20,939	-	47,415	33,962	14,375	-	67,002
Miscellaneous Programs	177,509	302,341	195,117	-	284,733	262,332	148,876	-	398,189
Judgement Bond	523	-	-	-	523	-	-	-	523
Instructional Support	1,000	-	-	(1,000)	-	-	-	-	-
Fluid Power Challenge	-	-	-	-	-	228,857	132,571	-	96,286
Lit Early Intervention	-	10,380	1,490	-	8,890	23,000	19,989	-	11,901
Gifted & Talented	30,473	110,380	120,047	-	20,806	120,871	110,236	-	31,441
Tech Assistance	491	-	-	-	491	1,484	-	-	491
Teacher Quality Improvement Program	206,708	-	29,442	-	177,266	-	6,508	-	170,758
Principal Leadership Academy	-	-	-	-	-	76,206	76,207	-	(1)
State Development Network	-	-	-	-	-	-	40,000	-	(40,000)
Drug Free Communities	(6,361)	20,996	19,851	-	(5,216)	22,980	30,000	-	(12,236)
Early Childhood Intervention (First Steps)	4,809	179,277	181,656	-	2,430	90,963	91,375	-	2,018
Medicaid Reimbursement	13,090	431,195	318,005	-	126,280	525,161	342,645	-	308,796
Extra-Curricular Activities	453,349	308,485	270,888	-	490,946	334,003	322,546	-	502,403
Indiana Arts Commission	476	-	42	-	434	-	-	-	434
Non-English Speaking Programs	48,080	395,731	341,504	-	102,307	388,835	379,946	-	111,196
School Technology	244,758	548,038	549,300	-	243,496	527,537	130,264	-	640,769
Technology Grants [IC 20-40-15]	2,535	385,853	251,092	-	137,296	-	137,296	-	-
Performance Based Awards	1,404	21,188	21,188	-	1,404	-	-	-	1,404
Indiana School Academic Improvement Program (ISAIP)	1,292	-	-	(1,292)	-	-	-	-	-
Technology Planning Grant	7,248	-	-	-	7,248	-	-	-	7,248
Indiana 2000 Planning	135	-	-	-	135	-	135	-	-

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

Fund	Cash and Investments 07-01-15	Receipts	Disbursements	Other Financing Sources (Uses)	Cash and Investments 06-30-16	Receipts	Disbursements	Other Financing Sources (Uses)	Cash and Investments 06-30-17
Technology Grant	180,006	39	176,859	-	3,186	92,716	-	-	95,902
Innov CTE Curriculum	(3,181)	31,956	27,987	(789)	(1)	-	-	-	(1)
Principal Tech	648	-	-	(648)	-	-	-	-	-
Miscellaneous Programs	-	-	-	-	-	-	-	-	-
JROTC Reimbursement	656	7,601	8,258	-	(1)	50,805	50,680	-	124
Moody Foundation	2,393	-	2,314	-	79	-	-	-	79
Telecommunication Grant	2,532	-	9,264	6,732	-	-	-	-	-
Head Start Reimbursement	19,412	26,824	14,695	-	31,541	38,938	46,699	-	23,780
Title I	(424,462)	9,430,801	9,455,276	(169,204)	(618,141)	8,134,715	7,947,470	(171,888)	(602,784)
Title I Delinquent	5,984	-	-	-	5,984	-	-	-	5,984
Title I Part D	(34,686)	98,429	117,741	-	(53,998)	158,478	107,903	-	(3,423)
Title I Summer School	154,786	-	6,199	-	148,587	-	-	-	148,587
Title I School Improvement	-	-	-	-	-	32,973	59,323	-	(26,350)
Title I 1003g Grant Rise Up	76	-	-	-	76	-	-	-	76
Title I 1003g Grant Dickinson	(130,310)	847,200	702,036	(14,388)	466	272,822	275,988	-	(2,700)
Title I School Improvement	(1,159)	196,644	195,486	-	(1)	-	-	-	(1)
ECIA Title I Migrant	(94,085)	755,453	785,743	-	(124,375)	774,065	716,388	-	(66,698)
Bilingual Reimbursement	1,165	-	-	-	1,165	-	-	-	1,165
Title II-C	87,717	-	108	-	87,609	-	-	-	87,609
Adult Ed. Fam Lit Child Care	15,188	-	10,394	-	4,794	32,000	19,754	-	17,040
Adult Ed. Child Care	2,639	-	1,925	-	714	-	-	(714)	-
Adult Ed. Food Stamps	13,926	-	-	-	13,926	-	-	(13,926)	-
Migrant Farm Workers	11,095	14,050	8,671	(16,477)	(3)	-	-	-	(3)
Serve America	325	-	-	-	325	-	-	-	325
Special Ed. Tech Assistance	(3,592)	68,937	65,346	-	(1)	-	-	-	(1)
Pre-School Grant FY	(107,678)	340,541	368,604	(4,597)	(140,338)	379,289	248,650	-	(9,699)
Special Ed. IDEA	(1,386,294)	6,266,954	5,654,255	-	(773,595)	5,777,363	5,249,397	-	(245,629)
Adult Ed. Basic	(150,647)	657,194	719,936	-	(213,389)	264,528	51,136	-	3
Adult Work Force	87,390	51,255	105,588	16,477	49,534	92,894	39,850	41,607	144,185
Targeted Projects	8,316	14,200	14,282	-	8,234	7,150	6,654	-	8,730
Adult Ed. Basic	-	-	-	-	-	473,353	536,210	-	(62,857)
ABE Money	2,228	-	-	-	2,228	-	-	(2,228)	-
Adult Education-#2	2,768	-	-	-	2,768	-	-	(2,768)	-
Adult Education-#6	39,597	79,457	65,018	-	54,036	31,045	40,609	-	44,472
English Works	21,971	-	-	-	21,971	-	-	(21,971)	-
Drug Free Schools	21,044	-	17,223	-	3,821	-	-	-	3,821
Team Nutrition	1,138	-	-	-	1,138	-	-	-	1,138
Title II - Eisenhower - Science and Math Technology Grants	(13,423)	121,502	104,312	(3,711)	56	130,099	144,490	(2,894)	(17,229)
Vocational Ed. Perkins Grant	(9,003)	450,437	494,653	-	(53,219)	490,331	450,087	-	(12,975)
Career Tech Performance Grant	-	-	-	-	-	99,527	24,012	-	75,515
Vocational and Technology Board Grants	1,911	-	-	-	1,911	-	-	-	1,911
21th Century Grant	(65,059)	138,331	83,059	-	(9,787)	80,993	164,503	-	(93,297)
Small Learnings Grant	1,518	-	-	-	1,518	-	-	-	1,518
Head Start	(18,143)	5,917,964	6,292,268	-	(392,447)	5,732,017	5,418,878	-	(79,308)
CACFP Monies	72,970	526,826	571,442	-	28,354	751,364	629,920	-	149,798
Early Head Start-2	(22,587)	1,071,161	1,088,470	-	(39,896)	1,183,194	1,198,699	-	(55,401)
School to Work Development Act	9,061	4,740	4,890	-	8,911	19,150	16,932	76	11,205
EHS CCP	(5,962)	2,538,413	2,607,933	-	(75,482)	3,126,596	3,065,024	-	(13,910)
Head Start - Elkhart Preschool Title I	-	526,480	707,694	-	(181,214)	939,529	1,054,501	-	(296,186)
Improving Teacher Quality, No Child Left, Title II, Part A	(116,126)	1,132,845	994,550	(49,465)	(27,296)	1,090,991	1,127,775	(57,759)	(121,839)
Title III - English Proficiency Migrant	(30,661)	374,826	369,421	-	(25,256)	287,935	277,626	-	(14,947)
Public Charter School ESEA Title X, Part C	(5,043)	10,353	5,986	-	(676)	676	1	-	(1)
Payroll	2,510,995	33,291,855	35,521,197	-	281,653	32,247,676	30,978,776	-	1,550,553
Cafeteria Prepaid Meals	-	21,567	-	-	21,567	(9,340)	-	-	12,227
Totals	\$ 77,502,694	\$ 293,445,413	\$ 292,364,028	\$ 1,659	\$ 78,585,738	\$ 278,244,556	\$ 278,142,096	\$ 650	\$ 78,688,848

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

SOUTH BEND COMMUNITY SCHOOL CORPORATION
NOTES TO FINANCIAL STATEMENT

Note 1. Summary of Significant Accounting Policies

A. Reporting Entity

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

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

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

B. Basis of Accounting

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

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

C. Cash and Investments

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

D. Receipts

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

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

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

SOUTH BEND COMMUNITY SCHOOL CORPORATION
NOTES TO FINANCIAL STATEMENT
(Continued)

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

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

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

E. Disbursements

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

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

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

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

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

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

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

F. Other Financing Sources and Uses

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

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

SOUTH BEND COMMUNITY SCHOOL CORPORATION
NOTES TO FINANCIAL STATEMENT
(Continued)

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

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

G. Fund Accounting

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

Note 2. Budgets

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

Note 3. Property Taxes

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

Note 4. Deposits and Investments

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

SOUTH BEND COMMUNITY SCHOOL CORPORATION
NOTES TO FINANCIAL STATEMENT
(Continued)

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

Note 5. Risk Management

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

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

Note 6. Pension Plans

A. Public Employees' Retirement Fund

Plan Description

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

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

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

Funding Policy and Annual Pension Cost

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

SOUTH BEND COMMUNITY SCHOOL CORPORATION
NOTES TO FINANCIAL STATEMENT
(Continued)

B. Teachers' Retirement Fund

Plan Description

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

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

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

Funding Policy and Annual Pension Cost

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

Note 7. Cash Balance Deficits

The financial statement contains some funds with deficits in cash. This is a result of reimbursable grants. The School Corporation is required to expend the dollars and then seek reimbursement for the expenditures. Due to the timing of the expenditures, the reimbursements were not received by June 30, 2016 and June 30, 2017. Generally, the reimbursements were received in the following month as a result of the reimbursement request deadlines established by the state.

SOUTH BEND COMMUNITY SCHOOL CORPORATION
NOTES TO FINANCIAL STATEMENT
(Continued)

Note 8. *Holding Corporations*

The School Corporation has entered into capital leases with the SBCSC 2000 School Building Corporation, SBCSC 2002 Building Corporation, and SBCSC Riley School Building Corporation (the lessors). The lessors were organized as not-for-profit corporations pursuant to state statute for the purpose of financing and constructing or reconstructing facilities for lease to the School Corporation. The lessors have been determined to be related-parties of the School Corporation. Lease payments during the years ended June 30, 2016 and 2017, totaled \$15,160,000 and \$19,457,000, respectively.

Note 9. *Subsequent Events*

On May 21, 2018, the School Board approved the issuance of General Obligation Bonds in the amount of five million dollars (\$5,000,000) for renovations and miscellaneous facility improvements to various schools within 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.

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

	General	Debt Service	Exempt Debt	Exempt Pension Debt	Capital Projects	School Transportation	School Bus Replacement
Cash and investments - beginning	\$ 8,622,937	\$ 7	\$ 9,281,077	\$ 1,588,524	\$ 9,224,290	\$ 4,537,136	\$ 1,338,224
Receipts:							
Local sources	1,509,509	985,911	18,564,470	2,989,909	10,460,156	13,440,061	2,119,056
Intermediate sources	78	-	-	-	-	-	-
State sources	127,362,989	-	-	-	-	-	-
Federal sources	136,213	-	-	-	-	-	-
Other receipts	-	-	-	-	-	-	-
Total receipts	129,008,789	985,911	18,564,470	2,989,909	10,460,156	13,440,061	2,119,056
Disbursements:							
Instruction	84,303,274	-	-	-	-	-	-
Support services	42,453,290	-	-	-	5,822,503	12,679,597	1,650,956
Noninstructional services	1,654,235	-	-	-	-	-	-
Facilities acquisition and construction	345	-	-	-	3,207,666	-	-
Debt service	-	100,338	18,666,288	3,148,082	-	-	-
Nonprogrammed charges	-	-	-	-	-	-	-
Total disbursements	128,411,144	100,338	18,666,288	3,148,082	9,030,169	12,679,597	1,650,956
Excess (deficiency) of receipts over disbursements	597,645	885,573	(101,818)	(158,173)	1,429,987	760,464	468,100
Other financing sources (uses):							
Sale of capital assets	1,659	-	-	-	-	-	-
Transfers in	242,154	-	-	-	-	3,627,103	-
Transfers out	-	(408,950)	-	-	-	(3,627,103)	-
Total other financing sources (uses)	243,813	(408,950)	-	-	-	-	-
Excess (deficiency) of receipts and other financing sources over disbursements and other financing uses	841,458	476,623	(101,818)	(158,173)	1,429,987	760,464	468,100
Cash and investments - ending	\$ 9,464,395	\$ 476,630	\$ 9,179,259	\$ 1,430,351	\$ 10,654,277	\$ 5,297,600	\$ 1,806,324

SOUTH BEND COMMUNITY SCHOOL CORPORATION
 COMBINING SCHEDULE OF RECEIPTS, DISBURSEMENTS, OTHER
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 For the Year Ended June 30, 2016

	Rainy Day	Retirement/ Severance Bond	Post-Retirement/ Severance Future Benefits	Construction	School Lunch	Textbook Rental	Self-Insurance
Cash and investments - beginning	\$ 816,000	\$ 7,329,989	\$ 3,461,129	\$ 4,987,283	\$ 3,534,618	\$ 1,536,963	\$ 17,864,269
Receipts:							
Local sources	-	92,504	509,642	22,547	907,548	642,212	32,874,030
Intermediate sources	-	-	-	-	-	-	-
State sources	-	-	-	-	380,924	1,058,835	-
Federal sources	-	-	-	-	10,649,803	-	-
Other receipts	-	-	-	157,102	4,171	-	-
Total receipts	-	92,504	509,642	179,649	11,942,446	1,701,047	32,874,030
Disbursements:							
Instruction	-	384,520	93,832	-	-	217,237	1,398,914
Support services	-	291,926	23,940	-	7,245	2,494,034	402,292
Noninstructional services	-	18,550	804	-	10,910,572	-	4,428
Facilities acquisition and construction	-	23,188	-	1,328,111	-	-	93,709
Debt service	-	-	-	-	-	-	-
Nonprogrammed charges	-	-	-	-	600,000	-	29,868,999
Total disbursements	-	718,184	118,576	1,328,111	11,517,817	2,711,271	31,768,342
Excess (deficiency) of receipts over disbursements	-	(625,680)	391,066	(1,148,462)	424,629	(1,010,224)	1,105,688
Other financing sources (uses):							
Sale of capital assets	-	-	-	-	-	-	-
Transfers in	-	-	-	-	2,588,220	408,950	-
Transfers out	-	-	-	-	(2,588,220)	-	-
Total other financing sources (uses)	-	-	-	-	-	408,950	-
Excess (deficiency) of receipts and other financing sources over disbursements and other financing uses	-	(625,680)	391,066	(1,148,462)	424,629	(601,274)	1,105,688
Cash and investments - ending	\$ 816,000	\$ 6,704,309	\$ 3,852,195	\$ 3,838,821	\$ 3,959,247	\$ 935,689	\$ 18,969,957

SOUTH BEND COMMUNITY SCHOOL CORPORATION
 COMBINING SCHEDULE OF RECEIPTS, DISBURSEMENTS, OTHER
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 INVESTMENT BALANCES - REGULATORY BASIS
 For the Year Ended June 30, 2016

	Levy Excess	Key Institute CTE Grant	Print Shop	Costume Shop	Joint Services and Supply - Other	Summer Sch Credit Redemption	Summer Redemption
Cash and investments - beginning	\$ 5,074	\$ -	\$ 96,445	\$ -	\$ 76	\$ 7,434	\$ 442,266
Receipts:							
Local sources	-	-	20,075	-	-	-	-
Intermediate sources	-	-	-	-	-	-	-
State sources	-	5,000	-	-	-	-	-
Federal sources	-	-	-	-	-	-	-
Other receipts	-	-	-	-	-	-	-
Total receipts	-	5,000	20,075	-	-	-	-
Disbursements:							
Instruction	-	2,500	-	-	-	-	-
Support services	-	-	-	-	-	-	-
Noninstructional services	-	-	-	-	-	-	-
Facilities acquisition and construction	-	-	-	-	-	-	-
Debt service	-	-	-	-	-	-	-
Nonprogrammed charges	-	-	-	-	-	-	-
Total disbursements	-	2,500	-	-	-	-	-
Excess (deficiency) of receipts over disbursements	-	2,500	20,075	-	-	-	-
Other financing sources (uses):							
Sale of capital assets	-	-	-	-	-	-	-
Transfers in	-	-	-	-	-	-	-
Transfers out	-	-	-	-	-	-	-
Total other financing sources (uses)	-	-	-	-	-	-	-
Excess (deficiency) of receipts and other financing sources over disbursements and other financing uses	-	2,500	20,075	-	-	-	-
Cash and investments - ending	\$ 5,074	\$ 2,500	\$ 116,520	\$ -	\$ 76	\$ 7,434	\$ 442,266

SOUTH BEND COMMUNITY SCHOOL CORPORATION
 COMBINING SCHEDULE OF RECEIPTS, DISBURSEMENTS, OTHER
 FINANCING SOURCES (USES), AND CASH AND
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 For the Year Ended June 30, 2016

	Governor Money	Northern Ind. Conference	Alumni Association	Public Education Foundation	Art Association	Child Care Program	Historical Society
Cash and investments - beginning	\$ 429,739	\$ 1,070	\$ 17,509	\$ 1,380	\$ -	\$ 1,992	\$ -
Receipts:							
Local sources	-	1,019	48,028	4,136	173,183	679	173,183
Intermediate sources	-	-	-	-	-	-	-
State sources	-	-	-	-	-	-	-
Federal sources	-	-	-	-	-	-	-
Other receipts	-	-	-	-	-	-	-
Total receipts	-	1,019	48,028	4,136	173,183	679	173,183
Disbursements:							
Instruction	113,824	-	-	-	-	2,671	-
Support services	-	1,019	4,160	3,235	-	-	-
Noninstructional services	-	-	48,965	-	76,701	-	76,701
Facilities acquisition and construction	-	-	-	-	-	-	-
Debt service	-	-	-	-	-	-	-
Nonprogrammed charges	-	-	-	-	-	-	-
Total disbursements	113,824	1,019	53,125	3,235	76,701	2,671	76,701
Excess (deficiency) of receipts over disbursements	(113,824)	-	(5,097)	901	96,482	(1,992)	96,482
Other financing sources (uses):							
Sale of capital assets	-	-	-	-	-	-	-
Transfers in	-	-	-	-	-	-	-
Transfers out	-	-	-	-	-	-	-
Total other financing sources (uses)	-	-	-	-	-	-	-
Excess (deficiency) of receipts and other financing sources over disbursements and other financing uses	(113,824)	-	(5,097)	901	96,482	(1,992)	96,482
Cash and investments - ending	\$ 315,915	\$ 1,070	\$ 12,412	\$ 2,281	\$ 96,482	\$ -	\$ 96,482

SOUTH BEND COMMUNITY SCHOOL CORPORATION
 COMBINING SCHEDULE OF RECEIPTS, DISBURSEMENTS, OTHER
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 INVESTMENT BALANCES - REGULATORY BASIS
 For the Year Ended June 30, 2016

	Judgments	SAFE School Haven	Early Intervention Grant	Reading Recovery	Lily Grant	Instructional Support	Adult and Continuing Education
Cash and investments - beginning	\$ 4,299	\$ 2,235	\$ 16,113	\$ 171,409	\$ -	\$ 198,091	\$ 56,490
Receipts:							
Local sources	-	-	3,261	-	-	146,214	44,787
Intermediate sources	-	-	-	-	-	-	-
State sources	48,920	-	-	130,367	-	-	-
Federal sources	-	-	-	-	-	-	-
Other receipts	-	-	-	-	-	-	-
Total receipts	48,920	-	3,261	130,367	-	146,214	44,787
Disbursements:							
Instruction	-	-	-	199,365	-	114,672	7,848
Support services	-	-	3,860	18,517	-	36,892	45,384
Noninstructional services	-	-	1,080	-	-	15,915	-
Facilities acquisition and construction	17,340	-	-	-	-	-	-
Debt service	-	-	-	-	-	-	-
Nonprogrammed charges	-	-	-	-	-	-	-
Total disbursements	17,340	-	4,940	217,882	-	167,479	53,232
Excess (deficiency) of receipts over disbursements	31,580	-	(1,679)	(87,515)	-	(21,265)	(8,445)
Other financing sources (uses):							
Sale of capital assets	-	-	-	-	-	-	-
Transfers in	-	-	-	-	-	-	-
Transfers out	-	-	-	-	-	-	(2,979)
Total other financing sources (uses)	-	-	-	-	-	-	(2,979)
Excess (deficiency) of receipts and other financing sources over disbursements and other financing uses	31,580	-	(1,679)	(87,515)	-	(21,265)	(11,424)
Cash and investments - ending	\$ 35,879	\$ 2,235	\$ 14,434	\$ 83,894	\$ -	\$ 176,826	\$ 45,066

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

	Extra-Curricular Activities	Cultural Arts	Welfare Activities	Scholarships and Awards	Construction, Remodeling, and Equipping Buildings	Miscellaneous Programs	Judgement Bond
Cash and investments - beginning	\$ 35,525	\$ 919	\$ 236	\$ 3,122	\$ 43,951	\$ 177,509	\$ 523
Receipts:							
Local sources	18,232	707	-	6,850	24,403	302,341	-
Intermediate sources	-	-	-	-	-	-	-
State sources	-	-	-	-	-	-	-
Federal sources	-	-	-	-	-	-	-
Other receipts	-	-	-	-	-	-	-
Total receipts	18,232	707	-	6,850	24,403	302,341	-
Disbursements:							
Instruction	15,620	-	-	-	20,270	154,490	-
Support services	424	-	-	8,816	-	35,781	-
Noninstructional services	-	-	-	-	-	1,822	-
Facilities acquisition and construction	-	-	-	-	669	3,024	-
Debt service	-	-	-	-	-	-	-
Nonprogrammed charges	-	-	-	-	-	-	-
Total disbursements	16,044	-	-	8,816	20,939	195,117	-
Excess (deficiency) of receipts over disbursements	2,188	707	-	(1,966)	3,464	107,224	-
Other financing sources (uses):							
Sale of capital assets	-	-	-	-	-	-	-
Transfers in	-	30	-	-	-	-	-
Transfers out	-	(843)	-	-	-	-	-
Total other financing sources (uses)	-	(813)	-	-	-	-	-
Excess (deficiency) of receipts and other financing sources over disbursements and other financing uses	2,188	(106)	-	(1,966)	3,464	107,224	-
Cash and investments - ending	\$ 37,713	\$ 813	\$ 236	\$ 1,156	\$ 47,415	\$ 284,733	\$ 523

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

	Instructional Support	Fluid Power Challenge	Lit Early Intervention	Gifted & Talented	Tech Assistance	Teacher Quality Improvement Program	Principal Leadership Academy
Cash and investments - beginning	\$ 1,000	\$ -	\$ -	\$ 30,473	\$ 491	\$ 206,708	\$ -
Receipts:							
Local sources	-	-	-	-	-	-	-
Intermediate sources	-	-	-	-	-	-	-
State sources	-	-	10,380	110,380	-	-	-
Federal sources	-	-	-	-	-	-	-
Other receipts	-	-	-	-	-	-	-
Total receipts	-	-	10,380	110,380	-	-	-
Disbursements:							
Instruction	-	-	1,490	-	-	29,442	-
Support services	-	-	-	120,047	-	-	-
Noninstructional services	-	-	-	-	-	-	-
Facilities acquisition and construction	-	-	-	-	-	-	-
Debt service	-	-	-	-	-	-	-
Nonprogrammed charges	-	-	-	-	-	-	-
Total disbursements	-	-	1,490	120,047	-	29,442	-
Excess (deficiency) of receipts over disbursements	-	-	8,890	(9,667)	-	(29,442)	-
Other financing sources (uses):							
Sale of capital assets	-	-	-	-	-	-	-
Transfers in	-	-	-	-	-	-	-
Transfers out	(1,000)	-	-	-	-	-	-
Total other financing sources (uses)	(1,000)	-	-	-	-	-	-
Excess (deficiency) of receipts and other financing sources over disbursements and other financing uses	(1,000)	-	8,890	(9,667)	-	(29,442)	-
Cash and investments - ending	\$ -	\$ -	\$ 8,890	\$ 20,806	\$ 491	\$ 177,266	\$ -

SOUTH BEND COMMUNITY SCHOOL CORPORATION
 COMBINING SCHEDULE OF RECEIPTS, DISBURSEMENTS, OTHER
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 INVESTMENT BALANCES - REGULATORY BASIS
 For the Year Ended June 30, 2016

	State Development Network	Drug Free Communities	Early Childhood Intervention (First Steps)	Medicaid Reimbursement	Extra-Curricular Activities	Indiana Arts Commission	Non-English Speaking Programs
Cash and investments - beginning	\$ -	\$ (6,361)	\$ 4,809	\$ 13,090	\$ 453,349	\$ 476	\$ 48,080
Receipts:							
Local sources	-	-	-	7,616	308,485	-	-
Intermediate sources	-	-	-	-	-	-	-
State sources	-	20,996	179,277	-	-	-	395,731
Federal sources	-	-	-	423,579	-	-	-
Other receipts	-	-	-	-	-	-	-
Total receipts	-	20,996	179,277	431,195	308,485	-	395,731
Disbursements:							
Instruction	-	19,851	2,379	232,314	-	42	336,032
Support services	-	-	179,277	85,691	2,653	-	5,214
Noninstructional services	-	-	-	-	268,235	-	258
Facilities acquisition and construction	-	-	-	-	-	-	-
Debt service	-	-	-	-	-	-	-
Nonprogrammed charges	-	-	-	-	-	-	-
Total disbursements	-	19,851	181,656	318,005	270,888	42	341,504
Excess (deficiency) of receipts over disbursements	-	1,145	(2,379)	113,190	37,597	(42)	54,227
Other financing sources (uses):							
Sale of capital assets	-	-	-	-	-	-	-
Transfers in	-	-	-	-	445,722	-	-
Transfers out	-	-	-	-	(445,722)	-	-
Total other financing sources (uses)	-	-	-	-	-	-	-
Excess (deficiency) of receipts and other financing sources over disbursements and other financing uses	-	1,145	(2,379)	113,190	37,597	(42)	54,227
Cash and investments - ending	\$ -	\$ (5,216)	\$ 2,430	\$ 126,280	\$ 490,946	\$ 434	\$ 102,307

SOUTH BEND COMMUNITY SCHOOL CORPORATION
 COMBINING SCHEDULE OF RECEIPTS, DISBURSEMENTS, OTHER
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 For the Year Ended June 30, 2016

	School Technology	Technology Grants [IC 20-40-15]	Performance Based Awards	Indiana School Academic Improvement Program (ISAIP)	Technology Planning Grant	Indiana 2000 Planning	Technology Grant
Cash and investments - beginning	\$ 244,758	\$ 2,535	\$ 1,404	\$ 1,292	\$ 7,248	\$ 135	\$ 180,006
Receipts:							
Local sources	545,794	-	-	-	-	-	39
Intermediate sources	-	-	-	-	-	-	-
State sources	2,244	385,853	21,188	-	-	-	-
Federal sources	-	-	-	-	-	-	-
Other receipts	-	-	-	-	-	-	-
Total receipts	548,038	385,853	21,188	-	-	-	39
Disbursements:							
Instruction	-	-	-	-	-	-	-
Support services	549,300	251,092	21,188	-	-	-	176,859
Noninstructional services	-	-	-	-	-	-	-
Facilities acquisition and construction	-	-	-	-	-	-	-
Debt service	-	-	-	-	-	-	-
Nonprogrammed charges	-	-	-	-	-	-	-
Total disbursements	549,300	251,092	21,188	-	-	-	176,859
Excess (deficiency) of receipts over disbursements	(1,262)	134,761	-	-	-	-	(176,820)
Other financing sources (uses):							
Sale of capital assets	-	-	-	-	-	-	-
Transfers in	-	-	-	-	-	-	-
Transfers out	-	-	-	(1,292)	-	-	-
Total other financing sources (uses)	-	-	-	(1,292)	-	-	-
Excess (deficiency) of receipts and other financing sources over disbursements and other financing uses	(1,262)	134,761	-	(1,292)	-	-	(176,820)
Cash and investments - ending	\$ 243,496	\$ 137,296	\$ 1,404	\$ -	\$ 7,248	\$ 135	\$ 3,186

SOUTH BEND COMMUNITY SCHOOL CORPORATION
 COMBINING SCHEDULE OF RECEIPTS, DISBURSEMENTS, OTHER
 FINANCING SOURCES (USES), AND CASH AND
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 For the Year Ended June 30, 2016

	Innov CTE Curriculum	Principal Tech	Miscellaneous Programs	JROTC Reimbursement	Moody Foundation	Telecommunication Grant	Head Start Reimbursement
Cash and investments - beginning	\$ (3,181)	\$ 648	\$ -	\$ 656	\$ 2,393	\$ 2,532	\$ 19,412
Receipts:							
Local sources	-	-	-	7,601	-	-	26,824
Intermediate sources	-	-	-	-	-	-	-
State sources	-	-	-	-	-	-	-
Federal sources	31,956	-	-	-	-	-	-
Other receipts	-	-	-	-	-	-	-
Total receipts	31,956	-	-	7,601	-	-	26,824
Disbursements:							
Instruction	27,987	-	-	-	2,314	-	14,695
Support services	-	-	-	8,258	-	-	-
Noninstructional services	-	-	-	-	-	-	-
Facilities acquisition and construction	-	-	-	-	-	9,264	-
Debt service	-	-	-	-	-	-	-
Nonprogrammed charges	-	-	-	-	-	-	-
Total disbursements	27,987	-	-	8,258	2,314	9,264	14,695
Excess (deficiency) of receipts over disbursements	3,969	-	-	(657)	(2,314)	(9,264)	12,129
Other financing sources (uses):							
Sale of capital assets	-	-	-	-	-	-	-
Transfers in	-	-	-	-	-	9,264	-
Transfers out	(789)	(648)	-	-	-	(2,532)	-
Total other financing sources (uses)	(789)	(648)	-	-	-	6,732	-
Excess (deficiency) of receipts and other financing sources over disbursements and other financing uses	3,180	(648)	-	(657)	(2,314)	(2,532)	12,129
Cash and investments - ending	\$ (1)	\$ -	\$ -	\$ (1)	\$ 79	\$ -	\$ 31,541

SOUTH BEND COMMUNITY SCHOOL CORPORATION
 COMBINING SCHEDULE OF RECEIPTS, DISBURSEMENTS, OTHER
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 For the Year Ended June 30, 2016

	Title I	Title I Delinquent	Title I Part D	Title I Summer School	Title I School Improvement	Title I 1003g Grant Rise Up	Title I 1003g Grant Dickinson
Cash and investments - beginning	\$ (424,462)	\$ 5,984	\$ (34,686)	\$ 154,786	\$ -	\$ 76	\$ (130,310)
Receipts:							
Local sources	-	-	-	-	-	-	-
Intermediate sources	-	-	-	-	-	-	-
State sources	-	-	-	-	-	-	-
Federal sources	9,430,801	-	98,429	-	-	-	847,200
Other receipts	-	-	-	-	-	-	-
Total receipts	9,430,801	-	98,429	-	-	-	847,200
Disbursements:							
Instruction	5,176,115	-	112,774	4,507	-	-	664,056
Support services	2,689,550	-	3,350	1,692	-	-	37,980
Noninstructional services	1,589,611	-	-	-	-	-	-
Facilities acquisition and construction	-	-	-	-	-	-	-
Debt service	-	-	-	-	-	-	-
Nonprogrammed charges	-	-	1,617	-	-	-	-
Total disbursements	9,455,276	-	117,741	6,199	-	-	702,036
Excess (deficiency) of receipts over disbursements	(24,475)	-	(19,312)	(6,199)	-	-	145,164
Other financing sources (uses):							
Sale of capital assets	-	-	-	-	-	-	-
Transfers in	-	-	-	-	-	-	-
Transfers out	(169,204)	-	-	-	-	-	(14,388)
Total other financing sources (uses)	(169,204)	-	-	-	-	-	(14,388)
Excess (deficiency) of receipts and other financing sources over disbursements and other financing uses	(193,679)	-	(19,312)	(6,199)	-	-	130,776
Cash and investments - ending	\$ (618,141)	\$ 5,984	\$ (53,998)	\$ 148,587	\$ -	\$ 76	\$ 466

SOUTH BEND COMMUNITY SCHOOL CORPORATION
 COMBINING SCHEDULE OF RECEIPTS, DISBURSEMENTS, OTHER
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 For the Year Ended June 30, 2016

	Title I School Improvement	ECIA Title I Migrant	Bilingual Reimbursement	Title II-C	Adult Ed. Fam Lit Child Care	Adult Ed. Child Care	Adult Ed. Food Stamps
Cash and investments - beginning	\$ (1,159)	\$ (94,085)	\$ 1,165	\$ 87,717	\$ 15,188	\$ 2,639	\$ 13,926
Receipts:							
Local sources	-	280	-	-	-	-	-
Intermediate sources	-	-	-	-	-	-	-
State sources	-	-	-	-	-	-	-
Federal sources	196,644	755,173	-	-	-	-	-
Other receipts	-	-	-	-	-	-	-
Total receipts	196,644	755,453	-	-	-	-	-
Disbursements:							
Instruction	-	481,718	-	108	106	-	-
Support services	195,486	289,045	-	-	-	-	-
Noninstructional services	-	-	-	-	10,288	1,925	-
Facilities acquisition and construction	-	-	-	-	-	-	-
Debt service	-	-	-	-	-	-	-
Nonprogrammed charges	-	14,980	-	-	-	-	-
Total disbursements	195,486	785,743	-	108	10,394	1,925	-
Excess (deficiency) of receipts over disbursements	1,158	(30,290)	-	(108)	(10,394)	(1,925)	-
Other financing sources (uses):							
Sale of capital assets	-	-	-	-	-	-	-
Transfers in	-	-	-	157,263	-	-	-
Transfers out	-	-	-	(157,263)	-	-	-
Total other financing sources (uses)	-	-	-	-	-	-	-
Excess (deficiency) of receipts and other financing sources over disbursements and other financing uses	1,158	(30,290)	-	(108)	(10,394)	(1,925)	-
Cash and investments - ending	\$ (1)	\$ (124,375)	\$ 1,165	\$ 87,609	\$ 4,794	\$ 714	\$ 13,926

SOUTH BEND COMMUNITY SCHOOL CORPORATION
 COMBINING SCHEDULE OF RECEIPTS, DISBURSEMENTS, OTHER
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 For the Year Ended June 30, 2016

	Migrant Farm Workers	Serve America	Special Ed. Tech Assistance	Pre-School Grant FY	Special Ed. IDEA	Adult Ed. Basic	Adult Work Force
Cash and investments - beginning	\$ 11,095	\$ 325	\$ (3,592)	\$ (107,678)	\$ (1,386,294)	\$ (150,647)	\$ 87,390
Receipts:							
Local sources	14,050	-	-	-	-	-	51,255
Intermediate sources	-	-	-	-	-	-	-
State sources	-	-	-	-	-	-	-
Federal sources	-	-	68,937	340,541	6,266,954	657,194	-
Other receipts	-	-	-	-	-	-	-
Total receipts	14,050	-	68,937	340,541	6,266,954	657,194	51,255
Disbursements:							
Instruction	8,671	-	17,280	173,867	4,762,325	674,323	92,577
Support services	-	-	48,066	194,737	891,930	35,096	13,011
Noninstructional services	-	-	-	-	-	10,517	-
Facilities acquisition and construction	-	-	-	-	-	-	-
Debt service	-	-	-	-	-	-	-
Nonprogrammed charges	-	-	-	-	-	-	-
Total disbursements	8,671	-	65,346	368,604	5,654,255	719,936	105,588
Excess (deficiency) of receipts over disbursements	5,379	-	3,591	(28,063)	612,699	(62,742)	(54,333)
Other financing sources (uses):							
Sale of capital assets	-	-	-	-	-	-	-
Transfers in	-	-	-	-	-	-	16,477
Transfers out	(16,477)	-	-	(4,597)	-	-	-
Total other financing sources (uses)	(16,477)	-	-	(4,597)	-	-	16,477
Excess (deficiency) of receipts and other financing sources over disbursements and other financing uses	(11,098)	-	3,591	(32,660)	612,699	(62,742)	(37,856)
Cash and investments - ending	\$ (3)	\$ 325	\$ (1)	\$ (140,338)	\$ (773,595)	\$ (213,389)	\$ 49,534

SOUTH BEND COMMUNITY SCHOOL CORPORATION
 COMBINING SCHEDULE OF RECEIPTS, DISBURSEMENTS, OTHER
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 For the Year Ended June 30, 2016

	Targeted Projects	Adult Ed. Basic	ABE Money	Adult Education-#2	Adult Education-#6	English Works	Drug Free Schools
Cash and investments - beginning	\$ 8,316	\$ -	\$ 2,228	\$ 2,768	\$ 39,597	\$ 21,971	\$ 21,044
Receipts:							
Local sources	14,200	-	-	-	79,457	-	-
Intermediate sources	-	-	-	-	-	-	-
State sources	-	-	-	-	-	-	-
Federal sources	-	-	-	-	-	-	-
Other receipts	-	-	-	-	-	-	-
Total receipts	14,200	-	-	-	79,457	-	-
Disbursements:							
Instruction	1,661	-	-	-	3,030	-	-
Support services	12,621	-	-	-	61,988	-	-
Noninstructional services	-	-	-	-	-	-	17,223
Facilities acquisition and construction	-	-	-	-	-	-	-
Debt service	-	-	-	-	-	-	-
Nonprogrammed charges	-	-	-	-	-	-	-
Total disbursements	14,282	-	-	-	65,018	-	17,223
Excess (deficiency) of receipts over disbursements	(82)	-	-	-	14,439	-	(17,223)
Other financing sources (uses):							
Sale of capital assets	-	-	-	-	-	-	-
Transfers in	-	-	-	-	-	-	-
Transfers out	-	-	-	-	-	-	-
Total other financing sources (uses)	-	-	-	-	-	-	-
Excess (deficiency) of receipts and other financing sources over disbursements and other financing uses	(82)	-	-	-	14,439	-	(17,223)
Cash and investments - ending	\$ 8,234	\$ -	\$ 2,228	\$ 2,768	\$ 54,036	\$ 21,971	\$ 3,821

SOUTH BEND COMMUNITY SCHOOL CORPORATION
 COMBINING SCHEDULE OF RECEIPTS, DISBURSEMENTS, OTHER
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	Team Nutrition	Title II - Eisenhower - Science and Math Technology Grants	Vocational Ed. Perkins Grant	Career Tech Performance Grant	Vocational and Technology Board Grants	21th Century Grant	Small Learnings Grant
Cash and investments - beginning	\$ 1,138	\$ (13,423)	\$ (9,003)	\$ -	\$ 1,911	\$ (65,059)	\$ 1,518
Receipts:							
Local sources	-	-	100	-	-	-	-
Intermediate sources	-	-	-	-	-	-	-
State sources	-	-	-	-	-	-	-
Federal sources	-	121,502	450,337	-	-	138,331	-
Other receipts	-	-	-	-	-	-	-
Total receipts	-	121,502	450,437	-	-	138,331	-
Disbursements:							
Instruction	-	-	470,680	-	-	73,262	-
Support services	-	104,312	-	-	-	9,797	-
Noninstructional services	-	-	-	-	-	-	-
Facilities acquisition and construction	-	-	-	-	-	-	-
Debt service	-	-	-	-	-	-	-
Nonprogrammed charges	-	-	23,973	-	-	-	-
Total disbursements	-	104,312	494,653	-	-	83,059	-
Excess (deficiency) of receipts over disbursements	-	17,190	(44,216)	-	-	55,272	-
Other financing sources (uses):							
Sale of capital assets	-	-	-	-	-	-	-
Transfers in	-	-	-	-	-	-	-
Transfers out	-	(3,711)	-	-	-	-	-
Total other financing sources (uses)	-	(3,711)	-	-	-	-	-
Excess (deficiency) of receipts and other financing sources over disbursements and other financing uses	-	13,479	(44,216)	-	-	55,272	-
Cash and investments - ending	\$ 1,138	\$ 56	\$ (53,219)	\$ -	\$ 1,911	\$ (9,787)	\$ 1,518

SOUTH BEND COMMUNITY SCHOOL CORPORATION
 COMBINING SCHEDULE OF RECEIPTS, DISBURSEMENTS, OTHER
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 For the Year Ended June 30, 2016

	Head Start	CACFP Monies	Early Head Start-2	School to Work Development Act	EHS CCP	Head Start - Elkhart Preschool Title I
Cash and investments - beginning	\$ (18,143)	\$ 72,970	\$ (22,587)	\$ 9,061	\$ (5,962)	\$ -
Receipts:						
Local sources	-	526,826	-	4,740	40,000	526,480
Intermediate sources	-	-	-	-	-	-
State sources	-	-	-	-	-	-
Federal sources	5,917,964	-	1,071,161	-	2,498,413	-
Other receipts	-	-	-	-	-	-
Total receipts	5,917,964	526,826	1,071,161	4,740	2,538,413	526,480
Disbursements:						
Instruction	3,876,140	46,945	820,198	4,890	1,231,297	707,694
Support services	2,416,128	524,497	268,272	-	1,376,636	-
Noninstructional services	-	-	-	-	-	-
Facilities acquisition and construction	-	-	-	-	-	-
Debt service	-	-	-	-	-	-
Nonprogrammed charges	-	-	-	-	-	-
Total disbursements	6,292,268	571,442	1,088,470	4,890	2,607,933	707,694
Excess (deficiency) of receipts over disbursements	(374,304)	(44,616)	(17,309)	(150)	(69,520)	(181,214)
Other financing sources (uses):						
Sale of capital assets	-	-	-	-	-	-
Transfers in	-	-	-	-	-	-
Transfers out	-	-	-	-	-	-
Total other financing sources (uses)	-	-	-	-	-	-
Excess (deficiency) of receipts and other financing sources over disbursements and other financing uses	(374,304)	(44,616)	(17,309)	(150)	(69,520)	(181,214)
Cash and investments - ending	\$ (392,447)	\$ 28,354	\$ (39,896)	\$ 8,911	\$ (75,482)	\$ (181,214)

SOUTH BEND COMMUNITY SCHOOL CORPORATION
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	Improving Teacher Quality, No Child Left, Title II, Part A	Title III - English Proficiency Migrant	Public Charter School ESEA Title X, Part C	Payroll	Cafeteria Prepaid Meals	Totals
Cash and investments - beginning	\$ (116,126)	\$ (30,661)	\$ (5,043)	\$ 2,510,995	\$ -	\$ 77,502,694
Receipts:						
Local sources	-	-	-	-	21,567	88,259,967
Intermediate sources	-	-	-	-	-	78
State sources	-	-	-	-	-	130,113,084
Federal sources	1,132,845	374,826	10,353	-	-	41,619,156
Other receipts	-	-	-	33,291,855	-	33,453,128
Total receipts	1,132,845	374,826	10,353	33,291,855	21,567	293,445,413
Disbursements:						
Instruction	507,754	304,471	5,986	-	-	107,918,018
Support services	486,796	64,950	-	-	-	77,109,390
Noninstructional services	-	-	-	-	-	14,707,830
Facilities acquisition and construction	-	-	-	-	-	4,683,316
Debt service	-	-	-	-	-	21,914,708
Nonprogrammed charges	-	-	-	35,521,197	-	66,030,766
Total disbursements	994,550	369,421	5,986	35,521,197	-	292,364,028
Excess (deficiency) of receipts over disbursements	138,295	5,405	4,367	(2,229,342)	21,567	1,081,385
Other financing sources (uses):						
Sale of capital assets	-	-	-	-	-	1,659
Transfers in	-	-	-	-	-	7,495,183
Transfers out	(49,465)	-	-	-	-	(7,495,183)
Total other financing sources (uses)	(49,465)	-	-	-	-	1,659
Excess (deficiency) of receipts and other financing sources over disbursements and other financing uses	88,830	5,405	4,367	(2,229,342)	21,567	1,083,044
Cash and investments - ending	\$ (27,296)	\$ (25,256)	\$ (676)	\$ 281,653	\$ 21,567	\$ 78,585,738

SOUTH BEND COMMUNITY SCHOOL CORPORATION
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 INVESTMENT BALANCES - REGULATORY BASIS
 For the Year Ended June 30, 2017

	General	Debt Service	Exempt Debt	Exempt Pension Debt	Capital Projects	School Transportation	School Bus Replacement
Cash and investments - beginning	\$ 9,464,395	\$ 476,630	\$ 9,179,259	\$ 1,430,351	\$ 10,654,277	\$ 5,297,600	\$ 1,806,324
Receipts:							
Local sources	547,092	992,220	17,945,225	2,733,873	10,711,522	13,944,919	2,227,392
Intermediate sources	131	-	-	-	-	-	-
State sources	126,253,879	-	-	-	-	-	-
Federal sources	63,609	-	-	-	-	-	-
Other receipts	-	-	-	-	-	-	-
Total receipts	<u>126,864,711</u>	<u>992,220</u>	<u>17,945,225</u>	<u>2,733,873</u>	<u>10,711,522</u>	<u>13,944,919</u>	<u>2,227,392</u>
Disbursements:							
Instruction	79,929,257	-	-	-	-	-	-
Support services	42,022,982	-	-	-	7,085,734	12,076,326	2,430,797
Noninstructional services	1,551,556	-	-	-	-	-	-
Facilities acquisition and construction	311	-	-	-	4,119,808	-	-
Debt service	-	40,911	17,974,338	3,619,667	-	-	-
Nonprogrammed charges	-	-	-	-	-	-	-
Total disbursements	<u>123,504,106</u>	<u>40,911</u>	<u>17,974,338</u>	<u>3,619,667</u>	<u>11,205,542</u>	<u>12,076,326</u>	<u>2,430,797</u>
Excess (deficiency) of receipts over disbursements	<u>3,360,605</u>	<u>951,309</u>	<u>(29,113)</u>	<u>(885,794)</u>	<u>(494,020)</u>	<u>1,868,593</u>	<u>(203,405)</u>
Other financing sources (uses):							
Sale of capital assets	649	-	-	-	-	-	-
Transfers in	257,060	-	-	-	-	87,983	628,293
Transfers out	(24,518)	(869,963)	-	-	-	(87,983)	(628,293)
Total other financing sources (uses)	<u>233,191</u>	<u>(869,963)</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Excess (deficiency) of receipts and other financing sources over disbursements and other financing uses	<u>3,593,796</u>	<u>81,346</u>	<u>(29,113)</u>	<u>(885,794)</u>	<u>(494,020)</u>	<u>1,868,593</u>	<u>(203,405)</u>
Cash and investments - ending	<u>\$ 13,058,191</u>	<u>\$ 557,976</u>	<u>\$ 9,150,146</u>	<u>\$ 544,557</u>	<u>\$ 10,160,257</u>	<u>\$ 7,166,193</u>	<u>\$ 1,602,919</u>

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

	Rainy Day	Retirement/ Severance Bond	Post-Retirement/ Severance Future Benefits	Construction	School Lunch	Textbook Rental	Self-Insurance
Cash and investments - beginning	\$ 816,000	\$ 6,704,309	\$ 3,852,195	\$ 3,838,821	\$ 3,959,247	\$ 935,689	\$ 18,969,957
Receipts:							
Local sources	-	95,220	41,527	42,467	830,497	623,386	25,460,243
Intermediate sources	-	-	-	-	-	-	-
State sources	-	-	-	-	306,525	1,037,801	-
Federal sources	-	-	-	-	8,119,046	-	-
Other receipts	-	-	-	-	3,394	-	-
Total receipts	-	95,220	41,527	42,467	9,259,462	1,661,187	25,460,243
Disbursements:							
Instruction	-	349,699	205,125	-	-	158,732	971,598
Support services	-	249,396	39,138	-	2,149	2,264,732	234,738
Noninstructional services	-	18,472	908	-	9,239,936	-	4,680
Facilities acquisition and construction	-	9,514	-	1,811,585	-	-	15,368
Debt service	-	-	-	-	-	-	-
Nonprogrammed charges	-	-	-	-	-	-	28,837,157
Total disbursements	-	627,081	245,171	1,811,585	9,242,085	2,423,464	30,063,541
Excess (deficiency) of receipts over disbursements	-	(531,861)	(203,644)	(1,769,118)	17,377	(762,277)	(4,603,298)
Other financing sources (uses):							
Sale of capital assets	-	-	-	-	-	-	-
Transfers in	-	-	-	-	207,169	869,963	-
Transfers out	-	-	-	-	(207,169)	-	-
Total other financing sources (uses)	-	-	-	-	-	869,963	-
Excess (deficiency) of receipts and other financing sources over disbursements and other financing uses	-	(531,861)	(203,644)	(1,769,118)	17,377	107,686	(4,603,298)
Cash and investments - ending	\$ 816,000	\$ 6,172,448	\$ 3,648,551	\$ 2,069,703	\$ 3,976,624	\$ 1,043,375	\$ 14,366,659

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

	Levy Excess	Key Institute CTE Grant	Print Shop	Costume Shop	Joint Services and Supply - Other	Summer Sch Credit Redemption	Summer Redemption
Cash and investments - beginning	\$ 5,074	\$ 2,500	\$ 116,520	\$ -	\$ 76	\$ 7,434	\$ 442,266
Receipts:							
Local sources	-	-	20,018	9,835	-	-	-
Intermediate sources	-	-	-	-	-	-	-
State sources	-	-	-	-	-	-	-
Federal sources	-	-	-	-	-	-	-
Other receipts	-	-	-	-	-	-	-
Total receipts	-	-	20,018	9,835	-	-	-
Disbursements:							
Instruction	-	2,393	-	-	-	-	-
Support services	-	-	-	-	-	-	-
Noninstructional services	-	-	-	7,629	-	-	-
Facilities acquisition and construction	-	-	-	-	-	-	-
Debt service	-	-	-	-	-	-	-
Nonprogrammed charges	-	-	-	-	-	-	-
Total disbursements	-	2,393	-	7,629	-	-	-
Excess (deficiency) of receipts over disbursements	-	(2,393)	20,018	2,206	-	-	-
Other financing sources (uses):							
Sale of capital assets	-	-	-	-	-	-	-
Transfers in	-	-	-	-	-	-	-
Transfers out	-	-	-	-	(76)	-	-
Total other financing sources (uses)	-	-	-	-	(76)	-	-
Excess (deficiency) of receipts and other financing sources over disbursements and other financing uses	-	(2,393)	20,018	2,206	(76)	-	-
Cash and investments - ending	\$ 5,074	\$ 107	\$ 136,538	\$ 2,206	\$ -	\$ 7,434	\$ 442,266

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

	Governor Money	Northern Ind. Conference	Alumni Association	Public Education Foundation	Art Association	Child Care Program	Historical Society
Cash and investments - beginning	\$ 315,915	\$ 1,070	\$ 12,412	\$ 2,281	\$ 96,482	\$ -	\$ 96,482
Receipts:							
Local sources	-	838	49,205	2,783	180,181	-	179,865
Intermediate sources	-	-	-	-	-	-	-
State sources	-	-	-	-	-	-	-
Federal sources	-	-	-	-	-	-	-
Other receipts	-	-	-	-	-	-	-
Total receipts	-	838	49,205	2,783	180,181	-	179,865
Disbursements:							
Instruction	35,137	-	-	-	-	-	-
Support services	-	52	3,373	2,717	-	-	-
Noninstructional services	-	-	45,834	-	276,662	-	276,345
Facilities acquisition and construction	-	-	-	-	-	-	-
Debt service	-	-	-	-	-	-	-
Nonprogrammed charges	-	-	-	-	-	-	-
Total disbursements	35,137	52	49,207	2,717	276,662	-	276,345
Excess (deficiency) of receipts over disbursements	(35,137)	786	(2)	66	(96,481)	-	(96,480)
Other financing sources (uses):							
Sale of capital assets	-	-	-	-	-	-	-
Transfers in	303,427	-	-	-	-	-	-
Transfers out	(303,427)	-	-	-	-	-	-
Total other financing sources (uses)	-	-	-	-	-	-	-
Excess (deficiency) of receipts and other financing sources over disbursements and other financing uses	(35,137)	786	(2)	66	(96,481)	-	(96,480)
Cash and investments - ending	\$ 280,778	\$ 1,856	\$ 12,410	\$ 2,347	\$ 1	\$ -	\$ 2

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

	Judgments	SAFE School Haven	Early Intervention Grant	Reading Recovery	Lily Grant	Instructional Support	Adult and Continuing Education
Cash and investments - beginning	\$ 35,879	\$ 2,235	\$ 14,434	\$ 83,894	\$ -	\$ 176,826	\$ 45,066
Receipts:							
Local sources	-	-	3,770	-	50,000	108,099	24,492
Intermediate sources	-	-	-	-	-	-	-
State sources	50,000	-	-	116,845	-	-	-
Federal sources	-	-	-	-	-	-	-
Other receipts	-	-	-	-	-	-	-
Total receipts	50,000	-	3,770	116,845	50,000	108,099	24,492
Disbursements:							
Instruction	-	-	-	68,884	-	43,399	2,856
Support services	-	14	8,305	3,942	16,367	13,673	3,245
Noninstructional services	-	-	426	-	-	41,993	-
Facilities acquisition and construction	73,888	-	-	-	-	-	-
Debt service	-	-	-	-	-	-	-
Nonprogrammed charges	-	-	-	-	-	-	-
Total disbursements	73,888	14	8,731	72,826	16,367	99,065	6,101
Excess (deficiency) of receipts over disbursements	(23,888)	(14)	(4,961)	44,019	33,633	9,034	18,391
Other financing sources (uses):							
Sale of capital assets	-	-	-	-	-	-	-
Transfers in	-	-	-	-	-	12,500	-
Transfers out	-	-	-	-	-	-	(12,500)
Total other financing sources (uses)	-	-	-	-	-	12,500	(12,500)
Excess (deficiency) of receipts and other financing sources over disbursements and other financing uses	(23,888)	(14)	(4,961)	44,019	33,633	21,534	5,891
Cash and investments - ending	\$ 11,991	\$ 2,221	\$ 9,473	\$ 127,913	\$ 33,633	\$ 198,360	\$ 50,957

SOUTH BEND COMMUNITY SCHOOL CORPORATION
 COMBINING SCHEDULE OF RECEIPTS, DISBURSEMENTS, OTHER
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 INVESTMENT BALANCES - REGULATORY BASIS
 For the Year Ended June 30, 2017

	Extra-Curricular Activities	Cultural Arts	Welfare Activities	Scholarships and Awards	Construction, Remodeling, and Equipping Buildings	Miscellaneous Programs	Judgement Bond
Cash and investments - beginning	\$ 37,713	\$ 813	\$ 236	\$ 1,156	\$ 47,415	\$ 284,733	\$ 523
Receipts:							
Local sources	23,050	1,544	24,000	-	33,962	262,332	-
Intermediate sources	-	-	-	-	-	-	-
State sources	-	-	-	-	-	-	-
Federal sources	-	-	-	-	-	-	-
Other receipts	-	-	-	-	-	-	-
Total receipts	23,050	1,544	24,000	-	33,962	262,332	-
Disbursements:							
Instruction	12,001	-	-	-	7,375	141,887	-
Support services	-	-	5,803	156	-	5,092	-
Noninstructional services	-	-	-	-	-	506	-
Facilities acquisition and construction	-	-	-	-	7,000	1,391	-
Debt service	-	-	-	-	-	-	-
Nonprogrammed charges	-	-	-	-	-	-	-
Total disbursements	12,001	-	5,803	156	14,375	148,876	-
Excess (deficiency) of receipts over disbursements	11,049	1,544	18,197	(156)	19,587	113,456	-
Other financing sources (uses):							
Sale of capital assets	-	-	-	-	-	-	-
Transfers in	-	-	-	-	-	-	-
Transfers out	-	-	-	-	-	-	-
Total other financing sources (uses)	-	-	-	-	-	-	-
Excess (deficiency) of receipts and other financing sources over disbursements and other financing uses	11,049	1,544	18,197	(156)	19,587	113,456	-
Cash and investments - ending	\$ 48,762	\$ 2,357	\$ 18,433	\$ 1,000	\$ 67,002	\$ 398,189	\$ 523

SOUTH BEND COMMUNITY SCHOOL CORPORATION
 COMBINING SCHEDULE OF RECEIPTS, DISBURSEMENTS, OTHER
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 INVESTMENT BALANCES - REGULATORY BASIS
 For the Year Ended June 30, 2017

	Instructional Support	Fluid Power Challenge	Lit Early Intervention	Gifted & Talented	Tech Assistance	Teacher Quality Improvement Program	Principal Leadership Academy
Cash and investments - beginning	\$ -	\$ -	\$ 8,890	\$ 20,806	\$ 491	\$ 177,266	\$ -
Receipts:							
Local sources	-	228,857	-	305	1,484	-	-
Intermediate sources	-	-	-	-	-	-	-
State sources	-	-	23,000	120,566	-	-	76,206
Federal sources	-	-	-	-	-	-	-
Other receipts	-	-	-	-	-	-	-
Total receipts	-	228,857	23,000	120,871	1,484	-	76,206
Disbursements:							
Instruction	-	-	19,989	-	-	6,508	13,960
Support services	-	132,571	-	110,236	-	-	62,247
Noninstructional services	-	-	-	-	-	-	-
Facilities acquisition and construction	-	-	-	-	1,484	-	-
Debt service	-	-	-	-	-	-	-
Nonprogrammed charges	-	-	-	-	-	-	-
Total disbursements	-	132,571	19,989	110,236	1,484	6,508	76,207
Excess (deficiency) of receipts over disbursements	-	96,286	3,011	10,635	-	(6,508)	(1)
Other financing sources (uses):							
Sale of capital assets	-	-	-	-	-	-	-
Transfers in	-	-	-	-	-	-	-
Transfers out	-	-	-	-	-	-	-
Total other financing sources (uses)	-	-	-	-	-	-	-
Excess (deficiency) of receipts and other financing sources over disbursements and other financing uses	-	96,286	3,011	10,635	-	(6,508)	(1)
Cash and investments - ending	\$ -	\$ 96,286	\$ 11,901	\$ 31,441	\$ 491	\$ 170,758	\$ (1)

SOUTH BEND COMMUNITY SCHOOL CORPORATION
 COMBINING SCHEDULE OF RECEIPTS, DISBURSEMENTS, OTHER
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 For the Year Ended June 30, 2017

	State Development Network	Drug Free Communities	Early Childhood Intervention (First Steps)	Medicaid Reimbursement	Extra-Curricular Activities	Indiana Arts Commission	Non-English Speaking Programs
Cash and investments - beginning	\$ -	\$ (5,216)	\$ 2,430	\$ 126,280	\$ 490,946	\$ 434	\$ 102,307
Receipts:							
Local sources	-	-	-	28,810	334,003	-	-
Intermediate sources	-	-	-	-	-	-	-
State sources	-	22,980	90,963	-	-	-	388,835
Federal sources	-	-	-	496,351	-	-	-
Other receipts	-	-	-	-	-	-	-
Total receipts	-	22,980	90,963	525,161	334,003	-	388,835
Disbursements:							
Instruction	-	30,000	412	256,744	-	-	361,254
Support services	40,000	-	90,963	85,901	342	-	14,770
Noninstructional services	-	-	-	-	322,204	-	3,922
Facilities acquisition and construction	-	-	-	-	-	-	-
Debt service	-	-	-	-	-	-	-
Nonprogrammed charges	-	-	-	-	-	-	-
Total disbursements	40,000	30,000	91,375	342,645	322,546	-	379,946
Excess (deficiency) of receipts over disbursements	(40,000)	(7,020)	(412)	182,516	11,457	-	8,889
Other financing sources (uses):							
Sale of capital assets	-	-	-	-	-	-	-
Transfers in	-	-	-	-	484,958	-	-
Transfers out	-	-	-	-	(484,958)	-	-
Total other financing sources (uses)	-	-	-	-	-	-	-
Excess (deficiency) of receipts and other financing sources over disbursements and other financing uses	(40,000)	(7,020)	(412)	182,516	11,457	-	8,889
Cash and investments - ending	\$ (40,000)	\$ (12,236)	\$ 2,018	\$ 308,796	\$ 502,403	\$ 434	\$ 111,196

SOUTH BEND COMMUNITY SCHOOL CORPORATION
 COMBINING SCHEDULE OF RECEIPTS, DISBURSEMENTS, OTHER
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 For the Year Ended June 30, 2017

	School Technology	Technology Grants [IC 20-40-15]	Performance Based Awards	Indiana School Academic Improvement Program (ISAIP)	Technology Planning Grant	Indiana 2000 Planning	Technology Grant
Cash and investments - beginning	\$ 243,496	\$ 137,296	\$ 1,404	\$ -	\$ 7,248	\$ 135	\$ 3,186
Receipts:							
Local sources	527,537	-	-	-	-	-	-
Intermediate sources	-	-	-	-	-	-	-
State sources	-	-	-	-	-	-	92,716
Federal sources	-	-	-	-	-	-	-
Other receipts	-	-	-	-	-	-	-
Total receipts	527,537	-	-	-	-	-	92,716
Disbursements:							
Instruction	-	-	-	-	-	135	-
Support services	130,264	137,296	-	-	-	-	-
Noninstructional services	-	-	-	-	-	-	-
Facilities acquisition and construction	-	-	-	-	-	-	-
Debt service	-	-	-	-	-	-	-
Nonprogrammed charges	-	-	-	-	-	-	-
Total disbursements	130,264	137,296	-	-	-	135	-
Excess (deficiency) of receipts over disbursements	397,273	(137,296)	-	-	-	(135)	92,716
Other financing sources (uses):							
Sale of capital assets	-	-	-	-	-	-	-
Transfers in	-	-	-	-	-	-	-
Transfers out	-	-	-	-	-	-	-
Total other financing sources (uses)	-	-	-	-	-	-	-
Excess (deficiency) of receipts and other financing sources over disbursements and other financing uses	397,273	(137,296)	-	-	-	(135)	92,716
Cash and investments - ending	\$ 640,769	\$ -	\$ 1,404	\$ -	\$ 7,248	\$ -	\$ 95,902

SOUTH BEND COMMUNITY SCHOOL CORPORATION
 COMBINING SCHEDULE OF RECEIPTS, DISBURSEMENTS, OTHER
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	Innov CTE Curriculum	Principal Tech	Miscellaneous Programs	JROTC Reimbursement	Moody Foundation	Telecommunication Grant	Head Start Reimbursement
Cash and investments - beginning	\$ (1)	\$ -	\$ -	\$ (1)	\$ 79	\$ -	\$ 31,541
Receipts:							
Local sources	-	-	-	50,805	-	-	18,937
Intermediate sources	-	-	-	-	-	-	-
State sources	-	-	-	-	-	-	-
Federal sources	-	-	-	-	-	-	-
Other receipts	-	-	-	-	-	-	20,001
Total receipts	-	-	-	50,805	-	-	38,938
Disbursements:							
Instruction	-	-	-	-	-	-	46,699
Support services	-	-	-	50,680	-	-	-
Noninstructional services	-	-	-	-	-	-	-
Facilities acquisition and construction	-	-	-	-	-	-	-
Debt service	-	-	-	-	-	-	-
Nonprogrammed charges	-	-	-	-	-	-	-
Total disbursements	-	-	-	50,680	-	-	46,699
Excess (deficiency) of receipts over disbursements	-	-	-	125	-	-	(7,761)
Other financing sources (uses):							
Sale of capital assets	-	-	-	-	-	-	-
Transfers in	-	-	-	-	-	-	-
Transfers out	-	-	-	-	-	-	-
Total other financing sources (uses)	-	-	-	-	-	-	-
Excess (deficiency) of receipts and other financing sources over disbursements and other financing uses	-	-	-	125	-	-	(7,761)
Cash and investments - ending	\$ (1)	\$ -	\$ -	\$ 124	\$ 79	\$ -	\$ 23,780

SOUTH BEND COMMUNITY SCHOOL CORPORATION
 COMBINING SCHEDULE OF RECEIPTS, DISBURSEMENTS, OTHER
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 For the Year Ended June 30, 2017

	Title I	Title I Delinquent	Title I Part D	Title I Summer School	Title I School Improvement	Title I 1003g Grant Rise Up	Title I 1003g Grant Dickinson
Cash and investments - beginning	\$ (618,141)	\$ 5,984	\$ (53,998)	\$ 148,587	\$ -	\$ 76	\$ 466
Receipts:							
Local sources	2,375	-	-	-	-	-	-
Intermediate sources	-	-	-	-	-	-	-
State sources	-	-	-	-	-	-	-
Federal sources	8,132,340	-	158,478	-	32,973	-	272,822
Other receipts	-	-	-	-	-	-	-
Total receipts	<u>8,134,715</u>	<u>-</u>	<u>158,478</u>	<u>-</u>	<u>32,973</u>	<u>-</u>	<u>272,822</u>
Disbursements:							
Instruction	4,311,603	-	106,129	-	4,209	-	232,644
Support services	2,720,172	-	-	-	55,114	-	43,344
Noninstructional services	915,695	-	-	-	-	-	-
Facilities acquisition and construction	-	-	-	-	-	-	-
Debt service	-	-	-	-	-	-	-
Nonprogrammed charges	-	-	1,774	-	-	-	-
Total disbursements	<u>7,947,470</u>	<u>-</u>	<u>107,903</u>	<u>-</u>	<u>59,323</u>	<u>-</u>	<u>275,988</u>
Excess (deficiency) of receipts over disbursements	<u>187,245</u>	<u>-</u>	<u>50,575</u>	<u>-</u>	<u>(26,350)</u>	<u>-</u>	<u>(3,166)</u>
Other financing sources (uses):							
Sale of capital assets	-	-	-	-	-	-	-
Transfers in	-	-	-	-	-	-	-
Transfers out	(171,888)	-	-	-	-	-	-
Total other financing sources (uses)	<u>(171,888)</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Excess (deficiency) of receipts and other financing sources over disbursements and other financing uses	<u>15,357</u>	<u>-</u>	<u>50,575</u>	<u>-</u>	<u>(26,350)</u>	<u>-</u>	<u>(3,166)</u>
Cash and investments - ending	<u>\$ (602,784)</u>	<u>\$ 5,984</u>	<u>\$ (3,423)</u>	<u>\$ 148,587</u>	<u>\$ (26,350)</u>	<u>\$ 76</u>	<u>\$ (2,700)</u>

SOUTH BEND COMMUNITY SCHOOL CORPORATION
 COMBINING SCHEDULE OF RECEIPTS, DISBURSEMENTS, OTHER
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	Title I School Improvement	ECIA Title I Migrant	Bilingual Reimbursement	Title II-C	Adult Ed. Fam Lit Child Care	Adult Ed. Child Care	Adult Ed. Food Stamps
Cash and investments - beginning	\$ (1)	\$ (124,375)	\$ 1,165	\$ 87,609	\$ 4,794	\$ 714	\$ 13,926
Receipts:							
Local sources	-	-	-	-	32,000	-	-
Intermediate sources	-	-	-	-	-	-	-
State sources	-	-	-	-	-	-	-
Federal sources	-	774,065	-	-	-	-	-
Other receipts	-	-	-	-	-	-	-
Total receipts	-	774,065	-	-	32,000	-	-
Disbursements:							
Instruction	-	522,549	-	-	2,191	-	-
Support services	-	193,839	-	-	166	-	-
Noninstructional services	-	-	-	-	17,397	-	-
Facilities acquisition and construction	-	-	-	-	-	-	-
Debt service	-	-	-	-	-	-	-
Nonprogrammed charges	-	-	-	-	-	-	-
Total disbursements	-	716,388	-	-	19,754	-	-
Excess (deficiency) of receipts over disbursements	-	57,677	-	-	12,246	-	-
Other financing sources (uses):							
Sale of capital assets	-	-	-	-	-	-	-
Transfers in	-	-	-	-	-	-	-
Transfers out	-	-	-	-	-	(714)	(13,926)
Total other financing sources (uses)	-	-	-	-	-	(714)	(13,926)
Excess (deficiency) of receipts and other financing sources over disbursements and other financing uses	-	57,677	-	-	12,246	(714)	(13,926)
Cash and investments - ending	\$ (1)	\$ (66,698)	\$ 1,165	\$ 87,609	\$ 17,040	\$ -	\$ -

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

	Migrant Farm Workers	Serve America	Special Ed. Tech Assistance	Pre-School Grant FY	Special Ed. IDEA	Adult Ed. Basic	Adult Work Force
Cash and investments - beginning	\$ (3)	\$ 325	\$ (1)	\$ (140,338)	\$ (773,595)	\$ (213,389)	\$ 49,534
Receipts:							
Local sources	-	-	-	-	-	-	92,894
Intermediate sources	-	-	-	-	-	-	-
State sources	-	-	-	-	-	-	-
Federal sources	-	-	-	379,289	5,777,363	264,528	-
Other receipts	-	-	-	-	-	-	-
Total receipts	-	-	-	379,289	5,777,363	264,528	92,894
Disbursements:							
Instruction	-	-	-	91,646	4,283,890	44,267	35,492
Support services	-	-	-	156,230	965,507	6,391	4,358
Noninstructional services	-	-	-	-	-	478	-
Facilities acquisition and construction	-	-	-	-	-	-	-
Debt service	-	-	-	-	-	-	-
Nonprogrammed charges	-	-	-	774	-	-	-
Total disbursements	-	-	-	248,650	5,249,397	51,136	39,850
Excess (deficiency) of receipts over disbursements	-	-	-	130,639	527,966	213,392	53,044
Other financing sources (uses):							
Sale of capital assets	-	-	-	-	-	-	-
Transfers in	-	-	-	-	-	-	41,607
Transfers out	-	-	-	-	-	-	-
Total other financing sources (uses)	-	-	-	-	-	-	41,607
Excess (deficiency) of receipts and other financing sources over disbursements and other financing uses	-	-	-	130,639	527,966	213,392	94,651
Cash and investments - ending	\$ (3)	\$ 325	\$ (1)	\$ (9,699)	\$ (245,629)	\$ 3	\$ 144,185

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

	Targeted Projects	Adult Ed. Basic	ABE Money	Adult Education-#2	Adult Education-#6	English Works	Drug Free Schools
Cash and investments - beginning	\$ 8,234	\$ -	\$ 2,228	\$ 2,768	\$ 54,036	\$ 21,971	\$ 3,821
Receipts:							
Local sources	7,150	-	-	-	31,045	-	-
Intermediate sources	-	-	-	-	-	-	-
State sources	-	-	-	-	-	-	-
Federal sources	-	473,353	-	-	-	-	-
Other receipts	-	-	-	-	-	-	-
Total receipts	7,150	473,353	-	-	31,045	-	-
Disbursements:							
Instruction	1,107	412,961	-	-	-	-	-
Support services	5,547	123,249	-	-	40,609	-	-
Noninstructional services	-	-	-	-	-	-	-
Facilities acquisition and construction	-	-	-	-	-	-	-
Debt service	-	-	-	-	-	-	-
Nonprogrammed charges	-	-	-	-	-	-	-
Total disbursements	6,654	536,210	-	-	40,609	-	-
Excess (deficiency) of receipts over disbursements	496	(62,857)	-	-	(9,564)	-	-
Other financing sources (uses):							
Sale of capital assets	-	-	-	-	-	-	-
Transfers in	-	-	-	-	-	-	-
Transfers out	-	-	(2,228)	(2,768)	-	(21,971)	-
Total other financing sources (uses)	-	-	(2,228)	(2,768)	-	(21,971)	-
Excess (deficiency) of receipts and other financing sources over disbursements and other financing uses	496	(62,857)	(2,228)	(2,768)	(9,564)	(21,971)	-
Cash and investments - ending	\$ 8,730	\$ (62,857)	\$ -	\$ -	\$ 44,472	\$ -	\$ 3,821

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

	Team Nutrition	Title II - Eisenhower - Science and Math Technology Grants	Vocational Ed. Perkins Grant	Career Tech Performance Grant	Vocational and Technology Board Grants	21th Century Grant	Small Learnings Grant
Cash and investments - beginning	\$ 1,138	\$ 56	\$ (53,219)	\$ -	\$ 1,911	\$ (9,787)	\$ 1,518
Receipts:							
Local sources	-	-	1,524	23	-	-	-
Intermediate sources	-	-	-	-	-	-	-
State sources	-	-	-	-	-	-	-
Federal sources	-	130,099	488,807	99,504	-	80,993	-
Other receipts	-	-	-	-	-	-	-
Total receipts	-	130,099	490,331	99,527	-	80,993	-
Disbursements:							
Instruction	-	-	450,087	24,012	-	1,837	-
Support services	-	144,490	-	-	-	162,666	-
Noninstructional services	-	-	-	-	-	-	-
Facilities acquisition and construction	-	-	-	-	-	-	-
Debt service	-	-	-	-	-	-	-
Nonprogrammed charges	-	-	-	-	-	-	-
Total disbursements	-	144,490	450,087	24,012	-	164,503	-
Excess (deficiency) of receipts over disbursements	-	(14,391)	40,244	75,515	-	(83,510)	-
Other financing sources (uses):							
Sale of capital assets	-	-	-	-	-	-	-
Transfers in	-	-	-	-	-	-	-
Transfers out	-	(2,894)	-	-	-	-	-
Total other financing sources (uses)	-	(2,894)	-	-	-	-	-
Excess (deficiency) of receipts and other financing sources over disbursements and other financing uses	-	(17,285)	40,244	75,515	-	(83,510)	-
Cash and investments - ending	\$ 1,138	\$ (17,229)	\$ (12,975)	\$ 75,515	\$ 1,911	\$ (93,297)	\$ 1,518

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

	Head Start	CACFP Monies	Early Head Start-2	School to Work Development Act	EHS CCP	Head Start - Elkhart Preschool Title I
Cash and investments - beginning	\$ (392,447)	\$ 28,354	\$ (39,896)	\$ 8,911	\$ (75,482)	\$ (181,214)
Receipts:						
Local sources	-	751,364	-	19,150	-	939,529
Intermediate sources	-	-	-	-	-	-
State sources	-	-	-	-	-	-
Federal sources	5,732,017	-	1,183,194	-	3,126,596	-
Other receipts	-	-	-	-	-	-
Total receipts	<u>5,732,017</u>	<u>751,364</u>	<u>1,183,194</u>	<u>19,150</u>	<u>3,126,596</u>	<u>939,529</u>
Disbursements:						
Instruction	3,929,266	126,072	937,651	16,932	1,813,822	1,054,501
Support services	1,489,612	503,848	261,048	-	1,251,202	-
Noninstructional services	-	-	-	-	-	-
Facilities acquisition and construction	-	-	-	-	-	-
Debt service	-	-	-	-	-	-
Nonprogrammed charges	-	-	-	-	-	-
Total disbursements	<u>5,418,878</u>	<u>629,920</u>	<u>1,198,699</u>	<u>16,932</u>	<u>3,065,024</u>	<u>1,054,501</u>
Excess (deficiency) of receipts over disbursements	<u>313,139</u>	<u>121,444</u>	<u>(15,505)</u>	<u>2,218</u>	<u>61,572</u>	<u>(114,972)</u>
Other financing sources (uses):						
Sale of capital assets	-	-	-	-	-	-
Transfers in	-	-	-	76	-	-
Transfers out	-	-	-	-	-	-
Total other financing sources (uses)	<u>-</u>	<u>-</u>	<u>-</u>	<u>76</u>	<u>-</u>	<u>-</u>
Excess (deficiency) of receipts and other financing sources over disbursements and other financing uses	<u>313,139</u>	<u>121,444</u>	<u>(15,505)</u>	<u>2,294</u>	<u>61,572</u>	<u>(114,972)</u>
Cash and investments - ending	<u>\$ (79,308)</u>	<u>\$ 149,798</u>	<u>\$ (55,401)</u>	<u>\$ 11,205</u>	<u>\$ (13,910)</u>	<u>\$ (296,186)</u>

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

	Improving Teacher Quality, No Child Left, Title II, Part A	Title III - English Proficiency Migrant	Public Charter School ESEA Title X, Part C	Payroll	Cafeteria Prepaid Meals	Totals
Cash and investments - beginning	\$ (27,296)	\$ (25,256)	\$ (676)	\$ 281,653	\$ 21,567	\$ 78,585,738
Receipts:						
Local sources	3,552	-	-	-	(9,340)	80,231,561
Intermediate sources	-	-	-	-	-	131
State sources	-	-	-	-	-	128,580,316
Federal sources	1,087,439	287,935	676	-	-	37,161,477
Other receipts	-	-	-	32,247,676	-	32,271,071
Total receipts	1,090,991	287,935	676	32,247,676	(9,340)	278,244,556
Disbursements:						
Instruction	150,517	219,432	1	-	-	101,436,862
Support services	977,258	58,194	-	-	-	76,486,845
Noninstructional services	-	-	-	-	-	12,724,643
Facilities acquisition and construction	-	-	-	-	-	6,040,349
Debt service	-	-	-	-	-	21,634,916
Nonprogrammed charges	-	-	-	30,978,776	-	59,818,481
Total disbursements	1,127,775	277,626	1	30,978,776	-	278,142,096
Excess (deficiency) of receipts over disbursements	(36,784)	10,309	675	1,268,900	(9,340)	102,460
Other financing sources (uses):						
Sale of capital assets	-	-	-	-	-	649
Transfers in	-	190	-	-	-	2,893,226
Transfers out	(57,759)	(190)	-	-	-	(2,893,225)
Total other financing sources (uses)	(57,759)	-	-	-	-	650
Excess (deficiency) of receipts and other financing sources over disbursements and other financing uses	(94,543)	10,309	675	1,268,900	(9,340)	103,110
Cash and investments - ending	\$ (121,839)	\$ (14,947)	\$ (1)	\$ 1,550,553	\$ 12,227	\$ 78,688,848

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SOUTH BEND COMMUNITY SCHOOL CORPORATION
SCHEDULE OF PAYABLES AND RECEIVABLES
June 30, 2017

<u>Government or Enterprise</u>	<u>Accounts Payable</u>	<u>Accounts Receivable</u>
Governmental activities	<u>\$ 2,982,706</u>	<u>\$ 1,422,608</u>

SOUTH BEND COMMUNITY SCHOOL CORPORATION
 SCHEDULE OF LEASES AND DEBT
 June 30, 2017

Lessor	Purpose	Annual Lease Payment	Lease Beginning Date	Lease Ending Date
Governmental activities:				
SBCSC 2000 School Building Corporation	Fully refund 2000 Outstanding First Mortgage Bonds Series 2007	\$ 5,461,000	06/30/2017	06/30/2024
SBCSC 2002 Building Corporation	Refund 2002 Building Corporation First Mortgage Bonds Series 2007, 2008 & Series 2009	7,917,000	06/30/2017	12/31/2028
SBCSC Riley School Building Corporation	2009 Riley High School Construction	<u>3,600,500</u>	06/25/2009	06/25/2019
Total of annual lease payments		<u>\$ 16,978,500</u>		

Type	Description of Debt	Purpose	Ending Principal Balance	Principal and Interest Due Within One Year
Governmental activities:				
General obligation bonds	Lincoln Primary School construction		\$ 6,685,000	\$ 1,001,588
General obligation bonds	Pension Bonds Series 2006		8,600,273	1,500,333
General obligation bonds	Pension Bonds series 2013		1,361,754	1,361,754
Notes and loans payable	Common School Fund Loan		<u>347,268</u>	<u>80,451</u>
Totals			<u>\$ 16,994,295</u>	<u>\$ 3,944,126</u>

SOUTH BEND COMMUNITY SCHOOL CORPORATION
SCHEDULE OF CAPITAL ASSETS
June 30, 2017

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

	<u>Ending Balance</u>
Governmental activities:	
Land	\$ 1,924,680
Buildings	628,304,704
Improvements other than buildings	5,052
Machinery, equipment, and vehicles	<u>106,385,025</u>
Total capital assets	<u>\$ 736,619,461</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 SOUTH BEND COMMUNITY SCHOOL
CORPORATION, ST. JOSEPH COUNTY, INDIANA

Report on Compliance for Each Major Federal Program

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

Management's Responsibility

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

Auditor's Responsibility

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

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

Basis for Qualified Opinion on Child Nutrition Cluster

As described in item 2017-002 in the accompanying Schedule of Findings and Questioned Costs, the School Corporation did not comply with requirements regarding Allowable Costs/Cost Principles that are applicable to its Child Nutrition Cluster. Compliance with such requirements is necessary, in our opinion, for the School Corporation to comply with requirements applicable to that program.

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

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

As described in item 2017-008 in the accompanying Schedule of Findings and Questioned Costs, we were unable to obtain sufficient appropriate audit evidence supporting the compliance of the School Corporation with Title I Grants to Local Educational Agencies regarding Allowable Costs/Cost Principles, Cash Management, and Reporting. Consequently, we were unable to determine whether the School Corporation complied with those requirements applicable to the program.

Basis for Qualified Opinion on Special Education Cluster (IDEA)

As described in item 2017-007 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 the Special Education Cluster (IDEA) regarding Allowable Costs/Cost Principles, Cash Management, and Reporting. Consequently, we were unable to determine whether the School Corporation complied with those requirements applicable to the program.

Basis for Qualified Opinion on Head Start

As described in item 2017-012 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 Head Start regarding Cash Management. Consequently, we were unable to determine whether the School Corporation complied with those requirements applicable to the program.

Qualified Opinion on Child Nutrition Cluster

In our opinion, except for the noncompliance described in the *Basis for Qualified Opinion on Child Nutrition Cluster* 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 the Child Nutrition Cluster for the period of July 1, 2015 to June 30, 2017.

Qualified Opinion on Title I Grants to Local Educational Agencies

In our opinion, except for the possible effects of the matter described in the *Basis for Qualified Opinion on Title I Grants to Local Educational Agencies* paragraph, the School Corporation complied, in all material respects, with the types of compliance requirements referred to above that could have a direct and material effect on Title I Grants to Local Educational Agencies for the period of July 1, 2015 to June 30, 2017.

Qualified Opinion on Special Education Cluster (IDEA)

In our opinion, except for the possible effects of the matter described in the *Basis for Qualified Opinion on 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 the Special Education Cluster (IDEA) for the period of July 1, 2015 to June 30, 2017.

Qualified Opinion on Head Start

In our opinion, except for the possible effects of the matter described in the *Basis for Qualified Opinion on Head Start* 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 Head Start for the period of July 1, 2015 to June 30, 2017.

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

Other Matters

The results of our auditing procedures disclosed instances of noncompliance, which are required to be reported in accordance with the Uniform Guidance and which are described in the accompanying Schedule of Findings and Questioned Costs as items 2017-003, 2017-004, 2017-005, 2017-009, and 2017-010. Our opinion on each major federal program is not modified with respect to these matters.

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

Report on Internal Control over Compliance

Management of the School Corporation is responsible for establishing and maintaining effective internal control over compliance with the types of compliance requirements referred to above. In planning and performing our audit of compliance, we considered the School Corporation's internal control over compliance with the types of requirements that could have a direct and material effect on each major federal program to determine the auditing procedures that are appropriate in the circumstances for the purpose of expressing our opinion on compliance for each major federal program and to test and report on internal control over compliance in accordance with the Uniform Guidance, but not for the purpose of expressing an opinion on the effectiveness of internal control over compliance. Accordingly, we do not express an opinion on the effectiveness of the School Corporation's internal control over compliance.


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 and significant deficiencies.

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 2017-002, 2017-003, 2017-004, 2017-005, 2017-006, 2017-007, 2017-008, 2017-009, 2017-010, 2017-011, and 2017-012 to be material weaknesses.

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

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

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


Paul D. Joyce, CPA
State Examiner

June 21, 2018

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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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SOUTH BEND COMMUNITY SCHOOL CORPORATION
SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS
For the Years Ended June 30, 2016 and 2017

Federal Grantor Agency Cluster Title/Program Title/Project Title	Pass-Through Entity or Direct Grant	Federal CFDA Number	Pass-Through Entity (or Other) Identifying Number	Passed Through to Subrecipient 06-30-16	Total Federal Awards Expended 06-30-16	Passed Through to Subrecipient 06-30-17	Total Federal Awards Expended 06-30-17
<u>Department of Agriculture</u>							
Child Nutrition Cluster							
School Breakfast Program	Indiana Department of Education	10.553					
School Breakfast Program			SY 2015-2016	\$ -	\$ 2,666,994	\$ -	\$ -
School Breakfast Program			SY 2016-2017	-	-	-	2,049,974
Total - School Breakfast Program				-	2,666,994	-	2,049,974
National School Lunch Program	Indiana Department of Education	10.555					
National School Lunch Program			SY 2015-2016	-	7,503,061	-	-
National School Lunch Program			SY 2016-2017	-	-	-	5,680,786
Commodities			SY 2015-2016, SY 2016-2017	-	726,500	-	762,281
Total - National School Lunch Program				-	8,229,561	-	6,443,067
Summer Food Service Program for Children	Indiana Department of Education	10.559					
Summer Food Service Program for Children			SY 2015-2016	-	380,924	-	-
Summer Food Service Program for Children			SY 2016-2017	-	-	-	284,702
Total - Summer Food Service Program for Children				-	380,924	-	284,702
Total - Child Nutrition Cluster				-	11,277,479	-	8,777,743
Child and Adult Care Food Program	Indiana Department of Education	10.558					
Child and Adult Care Food Program			SY 2015-2016	-	975,190	-	-
Child and Adult Care Food Program			SY 2016-2017	-	-	-	754,816
Total - Child and Adult Care Food Program				-	975,190	-	754,816
Fresh Fruit and Vegetable Program	Indiana Department of Education	10.582					
Fresh Fruit and Vegetable Program			SY 2015-2016	-	210,135	-	-
Fresh Fruit and Vegetable Program			SY 2016-2017	-	-	-	160,296
Total - Fresh Fruit and Vegetable Program				-	210,135	-	160,296
Total - Department of Agriculture				-	12,462,804	-	9,692,855
<u>Department of Education</u>							
School Improvement Grants Cluster							
School Improvement Grants	Indiana Department of Education	84.377					
School Improvement Grants			2015-16 1003g	-	1,043,844	-	-
School Improvement Grants			2016-17 1003g	-	-	-	305,795
Total - School Improvement Grants Cluster				-	1,043,844	-	305,795
Special Education Cluster (IDEA)							
Special Education_Grants to States	Indiana Department of Education	84.027					
Special Education			14214-055-PN01	-	577,373	-	-
Special Education			14215-055-PN01	-	1,435,966	-	462,196
Special Education			14216-053-PN01	-	4,253,615	-	1,340,110
Special Education			14217-053-PN01	-	-	-	3,975,057
Special Education Tech Grant			99914-TA01	-	68,937	-	-
Total - Special Education_Grants to States				-	6,335,891	-	5,777,363

SOUTH BEND COMMUNITY SCHOOL CORPORATION
SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS
For the Years Ended June 30, 2016 and 2017

Federal Grantor Agency Cluster Title/Program Title/Project Title	Pass-Through Entity or Direct Grant	Federal CFDA Number	Pass-Through Entity (or Other) Identifying Number	Passed Through to Subrecipient 06-30-16	Total Federal Awards Expended 06-30-16	Passed Through to Subrecipient 06-30-17	Total Federal Awards Expended 06-30-17
Special Education_Preschool Grants	Indiana Department of Education	84.173					
Special Education Pre School			45715-055-PN01	-	206,849	-	63,966
Special Education Pre School			45716-053-PN01	-	133,692	-	139,144
Special Education PreSchool			45717-053-PN01	-	-	-	176,179
Total - Special Education_Preschool Grants				-	340,541	-	379,289
Total - Special Education Cluster (IDEA)				-	6,676,432	-	6,156,652
Adult Education - Basic Grants to States	Indiana Department of Workforce Development	84.002					
Adult Education Basic 14/15			C1-5-AE-4-22	-	471,559	-	-
Adult Education Basic 15/16			V002A150014	-	372,033	-	264,528
Adult Education Basic 16/17			5104150P16	-	-	-	64,590
Total - Adult Education - Basic Grants to States				-	843,592	-	329,118
Title I Grants to Local Educational Agencies	Indiana Department of Education	84.010					
Title 1 14/15			15-7205	-	3,366,819	-	-
Title 1 15/16			16-7205	-	6,063,982	-	2,967,469
Title 1 16/17			17-7205	-	-	-	5,164,872
Total - Title I Grants to Local Educational Agencies				-	9,430,801	-	8,132,341
Title I State Agency Program for Neglected and Delinquent Children and Youth	Indiana Department of Education	84.013					
Title I Part D 14/15			SY 2014-2015	-	44,080	-	-
Title I Part D 15/16			SY 2015-2016	-	54,349	-	63,065
Title I Part D 16/17			SY 2016-2017	-	-	-	95,413
Total - Title I State Agency Program for Neglected and Delinquent Children and Youth				-	98,429	-	158,478
Migrant Education State Grant Program	Indiana Department of Education	84.011					
Fall Migrant			38213-008-PN01	-	125,921	-	-
Fall Migrant			38214-006-PN01	-	629,252	-	192,929
Fall Migrant			38215-005-PN01	-	-	-	581,136
Total - Migrant Education State Grant Program				-	755,173	-	774,065
Career and Technical Education - Basic Grants to States	Indiana Department of Education	84.048					
Career and Technical Education			15-4700-7205	-	93,045	-	-
Career and Technical Education			16-4700-7205	-	357,292	-	101,487
Career and Technical Education			17-4700-7205	-	-	-	387,320
Total - Career and Technical Education - Basic Grants to States				-	450,337	-	488,807
Twenty-First Century Community Learning Centers	Indiana Department of Education	84.287					
Twenty-First Century Learning Centers			2013-14A58-0-10DL-123	-	5,326	-	-
Twenty-First Century Learning Centers			A58-5-15DL-2121	-	133,005	-	11,540
Twenty-First Century Learning Centers			S287C150014	-	-	-	69,453
Total - Twenty-First Century Community Learning Centers				-	138,331	-	80,993

SOUTH BEND COMMUNITY SCHOOL CORPORATION
SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS
For the Years Ended June 30, 2016 and 2017

Federal Grantor Agency Cluster Title/Program Title/Project Title	Pass-Through Entity or Direct Grant	Federal CFDA Number	Pass-Through Entity (or Other) Identifying Number	Passed Through to Subrecipient 06-30-16	Total Federal Awards Expended 06-30-16	Passed Through to Subrecipient 06-30-17	Total Federal Awards Expended 06-30-17
English Language Acquisition State Grants	Indiana Department of Education	84.365					
English Language Acquisition Grants			01115-003-FLUX	-	10,353	-	676
English Language Acquisition Grants			01116-084-PN01	-	167,743	-	207,546
English Language Acquisition Grants			01117-082-PN01	-	-	-	58,913
English Language Acquisition Grants			PL 01114-078-PN01	-	16,576	-	-
English Language Acquisition Grants			PL 01115-084-PN01	-	190,506	-	21,477
Total - English Language Acquisition State Grants				-	385,178	-	288,612
Mathematics and Science Partnerships	Indiana Department of Education	84.366					
Mathematics and Science Partnerships			A58-3-13CI-1270	-	121,502	-	-
Mathematics and Science Partnerships			A58-6-16CI-3741	-	-	-	130,099
Total - Mathematics and Science Partnerships				-	121,502	-	130,099
Supporting Effective Instruction State Grants (formerly Improving Teacher Quality State Grants)	Indiana Department of Education	84.367					
Title II 13/15			13-15 FY2013	-	669,679	-	-
Title II 14/16			2014-16 FY2014	-	463,166	-	461,695
Titel II 15/17			S367A150015	-	-	-	625,745
Total - Supporting Effective Instruction State Grants (formerly Improving Teacher Quality State Grants)				-	1,132,845	-	1,087,440
Total - Department of Education				-	21,076,464	-	17,932,400
<u>Department of Health and Human Services</u>							
Head Start	Direct grant	93.600					
Head Start			05CH842803	-	3,650,681	-	3,308,748
Head Start			05CH842802	-	3,338,444	-	-
Head Start			05CH842804	-	-	-	3,606,463
Head Start			05HP000701	-	2,498,413	-	1,358,700
Head Start			05HP000702	-	-	-	1,767,896
Total - Head Start				-	9,487,538	-	10,041,807
Total - Department of Health and Human Services				-	9,487,538	-	10,041,807
Total federal awards expended				\$ -	\$ 43,026,806	\$ -	\$ 37,667,062

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

SOUTH BEND COMMUNITY SCHOOL CORPORATION
NOTES TO SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS

Note 1. Basis of Presentation

The accompanying Schedule of Expenditures of Federal Awards (SEFA) includes the federal grant activity of the School Corporation under programs of the federal government for the years ended June 30, 2016 and 2017. The information in the SEFA is presented in accordance with the requirements of Title 2 U.S. *Code of Federal Regulations* Part 200, *Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards* (Uniform Guidance). Because the SEFA presents only a select portion of the operations of the School Corporation, it is not intended to and does not present the financial position of the School Corporation.

The Uniform Guidance requires an annual audit of nonfederal entities expending a total amount of federal awards equal to or in excess of \$750,000 in any fiscal year unless by constitution or statute a less frequent audit is required. In accordance with Indiana Code (IC 5-11-1-25), audits of school corporations shall be conducted biennially. Such audits shall include both years within the biennial period.

Note 2. Summary of Significant Accounting Policies

Expenditures reported on the SEFA are reported on the cash basis of accounting. Such expenditures are recognized following, as applicable, either the cost principles in OMB Circular A-87, *Cost Principles for State, Local, and Indian Tribal Governments*, or the cost principles contained in the Uniform Guidance, wherein certain types of expenditures are not allowed or are limited as to reimbursement. When federal grants are received on a reimbursement basis, the federal awards are considered expended when the reimbursement is received. The School Corporation has elected not to use the 10 percent de minimis indirect cost rate allowed under the Uniform Guidance.

SOUTH BEND COMMUNITY SCHOOL CORPORATION
SCHEDULE OF FINDINGS AND QUESTIONED COSTS

Section I - Summary of Auditor's Results

Financial Statement:

Type of auditor's report issued:	Adverse as to GAAP; Unmodified as to Regulatory Basis
Internal control over financial reporting:	
Material weaknesses identified?	yes
Significant 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?	no
Any audit findings disclosed that are required to be reported in accordance with section 2 CFR 200.516(a)?	yes

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

CFDA Number	Name of Federal Program or Cluster	Opinion Issued
84.010	Child Nutrition Cluster	Qualified
	Title I Grants to Local Educational Agencies	Qualified
	Special Education Cluster (IDEA)	Qualified
93.600	Head Start	Qualified

Dollar threshold used to distinguish between Type A and Type B programs: \$2,420,816

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

FINDING 2017-001

Subject: Preparation of the Schedule of Expenditures of Federal Awards
Audit Finding: Material Weakness

Repeat Finding

This is a repeat finding from the immediately prior audit. The prior audit finding number was 2015-001.

SOUTH BEND COMMUNITY SCHOOL CORPORATION
SCHEDULE OF FINDINGS AND QUESTIONED COSTS
(Continued)

Condition

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

The School Corporation failed to properly review the federal grant information prepared and submitted in the Indiana Gateway for Government Units financial reporting system, which was the source of the SEFA. The system of oversight was not sufficient to detect and correct errors before submission. The SEFA presented for audit contained several immaterial errors.

Context

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

Criteria

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

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

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

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

Cause

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

Effect

Without a proper system of internal control in place that operated effectively, material misstatements of the SEFA could have occurred and remained undetected.

Recommendation

We recommended that the School Corporation's management establish controls related to the preparation of the SEFA.

SOUTH BEND COMMUNITY SCHOOL CORPORATION
SCHEDULE OF FINDINGS AND QUESTIONED COSTS
(Continued)

Views of Responsible Officials

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

Section III - Federal Award Findings and Questioned Costs

FINDING 2017-002

Subject: School Breakfast Program, National School Lunch Program - Allowable Costs/Cost Principles
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 2015-2016, SY 2016-2017
Pass-Through Entity: Indiana Department of Education
Compliance Requirement: Allowable Costs/Cost Principles
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 Allowable Costs/Cost Principles compliance requirement.

The School Corporation had not designed or implemented adequate internal controls to ensure that payroll disbursements were only for food service payroll recorded as food service operating costs. As a result, an employee from the Service Building department was paid incorrectly from the School Lunch fund during the audit period. This resulted in excess costs of \$61,444 during the audit period.

Context

The lack of controls was a systemic issue throughout the audit period. The noncompliance was isolated to the payroll disbursements for one employee. No additional employees were found to be paid from the School Lunch fund in error.

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. . . ."

SOUTH BEND COMMUNITY SCHOOL CORPORATION
SCHEDULE OF FINDINGS AND QUESTIONED COSTS
(Continued)

2 CFR 200.303 states in part:

"The non-Federal entity must:

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

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

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

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

b. Be allocable to Federal awards under the provisions of this Circular. . . ."

OMB Circular A-87, Attachment B, section 8h(4) states in part:

"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, . . ."

2 CFR 200.403 states in part:

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

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

(b) Conform to any limitations or exclusions set forth in these principles or in the Federal award as to types or amount of cost items. . . .

(g) Be adequately documented. . . ."

Cause

The School Corporation's management had not designed or implemented effective internal controls that would have ensured compliance with the grant agreement and the Allowable Costs/Cost Principles compliance requirement.

SOUTH BEND COMMUNITY SCHOOL CORPORATION
SCHEDULE OF FINDINGS AND QUESTIONED COSTS
(Continued)

Effect

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

Questioned Costs

Known questioned costs of \$61,444 were identified as detailed in the *Condition*.

Recommendation

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

Views of Responsible Officials

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

FINDING 2017-003

Subject: School Breakfast Program, 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 2015-2016, SY 2016-2017
Pass-Through Entity: Indiana Department of Education
Compliance Requirement: Cash Management
Audit Findings: Material Weakness, Other Matters

Repeat Finding

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

Condition

Management of the School Corporation had not established an effective internal control system related to the grant agreement and the Cash Management compliance requirement. The School Corporation failed to comply with the Cash Management compliance requirement that the net cash resources in the School Lunch fund should not exceed three months average expenditures for its nonprofit school food service program.

Context

The School Corporation's cash balance (net cash resources) of the food service program exceeded the three month average expenditures for 7 of the 24 months in the audit period. For the 2015-2016 school year, the average expenditures for three months was \$3,455,345; the cash balance exceeded that amount at the end of July 2015, August 2015, and June 2016. For the 2016-2017 school year, the average expenditures for three months was \$2,772,626; the cash balance exceeded that amount at the end of July 2016, August 2016, September 2016, and June 2017.

SOUTH BEND COMMUNITY SCHOOL CORPORATION
SCHEDULE OF FINDINGS AND QUESTIONED COSTS
(Continued)

Criteria

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

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

2 CFR 200.303 states in part:

"The non-Federal entity must:

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

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 resources 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

The School Corporation had not designed or implemented an effective internal control system to ensure compliance with the Cash Management compliance requirement.

Effect

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

Questioned Costs

There were no questioned costs identified.

SOUTH BEND COMMUNITY SCHOOL CORPORATION
SCHEDULE OF FINDINGS AND QUESTIONED COSTS
(Continued)

Recommendation

We recommended that the School Corporation's management establish an effective internal control system to ensure compliance and comply with the Cash Management compliance requirement.

Views of Responsible Officials

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

FINDING 2017-004

Subject: Child Nutrition Cluster - Procurement

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 2015-2016, SY 2016-2017

Pass-Through Entity: Indiana Department of Education

Compliance Requirement: Procurement and Suspension and Debarment

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 procurement requirements of the Procurement and Suspension and Debarment compliance requirement.

The School Corporation had not established internal controls to ensure that the purchasing method used complied with 2 CFR 200.320.

The School Corporation did not comply with the procurement requirements. The School Corporation did not obtain price or rate quotes from an adequate number of sources for purchases of goods or services exceeding \$3,500, which fell under the small purchase procedures. Quotes were not obtained for four small purchase transactions with four separate vendors tested, which totaled \$159,072. Bids were not obtained for purchases of over \$250,000 from a produce vendor in the 2016-2017 school year, which were subject to the bidding requirements.

Context

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

Criteria

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

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

SOUTH BEND COMMUNITY SCHOOL CORPORATION
SCHEDULE OF FINDINGS AND QUESTIONED COSTS
(Continued)

2 CFR 200.303 states in part:

"The non-Federal entity must:

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

2 CFR 200.319(a) states in part:

"All procurement transactions must be conducted in a manner providing full and open competition consistent with the standards of this section. In order to ensure objective contractor performance and eliminate unfair competitive advantage, contractors that develop or draft specifications, requirements, statements of work, or invitations for bids or requests for proposals must be excluded from competing for such procurements. . . ."

2 CFR 200.320 states in part:

"The non-Federal entity must use one of the following methods of procurement.

(a) Procurement by micro-purchases. Procurement by micro-purchase is the acquisition of supplies or services, the aggregate dollar amount of which does not exceed the micro-purchase threshold (§ 200.67 Micro-purchase). To the extent practicable, the non-Federal entity must distribute micro-purchases equitably among qualified suppliers. Micro-purchases may be awarded without soliciting competitive quotations if the non-Federal entity considers the price to be reasonable.

(b) Procurement by small purchase procedures. Small purchase procedures are those relatively simple and informal procurement methods for securing services, supplies, or other property that do not cost more than the Simplified Acquisition Threshold. If small purchase procedures are used, price or rate quotations must be obtained from an adequate number of qualified sources.

(c) Procurement by sealed bids (formal advertising). Bids are publicly solicited and a firm fixed price contract (lump sum or unit price) is awarded to the responsible bidder whose bid, conforming with all the material terms and conditions of the invitation for bids, is the lowest in price. . . ."

Cause

The School Corporation's management had not designed or implemented effective internal controls that would have ensured compliance with the procurement requirements of the Procurement and Suspension and Debarment compliance requirement.

Effect

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

SOUTH BEND COMMUNITY SCHOOL CORPORATION
SCHEDULE OF FINDINGS AND QUESTIONED COSTS
(Continued)

Questioned Costs

There were no questioned costs identified.

Recommendation

We recommended that the School Corporation's management establish controls to ensure compliance and comply with the 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 2017-005

Subject: Child Nutrition Cluster - Reporting

Federal Agency: Department of Agriculture

Federal Programs: School Breakfast Program, National School Lunch Program,
Summer Food Service Program for Children

CFDA Numbers: 10.555, 10.553, 10.559

Federal Award Numbers and Years (or Other Identifying Numbers): SY 2015-2016, SY 2016-2017

Pass-Through Entity: Indiana Department of Education

Compliance Requirement: Reporting

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 Reporting compliance requirement.

The School Corporation had not designed or implemented adequate policies and procedures to ensure the accurate completion of the School Food Authority (SFA) 2016-2017 Annual Financial Report. The report excluded federal reimbursements of \$1,825,763 received in the month of June 2017. As a result, the cash balance was understated on the report.

Context

The lack of controls was a systemic issue throughout the audit period. The noncompliance was an isolated incident, which applied only to the 2016-2017 Annual Financial Report.

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. . . ."

SOUTH BEND COMMUNITY SCHOOL CORPORATION
SCHEDULE OF FINDINGS AND QUESTIONED COSTS
(Continued)

2 CFR 200.303 states in part:

"The non-Federal entity must:

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

34 CFR 80.20(b) states in part:

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

- (1) *Financial reporting.* Accurate, current, and complete disclosure of the financial results of financially assisted activities must be made in accordance with the financial reporting requirements of the grant or subgrant. . . ."

2 CFR 200.302(b) states in part:

"The financial management system of each non-Federal entity must provide for the following:
. . .

- (2) Accurate, current, and complete disclosure of the financial results of each Federal award or program in accordance with the reporting requirements set forth in §§ 200.327 Financial reporting and 200.328 Monitoring and reporting program performance. . . ."

Cause

The School Corporation's management had not designed or implemented effective internal controls that would have ensured compliance with the grant agreement and the Reporting compliance requirement.

Effect

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

Questioned Costs

There were no questioned costs identified.

Recommendation

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

SOUTH BEND COMMUNITY SCHOOL CORPORATION
SCHEDULE OF FINDINGS AND QUESTIONED COSTS
(Continued)

FINDING 2017-006

Subject: School Breakfast Program, National School Lunch Program - Program Income
Federal Agency: Department of Agriculture
Federal Programs: School Breakfast Program, National School Lunch Program
CFDA Numbers: 10.555, 10.553
Federal Award Numbers and Years (or Other Identifying Numbers): SY 2015-2016, SY 2016-2017
Pass-Through Entity: Indiana Department of Education
Compliance Requirement: Program Income
Audit Finding: Material Weakness

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 had not implemented effective internal controls to ensure that program income was accounted for properly. Amounts were transferred from students' prepaid accounts into the School Lunch fund based on the monthly Websmart reports without proper oversight, review, or approval.

Context

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

Criteria

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

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

2 CFR 200.303 states in part:

"The non-Federal entity must:

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

Cause

The School Corporation's management had not designed or implemented effective internal controls to ensure compliance with the grant agreement and the Program Income compliance requirement.

SOUTH BEND COMMUNITY SCHOOL CORPORATION
SCHEDULE OF FINDINGS AND QUESTIONED COSTS
(Continued)

Effect

The failure to establish an effective internal control system placed the School Corporation at risk of noncompliance with the grant agreement and the compliance requirement. A lack of segregation of duties within an internal control system could have also allowed noncompliance with the compliance requirement and allowed the misuse and mismanagement of federal funds and assets by not having proper oversight, reviews, and approvals over the activities of the programs.

Questioned Costs

There were no questioned costs identified.

Recommendation

We recommended that the School Corporation's management establish controls related to 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 2017-007

Subject: Special Education Cluster (IDEA) - Allowable Costs/Cost Principles, Cash Management, 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): 14214-055-PN01, 14215-055-PN01, 14216-053-PN01, 14217-053-PN01, 99914-TA01, 45715-055-PN01, 45716-053-PN01, 45717-053-PN01

Pass-Through Entity: Indiana Department of Education

Compliance Requirements: Allowable Costs/Cost Principles, Cash Management, Reporting

Audit Findings: Material Weakness, Modified Opinion

Repeat Finding

This is a repeat finding from the immediately prior audit regarding Cash Management and Reporting. The prior audit finding number was 2015-006.

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, Cash Management, and Reporting compliance requirements.

The School Corporation had not designed or implemented adequate internal controls to ensure that employment contracts were retained for employees paid from grant funds. The School Corporation could not locate five contracts for the eight contracted employees tested. The amounts paid to those employees could not be verified to an approved contract; however, the amounts paid were reasonable based upon other contracts.

SOUTH BEND COMMUNITY SCHOOL CORPORATION
SCHEDULE OF FINDINGS AND QUESTIONED COSTS
(Continued)

Based upon testing of hourly employees, the School Corporation incorrectly entered the pay rate for one hourly employee, which resulted in \$506 in excess costs recorded in the Special Education Fund. When that sample error was projected to the population as a whole, additional likely errors of \$70,796 were identified.

The School Corporation also had not established an effective internal control system to ensure that grant expenditures were adequately documented, that they were paid before they were included on a reimbursement request (report), and that the reimbursement requests were complete and accurate prior to submission.

Many expenditures charged to the Special Education Cluster (IDEA) programs were paid without adequate supporting documentation. Therefore, it could not be determined whether expenditures were allowable costs or whether they were paid prior to their inclusion on a reimbursement request. Also, the completeness and accuracy of the reimbursement requests (reports) could not be determined since not all expenditures included on the reports were properly documented.

Context

The lack of controls and failure to provide adequate supporting documentation for expenditures were systemic issues throughout the audit period.

Criteria

2 CFR 200.303 states in part:

"The non-Federal entity must:

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

2 CFR 200.403 states in part:

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

- (g) Be adequately documented. . . ."

34 CFR 76.702 states: "A State and a subgrantee shall use fiscal control and fund accounting procedures that insure proper disbursement of and accounting for Federal funds."

34 CFR 76.730 states:

"A State and a subgrantee shall keep records that fully show:

- (a) The amount of funds under the grant or subgrant;
- (b) How the State or subgrantee uses the funds;

SOUTH BEND COMMUNITY SCHOOL CORPORATION
SCHEDULE OF FINDINGS AND QUESTIONED COSTS
(Continued)

- (c) The total cost of the project;
- (d) The share of that cost provided from other sources; and
- (e) Other records to facilitate an effective audit."

34 CFR 76.731 states: "A State and a subgrantee shall keep records to show its compliance with program requirements."

2 CFR 200.302 states in part:

"(a) Each state must expend and account for the Federal award in accordance with state laws and procedures for expending and accounting for the state's own funds. In addition, the state's and the other non-Federal entity's financial management systems, including records documenting compliance with Federal statutes, regulations, and the terms and conditions of the Federal award, must be sufficient to permit the preparation of reports required by general and program-specific terms and conditions; and the tracing of funds to a level of expenditures adequate to establish that such funds have been used according to the Federal statutes, regulations, and the terms and conditions of the Federal award. . . .

(b) The financial management system of each non-Federal entity must provide for the following: . . .

- (2) Accurate, current, and complete disclosure of the financial results of each Federal award or program in accordance with the reporting requirements set forth in § 200.327 Financial reporting and 200.328 Monitoring and reporting program performance. . . .
- (3) Records that identify adequately the source and application of funds for federally-funded activities. These records must contain information pertaining to Federal awards, authorizations, obligations, unobligated balances, assets, expenditures, income and interest and be supported by source documentation. . . ."

Cause

The School Corporation's management had not developed or implemented a system of internal controls to ensure that adequate supporting documentation for expenditures was maintained related to the Allowable Costs/Cost Principles, Cash Management, and Reporting compliance requirements.

Effect

The failure to establish an effective internal control system and failure to maintain and provide supporting documentation for expenditures prevented the determination of the School Corporation's compliance with the Allowable Costs/Cost Principles, Cash Management, and Reporting compliance requirements.

Questioned Costs

Known questioned costs of \$506 were identified as detailed in the *Condition*.

SOUTH BEND COMMUNITY SCHOOL CORPORATION
SCHEDULE OF FINDINGS AND QUESTIONED COSTS
(Continued)

Recommendation

We recommended that the School Corporation's management establish controls to ensure that documentation is maintained and made available for audit related to the Allowable Costs/Cost Principles, Cash Management, and Reporting compliance requirements.

Views of Responsible Officials

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

FINDING 2017-008

Subject: Title I Grants to Local Educational Agencies - Allowable Costs/Cost Principles, Cash Management, Reporting
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): 15-7205, 16-7205, 17-7205
Pass-Through Entity: Indiana Department of Education
Compliance Requirements: Allowable Costs/Cost Principles, Cash Management, Reporting
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 Allowable Costs/Cost Principles, Cash Management, and Reporting compliance requirements.

The School Corporation had not designed or implemented adequate internal controls to ensure that employment contracts were retained for employees paid from grant funds. The School Corporation could not locate six contracts and one updated contract. The amounts paid to those employees could not be verified to an approved contract.

The School Corporation also had not established an effective internal control system to ensure that grant expenditures were adequately documented, that they were paid before they were included on a reimbursement request, and that the reimbursement requests were complete and accurate prior to submission.

Many expenditures charged to the Title I to Local Educational Agencies programs were paid without adequate supporting documentation. Therefore, it could not be determined whether expenditures were allowable costs or whether they were paid prior to inclusion on a reimbursement request. Also, the completeness and accuracy of the reimbursement requests could not be determined since not all expenditures included on the reimbursement requests were properly documented.

Context

The lack of controls and failure to provide adequate supporting documentation for expenditures were systemic issues throughout the audit period.

SOUTH BEND COMMUNITY SCHOOL CORPORATION
SCHEDULE OF FINDINGS AND QUESTIONED COSTS
(Continued)

Criteria

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

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

2 CFR 200.303 states in part:

"The non-Federal entity must:

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

2 CFR 200.403 states in part:

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

(g) Be adequately documented. . . ."

34 CFR 76.702 states: "A State and a subgrantee shall use fiscal control and fund accounting procedures that insure proper disbursement of and accounting for Federal funds."

34 CFR 76.730 states:

"A State and a subgrantee shall keep records that fully show:

- (a) The amount of funds under the grant or subgrant;
- (b) How the State or subgrantee uses the funds;
- (c) The total cost of the project;
- (d) The share of that cost provided from other sources; and
- (e) Other records to facilitate an effective audit."

34 CFR 80.20 states in part:

"(a) A State must expend and account for grant funds in accordance with State laws and procedures for expending and accounting for its own funds. Fiscal control and accounting procedures of the State, as well as its subgrantees and cost-type contractors, must be sufficient to:

SOUTH BEND COMMUNITY SCHOOL CORPORATION
SCHEDULE OF FINDINGS AND QUESTIONED COSTS
(Continued)

- (1) Permit preparation of reports required by this part and the statutes authorizing the grant, and
 - (2) Permit the tracing of funds to a level of expenditures adequate to establish that such funds have not been used in violation of the restrictions and prohibitions of applicable statutes.
- (b) The financial management systems of other grantees and subgrantees must meet the following standards:
- (1) *Financial reporting.* Accurate, current, and complete disclosure of the financial results of financially assisted activities must be made in accordance with the financial reporting requirements of the grant or subgrant.
 - (2) *Accounting records.* Grantees and subgrantees must maintain records which adequately identify the source and application of funds provided for financially-assisted activities. . . ."

2 CFR 200.302 states in part:

"(a) Each state must expend and account for the Federal award in accordance with state laws and procedures for expending and accounting for the state's own funds. In addition, the state's and the other non-Federal entity's financial management systems, including records documenting compliance with Federal statutes, regulations, and the terms and conditions of the Federal award, must be sufficient to permit the preparation of reports required by general and program-specific terms and conditions; and the tracing of funds to a level of expenditures adequate to establish that such funds have been used according to the Federal statutes, regulations, and the terms and conditions of the Federal award. . . .

- (2) Accurate, current, and complete disclosure of the financial results of each Federal award or program in accordance with the reporting requirements set forth in §§ 200.327 Financial reporting and 200.328 Monitoring and reporting program performance. . . .
- (3) Records that identify adequately the source and application of funds for federally-funded activities. . . ."

34 CFR 76.731 states: "A State and a subgrantee shall keep records to show its compliance with program requirements."

Cause

The School Corporation's management had not developed or implemented a system of internal controls to ensure that adequate supporting documentation for expenditures was maintained related to the Allowable Costs/Cost Principles, Cash Management, and Reporting compliance requirements.

Effect

The failure to establish an effective internal control system and failure to maintain and provide supporting documentation for expenditures prevented the determination of the School Corporation's compliance with the Allowable Costs/Cost Principles, Cash Management, and Reporting compliance requirements.

SOUTH BEND COMMUNITY SCHOOL CORPORATION
SCHEDULE OF FINDINGS AND QUESTIONED COSTS
(Continued)

Questioned Costs

There were no questioned costs identified.

Recommendation

We recommended that the School Corporation's management establish controls to ensure that documentation is maintained and made available for audit related to the Allowable Costs/Cost Principles, Cash Management, and Reporting compliance requirements.

Views of Responsible Officials

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

FINDING 2017-009

Subject: Title I Grants to Local Educational Agencies - Suspension and Debarment
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): 15-7205, 16-7205, 17-7205
Pass-Through Entity: Indiana Department of Education
Compliance Requirement: Procurement and Suspension and Debarment
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 suspension and debarment requirements of the Procurement and Suspension and Debarment compliance requirement.

The School Corporation failed to comply with the suspension and debarment requirement which required that they verify that all vendors were not suspended or debarred or otherwise excluded from participation in federal assistance programs.

Context

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

Criteria

2 CFR 200.303 states in part:

"The non-Federal entity must:

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

SOUTH BEND COMMUNITY SCHOOL CORPORATION
SCHEDULE OF FINDINGS AND QUESTIONED COSTS
(Continued)

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

Cause

Management 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 enabled material noncompliance to go undetected. Noncompliance with the grant agreement or the compliance requirement could have resulted in the loss of funds to the School Corporation.

Questioned Costs

There were no questioned costs identified.

Recommendation

We recommended that the School Corporation's management establish controls to ensure compliance and comply with 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 2017-010

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): 15-7205, 16-7205, 17-205

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

SOUTH BEND COMMUNITY SCHOOL CORPORATION
SCHEDULE OF FINDINGS AND QUESTIONED COSTS
(Continued)

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.

The School Corporation had not established internal controls to ensure that written documentation was retained, which supported the student's removal from the high school cohort graduation rate for mobility reasons. The supporting documentation provided for seven of the forty students requested did not accurately support the reason why the student was no longer enrolled in the School Corporation.

Context

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

Criteria

2 CFR 200.303 states in part:

"The non-Federal entity must:

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

34 CFR 200.19(b) states in part:

"*High schools*—

- (1) *Graduation rate.* Consistent with paragraphs (b)(4) and (b)(5) of this section regarding reporting and determining AYP, respectively, each State must calculate a graduation rate, defined as follows, for all public high schools in the State:

- (i)(A) A State must calculate a 'four-year adjusted cohort graduation rate,' defined as the number of students who graduate in four years with a regular high school diploma divided by the number of students who form the adjusted cohort for that graduating class. . . .

- (ii) The term 'adjusted cohort' means the students who enter grade 9 (or the earliest high school grade) and any students who transfer into the cohort in grades 9 through 12 minus any students removed from the cohort.

- (A) The term 'students who transfer into the cohort' means the students who enroll after the beginning of the entering cohort's first year in high school, up to and including in grade 12.

- (B) 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.

SOUTH BEND COMMUNITY SCHOOL CORPORATION
SCHEDULE OF FINDINGS AND QUESTIONED COSTS
(Continued)

(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. . . .

(2) *Transitional graduation rate.*

(i) Prior to the deadline in paragraph (b)(4)(ii)(A) of this section, a State must calculate graduation rate as defined in paragraph (b)(1) of this section or use, on a transitional basis—

(A) A graduation rate that measures the percentage of students from the beginning of high school who graduate with a regular high school diploma in the standard number or years; or . . .

(ii) For a transitional graduation rate calculated under paragraph (b)(2)(i) of this section—

(A) 'Regular high school diploma' has the same meaning as in paragraph (b)(1)(iv) of this section;

(B) 'Standard number of years' means four years unless a high school begins after ninth grade, in which case the standard number of years is the number of grades in the school; and

(C) A dropout may not be counted as a transfer. . . ."

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.

Effect

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

Questioned Costs

There were no questioned costs identified.

Recommendation

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

SOUTH BEND COMMUNITY SCHOOL CORPORATION
SCHEDULE OF FINDINGS AND QUESTIONED COSTS
(Continued)

FINDING 2017-011

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): 16-7205, 17-7205
Pass-Through Entity: Indiana Department of Education
Compliance Requirement: Eligibility
Audit Finding: Material Weakness

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. The School Corporation did not have adequate controls in place to ensure the accuracy of the eligibility determinations. The determination of which schools were eligible for Title I support was made without a sufficient review of the supporting documentation.

Context

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

Criteria

2 CFR 200.303 states in part:

"The non-Federal entity must:

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

Cause

Management had not developed a system of internal controls to ensure compliance with the Eligibility compliance requirement.

Effect

The failure to establish an effective internal control system placed the School Corporation at risk of noncompliance with the grant agreement and the compliance requirements. A lack of segregation of duties within an internal control system could have also allowed noncompliance with the compliance requirement and allowed the misuse and mismanagement of federal funds and assets by not having proper oversight, reviews, and approvals over the activities of the program.

SOUTH BEND COMMUNITY SCHOOL CORPORATION
SCHEDULE OF FINDINGS AND QUESTIONED COSTS
(Continued)

Recommendation

We recommended that the School Corporation's management establish controls related to the grant agreement and the Eligibility compliance requirement.

Views of Responsible Officials

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

FINDING 2017-012

Subject: Head Start - Cash Management

Federal Agency: Department of Health and Human Services

Federal Program: Head Start

CFDA Number: 93.600

Federal Award Numbers and Years (or Other Identifying Numbers): 05CH842802, 05CH842803,
05CH842804, 05HP000701,
05HP000702

Compliance Requirement: Cash Management

Audit Findings: Material Weakness, Modified Opinion

Condition

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

The School Corporation had not implemented procedures to ensure compliance with the cash management requirement that expenditures must have been paid before the request for reimbursement was submitted. The School Corporation could not provide proper documentation to demonstrate that expenditures were paid before the reimbursement requests were submitted. Therefore, we were unable to determine the School Corporation's compliance with the Cash Management compliance requirement.

Context

The lack of controls and lack of adequate documentation were systemic issues throughout the audit period.

Criteria

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

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

SOUTH BEND COMMUNITY SCHOOL CORPORATION
SCHEDULE OF FINDINGS AND QUESTIONED COSTS
(Continued)

2 CFR 200.303 states in part:

"The non-Federal entity must:

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

34 CFR 76.731 states: "A State and a subgrantee shall keep records to show its compliance with program requirements."

Cause

The School Corporation had not established an effective internal control structure that would have ensured that proper documentation was maintained and presented for audit related to the Cash Management compliance requirement.

Effect

The failure to establish an effective internal control system and failure to provide adequate documentation prevented the determination of the School Corporation's compliance with 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 that adequate documentation is maintained and available for audit to support its compliance with the Cash Management compliance requirement.

Views of Responsible Officials

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

AUDITEE-PREPARED DOCUMENTS

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



SOUTH BEND COMMUNITY SCHOOL CORPORATION

215 SOUTH DR.MARTIN LUTHER KING JR. BLVD.
SOUTH BEND, INDIANA 46601 (574) 393-6000

SUMMARY SCHEDULE OF PRIOR AUDIT FINDINGS

FINDING 2015-001 - Preparation of the Schedule of Expenditures of Federal Awards

Fiscal year in which the finding initially occurred: 2015

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

Contact Person Responsible for Corrective Action: Katherine Turk

Contact Phone Number: 574-393-6097

Status of Audit Finding:

- Due to the retirement of executive director of operations services in June 2016, the vacancy was not filled until September 2016, this change was not known by the new leadership.

The following steps have been completed:

- This process is now in compliance with the finding as of April 2018.

(Signature)

Katherine M. Turk

(Title)

Executive Director of Operations Services

(Date)

April 18, 2018

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



SOUTH BEND COMMUNITY SCHOOL CORPORATION

215 SOUTH DR.MARTIN LUTHER KING JR. BLVD.
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SUMMARY SCHEDULE OF PRIOR AUDIT FINDINGS

FINDING 2015-002 - Cash Management

Fiscal year in which the finding initially occurred: 2015

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

Contact Person Responsible for Corrective Action: Victoria L. Moore, Director Food & Nutrition

Contact Phone Number: 574-393-6056

Status of Audit Finding:

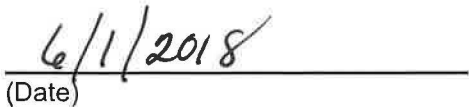
Corrective Action Findings – 002 Cash Management

The following steps have been completed:

1. Analyze Cash Flow and Expenditure – Work in progress
2. Review/Monitor Financial Status- Work in progress
3. Suggested List of Improvements – Completed
4. Equipment was purchased - Completed


(Signature)

Director
(Title)



(Date)

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



SOUTH BEND COMMUNITY SCHOOL CORPORATION

215 SOUTH DR.MARTIN LUTHER KING JR. BLVD.
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SUMMARY SCHEDULE OF PRIOR AUDIT FINDINGS

FINDING 2015-003 - Suspension and Debarment

Fiscal year in which the finding initially occurred: 2015

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

Contact Person Responsible for Corrective Action: Victoria L. Moore, Director Food & Nutrition

Contact Phone Number: 574-393-6056

Status of Audit Finding:

The following steps have been completed:

1. Suspension and Debarment – Form was added
2. Purchasing Agent will confirm – No new bid, only renewal. Form was included with renewal
3. Procurement Supervisor checked vendors were eligible
4. No new bids- Completed

(Signature)

Victoria L. Moore

(Title)

Director

(Date)

4/18/18

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



SOUTH BEND COMMUNITY SCHOOL CORPORATION

215 SOUTH DR.MARTIN LUTHER KING JR. BLVD.
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SUMMARY SCHEDULE OF PRIOR AUDIT FINDINGS

FINDING 2015-004 - Program Income

Fiscal year in which the finding initially occurred: 2015

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

Contact Person Responsible for Corrective Action: Victoria L. Moore, Director Food & Nutrition

Contact Phone Number: 574-393-6056

Status of Audit Finding:

The following steps have been completed:

Corrective Actions Findings – 004 Program Income

1. Students no longer active – money returned or transferred upon written request from guardian.
2. Students still active – money carried over to new school year. In some cases money was transferred to a sibling.

(Signature)

(Title)

(Date)

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



SOUTH BEND COMMUNITY SCHOOL CORPORATION

215 SOUTH DR. MARTIN LUTHER KING JR. BLVD.
SOUTH BEND, INDIANA 46601 (574) 393-6000

SUMMARY SCHEDULE OF PRIOR AUDIT FINDINGS

FINDING 2015-005 - Activities Allowed, Allowable Costs/Cost Principles, Eligibility and Special Tests and Provisions

Fiscal year in which the finding initially occurred: 2015

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

Contact Person Responsible for Corrective Action: Victoria L. Moore, Director Food & Nutrition

Contact Phone Number: 574-393-6056

Status of Audit Finding:

Corrective Action Findings – 005 Activities Allowed, Allowable Costs/Cost Principles, Eligibility and Special Tests and Provisions

The following steps have been completed:

1. Activities Allowed, Allowable Costs/Principals
 - a. Managers will submit signed invoices weekly – yes, due to change in managers. New managers/sub manager milk bills were not always signed but invoices are matched to statement before payment is submitted. The Accountability Supervisor will give unsigned invoices to the Supervise who will secure the required signature.
2. Unsigned invoices returned for signature – same as 1a above
3. Unsigned invoices returned for signature – same as 1a above
4. Unsigned invoices returned for signature – same as 1a above
5. Process invoices for payment – yes, invoices were matched up to the statements then process for payment.

Eligibility

1. Application Specialist will review application for accuracy- completed
2. Inaccurate application will be turned over to the director- none found
3. Household will be notified of change – no changes found
4. Family has right to submit new application - Families can always submit a new application if there is changes in income or family size

Special Test and Provisions- Verification of Application

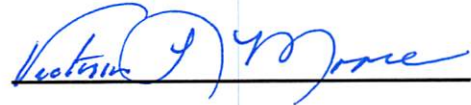
1. Director will verify selected application – completed
2. Will notify household of verification results – completed
3. Will prepare verification summary report – completed
4. Prior to submitting verification summary report financial supervisor will review selected application and verification summary reports for accuracy – completed
5. Financial Supervisor will sign off once the review is complete – completed

6. After second review the report will be submitted to IDOE by December 15th – completed

Special test and Provision – Paid Lunch Equity

1. Director will complete the Paid Lunch equity application each year - completed
2. Prior to submission financial Supervisor will review the application for accuracy – completed
3. If errors are found application is returned to the Director – completed
4. Once application is complete and accurate print a copy and save – completed
5. Both Food & Nutrition Director and Financial Supervisor will sign and date the Paid Equity Application – completed
6. Will maintain a copy of the application with the NSLP – completed
7. Director will submit Paid Equity Application to DOE – completed
8. Should the Paid Equity Application indicate a lunch meal price increase is needed the Food & Nutrition Director can file for a waiver not to increase lunch – waiver completed
9. Doe will notify Food & Nutrition of approval or denial, DOE decision letter will be kept with the next school year's contract for the NSLP – completed.

(Signature)



(Title)



(Date)



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



SOUTH BEND COMMUNITY SCHOOL CORPORATION

215 SOUTH DR. MARTIN LUTHER KING JR. BLVD.
SOUTH BEND, INDIANA 46601 (574) 393-6000

SUMMARY SCHEDULE OF PRIOR AUDIT FINDINGS

FINDING 2015-006- Cash Management and Reporting

Fiscal year in which the finding initially occurred: 2015

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

Contact Person Responsible for Corrective Action: Matthew Johns and Pauline Busby

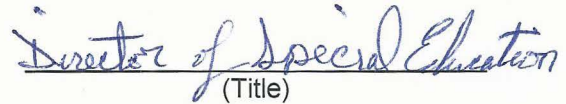
Contact Phone Number: 574-283-8130

Status of Audit Finding:

The process continues to be reviewed and implementation of this process will continue on a monthly basis to be sure expenses and reimbursements are occurring in a timely fashion..



(Signature)



(Title)



(Date)

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



SOUTH BEND COMMUNITY SCHOOL CORPORATION

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SUMMARY SCHEDULE OF PRIOR AUDIT FINDINGS

FINDING 2015-007 - Matching Earmarking and Reporting

Fiscal year in which the finding initially occurred: 2015

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

Contact Person Responsible for Corrective Action: Dr. Kathy Guajardo, Executive Director / Brenda Overton, Fiscal Officer (SBCSC)

Contact Phone Number: Dr. Kathy Guajardo (574) 283-8128, Brenda Overton (574)

Status of Audit Finding:

See attached documentation:

(Signature)

Dr. Kathy L. Guajardo
Executive Director
Elkhart + St. Joseph Counties
Head Start Consortium

(Title)

(Date)

April 18, 2018

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



Elkhart and St. Joseph Counties Head Start Consortium

245 North Lombardy, Suite A ~ South Bend, IN 46619

Office Phone: (574) 283-8127 ~ Fax: (574) 283-8108

Toll – Free: (866) 440-8843 Web site: www.headstartesj.com

Dr. Kathy Guajardo, Executive Director (574) 283-8128

CORRECTIVE ACTION PLAN

Finding: Section III Federal Award Findings and Questioned Costs

Dr. Kathy Guajardo, Executive Director (574) 283-8128

Brenda Overton, Fiscal Officer (574) 283-8115

Description of Corrective Action Plan:

Corrective Action Plan will include the following steps toward making the finding compliant.

1. Create a budget line in each category and entitle it Administrative Costs, which is to be listed within the administrative line of the Chart of Accounts noted in the AS400/RDS System and charged under the appropriate grant as administrative costs. Example, managerial portions of salaries and supplies. **The Fiscal Officer and Fiscal Head Start Team coordinated efforts to ensure administrative costs were embedded in the Chart of Accounts through recording the costs in RDS and AS400. However, while RDS was capable of providing the support needed, the AS400 was not. AS400 system kept giving errors, erroneous data and causing the Chart of Accounts appear to fall into the negative. This all became concerning as the reports were not reflective of actual recordkeeping. As a result, spread sheets were developed for the Fiscal Officer to track the Chart of Accounts with the Fiscal Team to ensure accuracy, accountability and reporting.**

Then during the course of the transition of operations, Head Start Performance Standards were authorized and codified stating that:

1302.101 Management Systems4) Maintains an automated accounting and record keeping system adequate for effective oversight.

At this point the grantee sought to procure an accounting system that would be automated and ensure accuracy. Currently, the system is being set-up and will be operational in a matter of weeks. The new accounting software is structured to identify the administrative costs in the operating budgets for each program (Head Start, Early Head Start and Early Head Start – Child Care Partnerships. The system will allow staff to obligate the administrative costs in the budget for each budget category and sub-budget category. After the administrative expenditure has been posted, the system will “automatically” liquidated the expenditure to the administrative obligation.

The system will generate monthly administrative costs reports that included budgets, obligations, expenditures, total expenditures and the administrative costs budget balance.

2. Calculate Administrative Costs per pay period to ensure accuracy and note it on the AS400/ RDS system and submit the charge accordingly to the fiscal accounting system and reviewed by the Fiscal Officer.

The Fiscal Officer on a weekly basis reviews the administrative costs that was recorded during the week. The review includes checking payroll documents, invoices, purchase orders and reports to ensure the administrative costs is correctly posted. Documentation is available.

3. All documentation will be filed at the Consortium's Grantee Office, which will include and not limited to: Relevant Chart of Account, Payroll Roster, Time Sheets, Reports, and any other forms of relevant documents. **Practice is in place.**
4. The Fiscal Officer will review/monitor on a bi-weekly basis and the Executive Director will monitor the reports at the end of each month. **Current practice.**
5. The Consortium Board will receive a monthly report along with the rest of the fiscal reports. **Current practice.**
6. The methodology will be reflected in the Cost Allocation Plan (Manual) and the Consortium's Fiscal Manual, updates will be noted as needed based on regulatory changes. The actual will be supported through the bi-weekly reports. **Current practice.**

Completion Date: June 1st, 2016

Dr. Kathy Guajardo
Executive Director, Elkhart and St. Joseph Counties Head Start Consortium
 April 5th, 2016

Capturing In-Kind Documentation:

At the time of this audit, the Consortium has a Fiscal Officer vacancy and the position has been filled. The lack of documentation occurred resulting from not having information available to the Executive Director at the time of review.

Therefore, the Corrective Action Plan will include the following procedures:

1. Staff will turn in all in-kind generated by parents and submit to the Non-Federal Entity Office (Grantee). **Current practice.**
2. The Consortium's Data Team will enter all allowable in-kind forms into the Childplus Software System under each parent's personal account so that hours, and value amount can be captured. Additionally, the data team upon completion will mark the in-kind form as "received and allowable" based on federal guidelines. Should an in-kind form be submitted that is questionable the data team will send the form to the appropriate manager for their review. The Manager will evaluate the form and determine eligibility and sign off as "allowable" or "disallowable." If marked allowable the data team will continue the process of receiving the in-kind and enter into the system.
The agency has developed and implemented process to ensure the match (non-federal share) is allocable, reasonable and allowable. The match that's entered into the child plus data base is reviewed by the fiscal staff to ensure its allocable, reasonable and allowable before its recorded as match in the fiscal unit. To ensure the match past the three tests, the fiscal staff generates reports from the child plus system and reconciles the reports to the records of the contributions. If errors are identified, the fiscal staff returns the records to the appropriate department for correction. Correction includes the records and the imputed data in child plus.
The staff will then return the records to the fiscal unit so the match can be recorded in finance.
3. All Parent In-kind forms that are received and entered into the system will be collected by the month, a childplus roster report will be attached, along with another Childplus report that reflects the total amount of in-kind collected for the month and a copy of the Board Report will be attached on top of the documentation to make the flow of information consistent and reliable.

Current practice. All forms that are allowable are recorded with their reports by parents, by dates, in boxes. This is very cumbersome and the goal will be to streamline in the future.

4. The fiscal department will run a monthly report based on information captured within the month. The importance of monthly captures will generate an accumulative figure generated from the monthly entries regardless just as long as it meets the criteria of not being previously entered during the course of the grant year. **Current practice.**
5. All in-kind generated by other budget lines (examples: transportation) those items will be submitted according to a framework and dollar amount as approved by the Consortium's Board. **Current practice.**

Completion Date: June 1st, 2016

Dr. Kathy Guajardo

Executive Director, Elkhart and St. Joseph Counties Head Start Consortium

April 5th, 2016



SOUTH BEND COMMUNITY SCHOOL CORPORATION

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SOUTH BEND, INDIANA 46601 (574) 393-6000

CORRECTIVE ACTION PLAN

FINDING 2017-001

Contact Person Responsible for Corrective Action: Katherine Turk
Contact Phone Number: 574-393-6097

Views of Responsible Official: We concur with the finding.

Description of Corrective Action Plan:

A new position within Finance Department will be created to manage the compliance and internal controls on all grants. This position will be responsible for review and approval of all aspects of grant spending. Additionally, the SEFA will be reviewed by this new position to check for errors and then sent to the Treasurer, who will review and submit the SEFA to Gateway. Crowe Horvath has completed its review of internal controls and risk assessment for the district, this report will be used to produce an internal controls manual. The internal controls manual will be produced with procedures for grant cycle management and allocation of duties with the new position that provides compliance and risk management checks for all grant funds.

Anticipated Completion Date:

December, 31 2018

(Signature)

Katherine G. Turk

(Title)

TREASURER

(Date)

June 19, 2018



SOUTH BEND COMMUNITY SCHOOL CORPORATION

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CORRECTIVE ACTION PLAN

FINDING 2017-002 – Allowable Cost/Cost Principles

Contact Person Responsible for Corrective Action: Victoria Moore
Contact Phone Number: 574-393-6060

Views of Responsible Official:

We concur with the findings.

Description of Corrective Action Plan:

1. Work with Human Resources to understand all requisitions must include the Director of Food & Nutrition signature before an employee can be set up to be paid out of 080 fund.
2. Monthly the Food & Nutrition Department will review all payroll records for the 080 fund.
3. Quarterly get a list of employees assigned to the 080 fund to find discrepancies against our staffing list.
Have Human Resources provide Food & Nutrition a list with board approved salaries for Teacher stipends, Food Delivery Drivers, PPA's, CSA's, and Managers.

Anticipated Completion Date: This will be on-going monthly

Victoria A Moore
(Signature)

Director
(Title)

June 19, 2018
(Date)



SOUTH BEND COMMUNITY SCHOOL CORPORATION

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CORRECTIVE ACTION PLAN

FINDING 2017-003 – Cash Management

Contact Person Responsible for Corrective Action: Victoria Moore
Contact Phone Number: 574-393-6060

Views of Responsible Official:

We concur with the finding.

Description of Corrective Action Plan:

1. The Director will expand her expense summary report to include reimbursements and cash balances to provide an accurate monthly report.
2. Implementing a new POS system which will allow us to run reports in real time to track information.
3. Each month we will review our expense summary report and when needed make recommendations for improvement and purchases to the benefit of the Food & Nutrition Program

Anticipated Completion Date: This will be an on-going monthly procedure.

Victoria L Moore
(Signature)

Director
(Title)

June 19, 2018
(Date)



SOUTH BEND COMMUNITY SCHOOL CORPORATION

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CORRECTIVE ACTION PLAN

FINDING 2017-004 - Procurement

Contact Person Responsible for Corrective Action: Victoria Moore
Contact Phone Number: 574-393-6060

Views of Responsible Official:

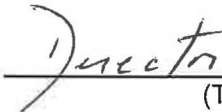
We concur with finding

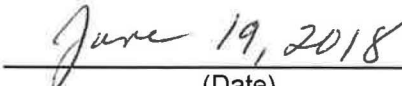
Description of Corrective Action Plan:

1. We will develop a form to document quotes received to include the company name, price, reason for purchase and list of items when purchasing products under \$3,500 dollars.
2. When buying produce the Procurement Supervisor will obtain and keep copies of vendor pricing list and notify managers as to the best source to purchase from.

Anticipated Completion Date: This will be on-going monthly for purchase of NSBP, NSLP and CACFP Programs


(Signature)


(Title)


(Date)



SOUTH BEND COMMUNITY SCHOOL CORPORATION

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CORRECTIVE ACTION PLAN

FINDING 2017-005 - Reporting

Contact Person Responsible for Corrective Action: Victoria Moore
Contact Phone Number: 574-393-6060

Views of Responsible Official:
We concur with finding.

Description of Corrective Action Plan:

1. We will work with the Budget Department to insure all monies are accurately reported to the 080 fund by the end of June of each year. This process will ensure accurate currant and complete disclosure of financial results.

Anticipated Completion Date: August 2018

Victoria D Moore
(Signature)

Director
(Title)

June 19, 2018
(Date)



SOUTH BEND COMMUNITY SCHOOL CORPORATION

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CORRECTIVE ACTION PLAN

FINDING 2017-006 Program Income

Contact Person Responsible for Corrective Action: Victoria Moore
Contact Phone Number: 574-393-6060

Views of Responsible Official:

We concur with the finding

Description of Corrective Action Plan:

1. With the implementation of our new POS system we have been ensured that all pre-paid money will be accounted for and access pre-payment information based on student, school and day.
2. With the new POS system it is less likely that the wrong information will be used.
3. To ensure that the monies have been properly transferred Food & Nutrition will receive a copy of the pre-paid transfers.

Anticipated Completion Date: This will be on-going monthly

Victoria L Moore

(Signature)

Director

(Title)

June 19, 2018

(Date)



SOUTH BEND COMMUNITY SCHOOL CORPORATION

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CORRECTIVE ACTION PLAN

FINDING 2017 -007 (Auditor Assigned Reference Number)

Contact Person Responsible for Corrective Action: MATTHEW JOHNS

Contact Phone Number: 574-393-6119

Views of Responsible Official: We concur with the finding.

Description of Corrective Action Plan:

We will require documentation of all salary amounts contracted and validate amounts disbursed each pay period.

Special Ed Director, budget coord. and assist. will meet first of each month to review and revise planned expenditures.

Will meet with corp. budget dept to assure that expenditures and reimbursements are timely.

Documentation will be reviewed each quarter to verify accuracy. Errors/discrepancies will be corrected and validated with whatever dept is necessary.

Anticipated Completion Date:

Since this will involve several other departments, implementation will rely on our persistence and others cooperation; we anticipate completion by October 2018.

A handwritten signature in black ink that reads "Matthew Johns". The signature is written in a cursive style and is positioned above a horizontal line.

(Signature)

Director, Special Education Services

(Title)

June 20, 2018

(Date)



SOUTH BEND COMMUNITY SCHOOL CORPORATION

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CORRECTIVE ACTION PLAN

FINDING 2017-008 (Auditor Assigned Reference Number)

Contact Person Responsible for Corrective Action: Darice Austin-Phillips
Contact Phone Number: 574-393-6051

Views of Responsible Official: We concur with the findings

Description of Corrective Action Plan:

The Human Resource Department will maintain all certified staff contracts and make available for review a minimum of five years on site.

The Reimbursement back up information has been addressed and a correction action written in a Desktop Monitoring through the IDOE and started March of 2017. Specific detailed back up information is saved and available upon request in the Budget Supervisors office.

Anticipated Completion Date: This process will start August 1, 2018


(Signature)

Director of Federally Funded Programs
(Title)

June 20, 2018
(Date)



SOUTH BEND COMMUNITY SCHOOL CORPORATION

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CORRECTIVE ACTION PLAN

FINDING 2017-009 (Auditor Assigned Reference Number)

Contact Person Responsible for Corrective Action: Darice Austin-Phillips
Contact Phone Number: 574-393-6051

Views of Responsible Official: We concur with the findings

Description of Corrective Action Plan:

Title I department will make sure that in all Title I contracts there will be a paragraph ensuring that the vendor has not been suspended or debarred by the Federal Government.

In addition, the corporation's Purchasing Agent will request a document, certifying the vendor has not been suspended or disbarred by the Federal Government for all vendors paid from a federal grant. This document will be filed with the vendor's W-9. The vendor will be required to notify SBCSC in writing if their status changes.

Anticipated Completion Date: This process will start June 20, 2018, 2018


(Signature)

Director of Federally Funded Programs
(Title)

June 20, 2018
(Date)



SOUTH BEND COMMUNITY SCHOOL CORPORATION

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CORRECTIVE ACTION PLAN

FINDING 2017-010 (Auditor Assigned Reference Number)

Contact Person Responsible for Corrective Action: Darice Austin-Phillips
Contact Phone Number: 574-393-6051

Views of Responsible Official: We concur with the findings

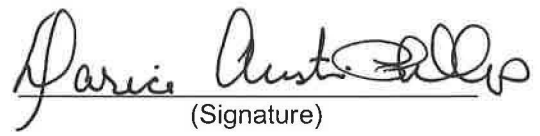
Description of Corrective Action Plan:

Procedure for Withdrawing Students from all SBCSC High Schools

Anytime a parent requests that a student withdraw from John Adams High School, the following steps must be followed. If a parent is not requesting a transfer, the principal will complete an exit interview. All transfers will follow this procedure. (Please also see the procedure for processing no shows.)

1. Only the principal is allowed to sign the withdrawal form. If the principal is not available, an assistant principal may sign the withdrawal form and immediately email it to the principal.
2. Prior to signing the withdrawal form, the principal will speak with the parents and student to gather any information that may help the school understand why a withdrawal is necessary. Once this conversation has happened, the principal will advise the parent and student.
3. If it is determined that the student will transfer, the signed withdrawal form will be filed in a binder based on class cohort. For example, all students scheduled to graduate in the spring of 2017 will be filed with the 2017 cohort. The principal must determine the name and contact information for the receiving school.
4. It is the responsibility of the data technician to manage these cohorts by checking Learning Connection weekly. If discrepancies are visible in Learning Connection, a data technician will contact the SBCSC Department of Research and Evaluation and the IDOE.
5. The secretary of student management will forward any requests for records to the data technician to file with the student's withdrawal paperwork. **(We must have a request for records for every student withdrawing from SBCSC.)**
6. The data technician will follow up regarding any student with whom we did not receive a request for records for within one week of the withdrawal. The data technician will contact the receiving school and parent to locate the records request.
7. The data technician will continue to locate a request for records weekly until the request is received by SBCSC.

Anticipated Completion Date: This process will start August, 2018


(Signature)

Director of Federally Funded Programs
(Title)

June 20, 2018



SOUTH BEND COMMUNITY SCHOOL CORPORATION

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CORRECTIVE ACTION PLAN

FINDING 2017-011 (Auditor Assigned Reference Number)

Contact Person Responsible for Corrective Action: Darice Austin-Phillips
Contact Phone Number: 574-393-6051

Views of Responsible Official: We concur with the finding

Description of Corrective Action Plan: In the past the Title department relied on the September student count, and the Food and Nutrition Data, however, the data did not always match the state data. The Title I department decided to use the IDOE Compass to determine school eligibility. This process started with the upcoming 2017-2018 Title I grant.

Anticipated Completion Date: May, 2018


(Signature)

Director of Federally Funded Programs
(Title)

June 20, 2018
(Date)



SOUTH BEND COMMUNITY SCHOOL CORPORATION

215 SOUTH DR. MARTIN LUTHER KING JR. BLVD.
SOUTH BEND, INDIANA 46601 (574) 393-6000

CORRECTIVE ACTION PLAN

Finding: 2017-012

Federal Award Numbers and Years (or Other Identifying Numbers): 05CH8420802, 05CH842803, 05CH842804, 05HP000701, 05HP000702

Dr. Kathy L. Guajardo
(574) 283-8128

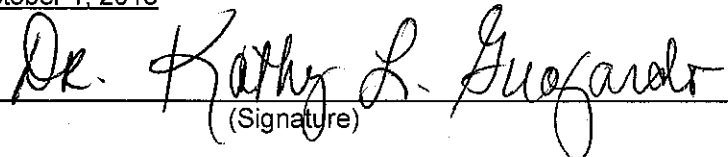
Views of the Responsible Official:

We will agree to the findings as indicated in the report. We will comply to the Corrective Action Plan as outlined below.

Description of Corrective Action Plan:

1. Review and revise current cash management policies and procedures;
2. Obtain Approval of the revise policies and procedures (Board of Directors and Policy Council);
3. Training staff, board of directors and policy council on revise polices and procedures (Executive Director and Fiscal Staff);
4. Implement revise polices and procedures (Executive Director and Fiscal Staff);
5. Evaluate the effectiveness of the revise polices and procedures (Executive Director and Board of Directors); and
6. Implement changes based on the evaluation, if applicable (Executive Director and Fiscal Staff)

Anticipated Completion Date: October 1, 2018



(Signature)

Executive Director, Elkhart and St. Joseph Counties Head Start Consortium
(Title)

June 20, 2018
(Date)

OTHER REPORTS

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