

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

FINANCIAL STATEMENT AND  
FEDERAL SINGLE AUDIT REPORT  
OF

BENTON COMMUNITY SCHOOL CORPORATION  
BENTON COUNTY, INDIANA

July 1, 2015 to June 30, 2017



**FILED**  
07/19/2018



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SCHEDULE OF OFFICIALS

<u>Office</u>	<u>Official</u>	<u>Term</u>
Treasurer	Tracy Albertson	07-01-15 to 06-30-18
Superintendent of Schools	Gregg Hoover	07-01-15 to 06-30-19
President of the School Board	Gabe Widmer Patrick Thurston	01-01-15 to 12-31-17 01-01-18 to 12-31-18



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INDEPENDENT AUDITOR'S REPORT

TO: THE OFFICIALS OF THE BENTON COMMUNITY SCHOOL  
CORPORATION, BENTON COUNTY, INDIANA

**Report on the Financial Statement**

We have audited the accompanying financial statement of the Benton 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 6, 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 6, 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 BENTON COMMUNITY SCHOOL  
CORPORATION, BENTON 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 Benton 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 6, 2018, wherein we noted the School Corporation followed accounting practices the Indiana State Board of Accounts prescribes rather than accounting principles generally accepted in the United States of America.

**Internal Control over Financial Reporting**

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

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

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

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

**Compliance and Other Matters**


As part of obtaining reasonable assurance about whether the School Corporation's financial statement is free of material misstatement, we performed tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements, noncompliance with which could have a direct and material effect on the determination of financial statement amounts. However, providing an opinion on compliance with those provisions was not an objective of our audit and, accordingly, we do not express such an opinion. The results of our tests disclosed instances of noncompliance or other matters that are required to be reported under *Government Auditing Standards* and which are described in the accompanying Schedule of Findings and Questioned Costs as items 2017-001.

**Benton 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 6, 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.

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BENTON 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
General	\$ 3,339,298	\$ 13,198,711	\$ 12,709,410	\$ -	\$ 3,828,599	\$ 13,137,878	\$ 13,329,513	\$ -	\$ 3,636,964
Debt Service	1,507,641	2,279,267	2,231,000	(30,980)	1,524,928	2,278,747	2,232,000	(90,369)	1,481,306
Retirement/Severance Bond Debt Service	29,816	248,851	251,013	-	27,654	246,471	245,678	-	28,447
Capital Projects	1,181,320	2,507,928	2,230,639	-	1,458,609	2,640,187	2,413,289	-	1,685,507
School Transportation	1,150,735	1,863,977	1,505,773	269	1,509,208	1,925,535	1,588,419	-	1,846,324
School Bus Replacement	646,926	355,420	405,460	-	596,886	497,785	398,523	-	696,148
Rainy Day	4,630,161	54,689	97,055	-	4,587,795	-	15,797	-	4,571,998
Retirement/Severance Bond	259,875	1,404	18,542	-	242,737	841	-	-	243,578
Reconstruction Fund	4,806	11,907	16,713	-	-	-	-	-	-
Construction High School	639	-	639	-	-	-	-	-	-
School Lunch	601,519	927,482	1,068,964	-	460,037	923,856	1,071,785	-	312,108
Textbook Rental	156,030	228,829	239,170	-	145,689	312,846	178,084	-	280,451
Levy Excess	269	-	-	(269)	-	-	-	-	-
Perkins Grant 2014-15	(581)	6,624	6,043	-	-	-	-	-	-
Perkins Grant 2015-16	-	24,933	24,576	-	357	587	944	-	-
Educational License Plates	14,259	149	-	-	14,408	150	-	-	14,558
Safe Haven Grant 2013-14	-	29,701	29,701	-	-	-	-	-	-
Safe Haven Grant 2014-15	-	34,615	50,000	-	(15,385)	14,010	(1,375)	-	-
Safe Haven - Dexter - Grant 2014-15	(1,819)	-	(1,819)	-	-	-	-	-	-
Secured School Safety Grant FY16	-	-	31,003	-	(31,003)	50,000	18,997	-	-
Secured School Safety Grant	-	-	-	-	-	1,097	38,761	-	(37,664)
Early Intervention Grant	-	-	-	-	-	8,388	1,594	-	6,794
Lilly Endowment Grant	-	-	-	-	-	30,000	2,504	-	27,496
Gifts/Donations	(7,775)	87,645	87,758	-	(7,888)	63,715	94,140	-	(38,313)
Pioneer Grant - Plant & Soil	2,048	5,000	6,648	-	400	-	-	-	400
Fowler Rotary Club Grant	-	1,000	659	-	341	-	341	-	-
After School Program	523	46,354	47,211	-	(334)	40,824	39,652	-	838
Cooperative School Services	16,195	131,063	125,291	-	21,967	140,058	110,699	-	51,326
Helping Hands	1,284	-	1,284	-	-	-	-	-	-
CEIS Grant - Cooperative Sch Svc	(4,145)	4,783	638	-	-	-	-	-	-
Benton Comm Foundation Grants	492	28,742	25,266	-	3,968	14,282	9,310	-	8,940
Computer Repair Pass-Through	(9,101)	8,186	3,318	-	(4,233)	5,168	-	-	935
Windmill Money	335,730	209,457	261,030	-	284,157	209,456	234,030	-	259,583
Formative Assessment	-	-	-	-	-	-	24,053	-	-
Medicaid Reimbursement	9,448	423	-	-	9,871	2,581	60	-	12,392
Non-English Speaking Programs	-	10,903	10,903	-	-	-	-	-	-
School Technology	1,320	6,564	6,180	-	1,704	8,468	4,860	-	5,312
Career and Technical Performance Grant	-	-	-	-	-	13,160	-	-	13,160
Gifted and Talented 2014-15	27,745	-	27,254	-	491	-	491	-	-
Gifted and Talented 2015-16	-	33,603	25,679	-	7,924	-	7,924	-	-
Gifted and Talented 2016-17	-	-	-	-	-	33,310	29,770	-	3,540
Senator David Ford Technology	4,195	-	4,195	-	-	-	-	-	-
Title I 2014-15	(46,520)	102,395	55,875	-	-	-	-	-	-
Title I 2015-16	-	197,870	212,048	-	(14,178)	48,917	34,739	-	-
Title I 2016-17	-	-	-	-	-	180,127	206,676	-	(26,549)
Adult Education Grant	1,636	-	1,636	-	-	-	-	-	-
Medicaid Reimbursement - Federal	28,648	839	7,992	-	21,495	5,128	1,514	-	25,109
Title II Class Size Reduction 2014-15	(13,727)	33,293	19,566	-	-	-	-	-	-
Title II Part A Improving Teacher Quality	-	42,774	49,817	-	(7,043)	21,564	14,992	-	(471)
Title II Class Size Reduction	-	-	-	-	-	21,416	29,981	-	(8,565)
Timothy Scholarship	(50)	50	-	-	-	-	-	-	-
Payroll	42,266	3,555,575	3,568,793	-	29,048	3,576,725	3,614,392	-	(8,619)
Totals	\$ 13,911,106	\$ 26,281,006	\$ 25,462,923	\$ (30,980)	\$ 14,698,209	\$ 26,477,330	\$ 25,992,137	\$ (90,369)	\$ 15,093,033

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

BENTON 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.

BENTON 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:

*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.

BENTON COMMUNITY SCHOOL CORPORATION  
NOTES TO FINANCIAL STATEMENT  
(Continued)

*G. Fund Accounting*

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

**Note 2. Budgets**

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

**Note 3. Property Taxes**

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

**Note 4. Deposits and Investments**

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

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

BENTON COMMUNITY SCHOOL CORPORATION  
NOTES TO FINANCIAL STATEMENT  
(Continued)

**Note 5. Risk Management**

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

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

**Note 6. Pension Plans**

*A. Public Employees' Retirement Fund*

*Plan Description*

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

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

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

*Funding Policy and Annual Pension Cost*

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

*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

BENTON COMMUNITY SCHOOL CORPORATION  
NOTES TO FINANCIAL STATEMENT  
(Continued)

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

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

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

*Funding Policy and Annual Pension Cost*

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

**Note 7. Negative Disbursements**

The financial statement contains some disbursements which appear as negative entries. This is a result of corrective entries and transfers.

**Note 8. Cash Balance Deficits**

The financial statement contains some funds with deficits in cash. This is a result of grants being on a reimbursable basis.

**Note 9. Holding Corporation**

The School Corporation has entered into capital leases with the Benton School Improvement Building Corporation (the lessor). The lessor was organized as a not-for-profit corporation pursuant to state statute for the purpose of financing and constructing or reconstructing facilities for lease to the School Corporation. The lessor has been determined to be a related-party of the School Corporation. Lease payments during the years ended June 30, 2016 and 2017, totaled \$2,231,000 and \$2,232,000, respectively.

#### OTHER INFORMATION - UNAUDITED

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

Differences may be noted between the financial information presented in the financial statement contained in this report and the financial information presented in the School Corporation's Financial Reports referenced above. These differences, if any, are due to adjustments made to the financial information during the course of the audit. This is a common occurrence in any financial statement audit. The financial information presented in this report is audited information, and the accuracy of such information can be determined by reading the opinion given in the Independent Auditor's Report.

The other information presented was approved by management of the School Corporation. It is presented as intended by the School Corporation.

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BENTON 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	Retirement/ Severance Bond Debt Service	Capital Projects	School Transportation	School Bus Replacement	Rainy Day	Retirement/ Severance Bond	Reconstruction Fund	Construction High School	School Lunch
Cash and investments - beginning	\$ 3,339,298	\$ 1,507,641	\$ 29,816	\$ 1,181,320	\$ 1,150,735	\$ 646,926	\$ 4,630,161	\$ 259,875	\$ 4,806	\$ 639	\$ 601,519
Receipts:											
Local sources	847,089	2,279,267	248,851	2,507,928	1,863,977	355,420	54,689	1,404	-	-	376,930
Intermediate sources	662	-	-	-	-	-	-	-	-	-	-
State sources	12,350,960	-	-	-	-	-	-	-	-	-	10,863
Federal sources	-	-	-	-	-	-	-	-	-	-	539,689
Other receipts	-	-	-	-	-	-	-	-	11,907	-	-
Total receipts	13,198,711	2,279,267	248,851	2,507,928	1,863,977	355,420	54,689	1,404	11,907	-	927,482
Disbursements:											
Instruction	8,813,786	-	-	-	-	-	-	18,542	-	-	-
Support services	3,895,624	-	-	1,546,373	1,505,773	405,460	97,055	-	16,713	-	1,215
Noninstructional services	-	-	-	-	-	-	-	-	-	-	1,067,749
Facilities acquisition and construction	-	-	-	684,266	-	-	-	-	-	639	-
Debt service	-	2,231,000	251,013	-	-	-	-	-	-	-	-
Nonprogrammed charges	-	-	-	-	-	-	-	-	-	-	-
Total disbursements	12,709,410	2,231,000	251,013	2,230,639	1,505,773	405,460	97,055	18,542	16,713	639	1,068,964
Excess (deficiency) of receipts over disbursements	489,301	48,267	(2,162)	277,289	358,204	(50,040)	(42,366)	(17,138)	(4,806)	(639)	(141,482)
Other financing sources (uses):											
Transfers in	-	-	-	-	269	-	-	-	-	-	-
Transfers out	-	(30,980)	-	-	-	-	-	-	-	-	-
Total other financing sources (uses)	-	(30,980)	-	-	269	-	-	-	-	-	-
Excess (deficiency) of receipts and other financing sources over disbursements and other financing uses	489,301	17,287	(2,162)	277,289	358,473	(50,040)	(42,366)	(17,138)	(4,806)	(639)	(141,482)
Cash and investments - ending	\$ 3,828,599	\$ 1,524,928	\$ 27,654	\$ 1,458,609	\$ 1,509,208	\$ 596,886	\$ 4,587,795	\$ 242,737	\$ -	\$ -	\$ 460,037

BENTON 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

	Textbook Rental	Levy Excess	Perkins Grant 2014-15	Perkins Grant 2015-16	Educational License Plates	Safe Haven Grant 2013-14	Safe Haven Grant 2014-15	Safe Haven - Dexter - Grant 2014-15	Secured School Safety Grant FY16	Secured School Safety Grant	Early Intervention Grant
Cash and investments - beginning	\$ 156,030	\$ 269	\$ (581)	\$ -	\$ 14,259	\$ -	\$ -	\$ (1,819)	\$ -	\$ -	\$ -
Receipts:											
Local sources	130,215	-	-	-	-	-	-	-	-	-	-
Intermediate sources	-	-	-	-	149	-	-	-	-	-	-
State sources	98,614	-	-	-	-	29,701	34,615	-	-	-	-
Federal sources	-	-	6,624	24,933	-	-	-	-	-	-	-
Other receipts	-	-	-	-	-	-	-	-	-	-	-
Total receipts	228,829	-	6,624	24,933	149	29,701	34,615	-	-	-	-
Disbursements:											
Instruction	-	-	-	8,000	-	-	-	-	-	-	-
Support services	239,170	-	6,043	16,576	-	6,480	7,778	(1,819)	168	-	-
Noninstructional services	-	-	-	-	-	-	-	-	-	-	-
Facilities acquisition and construction	-	-	-	-	-	23,221	42,222	-	30,835	-	-
Debt service	-	-	-	-	-	-	-	-	-	-	-
Nonprogrammed charges	-	-	-	-	-	-	-	-	-	-	-
Total disbursements	239,170	-	6,043	24,576	-	29,701	50,000	(1,819)	31,003	-	-
Excess (deficiency) of receipts over disbursements	(10,341)	-	581	357	149	-	(15,385)	1,819	(31,003)	-	-
Other financing sources (uses):											
Transfers in	-	-	-	-	-	-	-	-	-	-	-
Transfers out	-	(269)	-	-	-	-	-	-	-	-	-
Total other financing sources (uses)	-	(269)	-	-	-	-	-	-	-	-	-
Excess (deficiency) of receipts and other financing sources over disbursements and other financing uses	(10,341)	(269)	581	357	149	-	(15,385)	1,819	(31,003)	-	-
Cash and investments - ending	\$ 145,689	\$ -	\$ -	\$ 357	\$ 14,408	\$ -	\$ (15,385)	\$ -	\$ (31,003)	\$ -	\$ -

BENTON 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

	Lilly Endowment Grant	Gifts/ Donations	Pioneer Grant - Plant & Soil	Fowler Rotary Club Grant	After School Program	Cooperative School Services	Helping Hands	CEIS Grant - Cooperative Sch Svc	Benton Comm Foundation Grants	Computer Repair Pass- Through	Windmill Money
Cash and investments - beginning	\$ -	\$ (7,775)	\$ 2,048	\$ -	\$ 523	\$ 16,195	\$ 1,284	\$ (4,145)	\$ 492	\$ (9,101)	\$ 335,730
Receipts:											
Local sources	-	87,645	5,000	1,000	46,354	131,063	-	4,783	28,742	8,186	209,457
Intermediate sources	-	-	-	-	-	-	-	-	-	-	-
State sources	-	-	-	-	-	-	-	-	-	-	-
Federal sources	-	-	-	-	-	-	-	-	-	-	-
Other receipts	-	-	-	-	-	-	-	-	-	-	-
Total receipts	-	87,645	5,000	1,000	46,354	131,063	-	4,783	28,742	8,186	209,457
Disbursements:											
Instruction	-	85,933	6,648	659	46,803	104,527	-	638	25,266	-	257,030
Support services	-	1,825	-	-	408	20,764	1,284	-	-	1,807	-
Noninstructional services	-	-	-	-	-	-	-	-	-	-	-
Facilities acquisition and construction	-	-	-	-	-	-	-	-	-	1,511	4,000
Debt service	-	-	-	-	-	-	-	-	-	-	-
Nonprogrammed charges	-	-	-	-	-	-	-	-	-	-	-
Total disbursements	-	87,758	6,648	659	47,211	125,291	1,284	638	25,266	3,318	261,030
Excess (deficiency) of receipts over disbursements	-	(113)	(1,648)	341	(857)	5,772	(1,284)	4,145	3,476	4,868	(51,573)
Other financing sources (uses):											
Transfers in	-	-	-	-	-	-	-	-	-	-	-
Transfers out	-	-	-	-	-	-	-	-	-	-	-
Total other financing sources (uses)	-	-	-	-	-	-	-	-	-	-	-
Excess (deficiency) of receipts and other financing sources over disbursements and other financing uses	-	(113)	(1,648)	341	(857)	5,772	(1,284)	4,145	3,476	4,868	(51,573)
Cash and investments - ending	\$ -	\$ (7,888)	\$ 400	\$ 341	\$ (334)	\$ 21,967	\$ -	\$ -	\$ 3,968	\$ (4,233)	\$ 284,157

BENTON 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

	Formative Assessment	Medicaid Reimbursement	Non-English Speaking Programs	School Technology	Career and Technical Performance Grant	Gifted and Talented 2014-15	Gifted and Talented 2015-16	Gifted and Talented 2016-17	Senator David Ford Technology	Title I 2014-15
Cash and investments - beginning	\$ -	\$ 9,448	\$ -	\$ 1,320	\$ -	\$ 27,745	\$ -	\$ -	\$ 4,195	\$ (46,520)
Receipts:										
Local sources	-	-	-	-	-	-	-	-	-	-
Intermediate sources	-	-	-	-	-	-	-	-	-	-
State sources	-	423	10,903	6,564	-	-	33,603	-	-	-
Federal sources	-	-	-	-	-	-	-	-	-	102,395
Other receipts	-	-	-	-	-	-	-	-	-	-
Total receipts	-	423	10,903	6,564	-	-	33,603	-	-	102,395
Disbursements:										
Instruction	-	-	10,903	-	-	27,254	25,679	-	-	45,999
Support services	-	-	-	6,180	-	-	-	-	4,195	9,247
Noninstructional services	-	-	-	-	-	-	-	-	-	629
Facilities acquisition and construction	-	-	-	-	-	-	-	-	-	-
Debt service	-	-	-	-	-	-	-	-	-	-
Nonprogrammed charges	-	-	-	-	-	-	-	-	-	-
Total disbursements	-	-	10,903	6,180	-	27,254	25,679	-	4,195	55,875
Excess (deficiency) of receipts over disbursements	-	423	-	384	-	(27,254)	7,924	-	(4,195)	46,520
Other financing sources (uses):										
Transfers in	-	-	-	-	-	-	-	-	-	-
Transfers out	-	-	-	-	-	-	-	-	-	-
Total other financing sources (uses)	-	-	-	-	-	-	-	-	-	-
Excess (deficiency) of receipts and other financing sources over disbursements and other financing uses	-	423	-	384	-	(27,254)	7,924	-	(4,195)	46,520
Cash and investments - ending	\$ -	\$ 9,871	\$ -	\$ 1,704	\$ -	\$ 491	\$ 7,924	\$ -	\$ -	\$ -

BENTON 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

	Title I 2015-16	Title I 2016-17	Adult Education Grant	Medicaid Reimbursement - Federal	Title II Class Size Reduction 2014-15	Title II Part A Improving Teacher Quality	Title II Class Size Reduction	Timothy Scholarship	Payroll	Totals
Cash and investments - beginning	\$ -	\$ -	\$ 1,636	\$ 28,648	\$ (13,727)	\$ -	\$ -	\$ (50)	\$ 42,266	\$ 13,911,106
Receipts:										
Local sources	-	-	-	-	-	-	-	-	-	9,188,000
Intermediate sources	-	-	-	-	-	-	-	-	-	811
State sources	-	-	-	-	-	-	-	-	-	12,576,246
Federal sources	197,870	-	-	839	33,293	42,774	-	-	-	948,417
Other receipts	-	-	-	-	-	-	-	50	3,555,575	3,567,532
Total receipts	197,870	-	-	839	33,293	42,774	-	50	3,555,575	26,281,006
Disbursements:										
Instruction	194,270	-	1,636	-	18,668	49,817	-	-	-	9,742,058
Support services	9,828	-	-	1,133	898	-	-	-	-	7,800,178
Noninstructional services	7,950	-	-	-	-	-	-	-	-	1,076,328
Facilities acquisition and construction	-	-	-	6,859	-	-	-	-	-	793,553
Debt service	-	-	-	-	-	-	-	-	-	2,482,013
Nonprogrammed charges	-	-	-	-	-	-	-	-	3,568,793	3,568,793
Total disbursements	212,048	-	1,636	7,992	19,566	49,817	-	-	3,568,793	25,462,923
Excess (deficiency) of receipts over disbursements	(14,178)	-	(1,636)	(7,153)	13,727	(7,043)	-	50	(13,218)	818,083
Other financing sources (uses):										
Transfers in	-	-	-	-	-	-	-	-	-	269
Transfers out	-	-	-	-	-	-	-	-	-	(31,249)
Total other financing sources (uses)	-	-	-	-	-	-	-	-	-	(30,980)
Excess (deficiency) of receipts and other financing sources over disbursements and other financing uses	(14,178)	-	(1,636)	(7,153)	13,727	(7,043)	-	50	(13,218)	787,103
Cash and investments - ending	\$ (14,178)	\$ -	\$ -	\$ 21,495	\$ -	\$ (7,043)	\$ -	\$ -	\$ 29,048	\$ 14,698,209

BENTON COMMUNITY SCHOOL CORPORATION  
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	General	Debt Service	Retirement/ Severance Bond Debt Service	Capital Projects	School Transportation	School Bus Replacement	Rainy Day	Retirement/ Severance Bond	Reconstruction Fund	Construction High School	School Lunch
Cash and investments - beginning	\$ 3,828,599	\$ 1,524,928	\$ 27,654	\$ 1,458,609	\$ 1,509,208	\$ 596,886	\$ 4,587,795	\$ 242,737	\$ -	\$ -	\$ 460,037
Receipts:											
Local sources	656,839	2,278,747	246,471	2,640,187	1,925,535	497,785	-	841	-	-	359,942
Intermediate sources	2,363	-	-	-	-	-	-	-	-	-	-
State sources	12,478,676	-	-	-	-	-	-	-	-	-	10,613
Federal sources	-	-	-	-	-	-	-	-	-	-	553,301
Other receipts	-	-	-	-	-	-	-	-	-	-	-
Total receipts	13,137,878	2,278,747	246,471	2,640,187	1,925,535	497,785	-	841	-	-	923,856
Disbursements:											
Instruction	9,013,878	-	-	-	-	-	-	-	-	-	-
Support services	4,315,635	-	-	1,541,274	1,588,419	398,523	(7,203)	-	-	-	790
Noninstructional services	-	-	-	-	-	-	-	-	-	-	1,070,995
Facilities acquisition and construction	-	-	-	872,015	-	-	23,000	-	-	-	-
Debt service	-	2,232,000	245,678	-	-	-	-	-	-	-	-
Nonprogrammed charges	-	-	-	-	-	-	-	-	-	-	-
Total disbursements	13,329,513	2,232,000	245,678	2,413,289	1,588,419	398,523	15,797	-	-	-	1,071,785
Excess (deficiency) of receipts over disbursements	(191,635)	46,747	793	226,898	337,116	99,262	(15,797)	841	-	-	(147,929)
Other financing sources (uses):											
Transfers out	-	(90,369)	-	-	-	-	-	-	-	-	-
Total other financing sources (uses)	-	(90,369)	-	-	-	-	-	-	-	-	-
Excess (deficiency) of receipts and other financing sources over disbursements and other financing uses	(191,635)	(43,622)	793	226,898	337,116	99,262	(15,797)	841	-	-	(147,929)
Cash and investments - ending	\$ 3,636,964	\$ 1,481,306	\$ 28,447	\$ 1,685,507	\$ 1,846,324	\$ 696,148	\$ 4,571,998	\$ 243,578	\$ -	\$ -	\$ 312,108

BENTON COMMUNITY SCHOOL CORPORATION  
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	Textbook Rental	Levy Excess	Perkins Grant 2014-15	Perkins Grant 2015-16	Educational License Plates	Safe Haven Grant 2013-14	Safe Haven Grant 2014-15	Safe Haven - Dexter - Grant 2014-15	Secured School Safety Grant FY16	Secured School Safety Grant	Early Intervention Grant
Cash and investments - beginning	\$ 145,689	\$ -	\$ -	\$ 357	\$ 14,408	\$ -	\$ (15,385)	\$ -	\$ (31,003)	\$ -	\$ -
Receipts:											
Local sources	151,223	-	-	-	-	-	-	-	-	-	-
Intermediate sources	-	-	-	-	150	-	-	-	-	-	-
State sources	161,623	-	-	-	-	-	14,010	-	50,000	1,097	8,388
Federal sources	-	-	-	587	-	-	-	-	-	-	-
Other receipts	-	-	-	-	-	-	-	-	-	-	-
Total receipts	312,846	-	-	587	150	-	14,010	-	50,000	1,097	8,388
Disbursements:											
Instruction	-	-	-	-	-	-	-	-	-	-	1,594
Support services	178,084	-	-	944	-	-	-	-	7,857	1,097	-
Noninstructional services	-	-	-	-	-	-	-	-	-	-	-
Facilities acquisition and construction	-	-	-	-	-	-	(1,375)	-	11,140	37,664	-
Debt service	-	-	-	-	-	-	-	-	-	-	-
Nonprogrammed charges	-	-	-	-	-	-	-	-	-	-	-
Total disbursements	178,084	-	-	944	-	-	(1,375)	-	18,997	38,761	1,594
Excess (deficiency) of receipts over disbursements	134,762	-	-	(357)	150	-	15,385	-	31,003	(37,664)	6,794
Other financing sources (uses):											
Transfers out	-	-	-	-	-	-	-	-	-	-	-
Total other financing sources (uses)	-	-	-	-	-	-	-	-	-	-	-
Excess (deficiency) of receipts and other financing sources over disbursements and other financing uses	134,762	-	-	(357)	150	-	15,385	-	31,003	(37,664)	6,794
Cash and investments - ending	\$ 280,451	\$ -	\$ -	\$ -	\$ 14,558	\$ -	\$ -	\$ -	\$ -	\$ (37,664)	\$ 6,794

BENTON COMMUNITY SCHOOL CORPORATION  
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	Lilly Endowment Grant	Gifts/ Donations	Pioneer Grant - Plant & Soil	Fowler Rotary Club Grant	After School Program	Cooperative School Services	Helping Hands	CEIS Grant - Cooperative Sch Svc	Benton Comm Foundation Grants	Computer Repair Pass- Through	Windmill Money
Cash and investments - beginning	\$ -	\$ (7,888)	\$ 400	\$ 341	\$ (334)	\$ 21,967	\$ -	\$ -	\$ 3,968	\$ (4,233)	\$ 284,157
Receipts:											
Local sources	30,000	63,715	-	-	40,824	140,058	-	-	14,282	5,168	209,456
Intermediate sources	-	-	-	-	-	-	-	-	-	-	-
State sources	-	-	-	-	-	-	-	-	-	-	-
Federal sources	-	-	-	-	-	-	-	-	-	-	-
Other receipts	-	-	-	-	-	-	-	-	-	-	-
Total receipts	30,000	63,715	-	-	40,824	140,058	-	-	14,282	5,168	209,456
Disbursements:											
Instruction	-	94,140	-	341	39,625	110,289	-	-	8,344	-	234,030
Support services	2,504	-	-	-	27	410	-	-	-	-	-
Noninstructional services	-	-	-	-	-	-	-	-	-	-	-
Facilities acquisition and construction	-	-	-	-	-	-	-	-	966	-	-
Debt service	-	-	-	-	-	-	-	-	-	-	-
Nonprogrammed charges	-	-	-	-	-	-	-	-	-	-	-
Total disbursements	2,504	94,140	-	341	39,652	110,699	-	-	9,310	-	234,030
Excess (deficiency) of receipts over disbursements	27,496	(30,425)	-	(341)	1,172	29,359	-	-	4,972	5,168	(24,574)
Other financing sources (uses):											
Transfers out	-	-	-	-	-	-	-	-	-	-	-
Total other financing sources (uses)	-	-	-	-	-	-	-	-	-	-	-
Excess (deficiency) of receipts and other financing sources over disbursements and other financing uses	27,496	(30,425)	-	(341)	1,172	29,359	-	-	4,972	5,168	(24,574)
Cash and investments - ending	\$ 27,496	\$ (38,313)	\$ 400	\$ -	\$ 838	\$ 51,326	\$ -	\$ -	\$ 8,940	\$ 935	\$ 259,583

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	Formative Assessment	Medicaid Reimbursement	Non-English Speaking Programs	School Technology	Career and Technical Performance Grant	Gifted and Talented 2014-15	Gifted and Talented 2015-16	Gifted and Talented 2016-17	Senator David Ford Technology	Title I 2014-15
Cash and investments - beginning	\$ -	\$ 9,871	\$ -	\$ 1,704	\$ -	\$ 491	\$ 7,924	\$ -	\$ -	\$ -
Receipts:										
Local sources	-	-	-	-	-	-	-	-	-	-
Intermediate sources	-	-	-	-	-	-	-	-	-	-
State sources	24,053	2,581	-	8,468	6,176	-	-	33,310	-	-
Federal sources	-	-	-	-	6,984	-	-	-	-	-
Other receipts	-	-	-	-	-	-	-	-	-	-
Total receipts	24,053	2,581	-	8,468	13,160	-	-	33,310	-	-
Disbursements:										
Instruction	24,053	60	-	-	-	491	7,924	29,770	-	-
Support services	-	-	-	4,860	-	-	-	-	-	-
Noninstructional services	-	-	-	-	-	-	-	-	-	-
Facilities acquisition and construction	-	-	-	-	-	-	-	-	-	-
Debt service	-	-	-	-	-	-	-	-	-	-
Nonprogrammed charges	-	-	-	-	-	-	-	-	-	-
Total disbursements	24,053	60	-	4,860	-	491	7,924	29,770	-	-
Excess (deficiency) of receipts over disbursements	-	2,521	-	3,608	13,160	(491)	(7,924)	3,540	-	-
Other financing sources (uses):										
Transfers out	-	-	-	-	-	-	-	-	-	-
Total other financing sources (uses)	-	-	-	-	-	-	-	-	-	-
Excess (deficiency) of receipts and other financing sources over disbursements and other financing uses	-	2,521	-	3,608	13,160	(491)	(7,924)	3,540	-	-
Cash and investments - ending	\$ -	\$ 12,392	\$ -	\$ 5,312	\$ 13,160	\$ -	\$ -	\$ 3,540	\$ -	\$ -

BENTON 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

	Title I 2015-16	Title I 2016-17	Adult Education Grant	Medicaid Reimbursement - Federal	Title II Class Size Reduction 2014-15	Title II Part A Improving Teacher Quality	Title II Class Size Reduction	Timothy Scholarship	Payroll	Totals
Cash and investments - beginning	\$ (14,178)	\$ -	\$ -	\$ 21,495	\$ -	\$ (7,043)	\$ -	\$ -	\$ 29,048	\$ 14,698,209
Receipts:										
Local sources	-	-	-	-	-	-	-	-	-	9,261,073
Intermediate sources	-	-	-	-	-	-	-	-	-	2,513
State sources	-	-	-	-	-	-	-	-	-	12,798,995
Federal sources	48,917	180,127	-	5,128	-	21,564	21,416	-	-	838,024
Other receipts	-	-	-	-	-	-	-	-	3,576,725	3,576,725
Total receipts	48,917	180,127	-	5,128	-	21,564	21,416	-	3,576,725	26,477,330
Disbursements:										
Instruction	31,253	200,957	-	-	-	14,521	29,981	-	-	9,841,251
Support services	3,486	-	-	1,195	-	471	-	-	-	8,038,373
Noninstructional services	-	5,719	-	-	-	-	-	-	-	1,076,714
Facilities acquisition and construction	-	-	-	319	-	-	-	-	-	943,729
Debt service	-	-	-	-	-	-	-	-	-	2,477,678
Nonprogrammed charges	-	-	-	-	-	-	-	-	3,614,392	3,614,392
Total disbursements	34,739	206,676	-	1,514	-	14,992	29,981	-	3,614,392	25,992,137
Excess (deficiency) of receipts over disbursements	14,178	(26,549)	-	3,614	-	6,572	(8,565)	-	(37,667)	485,193
Other financing sources (uses):										
Transfers out	-	-	-	-	-	-	-	-	-	(90,369)
Total other financing sources (uses)	-	-	-	-	-	-	-	-	-	(90,369)
Excess (deficiency) of receipts and other financing sources over disbursements and other financing uses	14,178	(26,549)	-	3,614	-	6,572	(8,565)	-	(37,667)	394,824
Cash and investments - ending	\$ -	\$ (26,549)	\$ -	\$ 25,109	\$ -	\$ (471)	\$ (8,565)	\$ -	\$ (8,619)	\$ 15,093,033

BENTON 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>\$ 1,354,751</u>	<u>\$ 137,215</u>

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

Lessor	Purpose	Annual Lease Payment	Lease Beginning Date	Lease Ending Date
Governmental activities:				
Benton School Improvement Building Corporation	Built New Elementary	\$ 1,394,978	01/15/2006	01/15/2025
Benton School Improvement Building Corporation	Remodeled High School	819,273	01/15/2006	01/15/2025
Special Education Interlocal	Share of New Special Ed Co-Op Building	<u>19,920</u>	07/01/2008	07/01/2021
Total of annual lease payments		<u>\$ 2,234,171</u>		

Type	Description of Debt Purpose	Ending Principal Balance	Principal and Interest Due Within One Year
Governmental activities:			
General obligation bonds	Retirement Severance Bonds 2002 & 2006	<u>\$ 1,080,000</u>	<u>\$ 260,945</u>

BENTON 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.

	Ending Balance
Governmental activities:	
Land	\$ 116,600
Infrastructure	3,421,000
Buildings	80,569,390
Improvements other than buildings	1,206,010
Machinery, equipment, and vehicles	7,369,212
Construction in progress	1,223,676
Books and other	<u>250,000</u>
Total capital assets	<u>\$ 94,155,888</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 BENTON COMMUNITY SCHOOL  
CORPORATION, BENTON COUNTY, INDIANA

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

We have audited the Benton 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. 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 items 2017-003, 2017-004, and 2017-005 in the accompanying Schedule of Findings and Questioned Costs, the School Corporation did not comply with requirements regarding Cash Management, Procurement and Suspension and Debarment, and Program Income 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 Special Education Cluster (IDEA)***

As described in items 2017-006, 2017-008, and 2017-009 in the accompanying Schedule of Findings and Questioned Costs, the School Corporation did not comply with requirements regarding Allowable Costs/Cost Principles, Period of Performance, and Procurement and Suspension and Debarment that are applicable to its Special Education Cluster (IDEA). Compliance with such requirements is necessary, in our opinion, for the School Corporation to comply with requirements applicable to that program.

***Qualified Opinion on 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 Special Education Cluster (IDEA)***

In our opinion, except for the noncompliance 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.

***Other Matters***

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

**Report on Internal Control over Compliance**

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


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

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

Our consideration of internal control over compliance was for the limited purpose described in the first paragraph of this section and was not designed to identify all deficiencies in internal control over compliance that might be material weaknesses or significant deficiencies and, therefore, material weaknesses or significant deficiencies may exist that were not identified. We identified certain deficiencies in internal control over compliance, as described in the accompanying Schedule of Findings and Questioned Costs as items 2017-002, 2017-003, 2017-004, 2017-005, 2017-006, 2017-007, 2017-008, and 2017-009, that we consider to be material weaknesses.

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

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

  
Paul D. Joyce, CPA  
State Examiner

June 6, 2018

SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS AND ACCOMPANYING NOTES

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

BENTON 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	Indiana Department of Education						
School Breakfast Program		10.553	FY2016	\$ -	\$ 98,366	\$ -	\$ -
School Breakfast Program			FY2017	-	-	-	103,028
Total - School Breakfast Program				-	98,366	-	103,028
National School Lunch Program		10.555	FY2016	-	441,323	-	-
National School Lunch Program			FY2017	-	-	-	450,273
Commodities			FY2016	-	62,687	-	-
Commodities			FY2017	-	-	-	55,862
Total - National School Lunch Program				-	504,010	-	506,135
Total - Child Nutrition Cluster				-	602,376	-	609,163
Total - Department of Agriculture				-	602,376	-	609,163
<u>Department of Education</u>							
Title I Grants to Local Educational Agencies	Indiana Department of Education	84.010					
			14-0395	-	102,395	-	-
			15-0395	-	197,870	-	48,917
			16-0395	-	-	-	180,127
Total - Title I Grants to Local Educational Agencies				-	300,265	-	229,044
Special Education Cluster (IDEA)							
Special Education_Grants to States	Indiana Department of Education	84.027					
			14214-051-PN01	-	2,708	-	-
			14215-051-PN01	-	135,055	-	-
			14216-049-PN01	-	375,188	-	73,258
			14216-150-PN01	-	-	-	42,225
			14217-049-PN01	-	-	-	390,302
			99914-051-TA01	-	182	-	-
Total - Special Education_Grants to States				-	513,133	-	505,785

BENTON 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					
			45715-051-PN01	-	5,350	-	-
			45716-049-PN01	-	9,607	-	2,898
			45716-150-PN01	-	-	-	4,631
			45717-049-PN01	-	-	-	6,671
Total - Special Education_Preschool Grants				-	14,957	-	14,200
Total - Special Education Cluster (IDEA)				-	528,090	-	519,985
Career and Technical Education -- Basic Grants to States	Indiana Department of Education	84.048					
			14-0395	-	6,624	-	-
			15-0395	-	24,933	-	587
Total - Career and Technical Education -- Basic Grants to States				-	31,557	-	587
English Language Acquisition State Grants	Indiana Department of Education	84.365					
			01116-128-PN01	-	6,380	-	-
			01117-207-PN01	-	-	-	6,762
Total - English Language Acquisition State Grants				-	6,380	-	6,762
Supporting Effective Instruction State Grants	Indiana Department of Education	84.367					
			14-0395	-	33,293	-	-
			15-0395	-	42,774	-	21,564
			16-0395	-	-	-	21,416
Total - Supporting Effective Instruction State Grants				-	76,067	-	42,980
Total - Department of Education				-	942,359	-	799,358
Total federal awards expended				\$ -	\$ 1,544,735	\$ -	\$ 1,408,521

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

BENTON 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.

**Note 3. Special Education Cooperative and Wabash Valley Consortium**

The School Corporation is a member of a Special Education Cooperative. As a result, some activity for the Special Education Cluster (IDEA) that is presented as federal awards expended in the SEFA is not presented as receipts and disbursements in the financial statement for the School Corporation. This activity is reported on the financial statement of the fiscal agent for the Special Education Cooperative.

The School Corporation is a member of the Wabash Valley Consortium. As a result, some activity for the English Language Acquisition State Grants (Title III) that is presented as federal awards expended in the SEFA is not presented as receipts and disbursements in the financial statement for the School Corporation. This activity is reported on the financial statement of the Wabash Valley Consortium.

BENTON 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 weakness identified?	yes
Significant deficiency identified?	none reported
Noncompliance material to financial statement noted?	yes

Federal Awards:

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

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

<u>Name of Federal Program or Cluster</u>	<u>Opinion Issued</u>
Child Nutrition Cluster	Qualified
Special Education Cluster (IDEA)	Qualified
Dollar threshold used to distinguish between Type A and Type B programs:	\$750,000
Auditee qualified as low-risk auditee?	no

**Section II - Financial Statement Findings**

**FINDING 2017-001**

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

*Repeat Finding*

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

*Condition*

The School Corporation had not established an effective system of internal controls to prevent, or detect and correct, errors on the Schedule of Expenditures of Federal Awards (SEFA).

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

Although School Corporation officials indicated that a review of the SEFA was performed by the Superintendent of Schools, the review performed was not effective and did not detect a material error on the SEFA presented for audit.

*Context*

The lack of effective internal controls was a systemic issue throughout the audit period. The Title I Grants to Local Educational Agencies federal expenditures were understated by \$131,210 for the 2016-2017 school year.

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

*Criteria*

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

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

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

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

The Green Book identifies a list of control activity categories that are meant only to illustrate the range and variety of control activities; the list is by no means all inclusive, but is reproduced here for reference purposes: . . .

- Accurate and timely recording of transactions. . . ."

2 CFR 200.508 states in part: "The auditee must: . . . (b) Prepare appropriate financial statements, including the schedule of expenditures of Federal Awards in accordance with § 200.510 Financial statements. . . ."

2 CFR 200.510(b) states:

"*Schedule of expenditures of Federal awards*. The auditee must also prepare a schedule of expenditures of Federal awards for the period covered by the auditee's financial statements which must include the total Federal awards expended as determined in accordance with § 200.502 Basis for determining Federal awards expended. While not required, the auditee may choose to provide information requested by Federal awarding agencies and pass-through entities to make the schedule easier to use. For example, when a Federal program has multiple Federal award years, the auditee may list the amount of Federal awards expended for each Federal award year separately. At a minimum, the schedule must:

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

- (1) List individual Federal programs by Federal agency. For a cluster of programs, provide the cluster name, list individual Federal programs within a cluster of programs, and provide the applicable Federal agency name. For R&D, total Federal awards expended must be shown either by individual Federal award or by Federal agency and major subdivision within the Federal agency. For example, the National Institutes of Health is a major subdivision in the Department of Health and Human Services.
- (2) For Federal awards received as a subrecipient, the name of the pass-through entity and identifying number assigned by the pass-through entity must be included.
- (3) Provide total Federal awards expended for each individual Federal program and the CFDA number or other identifying number when the CFDA information is not available. For a cluster of programs also provide the total for the cluster.
- (4) Include the total amount provided to subrecipients from each Federal program.
- (5) For loan or loan guarantee programs described in § 200.502 Basis for determining Federal awards expended, paragraph (b), identify in the notes to the schedule the balances outstanding at the end of the audit period. This is in addition to including the total Federal awards expended for loan or loan guarantee programs in the schedule.
- (6) Include notes that describe that significant accounting policies used in preparing the schedule, and note whether or not the auditee elected to use the 10% de minimis cost rate as covered in § 200.414 Indirect (F&A) costs."

*Cause*

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

*Effect*

The failure to establish and properly implement internal controls enabled material misstatements to go undetected. The SEFA contained the error identified in the *Context*.

*Recommendation*

We recommended that the School Corporation's management establish controls to ensure accurate reporting of the SEFA.

*Views of Responsible Officials*

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

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

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

**FINDING 2017-002**

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

*Repeat Finding*

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

*Condition*

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

The School Corporation had not designed or implemented adequate policies or procedures to ensure that eligibility determinations for free and reduced price meals were accurate. One employee processed the applications for free and reduced price meals, which included determining eligibility, without a proper system of oversight or review.

*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). . . ."

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

*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 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 program.

*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 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 2017-003**

Subject: Child Nutrition Cluster - Cash Management  
Federal Agency: Department of Agriculture  
Federal Programs: School Breakfast Program, National School Lunch Program  
CFDA Numbers: 10.553, 10.555  
Federal Award Numbers and Years (or Other Identifying Numbers): FY 2016, FY 2017  
Pass-Through Entity: Indiana Department of Education  
Compliance Requirement: Cash Management  
Audit Findings: Material Weakness, Modified Opinion

*Repeat Finding*

This is a repeat finding from the immediately prior audit. The prior audit finding number was 2015-004.

*Condition*

An effective internal control system was not in place at the School Corporation in order to ensure compliance with requirements related to the grant agreement and the Cash Management compliance requirement. The School Corporation had not designed or implemented adequate policies or procedures to ensure that the School Lunch fund cash balances (net cash resources) did not exceed three months average expenditures.

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

The School Corporation did not comply with the cash management requirements that cash balances (net cash resources) be limited to three months average expenditures. The School Lunch fund monthly net cash resources exceeded three months average expenditures during the audit period.

*Context*

The lack of controls and the noncompliance were systemic issues throughout the audit period. The cash balance in the School Lunch fund (net cash resources) exceeded 3 months average expenditures in 23 of the 24 months in 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). . . ."

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

7 CFR 220.7(e) states in part:

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

(iv) Limit its net cash 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's management had not developed or implemented adequate policies and procedures to ensure compliance with the Cash Management compliance requirement.

*Effect*

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

BENTON 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 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 and Suspension and Debarment  
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): FY 2016, FY 2017  
Pass-Through Entity: Indiana Department of Education  
Compliance Requirement: Procurement and Suspension and Debarment  
Audit Findings: Material Weakness, Modified Opinion

*Repeat Finding*

This is a repeat finding from the immediately prior audit. 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 Procurement and Suspension and Debarment compliance requirement.

*Procurement*

The School Corporation did not have internal controls in place to ensure that the purchasing methods used complied with procurement procedures or with applicable state and local requirements.

Bids for food products, material, and supplies were awarded by a third party administrator but were not approved by the School Board.

The School Corporation did not have a control system in place to ensure compliance over non-contracted procurements. 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.

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

*Suspension and Debarment*

The School Corporation had not established an effective internal control system to ensure compliance with suspension and debarment requirements. There were no controls in place to ensure that vendors were not suspended or debarred from participation in federal programs.

The School Corporation did not perform any procedures to verify that vendors were not suspended or debarred from participation in federal programs before entering into a contract.

*Context*

The lack of controls and noncompliance were systemic issues 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). . . ."

2 CFR 200.320 states in part:

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

(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. . . ."

2 CFR 180.300 states:

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

You do this by:

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

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

*Cause*

The School Corporation's 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 remain undetected. Noncompliance with the grant agreement and the compliance requirement could have resulted in the loss of federal funds to the School Corporation.

*Questioned Costs*

There were no questioned costs identified.

*Recommendation*

We recommended that the School Corporation'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 - Program Income

Federal Agency: Department of Agriculture

Federal Programs: School Breakfast Program, National School Lunch Program

CFDA Numbers: 10.553, 10.555

Federal Award Numbers and Years (or Other Identifying Numbers): FY 2016, FY 2017

Pass-Through Entity: Indiana Department of Education

Compliance Requirement: Program Income

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 Program Income compliance requirement.

The School Corporation had not designed or implemented adequate policies and procedures to ensure that program income was properly recorded in the financial records. All receipts, including those credited to students' prepaid accounts, were recorded in the School Lunch fund and reported as program income. A separate prepaid food fund had not been established. The School Corporation was not able to separately identify prepaid account receipts from program income for meals charged to prepaid accounts.

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

*Context*

The lack of controls and the 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. . . ."

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(c) states:

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

7 CFR 210.14(f)(3) states: "All revenue from the sale of nonprogram foods shall accrue to the nonprofit school food service account of a participating school food authority."

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

7 CFR 220.7(e) states in part:

"Each school food authority approved to participate in the program shall enter into a written agreement with the State agency or the Department through the FNSRO, as applicable, that may be amended as necessary. . . . Such agreements shall provide that the School Food Authority shall, with respect to participating schools under its jurisdiction: . . ."

(12) Maintain a financial management system as prescribed by the State agency, or FNSRO where applicable; . . ."

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

2 CFR 200.302(b)(3) states:

"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 had not designed or implemented adequate policies and procedures to ensure compliance with the Program Income compliance requirement.

*Effect*

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

*Questioned Costs*

There were no questioned costs identified.

*Recommendation*

We recommended that the School Corporation's management establish controls to ensure compliance and comply with 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 2017-006**

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

Federal Agency: Department of Education

Federal Programs: Special Education\_Grants to States, Special Education\_Preschool Grants

CFDA Numbers: 84.027, 84.173

Federal Award Numbers and Years (or Other Identifying Numbers): 14214-051-PN01, 14215-051-PN01,  
14216-049-PN01, 14216-150-PN01,  
14217-049-PN01, 99914-051-TA01,  
45715-051-PN01, 45716-049-PN01,  
45716-150-PN01, 45717-049-PN01

Pass-Through Entity: Indiana Department of Education

Compliance Requirement: Allowable Costs/Cost Principles

Audit Findings: Material Weakness, Modified Opinion

BENTON 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 Allowable Costs/Cost Principles compliance requirement. The School Corporation was a participating member school corporation of a Special Education Cooperative (Cooperative), which had different fiscal agents for the two years of the audit period. Rensselaer Central School Corporation was the fiscal agent of the Cooperative for the 2016-2017 school year.

For the 2016-2017 school year, one member school corporation of the Cooperative paid all payroll related costs for all members of the Cooperative and was subsequently reimbursed by the fiscal agent. There were no controls in place to ensure the accuracy of the payroll expenditures reported by the member school corporations. In addition, a review of the vendor claims prior to payment by the fiscal agent was not documented consistently.

The fiscal agent of the Cooperative also paid member school corporations for payroll costs related to speech therapists employed at each school. Personnel activity reports or equivalents were not maintained for the 2016-2017 school year's portion of the speech therapists' salaries and related costs charged to the special education programs. The fiscal agent paid each member school corporation based on their grant budgets for speech therapists, not properly documented time attributable to the grants. The School Corporation paid \$28,818 for speech therapists during the 2016-2017 school year without proper supporting documentation

*Context*

This was a systemic issue during the second year of the audit period. Member school corporations were paid for speech therapists based on the grant's budget during the 2016-2017 school year.

*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 200.430(i) states in part:

"Standards for Documentation of Personnel Expenses (1) Charges to Federal awards for salaries and wages must be based on records that accurately reflect the work performed. These records must:

- (i) Be supported by a system of internal control which provides reasonable assurance that the charges are accurate, allowable, and properly allocated;
- (ii) Be incorporated into the official records of the non-Federal entity;

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

- (iii) Reasonably reflect the total activity for which the employee is compensated by the non-Federal entity, not exceeding 100% of compensated activities (for IHE, this per the IHE's definition of IBS); . . .
- (vii) Support the distribution of the employee's salary or wages among specific activities or cost objectives if the employee works on more than one Federal award; a Federal award and non-Federal award; an indirect cost activity and a direct cost activity; two or more indirect activities which are allocated using different allocation bases; or an unallowable activity and a direct or indirect cost activity. . . ."

*Cause*

The School Corporation had not established a proper or effective internal control structure that would have ensured compliance with the grant agreement and the Allowable Costs/Cost Principles compliance requirement.

*Effect*

The failure to establish an effective internal control system enabled 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 \$28,818 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 2017-007**

Subject: Special Education Cluster (IDEA) - Level of Effort

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): 14214-051-PN01, 14215-051-PN01,  
14216-049-PN01, 14216-150-PN01,  
14217-049-PN01, 99914-051-TA01,  
45715-051-PN01, 45716-049-PN01,  
45716-150-PN01, 45717-049-PN01

Pass-Through Entity: Indiana Department of Education

Compliance Requirement: Matching, Level of Effort, Earmarking

Audit Finding: Material Weakness

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

*Condition*

The School Corporation had not established an effective internal control system related to the grant agreement and the Level of Effort - Maintenance of Effort requirements of the Matching, Level of Effort, Earmarking compliance requirement.

One individual prepared the maintenance of effort report without a proper system of oversight or review.

*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 that segregated key functions.

*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. The lack of segregation of duties within an internal control system could have also allowed noncompliance with compliance requirements and allowed the misuse and mismanagement of federal funds and assets by not having proper oversight, reviews, and approvals over the activities of the program.

*Questioned Costs*

There were no questioned costs identified.

*Recommendation*

We recommended that the School Corporation's management establish controls to ensure compliance with the Matching, Level of Effort, Earmarking compliance requirement.

*Views of Responsible Officials*

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

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

***FINDING 2017-008***

Subject: Special Education Cluster (IDEA) - Period of Performance

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): 14214-051-PN01, 14215-051-PN01,  
14216-049-PN01, 14216-150-PN01,  
14217-049-PN01, 99914-051-TA01,  
45715-051-PN01, 45716-049-PN01,  
45716-150-PN01, 45717-049-PN01

Pass-Through Entity: Indiana Department of Education

Compliance Requirement: Period of Performance

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 Period of Performance compliance requirement. The School Corporation was a participating member school corporation of a Special Education Cooperative (Cooperative), which had different fiscal agents for the two years of the audit period.

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

The fiscal agent for the Cooperative changed on July 1, 2016. The Indiana Department of Education awarded the remaining grant funds from the 2015-2016 school year to the member school corporations through the Cooperative on July 11, 2016. Per the award letter, expenses accrued beginning on July 11, 2016, were eligible for reimbursement. There were underlying obligations for disbursements totaling \$160,755 which occurred prior to the period of performance. The School Corporation's share of the disbursements paid prior to the period of performance was \$26,095.

*Context*

The lack of controls and the School Corporation's failure to comply with the Period of Performance compliance requirement was an isolated issue, which occurred during the transition of the Cooperative's fiscal agent from one member school corporation to another member school corporation at the beginning of the 2016-2017 school year.

*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). . . ."

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

2 CFR 200.309 states:

"A non-Federal entity may charge to the Federal award only allowable costs incurred during the period of performance (except as described in § 200.461 Publication and printing costs) and any costs incurred before the Federal awarding agency or pass-through entity made the Federal award that were authorized by the Federal awarding agency or pass-through entity."

2 CFR 200.77 states:

"*Period of performance* means the time during which the non-Federal entity may incur new obligations to carry out the work authorized under the Federal award. The Federal awarding agency or pass-through entity must include start and end dates of the period of performance in the Federal award . . ."

*Cause*

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

*Effect*

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

*Questioned Costs*

Known questioned costs of \$26,095 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 Period of Performance compliance requirement.

*Views of Responsible Officials*

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

**FINDING 2017-009**

Subject: Special Education Cluster (IDEA) - Procurement and Suspension and Debarment

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): 14214-051-PN01, 14215-051-PN01,  
14216-049-PN01, 14216-150-PN01,  
14217-049-PN01, 99914-051-TA01,  
45715-051-PN01, 45716-049-PN01,  
45716-150-PN01, 45717-049-PN01

Pass-Through Entity: Indiana Department of Education

Compliance Requirement: Procurement and Suspension and Debarment

Audit Findings: Material Weakness, Modified Opinion

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

*Repeat Finding*

This is a repeat finding from the immediately prior audit. The prior audit finding number was 2015-007.

*Condition*

An effective internal control system was not in place at the School Corporation in order to ensure compliance with requirements related to the grant agreement and the Procurement and Suspension and Debarment compliance requirement. The School Corporation was a participating member school corporation of a Special Education Cooperative (Cooperative). Rensselaer Central School Corporation was the fiscal agent of the Cooperative for the 2016-2017 school year. The School Corporation relied on the Cooperative to comply with the Procurement and Suspension and Debarment compliance requirement of the Special Education Cluster (IDEA) programs. Because the grant agreements were between the Indiana Department of Education and each member of the Cooperative, each member school corporation was ultimately responsible for ensuring compliance with the requirement.

*Procurement*

The School Corporation had not established effective controls to ensure that their procurement policies were followed.

The School Corporation failed to comply with the procurement requirement that small purchases and sealed bids must be in compliance with their procurement procedures, as well as State laws and procedures. Small purchase procedures which require that at least three price or rate quotations be obtained from qualified sources were not followed. There were no quotes or bids obtained for any purchases during the audit period.

*Suspension and Debarment*

The School Corporation had not established effective controls to ensure that vendors were not suspended or debarred or otherwise excluded from participation in federal assistance programs.

The School Corporation did not perform any procedures to verify that vendors were not suspended or debarred from participation in federal programs before entering into a contract.

*Context*

The lack of controls and noncompliance regarding suspension and debarment were systemic issues throughout the audit period. The noncompliance related to procurement was applicable during the 2016-2017 school year.

*Criteria*

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

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

BENTON 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 200.318(a) states: "The non-Federal entity must use its own documented procurement procedures which reflect applicable State, local, and tribal laws and regulations, provided that the procurements conform to applicable Federal law and the standards identified in this part."

2 CFR 200.320(b) states:

"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."

Rensselaer Central School Corporation Policy 6325 - PROCUREMENT - FEDERAL GRANTS/FUNDS states:

"Small purchase procedures provide for relatively simple and informal procurement methods for securing services, supplies, and other property the cost of which exceeds \$3,500 but is less than the competitive bid threshold of \$100,000. Small purchase procedures require that at least three (3) price or rate quotations shall be obtained from qualified sources."

2 CFR 180.300 states:

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

You do this by:

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

*Cause*

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

BENTON 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 and the compliance requirement could have resulted in the loss of federal funds to the School Corporation.

*Questioned Costs*

There were no questioned costs identified.

*Recommendation*

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

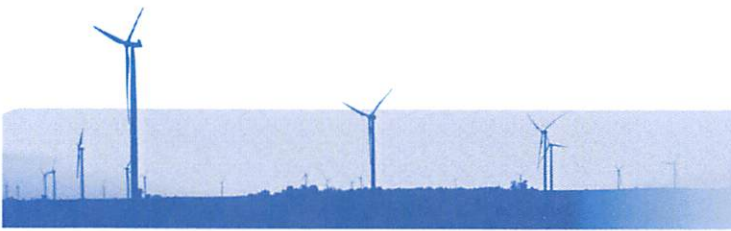
*Views of Responsible Officials*

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

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#### AUDITEE-PREPARED DOCUMENTS

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



SUMMARY SCHEDULE OF PRIOR AUDIT FINDINGS

**FINDING2015-001**

Fiscal year in which the finding initially occurred: FY2015  
Pass-Through Entity, if pass-through or Federal Grantor Agency, if direct: IDOE  
Contact Person Responsible for Corrective Action: Gregg Hoover, Tracy Albertson  
Contact Phone Number: 765-884-0850

Status of Audit Finding:

All actions as listed on the Corrective Action Plan dated July 27, 2017 have been implemented and are currently being followed.

The School Corporation is a small governmental unit and management has determined that the cost of employing additional staff necessary to properly segregate duties would outweigh the benefits of a stronger internal control system. Management acknowledges and assumes the risks inherent with the current design of the corporation's internal control procedures.

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

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

\_\_\_\_\_  
May 2, 2018  
(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).)



SUMMARY SCHEDULE OF PRIOR AUDIT FINDINGS

**FINDING2015-002**

Fiscal year in which the finding initially occurred: FY2015  
Pass-Through Entity, if pass-through or Federal Grantor Agency, if direct: IDOE  
Contact Person Responsible for Corrective Action: Gregg Hoover, Tracy Albertson  
Contact Phone Number: 765-884-0850

Status of Audit Finding:

All actions as listed on the Corrective Action Plan dated July 27, 2017 have been implemented and are currently being followed.

The School Corporation is a small governmental unit and management has determined that the cost of employing additional staff necessary to properly segregate duties would outweigh the benefits of a stronger internal control system. Management acknowledges and assumes the risks inherent with the current design of the corporation's internal control procedures.

  
(Signature)

Director of Finance  
(Title)

May 2, 2018  
(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).)



# Benton Community School Corporation

*"United, Student-Centered School Corporation"*

405 S Grant Avenue • PO Box 512 • Fowler, IN 47944 • ph 765.884.0850 • fax 765.884.1614 • www.benton.k12.in.us

## SUMMARY SCHEDULE OF PRIOR AUDIT FINDINGS

### **FINDING2015-003**

Fiscal year in which the finding initially occurred: FY2015

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

Contact Person Responsible for Corrective Action: Gregg Hoover, Tracy Albertson & Lynda Stepp

Contact Phone Number: 765-884-0850

#### Status of Audit Finding:

All actions as listed on the Corrective Action Plan dated July 27, 2017 have been implemented and are currently being followed.

The School Corporation is a small governmental unit and management has determined that the cost of employing additional staff necessary to properly segregate duties would outweigh the benefits of a stronger internal control system. Management acknowledges and assumes the risks inherent with the current design of the corporation's internal control procedures.

  
(Signature)

Director of Finance  
(Title)

May 2, 2018  
(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).)



SUMMARY SCHEDULE OF PRIOR AUDIT FINDINGS

**FINDING2015-004**

Fiscal year in which the finding initially occurred: FY2015

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

Contact Person Responsible for Corrective Action: Gregg Hoover, Tracy Albertson & Lynda Stepp

Contact Phone Number: 765-884-0850

Status of Audit Finding:

All actions as listed on the Corrective Action Plan dated July 27, 2017 have been implemented and are currently being followed.

The School Corporation is a small governmental unit and management has determined that the cost of employing additional staff necessary to properly segregate duties would outweigh the benefits of a stronger internal control system. Management acknowledges and assumes the risks inherent with the current design of the corporation's internal control procedures.

(Signature)

Director of Finance

(Title)

May 2, 2018

(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).)



SUMMARY SCHEDULE OF PRIOR AUDIT FINDINGS

**FINDING2015-005**

Fiscal year in which the finding initially occurred: FY2015

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

Contact Person Responsible for Corrective Action: Gregg Hoover, Tracy Albertson

Contact Phone Number: 765-884-0850

Status of Audit Finding:

All actions as listed on the Corrective Action Plan dated July 27, 2017 have been implemented and are currently being followed.

The School Corporation is a small governmental unit and management has determined that the cost of employing additional staff necessary to properly segregate duties would outweigh the benefits of a stronger internal control system. Management acknowledges and assumes the risks inherent with the current design of the corporation's internal control procedures.

(Signature)

Director of Finance  
(Title)

May 2, 2018  
(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).)



SUMMARY SCHEDULE OF PRIOR AUDIT FINDINGS

**FINDING2015-006**

Fiscal year in which the finding initially occurred: FY2015

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

Contact Person Responsible for Corrective Action: Gregg Hoover, Tracy Albertson & Lynda Stepp

Contact Phone Number: 765-884-0850

Status of Audit Finding:

All actions as listed on the Corrective Action Plan dated July 27, 2017 have been implemented and are currently being followed.

The School Corporation is a small governmental unit and management has determined that the cost of employing additional staff necessary to properly segregate duties would outweigh the benefits of a stronger internal control system. Management acknowledges and assumes the risks inherent with the current design of the corporation's internal control procedures.

(Signature)

Director of Finance

(Title)

May 2, 2018

(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).)



SUMMARY SCHEDULE OF PRIOR AUDIT FINDINGS

**FINDING2015-007**

Fiscal year in which the finding initially occurred: FY2015

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

Contact Person Responsible for Corrective Action: Gregg Hoover, Tracy Albertson

Contact Phone Number: 765-884-0850

Contact Person Responsible for Corrective Action: Patti Kem – Cooperative School Services

Contact Phone Number: 219-866-8540

Status of Audit Finding:

All actions as listed on the Corrective Action Plan dated July 27, 2017 have been implemented and are currently being followed.

The School Corporation is a small governmental unit and management has determined that the cost of employing additional staff necessary to properly segregate duties would outweigh the benefits of a stronger internal control system. Management acknowledges and assumes the risks inherent with the current design of the corporation's internal control procedures.

  
(Signature)

Director of Finance  
(Title)

May 2, 2018  
(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.)



SUMMARY SCHEDULE OF PRIOR AUDIT FINDINGS

**FINDING2015-008**

Fiscal year in which the finding initially occurred: FY2015  
Pass-Through Entity, if pass-through or Federal Grantor Agency, if direct: IDOE  
Contact Person Responsible for Corrective Action: Gregg Hoover, Tracy Albertson  
Contact Phone Number: 765-884-0850  
Contact Person Responsible for Corrective Action: Patti Kem – Cooperative School Services  
Contact Phone Number: 219-866-8540

Status of Audit Finding:

All actions as listed on the Corrective Action Plan dated July 27, 2017 have been implemented and are currently being followed.

The School Corporation is a small governmental unit and management has determined that the cost of employing additional staff necessary to properly segregate duties would outweigh the benefits of a stronger internal control system. Management acknowledges and assumes the risks inherent with the current design of the corporation's internal control procedures.

  
(Signature)

Director of Finance  
(Title)

May 2, 2018  
(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.)



SUMMARY SCHEDULE OF PRIOR AUDIT FINDINGS

**FINDING2015-009**

Fiscal year in which the finding initially occurred: FY2015

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

Contact Person Responsible for Corrective Action: Gregg Hoover, Tracy Albertson

Contact Phone Number: 765-884-0850

Status of Audit Finding:

All actions as listed on the Corrective Action Plan dated July 27, 2017 have been implemented and are currently being followed.

The School Corporation is a small governmental unit and management has determined that the cost of employing additional staff necessary to properly segregate duties would outweigh the benefits of a stronger internal control system. Management acknowledges and assumes the risks inherent with the current design of the corporation's internal control procedures.

(Signature)

Director of Finance

(Title)

May 2, 2018

(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).)



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## SUMMARY SCHEDULE OF PRIOR AUDIT FINDINGS

### **FINDING2015-010**

Fiscal year in which the finding initially occurred: FY2015

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

Contact Person Responsible for Corrective Action: Gregg Hoover, Tracy Albertson

Contact Phone Number: 765-884-0850

#### Status of Audit Finding:

All actions as listed on the Corrective Action Plan dated July 27, 2017 have been implemented and are currently being followed.

The School Corporation is a small governmental unit and management has determined that the cost of employing additional staff necessary to properly segregate duties would outweigh the benefits of a stronger internal control system. Management acknowledges and assumes the risks inherent with the current design of the corporation's internal control procedures.

(Signature)

Director of Finance

(Title)

May 2, 2018

(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).)



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CORRECTIVE ACTION PLAN

**FINDING 2017-001**

Contact Person Responsible for Corrective Action: Gregg Hoover, Tracy Albertson  
Contact Phone Number: 765-884-0850

Description of Corrective Action Plan:

The School Corporation is a small governmental unit and management has determined that the cost of employing additional staff necessary to properly segregate duties would outweigh the benefits of a stronger internal control system. Management acknowledges and assumes the risks inherent with the current design of the corporation's internal control processes.

Anticipated Completion Date: Continue Current Procedures

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

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

June 6, 2018  
\_\_\_\_\_  
(Date)



**CORRECTIVE ACTION PLAN**

**FINDING 2017-002**

Contact Person Responsible for Corrective Action: Gregg Hoover, Tracy Albertson & Lynda Stepp  
Contact Phone Number: 765-884-0850

Views of Responsible Official:

Eligibility

Description of Corrective Action Plan:

The exit interview for Finding 2015-003 was on July 27, 2017, which is after the June 30, 2017 current audit period date. After the exit interview the CAP for Finding 2015-003 was implemented. Currently the Food Service Director and/or school secretaries process the applications for free and reduced meals and the Café Manager at Benton Central High School pulls 20% of free and reduced applications to check for accuracy. They verify that the applications are completed accurately and the eligibility determination was correct.

The School Corporation is a small governmental unit and management has determined that the cost of employing additional staff necessary to properly segregate duties would outweigh the benefits of a stronger internal control system. Management acknowledges and assumes the risks inherent with the current design of the corporation's internal control processes.

Anticipated Completion Date: Was Implemented with the School Year 2017-18

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

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

\_\_\_\_\_  
June 6, 2018  
(Date)



**CORRECTIVE ACTION PLAN**

***FINDING 2017-003***

Contact Person Responsible for Corrective Action: Gregg Hoover, Tracy Albertson & Lynda Stepp  
Contact Phone Number: 765-884-0850

Views of Responsible Official:

Cash Management

Description of Corrective Action Plan:

The exit interview for Finding 2015-004 was on July 27, 2017, which is after the June 30, 2017 current audit period date. After the exit interview the CAP for Finding 2015-004 was implemented. We currently monitor the three month average expenditures and have submitted and been approved for exemption for the Paid Lunch Equity requirement for 2018-19 school year.

The School Corporation is a small governmental unit and management has determined that the cost of employing additional staff necessary to properly segregate duties would outweigh the benefits of a stronger internal control system. Management acknowledges and assumes the risks inherent with the current design of the corporation's internal control processes.

Anticipated Completion Date: Was Implemented with the School Year 2017-18

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

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

June 6, 2018  
\_\_\_\_\_  
(Date)



## CORRECTIVE ACTION PLAN

### ***FINDING 2017-004***

Contact Person Responsible for Corrective Action: Gregg Hoover, Tracy Albertson & Lynda Stepp  
Contact Phone Number: 765-884-0850

Views of Responsible Official:

Suspension and Debarment

Description of Corrective Action Plan:

The exit interview for Finding 2015-006 was on July 27, 2017, which is after the June 30, 2017 current audit period date. After the exit interview the CAP for Finding 2015-006 was implemented. We currently send the certification form with all bid packets for Certification Regarding Debarment, Suspension, Ineligibility and Voluntary Exclusion. The SAM Exclusion website is viewed as needed and a printout retained for documentation.

Anticipated Completion Date: Was Implemented with the School Year 2017-18

Procurement

Description of Corrective Action Plan:

We are a current member of HPS a third party administrator who handles the bidding processes for goods and services for the cafeteria. When we receive the annual award letters for bids from HPS we will have those letters approved by the school board.

We will attempt to receive three quotes from vendors who we anticipate purchasing goods and services exceeding \$3,500. It should be noted that we are a rural school corporation and many vendors do not deliver fresh produce and goods in our area it is difficult to receive multiple quotes from vendors offering these services.

The School Corporation is a small governmental unit and management has determined that the cost of employing additional staff necessary to properly segregate duties would outweigh the benefits of a stronger internal control system. Management acknowledges and assumes the risks inherent with the current design of the corporation's internal control processes.

*Tracy Alkerton*  
\_\_\_\_\_  
(Signature)

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

**June 6, 2018**  
\_\_\_\_\_  
(Date)



CORRECTIVE ACTION PLAN

**FINDING 2017-005**

Contact Person Responsible for Corrective Action: Gregg Hoover, Tracy Albertson & Lynda Stepp  
Contact Phone Number: 765-884-0850

Views of Responsible Official:

Program Income

Description of Corrective Action Plan:

The exit interview for audit ending June 30, 2015 was on July 27, 2017, which is after the June 30, 2017 current audit period date. This finding was also included with finding 2015-003, the CAP for finding 2015-003 was implemented in August 2017. We have set up a prepaid lunch account and transfer the money from the Prepaid Account into the School Lunch Fund on a monthly basis as it is used.

The School Corporation is a small governmental unit and management has determined that the cost of employing additional staff necessary to properly segregate duties would outweigh the benefits of a stronger internal control system. Management acknowledges and assumes the risks inherent with the current design of the corporation's internal control processes.

Anticipated Completion Date: Was Implemented August 2017

  
(Signature)

Director of Finance  
(Title)

June 6, 2018  
(Date)



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## CORRECTIVE ACTION PLAN

### **FINDING 2017-006**

Contact Person Responsible for Corrective Action: Gregg Hoover, Tracy Albertson and Patti Kem  
Contact Phone Number: 765-884-0850

Views of Responsible Official:

Allowable Costs/Cost Principles

Description of Corrective Action Plan:

Cooperative School Services and Benton Community School Corporation are in the process of developing internal controls to ensure compliance requirements to the grant agreements are met regarding payroll costs related to Speech/Language Pathologist in the member school corporations.

Anticipated Completion Date: July 1, 2018

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

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

June 6, 2018  
\_\_\_\_\_  
(Date)



CORRECTIVE ACTION PLAN

**FINDING 2017-007**

Contact Person Responsible for Corrective Action: Gregg Hoover, Tracy Albertson and Patti Kem  
Contact Phone Number: 765-884-0850

Views of Responsible Official:

Level of Effort

Description of Corrective Action Plan:

Cooperative School Services and Benton Community School Corporation are in the process of developing internal controls to ensure compliance requirements to the grant agreements are met regarding the preparation of Maintenance of Effort requirements.

Anticipated Completion Date: September 1, 2018 (for the FY19 grant applications)

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

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

June 6, 2018  
\_\_\_\_\_  
(Date)



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CORRECTIVE ACTION PLAN

**FINDING 2017-008**

Contact Person Responsible for Corrective Action: Gregg Hoover, Tracy Albertson and Patti Kem  
Contact Phone Number: 765-884-0850

Views of Responsible Official:

Period of Performance

Description of Corrective Action Plan:

Cooperative School Services and Benton Community School Corporation are in the process of developing internal controls to ensure compliance requirements to the grant agreements are met regarding Period of Performance.

Anticipated Completion Date: July 1, 2018

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

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

June 6, 2018  
\_\_\_\_\_  
(Date)



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## CORRECTIVE ACTION PLAN

### **FINDING 2017-009**

Contact Person Responsible for Corrective Action: Gregg Hoover, Tracy Albertson and Patti Kem  
Contact Phone Number: 765-884-0850

Views of Responsible Official:

Procurement and Suspension and Debarment

Description of Corrective Action Plan:

Cooperative School Services and Benton Community School Corporation are in the process of developing internal controls to ensure compliance requirements to the grant agreements are met regarding Procurement and Suspension and Debarment

Anticipated Completion Date: July 1, 2018

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

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

June 6, 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/>.