

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

FINANCIAL STATEMENT AND
FEDERAL SINGLE AUDIT REPORT
OF

AVON COMMUNITY SCHOOL CORPORATION
HENDRICKS COUNTY, INDIANA

July 1, 2014 to June 30, 2016



FILED
10/24/2018

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SCHEDULE OF OFFICIALS

| <u>Office</u> | <u>Official</u> | <u>Term</u> |
|---------------------------------------|----------------------------|----------------------|
| Treasurer | Cheryl Leiter | 07-01-14 to 10-31-15 |
| | (Vacant) | 11-01-15 to 01-04-16 |
| | Juanita Lavy | 01-05-16 to 03-17-17 |
| | (Vacant) | 03-18-17 to 03-26-17 |
| Director of Finance and Operations | Sheila Glass | 03-27-17 to 06-30-19 |
| | Brock Bowsher | 07-01-12 to 06-30-16 |
| | Dr. Scott Wyndham | 07-01-16 to 06-30-19 |
| Superintendent of Schools | Dr. Margaret E. Hoernemann | 03-21-12 to 06-30-19 |
| President of the School Board | Anne L. Engelhardt | 01-01-14 to 12-31-15 |
| | Kimberly L. Woodward | 01-01-16 to 12-31-17 |
| | John K. McDavid | 01-01-18 to 12-31-18 |



STATE OF INDIANA
AN EQUAL OPPORTUNITY EMPLOYER

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

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

INDEPENDENT AUDITOR'S REPORT

TO: THE OFFICIALS OF THE AVON COMMUNITY SCHOOL CORPORATION, HENDRICKS COUNTY, INDIANA

Report on the Financial Statement

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

Management's Responsibility for the Financial Statement

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

Auditor's Responsibility

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

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

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

INDEPENDENT AUDITOR'S REPORT
(Continued)

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

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

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

Adverse Opinion on U.S. Generally Accepted Accounting Principles

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

Opinion on Regulatory Basis of Accounting

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

Other Matters

Supplementary Information

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


Other Information

Our audit was conducted for the purpose of forming an opinion on the School Corporation's financial statement. The Combining Schedules of Receipts, Disbursements, Other Financing Sources (Uses), and Cash and Investment Balances - Regulatory Basis, Schedule of Payables and Receivables, 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 September 14, 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

September 14, 2018



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302 WEST WASHINGTON STREET
ROOM E418
INDIANAPOLIS, INDIANA 46204-2769

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

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

TO: THE OFFICIALS OF THE AVON COMMUNITY SCHOOL
CORPORATION, HENDRICKS 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 Avon Community School Corporation (School Corporation), which comprises the financial position and results of operations for the period of July 1, 2014 to June 30, 2016, and the related notes to the financial statement, and have issued our report thereon dated September 14, 2018, wherein we noted the School Corporation followed accounting practices the Indiana State Board of Accounts prescribes rather than accounting principles generally accepted in the United States of America.

Internal Control over Financial Reporting

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

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

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


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

Compliance and Other Matters

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

Purpose of This Report

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


Paul D. Joyce, CPA
State Examiner

September 14, 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.

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

| Fund | Cash and Investments 07-01-14 | Receipts | Disbursements | Other Financing Sources (Uses) | Cash and Investments 06-30-15 | Receipts | Disbursements | Other Financing Sources (Uses) | Cash and Investments 06-30-16 |
|--|----------------------------------|---------------|---------------|-----------------------------------|----------------------------------|---------------|---------------|-----------------------------------|----------------------------------|
| General | \$ 3,242,871 | \$ 54,074,147 | \$ 52,820,575 | \$ - | \$ 4,496,443 | \$ 57,824,115 | \$ 56,107,502 | \$ (734,773) | \$ 5,478,283 |
| Debt Service | 4,465,781 | 23,864,316 | 25,026,278 | - | 3,303,819 | 24,806,662 | 24,484,734 | - | 3,625,747 |
| Retirement/Severance Bond Debt Service | 147,131 | 847,871 | 876,285 | - | 118,717 | 900,983 | 889,369 | - | 130,331 |
| Capital Projects | 3,028,979 | 4,606,734 | 4,999,961 | 2,649 | 2,638,401 | 5,346,456 | 5,251,186 | 186 | 2,733,857 |
| School Transportation | 2,451,951 | 5,862,340 | 5,853,719 | - | 2,460,572 | 6,077,602 | 5,991,697 | (212,244) | 2,334,233 |
| School Bus Replacement | 2,308,705 | 893,845 | - | - | 3,202,550 | 937,135 | 1,835,040 | 47,000 | 2,351,645 |
| Rainy Day | 734,773 | - | 734,773 | - | - | 567,530 | - | 947,017 | 1,514,547 |
| Retirement/Severance Bond | 721,135 | 1,255 | - | - | 722,390 | 1,032 | - | - | 723,422 |
| Construction 2002 Revenue | 7,936 | - | - | - | 7,936 | - | - | - | 7,936 |
| Bond 2012 - Construction | - | - | - | - | - | 228,489 | - | - | 228,489 |
| Construction Fund | 28,202 | - | - | - | 28,202 | - | - | - | 28,202 |
| Construction AIS Pool Renovation | 633 | - | 633 | - | - | - | - | - | - |
| Construction 2007 Middle School | 563,698 | - | - | - | 563,698 | - | - | - | 563,698 |
| School Lunch | 714,735 | 3,995,881 | 3,704,648 | 3,677 | 1,009,645 | 4,067,889 | 4,410,762 | 25 | 666,797 |
| Textbook Rental | (217,178) | 1,137,902 | 706,252 | - | 214,472 | 1,109,908 | 1,112,197 | - | 212,183 |
| Levy Excess | - | 7,595 | - | - | 7,595 | - | - | - | 7,595 |
| Blind, Low Vision Co-Op Program | - | 75,125 | 163,333 | - | (88,208) | 62,536 | 179,686 | - | (205,358) |
| Safe Haven Grant 2014-15 | - | 990 | 10,000 | - | (9,010) | 9,010 | - | - | - |
| Safe Haven Grant 2015-16 | - | - | - | - | - | 2,880 | 9,308 | - | (6,428) |
| AEF School Grants | 789 | 7,317 | 6,436 | - | 1,670 | - | 1,500 | - | 170 |
| AEF Grant Remediation Program | 237 | 3,400 | 22 | - | 3,615 | 4,000 | 6,956 | - | 659 |
| Lilly Science Education Grants | 41 | - | - | - | 41 | - | - | - | 41 |
| IN Youth Institute - PD Grant/SE | - | 750 | - | - | 750 | 308 | 1,058 | - | - |
| Sustaining/Improving Literacy | 2,642 | 2,185 | 2,976 | - | 1,851 | - | 1,190 | - | 661 |
| Power of Physics HS (HCCF) | 75 | - | 1,378 | - | (1,303) | - | (1,333) | - | 30 |
| IFOB AG Resource Grant | 1,126 | - | 861 | - | 265 | - | - | - | 265 |
| Bright House Bright Futures GT | - | 600 | 596 | - | 4 | - | - | - | 4 |
| Gordman's Donation | (241) | 952 | (240) | - | 951 | 379 | 1,260 | - | 70 |
| ACSC Literacy Program | 1,500 | 1,000 | 1,095 | - | 1,405 | - | - | - | 1,405 |
| Duke Energy - Science Grant | 91 | - | - | - | 91 | - | - | - | 91 |
| Avon Educational Foundation | (1,397) | 34,199 | 35,180 | - | (2,378) | 33,597 | 33,539 | 1,268 | (1,052) |
| ACS-HACH HS Chemistry Grant | - | 1,500 | 1,476 | - | 24 | - | - | - | 24 |
| Invent Now Cedar Science Grant | 7 | - | - | - | 7 | - | - | - | 7 |
| Meggars Project Award AIP | 2,397 | - | 27 | - | 2,370 | - | 1,502 | - | 868 |
| Walmart Grant Freshman Mentoring Program | 2,000 | 2,500 | 2,807 | - | 1,693 | - | - | - | 1,693 |
| Walmart/Duke Energy Grant Math-HS | 1,050 | 350 | 1,212 | - | 188 | 350 | 130 | - | 408 |
| Forum Credit Union Foundation Grant | - | 1,349 | 1,349 | - | - | - | - | - | - |
| United Way - PT Greenhouse Grant SY15 | - | 989 | 665 | - | 324 | - | - | - | 324 |
| Duke Energy Remedial Reading Program | - | 25,000 | 525 | - | 24,475 | - | 20,305 | - | 4,170 |
| Duke Energy Remedial Reading 16 | - | - | - | - | - | 25,000 | 3,662 | - | 21,338 |
| AHS Instructional Support | - | - | - | - | - | 220 | - | - | 220 |
| Making Activities Count Grant | - | - | - | - | - | 500 | 487 | - | 13 |
| MSP Tech Purdue Science Grant | 1 | - | 1,000 | - | (999) | 32,000 | 54,167 | - | (23,166) |
| AEF School Grant RB | - | - | - | - | - | 2,870 | 876 | - | 1,994 |
| AEF School Grant IE | - | - | - | - | - | 1,835 | 326 | - | 1,509 |
| AEF School Grant IW | - | - | - | - | - | 2,947 | 2,061 | - | 886 |
| AEF School Grant MN | - | - | - | - | - | 4,394 | 1,123 | - | 3,271 |
| AEF School Grant ME | - | - | - | - | - | 1,422 | 888 | - | 534 |
| AEF School Grant WO | - | - | - | - | - | 2,111 | 1,502 | - | 609 |
| AEF School Grant SE | - | - | - | - | - | 1,516 | 1,200 | - | 316 |
| AEF School Grant MS | - | - | - | - | - | 2,565 | 1,286 | - | 1,279 |
| AEF School Grant HS | - | - | - | - | - | 3,429 | 3,345 | - | 84 |
| AEF School Grant CE | - | - | - | - | - | 1,211 | 223 | - | 988 |
| AEF School Grant PT | - | - | - | - | - | 2,724 | 1,488 | - | 1,236 |
| AEF School Grant HE | - | - | - | - | - | 1,480 | 1,480 | - | - |
| ECA Field Trip | (18,510) | 51,568 | 42,832 | - | (9,774) | 58,984 | 56,343 | - | (7,133) |
| Smiley Face Club | 137 | - | - | - | 137 | - | - | - | 137 |
| AEF Extra Curricular | - | - | - | - | - | 6,129 | 6,129 | - | - |

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

| Fund | Cash and Investments 07-01-14 | Receipts | Disbursements | Other Financing Sources (Uses) | Cash and Investments 06-30-15 | Receipts | Disbursements | Other Financing Sources (Uses) | Cash and Investments 06-30-16 |
|--|-------------------------------------|----------------|----------------|--------------------------------------|-------------------------------------|----------------|----------------|--------------------------------------|-------------------------------------|
| Jeri Inman Scholarship SCHWAB | 6,062 | 1 | 1,000 | - | 5,063 | - | 1,000 | - | 4,063 |
| Gibraltar Citizenship Award | 713 | - | 78 | - | 635 | - | - | - | 635 |
| McCalment Scholarship Fund | 2,018 | 1,019 | 2,000 | - | 1,037 | 1,019 | 1,000 | - | 1,056 |
| R L T Mini-Grant PLTW Enhancement | 120 | - | - | - | 120 | - | - | - | 120 |
| Hendricks County Substance Abuse | 1,964 | 3,000 | 1,776 | - | 3,188 | - | 1,328 | - | 1,860 |
| Innovate ED PT | - | 3,000 | 3,000 | - | - | - | - | - | - |
| YMCA Latchkey Grant | - | 20,000 | 51,627 | - | (31,627) | 40,000 | 62,932 | - | (54,559) |
| Outdoor Learning Center | 15,571 | 26,391 | 22,531 | - | 19,431 | 15,551 | 12,795 | - | 22,187 |
| Hendricks County Solid Waste Grant-OLC | 18 | - | - | - | 18 | 1,000 | - | - | 1,018 |
| Technology Scholarship | - | - | - | - | - | 2,000 | - | - | 2,000 |
| Joseph Sugg Foundation | 540 | - | - | - | 540 | - | - | - | 540 |
| American Dairy Food Service Grant | - | - | - | - | - | 2,356 | 2,368 | - | (12) |
| Pinnacle Food Service Grant | - | - | - | - | - | 1,000 | - | - | 1,000 |
| Formative Assessment | - | - | - | - | - | 81,387 | 70,363 | - | 11,024 |
| High Ability Building Blocks 2013 | (14,368) | 14,368 | - | - | - | - | - | - | - |
| High Ability Grant Fund 2013-14 | 17,733 | - | 17,733 | - | - | - | - | - | - |
| Making a Difference/Building Blocks 2014 | - | 13,003 | 19,600 | - | (6,597) | 6,597 | - | - | - |
| High Ability 2014-15 Grant | - | 70,457 | 55,731 | - | 14,726 | - | 14,612 | - | 114 |
| High Ability 2015-16 Grant | - | - | - | - | - | 78,820 | 58,460 | - | 20,360 |
| Medicaid Reimbursement | 2,722 | 29,679 | 28,157 | - | 4,244 | 53,436 | 40,418 | - | 17,262 |
| Secured Schools Safety Grant | - | 50,000 | 50,000 | - | - | - | 50,000 | - | (50,000) |
| NESP 2013-2014 | 8,996 | - | 8,996 | - | - | - | - | - | - |
| NESP 2014-2015 | - | 35,270 | 32,938 | - | 2,332 | - | 2,332 | - | - |
| NESP 2015-2016 | - | - | - | - | - | 72,664 | 67,081 | - | 5,583 |
| State Connectivity Grant School Technology | 59,467 | 30,624 | 13,661 | - | 76,430 | 117,417 | 9,478 | - | 184,369 |
| Project Lead the Way | - | 6,557 | 6,557 | - | - | - | - | - | - |
| Title I 2013-2014 | (82,484) | 129,901 | 47,372 | - | 45 | - | - | - | 45 |
| Title I 2014-2015 | - | 66,295 | 324,172 | - | (257,877) | 334,136 | 76,259 | - | - |
| Title I 2015-2016 | - | - | - | - | - | 160,493 | 400,886 | - | (240,393) |
| (IDEA, Part B) LEA Capacity Building (Sliver) Grants | - | 318,185 | 1,293,142 | - | (974,957) | 1,265,481 | 290,524 | - | - |
| West Central Part B 2010-11 | - | 8,552 | 33,806 | - | (25,254) | 30,606 | 5,352 | - | - |
| Part B Grant 2011-12 | - | - | - | - | - | 1,124,518 | 1,239,783 | - | (115,265) |
| Part B Preschool 2011-12 | - | - | - | - | - | 32,220 | 35,202 | - | (2,982) |
| Part B 611 Reg Grant 2012-13 | - | 8,850 | 8,850 | - | - | - | - | - | - |
| Part B 611 Reg Grant 2013-14 | (275,953) | 508,663 | 232,738 | - | (28) | 26,334 | 26,334 | - | (28) |
| Part B 619 Preschool Grant 2013-14 | (3,842) | 3,841 | 10 | - | (11) | - | - | - | (11) |
| Part B Technical Assistance Grant | (5,807) | 6,407 | 3,584 | - | (2,984) | 16,992 | 14,160 | - | (152) |
| Medicaid Reimbursement - Federal | 21,300 | 55,445 | 14,719 | - | 62,026 | 96,527 | 33,356 | - | 125,197 |
| IndianaMac Reimbursement PGM Federal | 32,593 | 47,871 | 44,133 | - | 36,331 | 52,548 | 57,621 | - | 31,258 |
| Other Federal Programs | - | - | - | - | - | 33,141 | 33,414 | - | (273) |
| Title II Part A '2012-14 | (4,109) | 104,255 | 100,146 | - | - | - | - | - | - |
| Title II Part A '2013-15 | - | - | 943 | - | (943) | 91,447 | 90,504 | - | - |
| Title II Part A '2014-16 | - | - | - | - | - | 93,144 | 94,052 | - | (908) |
| Title III 2012-13 | (3,659) | 3,659 | - | - | - | - | - | - | - |
| Title III 2013-14 | (24,587) | 36,415 | 12,128 | - | (300) | 574 | 274 | - | - |
| Title III Wida 2014 Support | - | 849 | 849 | - | - | - | - | - | - |
| Title III 2014-15 | - | 12,256 | 24,832 | - | (12,576) | 49,451 | 36,875 | - | - |
| 84.378A Cash For College Grant | 1,000 | - | 1,000 | - | - | - | - | - | - |
| Payroll Clearing | 5,330,573 | 8,258,327 | 8,943,763 | - | 4,645,137 | 2,476,759 | 1,248,026 | - | 5,873,870 |
| Totals | \$ 23,284,435 | \$ 105,368,243 | \$ 106,398,226 | \$ 6,326 | \$ 22,260,778 | \$ 108,489,816 | \$ 104,550,963 | \$ 48,479 | \$ 26,248,110 |

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

AVON 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.

AVON 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.

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

F. Other Financing Sources and Uses

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

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

AVON COMMUNITY SCHOOL CORPORATION
NOTES TO FINANCIAL STATEMENT
(Continued)

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

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

G. Fund Accounting

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

Note 2. Budgets

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

Note 3. Property Taxes

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

Note 4. Deposits and Investments

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

AVON COMMUNITY SCHOOL CORPORATION
NOTES TO FINANCIAL STATEMENT
(Continued)

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

Note 5. Risk Management

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

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

Note 6. Pension Plans

A. Public Employees' Retirement Fund

Plan Description

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

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

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

Funding Policy and Annual Pension Cost

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

AVON COMMUNITY SCHOOL CORPORATION
NOTES TO FINANCIAL STATEMENT
(Continued)

B. Teachers' Retirement Fund

Plan Description

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

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

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

Funding Policy and Annual Pension Cost

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

Note 7. Negative Disbursements

The financial statement contains some disbursements which appear as negative entries. This is a result of adjustments to accurately reflect the fund's balance.

Note 8. Cash Balance Deficits

The financial statement contains some funds with deficits in cash. In some instances, this is a result of timing related to reimbursable grant funds. In some instances, this is a result of disbursements exceeding receipts. In some instances, this is a result of a negative beginning balance and insufficient receipts to zero out the fund.

AVON COMMUNITY SCHOOL CORPORATION
NOTES TO FINANCIAL STATEMENT
(Continued)

Note 9. Holding Corporations

The School Corporation has entered into a capital lease with Avon Community School Building Corporation (the lessor). The lessor was organized as a not-for-profit corporation pursuant to state statute for the purpose of financing and constructing or reconstructing facilities for lease to the School Corporation. The lessor has been determined to be a related-party of the School Corporation. Lease payments during the years 2015 and 2016 totaled \$6,375,300 and \$5,515,500, respectively.

The School Corporation has entered into a capital lease with Avon Two Thousand School Building Corporation (the lessor). The lessor was organized as a not-for-profit corporation pursuant to state statute for the purpose of financing and constructing or reconstructing facilities for lease to the School Corporation. The lessor has been determined to be a related-party of the School Corporation. Lease payments during the years 2015 and 2016 totaled \$13,875,348 and \$13,619,685, respectively.

The School Corporation has entered into a capital lease with Avon 2000 Community School Building Corporation (the lessor). The lessor was organized as a not-for-profit corporation pursuant to state statute for the purpose of financing and constructing or reconstructing facilities for lease to the School Corporation. The lessor has been determined to be a related-party of the School Corporation. Lease payments during the years 2015 and 2016 totaled \$4,447,353 and \$5,147,938, respectively.

Note 10. Subsequent Events

The Avon Community School Corporation entered into one new bond issue in 2016. The Ad Valorem Property Tax First Mortgage Bonds, Series 2016, in the amount of \$9,995,861 was closed on December 21, 2016. Avon Community School Corporation entered into two new bond issues in 2017. The Propane Bus Lease 2017, in the amount of \$2,142,972, was closed on February 17, 2017. The Ad Valorem Property Tax First Mortgage Refunding and Improvement Bonds, Series 2017, in the amount of \$147,111,310, was closed on April 27, 2017.

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OTHER INFORMATION - UNAUDITED

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

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

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

AVON 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, 2015

| | General | Debt Service | Retirement/ Severance Bond Debt Service | Capital Projects | School Transportation | School Bus Replacement | Rainy Day |
|---|---------------------|---------------------|---|---------------------|--------------------------|------------------------------|------------------|
| Cash and investments - beginning | \$ 3,242,871 | \$ 4,465,781 | \$ 147,131 | \$ 3,028,979 | \$ 2,451,951 | \$ 2,308,705 | \$ 734,773 |
| Receipts: | | | | | | | |
| Local sources | 1,121,733 | 23,785,305 | 847,871 | 4,579,868 | 5,681,100 | 893,845 | - |
| Intermediate sources | 681 | - | - | - | - | - | - |
| State sources | 52,932,628 | - | - | - | - | - | - |
| Federal sources | 18,554 | 79,011 | - | - | - | - | - |
| Other receipts | 551 | - | - | 26,866 | 181,240 | - | - |
| Total receipts | <u>54,074,147</u> | <u>23,864,316</u> | <u>847,871</u> | <u>4,606,734</u> | <u>5,862,340</u> | <u>893,845</u> | <u>-</u> |
| Disbursements: | | | | | | | |
| Instruction | 33,336,691 | - | - | - | - | - | - |
| Support services | 18,783,638 | 27 | - | 4,334,350 | 5,853,719 | - | 734,773 |
| Noninstructional services | 680,146 | - | - | - | - | - | - |
| Facilities acquisition and construction | 20,100 | - | - | 665,611 | - | - | - |
| Debt service | - | 25,026,251 | 876,285 | - | - | - | - |
| Nonprogrammed charges | - | - | - | - | - | - | - |
| Interfund loans | - | - | - | - | - | - | - |
| Total disbursements | <u>52,820,575</u> | <u>25,026,278</u> | <u>876,285</u> | <u>4,999,961</u> | <u>5,853,719</u> | <u>-</u> | <u>734,773</u> |
| Excess (deficiency) of receipts over disbursements | <u>1,253,572</u> | <u>(1,161,962)</u> | <u>(28,414)</u> | <u>(393,227)</u> | <u>8,621</u> | <u>893,845</u> | <u>(734,773)</u> |
| Other financing sources (uses): | | | | | | | |
| Sale of capital assets | - | - | - | 2,649 | - | - | - |
| Total other financing sources (uses) | <u>-</u> | <u>-</u> | <u>-</u> | <u>2,649</u> | <u>-</u> | <u>-</u> | <u>-</u> |
| Excess (deficiency) of receipts and other financing sources over disbursements and other financing uses | <u>1,253,572</u> | <u>(1,161,962)</u> | <u>(28,414)</u> | <u>(390,578)</u> | <u>8,621</u> | <u>893,845</u> | <u>(734,773)</u> |
| Cash and investments - ending | <u>\$ 4,496,443</u> | <u>\$ 3,303,819</u> | <u>\$ 118,717</u> | <u>\$ 2,638,401</u> | <u>\$ 2,460,572</u> | <u>\$ 3,202,550</u> | <u>\$ -</u> |

AVON 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, 2015

| | Retirement/ Severance Bond | Construction 2002 Revenue | Bond 2012 Construction | Construction Fund | Construction AIS Pool Renovation | Construction 2007 Middle School | School Lunch |
|---|----------------------------------|---------------------------------|------------------------------|----------------------|---|--|---------------------|
| Cash and investments - beginning | \$ 721,135 | \$ 7,936 | \$ - | \$ 28,202 | \$ 633 | \$ 563,698 | \$ 714,735 |
| Receipts: | | | | | | | |
| Local sources | 1,255 | - | - | - | - | - | 2,462,769 |
| Intermediate sources | - | - | - | - | - | - | - |
| State sources | - | - | - | - | - | - | 56,409 |
| Federal sources | - | - | - | - | - | - | 1,476,353 |
| Other receipts | - | - | - | - | - | - | 350 |
| Total receipts | <u>1,255</u> | <u>-</u> | <u>-</u> | <u>-</u> | <u>-</u> | <u>-</u> | <u>3,995,881</u> |
| Disbursements: | | | | | | | |
| Instruction | - | - | - | - | - | - | - |
| Support services | - | - | - | - | - | - | 58,414 |
| Noninstructional services | - | - | - | - | - | - | 3,646,234 |
| Facilities acquisition and construction | - | - | - | - | 633 | - | - |
| Debt service | - | - | - | - | - | - | - |
| Nonprogrammed charges | - | - | - | - | - | - | - |
| Interfund loans | - | - | - | - | - | - | - |
| Total disbursements | <u>-</u> | <u>-</u> | <u>-</u> | <u>-</u> | <u>633</u> | <u>-</u> | <u>3,704,648</u> |
| Excess (deficiency) of receipts over disbursements | <u>1,255</u> | <u>-</u> | <u>-</u> | <u>-</u> | <u>(633)</u> | <u>-</u> | <u>291,233</u> |
| Other financing sources (uses): | | | | | | | |
| Sale of capital assets | <u>-</u> | <u>-</u> | <u>-</u> | <u>-</u> | <u>-</u> | <u>-</u> | <u>3,677</u> |
| Total other financing sources (uses) | <u>-</u> | <u>-</u> | <u>-</u> | <u>-</u> | <u>-</u> | <u>-</u> | <u>3,677</u> |
| Excess (deficiency) of receipts and other financing sources over disbursements and other financing uses | <u>1,255</u> | <u>-</u> | <u>-</u> | <u>-</u> | <u>(633)</u> | <u>-</u> | <u>294,910</u> |
| Cash and investments - ending | <u>\$ 722,390</u> | <u>\$ 7,936</u> | <u>\$ -</u> | <u>\$ 28,202</u> | <u>\$ -</u> | <u>\$ 563,698</u> | <u>\$ 1,009,645</u> |

AVON 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, 2015

| | Textbook Rental | Levy Excess | Blind Low Vision Co-Op Program | Safe Haven Grant 2014-15 | Safe Haven Grant 2015-16 | AEF School Grants | AEF Grant Remediation Program |
|---|--------------------|-----------------|--|-----------------------------------|-----------------------------------|-------------------------|--|
| Cash and investments - beginning | \$ (217,178) | \$ - | \$ - | \$ - | \$ - | \$ 789 | \$ 237 |
| Receipts: | | | | | | | |
| Local sources | 736,763 | 7,595 | 75,125 | - | - | 7,317 | 3,400 |
| Intermediate sources | - | - | - | - | - | - | - |
| State sources | 395,291 | - | - | 990 | - | - | - |
| Federal sources | - | - | - | - | - | - | - |
| Other receipts | 5,848 | - | - | - | - | - | - |
| Total receipts | <u>1,137,902</u> | <u>7,595</u> | <u>75,125</u> | <u>990</u> | <u>-</u> | <u>7,317</u> | <u>3,400</u> |
| Disbursements: | | | | | | | |
| Instruction | - | - | 163,333 | - | - | 6,436 | 22 |
| Support services | 706,252 | - | - | 10,000 | - | - | - |
| Noninstructional services | - | - | - | - | - | - | - |
| Facilities acquisition and construction | - | - | - | - | - | - | - |
| Debt service | - | - | - | - | - | - | - |
| Nonprogrammed charges | - | - | - | - | - | - | - |
| Interfund loans | - | - | - | - | - | - | - |
| Total disbursements | <u>706,252</u> | <u>-</u> | <u>163,333</u> | <u>10,000</u> | <u>-</u> | <u>6,436</u> | <u>22</u> |
| Excess (deficiency) of receipts over disbursements | <u>431,650</u> | <u>7,595</u> | <u>(88,208)</u> | <u>(9,010)</u> | <u>-</u> | <u>881</u> | <u>3,378</u> |
| Other financing sources (uses): | | | | | | | |
| Sale of capital assets | - | - | - | - | - | - | - |
| Total other financing sources (uses) | <u>-</u> | <u>-</u> | <u>-</u> | <u>-</u> | <u>-</u> | <u>-</u> | <u>-</u> |
| Excess (deficiency) of receipts and other financing sources over disbursements and other financing uses | <u>431,650</u> | <u>7,595</u> | <u>(88,208)</u> | <u>(9,010)</u> | <u>-</u> | <u>881</u> | <u>3,378</u> |
| Cash and investments - ending | <u>\$ 214,472</u> | <u>\$ 7,595</u> | <u>\$ (88,208)</u> | <u>\$ (9,010)</u> | <u>\$ -</u> | <u>\$ 1,670</u> | <u>\$ 3,615</u> |

AVON 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, 2015

| | Lilly Science Education Grants | IN Youth Institute PD Grant/SE | Substaining/ Improving Literacy | Power of Physics HS (HCCF) | IFOF AG Resource Grant | Bright House Bright Futures GT | Gordman's Donation |
|---|---|--|---------------------------------------|--|---------------------------------|--|-----------------------|
| Cash and investments - beginning | \$ 41 | \$ - | \$ 2,642 | \$ 75 | \$ 1,126 | \$ - | \$ (241) |
| Receipts: | | | | | | | |
| Local sources | - | - | 2,185 | - | - | 600 | 952 |
| Intermediate sources | - | 750 | - | - | - | - | - |
| State sources | - | - | - | - | - | - | - |
| Federal sources | - | - | - | - | - | - | - |
| Other receipts | - | - | - | - | - | - | - |
| Total receipts | - | 750 | 2,185 | - | - | 600 | 952 |
| Disbursements: | | | | | | | |
| Instruction | - | - | 2,976 | 1,378 | 861 | 596 | - |
| Support services | - | - | - | - | - | - | (240) |
| Noninstructional services | - | - | - | - | - | - | - |
| Facilities acquisition and construction | - | - | - | - | - | - | - |
| Debt service | - | - | - | - | - | - | - |
| Nonprogrammed charges | - | - | - | - | - | - | - |
| Interfund loans | - | - | - | - | - | - | - |
| Total disbursements | - | - | 2,976 | 1,378 | 861 | 596 | (240) |
| Excess (deficiency) of receipts over disbursements | - | 750 | (791) | (1,378) | (861) | 4 | 1,192 |
| Other financing sources (uses): | | | | | | | |
| Sale of capital assets | - | - | - | - | - | - | - |
| Total other financing sources (uses) | - | - | - | - | - | - | - |
| Excess (deficiency) of receipts and other financing sources over disbursements and other financing uses | - | 750 | (791) | (1,378) | (861) | 4 | 1,192 |
| Cash and investments - ending | \$ 41 | \$ 750 | \$ 1,851 | \$ (1,303) | \$ 265 | \$ 4 | \$ 951 |

AVON 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, 2015

| | ACSC Literacy Program | Duke Energy - Science Grant | Avon Educational Foundation | ACS-HACH HS Chemistry Grant | Invent Now Cedar Science Grant | Meggers Project Award AIP | Walmart Grant Freshman Mentoring Program |
|---|-----------------------------|--------------------------------------|-----------------------------------|--------------------------------------|--|------------------------------------|--|
| Cash and investments - beginning | \$ 1,500 | \$ 91 | \$ (1,397) | \$ - | \$ 7 | \$ 2,397 | \$ 2,000 |
| Receipts: | | | | | | | |
| Local sources | 1,000 | - | 33,093 | 1,500 | - | - | 2,500 |
| Intermediate sources | - | - | 1,106 | - | - | - | - |
| State sources | - | - | - | - | - | - | - |
| Federal sources | - | - | - | - | - | - | - |
| Other receipts | - | - | - | - | - | - | - |
| Total receipts | <u>1,000</u> | <u>-</u> | <u>34,199</u> | <u>1,500</u> | <u>-</u> | <u>-</u> | <u>2,500</u> |
| Disbursements: | | | | | | | |
| Instruction | 1,095 | - | (6) | 1,476 | - | 27 | - |
| Support services | - | - | 2,263 | - | - | - | 2,807 |
| Noninstructional services | - | - | 32,923 | - | - | - | - |
| Facilities acquisition and construction | - | - | - | - | - | - | - |
| Debt service | - | - | - | - | - | - | - |
| Nonprogrammed charges | - | - | - | - | - | - | - |
| Interfund loans | - | - | - | - | - | - | - |
| Total disbursements | <u>1,095</u> | <u>-</u> | <u>35,180</u> | <u>1,476</u> | <u>-</u> | <u>27</u> | <u>2,807</u> |
| Excess (deficiency) of receipts over disbursements | <u>(95)</u> | <u>-</u> | <u>(981)</u> | <u>24</u> | <u>-</u> | <u>(27)</u> | <u>(307)</u> |
| Other financing sources (uses): | | | | | | | |
| Sale of capital assets | - | - | - | - | - | - | - |
| Total other financing sources (uses) | <u>-</u> | <u>-</u> | <u>-</u> | <u>-</u> | <u>-</u> | <u>-</u> | <u>-</u> |
| Excess (deficiency) of receipts and other financing sources over disbursements and other financing uses | <u>(95)</u> | <u>-</u> | <u>(981)</u> | <u>24</u> | <u>-</u> | <u>(27)</u> | <u>(307)</u> |
| Cash and investments - ending | <u>\$ 1,405</u> | <u>\$ 91</u> | <u>\$ (2,378)</u> | <u>\$ 24</u> | <u>\$ 7</u> | <u>\$ 2,370</u> | <u>\$ 1,693</u> |

AVON 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, 2015

| | Walmart/ Duke Energy Grant Math-HS | Forum Credit Union Foundation Grant | United Way PT Greenhouse Grant SY15 | Duke Energy Remedial Reading Program | Duke Energy Remedial Reading 16 | AHS Instructional Support | Making Activities Count Grant |
|---|--|---|--|--|---|---------------------------------|--|
| Cash and investments - beginning | \$ 1,050 | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - |
| Receipts: | | | | | | | |
| Local sources | 350 | 1,349 | 989 | 25,000 | - | - | - |
| Intermediate sources | - | - | - | - | - | - | - |
| State sources | - | - | - | - | - | - | - |
| Federal sources | - | - | - | - | - | - | - |
| Other receipts | - | - | - | - | - | - | - |
| Total receipts | 350 | 1,349 | 989 | 25,000 | - | - | - |
| Disbursements: | | | | | | | |
| Instruction | 1,212 | 1,349 | 665 | 525 | - | - | - |
| Support services | - | - | - | - | - | - | - |
| Noninstructional services | - | - | - | - | - | - | - |
| Facilities acquisition and construction | - | - | - | - | - | - | - |
| Debt service | - | - | - | - | - | - | - |
| Nonprogrammed charges | - | - | - | - | - | - | - |
| Interfund loans | - | - | - | - | - | - | - |
| Total disbursements | 1,212 | 1,349 | 665 | 525 | - | - | - |
| Excess (deficiency) of receipts over disbursements | (862) | - | 324 | 24,475 | - | - | - |
| Other financing sources (uses): | | | | | | | |
| Sale of capital assets | - | - | - | - | - | - | - |
| Total other financing sources (uses) | - | - | - | - | - | - | - |
| Excess (deficiency) of receipts and other financing sources over disbursements and other financing uses | (862) | - | 324 | 24,475 | - | - | - |
| Cash and investments - ending | \$ 188 | \$ - | \$ 324 | \$ 24,475 | \$ - | \$ - | \$ - |

AVON 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, 2015

| | MSP Tech Purdue Science Grant | AEF School Grant RB | AEF School Grant IE | AEF School Grant IW | AEF School Grant MN | AEF School Grant ME | AEF School Grant WO |
|---|---|------------------------------|------------------------------|------------------------------|------------------------------|------------------------------|------------------------------|
| Cash and investments - beginning | \$ 1 | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - |
| Receipts: | | | | | | | |
| Local sources | - | - | - | - | - | - | - |
| Intermediate sources | - | - | - | - | - | - | - |
| State sources | - | - | - | - | - | - | - |
| Federal sources | - | - | - | - | - | - | - |
| Other receipts | - | - | - | - | - | - | - |
| Total receipts | - | - | - | - | - | - | - |
| Disbursements: | | | | | | | |
| Instruction | 1,000 | - | - | - | - | - | - |
| Support services | - | - | - | - | - | - | - |
| Noninstructional services | - | - | - | - | - | - | - |
| Facilities acquisition and construction | - | - | - | - | - | - | - |
| Debt service | - | - | - | - | - | - | - |
| Nonprogrammed charges | - | - | - | - | - | - | - |
| Interfund loans | - | - | - | - | - | - | - |
| Total disbursements | 1,000 | - | - | - | - | - | - |
| Excess (deficiency) of receipts over disbursements | (1,000) | - | - | - | - | - | - |
| Other financing sources (uses): | | | | | | | |
| Sale of capital assets | - | - | - | - | - | - | - |
| Total other financing sources (uses) | - | - | - | - | - | - | - |
| Excess (deficiency) of receipts and other financing sources over disbursements and other financing uses | (1,000) | - | - | - | - | - | - |
| Cash and investments - ending | \$ (999) | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - |

AVON 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, 2015

| | AEF School Grant SE | AEF School Grant MS | AEF School Grant HS | AEF School Grant CE | AEF School Grant PT | AEF School Grant HE | ECA Field Trip |
|---|------------------------------|------------------------------|------------------------------|------------------------------|------------------------------|------------------------------|----------------------|
| Cash and investments - beginning | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ (18,510) |
| Receipts: | | | | | | | |
| Local sources | - | - | - | - | - | - | 51,568 |
| Intermediate sources | - | - | - | - | - | - | - |
| State sources | - | - | - | - | - | - | - |
| Federal sources | - | - | - | - | - | - | - |
| Other receipts | - | - | - | - | - | - | - |
| Total receipts | - | - | - | - | - | - | 51,568 |
| Disbursements: | | | | | | | |
| Instruction | - | - | - | - | - | - | - |
| Support services | - | - | - | - | - | - | 42,832 |
| Noninstructional services | - | - | - | - | - | - | - |
| Facilities acquisition and construction | - | - | - | - | - | - | - |
| Debt service | - | - | - | - | - | - | - |
| Nonprogrammed charges | - | - | - | - | - | - | - |
| Interfund loans | - | - | - | - | - | - | - |
| Total disbursements | - | - | - | - | - | - | 42,832 |
| Excess (deficiency) of receipts over disbursements | - | - | - | - | - | - | 8,736 |
| Other financing sources (uses): | | | | | | | |
| Sale of capital assets | - | - | - | - | - | - | - |
| Total other financing sources (uses) | - | - | - | - | - | - | - |
| Excess (deficiency) of receipts and other financing sources over disbursements and other financing uses | - | - | - | - | - | - | 8,736 |
| Cash and investments - ending | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ (9,774) |

AVON 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, 2015

| | Smiley Face Club | AEF Extra Curricular | Jeri Inman Scholarship SCHWAB | Gibraltar Citizenship Award | McCalment Scholarship Fund | R L T Mini-Grant PLTW Enhancement | Hendricks County Substance Abuse |
|---|------------------------|----------------------------|--|-----------------------------------|----------------------------------|--|---|
| Cash and investments - beginning | \$ 137 | \$ - | \$ 6,062 | \$ 713 | \$ 2,018 | \$ 120 | \$ 1,964 |
| Receipts: | | | | | | | |
| Local sources | - | - | 1 | - | 1,019 | - | 3,000 |
| Intermediate sources | - | - | - | - | - | - | - |
| State sources | - | - | - | - | - | - | - |
| Federal sources | - | - | - | - | - | - | - |
| Other receipts | - | - | - | - | - | - | - |
| Total receipts | - | - | 1 | - | 1,019 | - | 3,000 |
| Disbursements: | | | | | | | |
| Instruction | - | - | - | 78 | - | - | - |
| Support services | - | - | - | - | - | - | 1,776 |
| Noninstructional services | - | - | - | - | - | - | - |
| Facilities acquisition and construction | - | - | - | - | - | - | - |
| Debt service | - | - | - | - | - | - | - |
| Nonprogrammed charges | - | - | 1,000 | - | 2,000 | - | - |
| Interfund loans | - | - | - | - | - | - | - |
| Total disbursements | - | - | 1,000 | 78 | 2,000 | - | 1,776 |
| Excess (deficiency) of receipts over disbursements | - | - | (999) | (78) | (981) | - | 1,224 |
| Other financing sources (uses): | | | | | | | |
| Sale of capital assets | - | - | - | - | - | - | - |
| Total other financing sources (uses) | - | - | - | - | - | - | - |
| Excess (deficiency) of receipts and other financing sources over disbursements and other financing uses | - | - | (999) | (78) | (981) | - | 1,224 |
| Cash and investments - ending | \$ 137 | \$ - | \$ 5,063 | \$ 635 | \$ 1,037 | \$ 120 | \$ 3,188 |

AVON 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, 2015

| | Innovate ED PT | YMCA Latchkey Grant | Outdoor Learning Center | Hendricks County Solid Waste Grant-OLC | Technology Scholarship | Joseph Sugg Foundation | American Dairy Food Service Grant |
|---|----------------------|---------------------------|-------------------------------|--|---------------------------|------------------------------|---|
| Cash and investments - beginning | \$ - | \$ - | \$ 15,571 | \$ 18 | \$ - | \$ 540 | \$ - |
| Receipts: | | | | | | | |
| Local sources | 3,000 | 20,000 | 26,391 | - | - | - | - |
| Intermediate sources | - | - | - | - | - | - | - |
| State sources | - | - | - | - | - | - | - |
| Federal sources | - | - | - | - | - | - | - |
| Other receipts | - | - | - | - | - | - | - |
| Total receipts | <u>3,000</u> | <u>20,000</u> | <u>26,391</u> | <u>-</u> | <u>-</u> | <u>-</u> | <u>-</u> |
| Disbursements: | | | | | | | |
| Instruction | - | - | 22,531 | - | - | - | - |
| Support services | 3,000 | 51,627 | - | - | - | - | - |
| Noninstructional services | - | - | - | - | - | - | - |
| Facilities acquisition and construction | - | - | - | - | - | - | - |
| Debt service | - | - | - | - | - | - | - |
| Nonprogrammed charges | - | - | - | - | - | - | - |
| Interfund loans | - | - | - | - | - | - | - |
| Total disbursements | <u>3,000</u> | <u>51,627</u> | <u>22,531</u> | <u>-</u> | <u>-</u> | <u>-</u> | <u>-</u> |
| Excess (deficiency) of receipts over disbursements | <u>-</u> | <u>(31,627)</u> | <u>3,860</u> | <u>-</u> | <u>-</u> | <u>-</u> | <u>-</u> |
| Other financing sources (uses): | | | | | | | |
| Sale of capital assets | - | - | - | - | - | - | - |
| Total other financing sources (uses) | <u>-</u> | <u>-</u> | <u>-</u> | <u>-</u> | <u>-</u> | <u>-</u> | <u>-</u> |
| Excess (deficiency) of receipts and other financing sources over disbursements and other financing uses | <u>-</u> | <u>(31,627)</u> | <u>3,860</u> | <u>-</u> | <u>-</u> | <u>-</u> | <u>-</u> |
| Cash and investments - ending | <u>\$ -</u> | <u>\$ (31,627)</u> | <u>\$ 19,431</u> | <u>\$ 18</u> | <u>\$ -</u> | <u>\$ 540</u> | <u>\$ -</u> |

AVON 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, 2015

| | Pinnacle Food Service Grant | Formative Assessment | High Ability Building Blocks 2013 | High Ability Grant Fund 2013-14 | Making a Difference/ Building Blocks 2014 | High Ability 2014-15 Grant | High Ability 2015-16 Grant |
|---|--------------------------------------|-------------------------|---|---|---|-------------------------------------|-------------------------------------|
| Cash and investments - beginning | \$ - | \$ - | \$ (14,368) | \$ 17,733 | \$ - | \$ - | \$ - |
| Receipts: | | | | | | | |
| Local sources | - | - | - | - | - | - | - |
| Intermediate sources | - | - | - | - | - | - | - |
| State sources | - | - | 14,368 | - | 13,003 | 70,457 | - |
| Federal sources | - | - | - | - | - | - | - |
| Other receipts | - | - | - | - | - | - | - |
| Total receipts | - | - | 14,368 | - | 13,003 | 70,457 | - |
| Disbursements: | | | | | | | |
| Instruction | - | - | - | 17,733 | - | 41,393 | - |
| Support services | - | - | - | - | 19,600 | 14,338 | - |
| Noninstructional services | - | - | - | - | - | - | - |
| Facilities acquisition and construction | - | - | - | - | - | - | - |
| Debt service | - | - | - | - | - | - | - |
| Nonprogrammed charges | - | - | - | - | - | - | - |
| Interfund loans | - | - | - | - | - | - | - |
| Total disbursements | - | - | - | 17,733 | 19,600 | 55,731 | - |
| Excess (deficiency) of receipts over disbursements | - | - | 14,368 | (17,733) | (6,597) | 14,726 | - |
| Other financing sources (uses): | | | | | | | |
| Sale of capital assets | - | - | - | - | - | - | - |
| Total other financing sources (uses) | - | - | - | - | - | - | - |
| Excess (deficiency) of receipts and other financing sources over disbursements and other financing uses | - | - | 14,368 | (17,733) | (6,597) | 14,726 | - |
| Cash and investments - ending | \$ - | \$ - | \$ - | \$ - | \$ (6,597) | \$ 14,726 | \$ - |

AVON 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, 2015

| | Medicaid Reimbursement | Secured Schools Safety Grant | NESP 2013-2014 | NESP 2014-2015 | NESP 2015-2016 | State Connectivity Grant School Technology | Project Lead the Way |
|---|---------------------------|---------------------------------------|-------------------|-------------------|-------------------|--|-------------------------------|
| Cash and investments - beginning | \$ 2,722 | \$ - | \$ 8,996 | \$ - | \$ - | \$ 59,467 | \$ 6,557 |
| Receipts: | | | | | | | |
| Local sources | - | - | - | - | - | - | - |
| Intermediate sources | - | - | - | - | - | - | - |
| State sources | 29,679 | 50,000 | - | 35,270 | - | 30,624 | - |
| Federal sources | - | - | - | - | - | - | - |
| Other receipts | - | - | - | - | - | - | - |
| Total receipts | <u>29,679</u> | <u>50,000</u> | <u>-</u> | <u>35,270</u> | <u>-</u> | <u>30,624</u> | <u>-</u> |
| Disbursements: | | | | | | | |
| Instruction | - | - | 4,553 | 59 | - | - | 6,557 |
| Support services | 28,157 | 50,000 | 4,443 | 32,879 | - | 13,661 | - |
| Noninstructional services | - | - | - | - | - | - | - |
| Facilities acquisition and construction | - | - | - | - | - | - | - |
| Debt service | - | - | - | - | - | - | - |
| Nonprogrammed charges | - | - | - | - | - | - | - |
| Interfund loans | - | - | - | - | - | - | - |
| Total disbursements | <u>28,157</u> | <u>50,000</u> | <u>8,996</u> | <u>32,938</u> | <u>-</u> | <u>13,661</u> | <u>6,557</u> |
| Excess (deficiency) of receipts over disbursements | <u>1,522</u> | <u>-</u> | <u>(8,996)</u> | <u>2,332</u> | <u>-</u> | <u>16,963</u> | <u>(6,557)</u> |
| Other financing sources (uses): | | | | | | | |
| Sale of capital assets | - | - | - | - | - | - | - |
| Total other financing sources (uses) | <u>-</u> | <u>-</u> | <u>-</u> | <u>-</u> | <u>-</u> | <u>-</u> | <u>-</u> |
| Excess (deficiency) of receipts and other financing sources over disbursements and other financing uses | <u>1,522</u> | <u>-</u> | <u>(8,996)</u> | <u>2,332</u> | <u>-</u> | <u>16,963</u> | <u>(6,557)</u> |
| Cash and investments - ending | <u>\$ 4,244</u> | <u>\$ -</u> | <u>\$ -</u> | <u>\$ 2,332</u> | <u>\$ -</u> | <u>\$ 76,430</u> | <u>\$ -</u> |

AVON 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, 2015

| | Title I 2013-2014 | Title I 2014-2015 | Title I 2015-2016 | (IDEA, Part B) LEA Capacity Building (Sliver) Grants | West Central Part B 2010-11 | Part B Grant 2011-12 |
|---|----------------------|----------------------|----------------------|--|--------------------------------------|----------------------------|
| Cash and investments - beginning | \$ (82,484) | \$ - | \$ - | \$ - | \$ - | \$ - |
| Receipts: | | | | | | |
| Local sources | - | - | - | - | - | - |
| Intermediate sources | - | - | - | - | - | - |
| State sources | - | - | - | - | - | - |
| Federal sources | 129,901 | 66,295 | - | 318,185 | 8,552 | - |
| Other receipts | - | - | - | - | - | - |
| Total receipts | <u>129,901</u> | <u>66,295</u> | <u>-</u> | <u>318,185</u> | <u>8,552</u> | <u>-</u> |
| Disbursements: | | | | | | |
| Instruction | 46,373 | 301,588 | - | 1,293,142 | 33,806 | - |
| Support services | 956 | 21,808 | - | - | - | - |
| Noninstructional services | 43 | 776 | - | - | - | - |
| Facilities acquisition and construction | - | - | - | - | - | - |
| Debt service | - | - | - | - | - | - |
| Nonprogrammed charges | - | - | - | - | - | - |
| Interfund loans | - | - | - | - | - | - |
| Total disbursements | <u>47,372</u> | <u>324,172</u> | <u>-</u> | <u>1,293,142</u> | <u>33,806</u> | <u>-</u> |
| Excess (deficiency) of receipts over disbursements | <u>82,529</u> | <u>(257,877)</u> | <u>-</u> | <u>(974,957)</u> | <u>(25,254)</u> | <u>-</u> |
| Other financing sources (uses): | | | | | | |
| Sale of capital assets | - | - | - | - | - | - |
| Total other financing sources (uses) | <u>-</u> | <u>-</u> | <u>-</u> | <u>-</u> | <u>-</u> | <u>-</u> |
| Excess (deficiency) of receipts and other financing sources over disbursements and other financing uses | <u>82,529</u> | <u>(257,877)</u> | <u>-</u> | <u>(974,957)</u> | <u>(25,254)</u> | <u>-</u> |
| Cash and investments - ending | <u>\$ 45</u> | <u>\$ (257,877)</u> | <u>\$ -</u> | <u>\$ (974,957)</u> | <u>\$ (25,254)</u> | <u>\$ -</u> |

AVON 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, 2015

| | Part B Preschool 2011-12 | Part B 611 Reg Grant 2012-13 | Part B 611 Reg Grant 2013-14 | Part B 619 Preschool Grant 2013-14 | Part B Technical Assistance Grant | Medicaid Reimbursement - Federal |
|---|--------------------------------|--|--|--|--|--|
| Cash and investments - beginning | \$ - | \$ - | \$ (275,953) | \$ (3,842) | \$ (5,807) | \$ 21,300 |
| Receipts: | | | | | | |
| Local sources | - | - | - | - | - | - |
| Intermediate sources | - | - | - | - | - | - |
| State sources | - | - | - | - | - | - |
| Federal sources | - | 8,850 | 508,663 | 3,841 | 6,407 | 55,445 |
| Other receipts | - | - | - | - | - | - |
| Total receipts | - | 8,850 | 508,663 | 3,841 | 6,407 | 55,445 |
| Disbursements: | | | | | | |
| Instruction | - | 8,850 | 232,044 | 10 | - | 1,357 |
| Support services | - | - | 694 | - | 3,584 | 13,362 |
| Noninstructional services | - | - | - | - | - | - |
| Facilities acquisition and construction | - | - | - | - | - | - |
| Debt service | - | - | - | - | - | - |
| Nonprogrammed charges | - | - | - | - | - | - |
| Interfund loans | - | - | - | - | - | - |
| Total disbursements | - | 8,850 | 232,738 | 10 | 3,584 | 14,719 |
| Excess (deficiency) of receipts over disbursements | - | - | 275,925 | 3,831 | 2,823 | 40,726 |
| Other financing sources (uses): | | | | | | |
| Sale of capital assets | - | - | - | - | - | - |
| Total other financing sources (uses) | - | - | - | - | - | - |
| Excess (deficiency) of receipts and other financing sources over disbursements and other financing uses | - | - | 275,925 | 3,831 | 2,823 | 40,726 |
| Cash and investments - ending | \$ - | \$ - | \$ (28) | \$ (11) | \$ (2,984) | \$ 62,026 |

AVON 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, 2015

| | IndianaMac Reimbursement PGM Federal | Other Federal Programs | Title II Part A 2012-14 | Title II Part A 2013-15 | Title II Part A 2014-16 | Title III 2012-13 |
|---|---|------------------------------|-------------------------------|-------------------------------|-------------------------------|----------------------|
| Cash and investments - beginning | \$ 32,593 | \$ - | \$ (4,109) | \$ - | \$ - | \$ (3,659) |
| Receipts: | | | | | | |
| Local sources | - | - | - | - | - | - |
| Intermediate sources | - | - | - | - | - | - |
| State sources | - | - | - | - | - | - |
| Federal sources | 47,871 | - | 104,255 | - | - | 3,659 |
| Other receipts | - | - | - | - | - | - |
| Total receipts | <u>47,871</u> | <u>-</u> | <u>104,255</u> | <u>-</u> | <u>-</u> | <u>3,659</u> |
| Disbursements: | | | | | | |
| Instruction | 888 | - | - | - | - | - |
| Support services | 43,245 | - | 99,935 | - | - | - |
| Noninstructional services | - | - | 211 | 943 | - | - |
| Facilities acquisition and construction | - | - | - | - | - | - |
| Debt service | - | - | - | - | - | - |
| Nonprogrammed charges | - | - | - | - | - | - |
| Interfund loans | - | - | - | - | - | - |
| Total disbursements | <u>44,133</u> | <u>-</u> | <u>100,146</u> | <u>943</u> | <u>-</u> | <u>-</u> |
| Excess (deficiency) of receipts over disbursements | <u>3,738</u> | <u>-</u> | <u>4,109</u> | <u>(943)</u> | <u>-</u> | <u>3,659</u> |
| Other financing sources (uses): | | | | | | |
| Sale of capital assets | - | - | - | - | - | - |
| Total other financing sources (uses) | <u>-</u> | <u>-</u> | <u>-</u> | <u>-</u> | <u>-</u> | <u>-</u> |
| Excess (deficiency) of receipts and other financing sources over disbursements and other financing uses | <u>3,738</u> | <u>-</u> | <u>4,109</u> | <u>(943)</u> | <u>-</u> | <u>3,659</u> |
| Cash and investments - ending | <u>\$ 36,331</u> | <u>\$ -</u> | <u>\$ -</u> | <u>\$ (943)</u> | <u>\$ -</u> | <u>\$ -</u> |

AVON 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, 2015

| | Title III 2013-14 | Title III Wida 2014 Support | Title III 2014-15 | 84.378A Cash For College Grant | Payroll Clearing | Totals |
|---|----------------------|--------------------------------------|----------------------|--|---------------------|----------------------|
| Cash and investments - beginning | \$ (24,587) | \$ - | \$ - | \$ 1,000 | \$ 5,330,573 | \$ 23,284,435 |
| Receipts: | | | | | | |
| Local sources | - | - | - | - | - | 40,378,443 |
| Intermediate sources | - | - | - | - | - | 2,537 |
| State sources | - | - | - | - | - | 53,628,719 |
| Federal sources | 36,415 | 849 | 12,256 | - | - | 2,885,362 |
| Other receipts | - | - | - | - | 8,258,327 | 8,473,182 |
| Total receipts | <u>36,415</u> | <u>849</u> | <u>12,256</u> | <u>-</u> | <u>8,258,327</u> | <u>105,368,243</u> |
| Disbursements: | | | | | | |
| Instruction | 4,356 | - | 19,799 | - | - | 35,554,753 |
| Support services | 7,772 | 849 | 5,033 | 1,000 | - | 30,946,554 |
| Noninstructional services | - | - | - | - | - | 4,361,276 |
| Facilities acquisition and construction | - | - | - | - | - | 686,344 |
| Debt service | - | - | - | - | - | 25,902,536 |
| Nonprogrammed charges | - | - | - | - | 8,943,763 | 8,946,763 |
| Interfund loans | - | - | - | - | - | - |
| Total disbursements | <u>12,128</u> | <u>849</u> | <u>24,832</u> | <u>1,000</u> | <u>8,943,763</u> | <u>106,398,226</u> |
| Excess (deficiency) of receipts over disbursements | <u>24,287</u> | <u>-</u> | <u>(12,576)</u> | <u>(1,000)</u> | <u>(685,436)</u> | <u>(1,029,983)</u> |
| Other financing sources (uses): | | | | | | |
| Sale of capital assets | - | - | - | - | - | 6,326 |
| Total other financing sources (uses) | <u>-</u> | <u>-</u> | <u>-</u> | <u>-</u> | <u>-</u> | <u>6,326</u> |
| Excess (deficiency) of receipts and other financing sources over disbursements and other financing uses | <u>24,287</u> | <u>-</u> | <u>(12,576)</u> | <u>(1,000)</u> | <u>(685,436)</u> | <u>(1,023,657)</u> |
| Cash and investments - ending | \$ <u>(300)</u> | \$ <u>-</u> | \$ <u>(12,576)</u> | \$ <u>-</u> | \$ <u>4,645,137</u> | \$ <u>22,260,778</u> |

AVON 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 |
|---|--------------|-----------------|---|---------------------|--------------------------|------------------------------|--------------|
| Cash and investments - beginning | \$ 4,496,443 | \$ 3,303,819 | \$ 118,717 | \$ 2,638,401 | \$ 2,460,572 | \$ 3,202,550 | \$ - |
| Receipts: | | | | | | | |
| Local sources | 1,745,859 | 24,779,076 | 875,213 | 5,309,253 | 5,960,722 | 937,135 | - |
| Intermediate sources | 23,091 | - | - | - | - | - | - |
| State sources | 56,052,545 | - | - | - | - | - | - |
| Federal sources | 2,785 | 27,586 | 25,770 | - | - | - | - |
| Other receipts | (165) | - | - | 37,203 | 116,880 | - | 567,530 |
| Total receipts | 57,824,115 | 24,806,662 | 900,983 | 5,346,456 | 6,077,602 | 937,135 | 567,530 |
| Disbursements: | | | | | | | |
| Instruction | 35,728,889 | - | - | - | - | - | - |
| Support services | 19,511,335 | 660 | - | 4,157,734 | 5,991,697 | 1,835,040 | - |
| Noninstructional services | 847,178 | - | - | - | - | - | - |
| Facilities acquisition and construction | 20,100 | - | - | 1,093,452 | - | - | - |
| Debt service | - | 24,484,074 | 889,369 | - | - | - | - |
| Nonprogrammed charges | - | - | - | - | - | - | - |
| Interfund loans | - | - | - | - | - | - | - |
| Total disbursements | 56,107,502 | 24,484,734 | 889,369 | 5,251,186 | 5,991,697 | 1,835,040 | - |
| Excess (deficiency) of receipts over disbursements | 1,716,613 | 321,928 | 11,614 | 95,270 | 85,905 | (897,905) | 567,530 |
| Other financing sources (uses): | | | | | | | |
| Sale of capital assets | - | - | - | 186 | - | 47,000 | - |
| Transfers in | - | - | - | - | - | - | 947,017 |
| Transfers out | (734,773) | - | - | - | (212,244) | - | - |
| Total other financing sources (uses) | (734,773) | - | - | 186 | (212,244) | 47,000 | 947,017 |
| Excess (deficiency) of receipts and other financing sources over disbursements and other financing uses | 981,840 | 321,928 | 11,614 | 95,456 | (126,339) | (850,905) | 1,514,547 |
| Cash and investments - ending | \$ 5,478,283 | \$ 3,625,747 | \$ 130,331 | \$ 2,733,857 | \$ 2,334,233 | \$ 2,351,645 | \$ 1,514,547 |

AVON 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

| | Retirement/ Severance Bond | Construction 2002 Revenue | Bond 2012 Construction | Construction Fund | Construction AIS Pool Renovation | Construction 2007 Middle School | School Lunch |
|---|----------------------------------|---------------------------------|------------------------------|----------------------|---|--|-----------------|
| Cash and investments - beginning | \$ 722,390 | \$ 7,936 | \$ - | \$ 28,202 | \$ - | \$ 563,698 | \$ 1,009,645 |
| Receipts: | | | | | | | |
| Local sources | 1,032 | - | 228,489 | - | - | - | 2,431,997 |
| Intermediate sources | - | - | - | - | - | - | - |
| State sources | - | - | - | - | - | - | 59,212 |
| Federal sources | - | - | - | - | - | - | 1,576,480 |
| Other receipts | - | - | - | - | - | - | 200 |
| Total receipts | 1,032 | - | 228,489 | - | - | - | 4,067,889 |
| Disbursements: | | | | | | | |
| Instruction | - | - | - | - | - | - | - |
| Support services | - | - | - | - | - | - | 109,928 |
| Noninstructional services | - | - | - | - | - | - | 3,725,272 |
| Facilities acquisition and construction | - | - | - | - | - | - | - |
| Debt service | - | - | - | - | - | - | - |
| Nonprogrammed charges | - | - | - | - | - | - | 575,562 |
| Interfund loans | - | - | - | - | - | - | - |
| Total disbursements | - | - | - | - | - | - | 4,410,762 |
| Excess (deficiency) of receipts over disbursements | 1,032 | - | 228,489 | - | - | - | (342,873) |
| Other financing sources (uses): | | | | | | | |
| Sale of capital assets | - | - | - | - | - | - | 25 |
| Transfers in | - | - | - | - | - | - | - |
| Transfers out | - | - | - | - | - | - | - |
| Total other financing sources (uses) | - | - | - | - | - | - | 25 |
| Excess (deficiency) of receipts and other financing sources over disbursements and other financing uses | 1,032 | - | 228,489 | - | - | - | (342,848) |
| Cash and investments - ending | \$ 723,422 | \$ 7,936 | \$ 228,489 | \$ 28,202 | \$ - | \$ 563,698 | \$ 666,797 |

AVON 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

| | Textbook Rental | Levy Excess | Blind Low Vision Co-Op Program | Safe Haven Grant 2014-15 | Safe Haven Grant 2015-16 | AEF School Grants | AEF Grant Remediation Program |
|---|--------------------|----------------|--|-----------------------------------|-----------------------------------|-------------------------|--|
| Cash and investments - beginning | \$ 214,472 | \$ 7,595 | \$ (88,208) | \$ (9,010) | \$ - | \$ 1,670 | \$ 3,615 |
| Receipts: | | | | | | | |
| Local sources | 832,308 | - | 62,536 | - | - | - | 4,000 |
| Intermediate sources | - | - | - | - | - | - | - |
| State sources | 271,029 | - | - | 9,010 | 2,880 | - | - |
| Federal sources | - | - | - | - | - | - | - |
| Other receipts | 6,571 | - | - | - | - | - | - |
| Total receipts | 1,109,908 | - | 62,536 | 9,010 | 2,880 | - | 4,000 |
| Disbursements: | | | | | | | |
| Instruction | - | - | 179,686 | - | - | 1,500 | 6,956 |
| Support services | 1,112,197 | - | - | - | 9,308 | - | - |
| Noninstructional services | - | - | - | - | - | - | - |
| Facilities acquisition and construction | - | - | - | - | - | - | - |
| Debt service | - | - | - | - | - | - | - |
| Nonprogrammed charges | - | - | - | - | - | - | - |
| Interfund loans | - | - | - | - | - | - | - |
| Total disbursements | 1,112,197 | - | 179,686 | - | 9,308 | 1,500 | 6,956 |
| Excess (deficiency) of receipts over disbursements | (2,289) | - | (117,150) | 9,010 | (6,428) | (1,500) | (2,956) |
| Other financing sources (uses): | | | | | | | |
| Sale of capital assets | - | - | - | - | - | - | - |
| Transfers in | - | - | - | - | - | - | - |
| Transfers out | - | - | - | - | - | - | - |
| Total other financing sources (uses) | - | - | - | - | - | - | - |
| Excess (deficiency) of receipts and other financing sources over disbursements and other financing uses | (2,289) | - | (117,150) | 9,010 | (6,428) | (1,500) | (2,956) |
| Cash and investments - ending | \$ 212,183 | \$ 7,595 | \$ (205,358) | \$ - | \$ (6,428) | \$ 170 | \$ 659 |

AVON 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 Science Education Grants | IN Youth Institute PD Grant/SE | Substaining/ Improving Literacy | Power of Physics HS (HCCF) | IFOF AG Resource Grant | Bright House Bright Futures GT | Gordman's Donation |
|---|---|--|---------------------------------------|--|---------------------------------|--|-----------------------|
| Cash and investments - beginning | \$ 41 | \$ 750 | \$ 1,851 | \$ (1,303) | \$ 265 | \$ 4 | \$ 951 |
| Receipts: | | | | | | | |
| Local sources | - | - | - | - | - | - | 379 |
| Intermediate sources | - | 308 | - | - | - | - | - |
| State sources | - | - | - | - | - | - | - |
| Federal sources | - | - | - | - | - | - | - |
| Other receipts | - | - | - | - | - | - | - |
| Total receipts | - | 308 | - | - | - | - | 379 |
| Disbursements: | | | | | | | |
| Instruction | - | - | 1,190 | (1,333) | - | - | - |
| Support services | - | 1,058 | - | - | - | - | 1,260 |
| Noninstructional services | - | - | - | - | - | - | - |
| Facilities acquisition and construction | - | - | - | - | - | - | - |
| Debt service | - | - | - | - | - | - | - |
| Nonprogrammed charges | - | - | - | - | - | - | - |
| Interfund loans | - | - | - | - | - | - | - |
| Total disbursements | - | 1,058 | 1,190 | (1,333) | - | - | 1,260 |
| Excess (deficiency) of receipts over disbursements | - | (750) | (1,190) | 1,333 | - | - | (881) |
| Other financing sources (uses): | | | | | | | |
| Sale of capital assets | - | - | - | - | - | - | - |
| Transfers in | - | - | - | - | - | - | - |
| Transfers out | - | - | - | - | - | - | - |
| Total other financing sources (uses) | - | - | - | - | - | - | - |
| Excess (deficiency) of receipts and other financing sources over disbursements and other financing uses | - | (750) | (1,190) | 1,333 | - | - | (881) |
| Cash and investments - ending | \$ 41 | \$ - | \$ 661 | \$ 30 | \$ 265 | \$ 4 | \$ 70 |

AVON 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

| | ACSC Literacy Program | Duke Energy - Science Grant | Avon Educational Foundation | ACS-HACH HS Chemistry Grant | Invent Now Cedar Science Grant | Meggars Project Award AIP | Walmart Grant Freshman Mentoring Program |
|---|-----------------------------|--------------------------------------|-----------------------------------|--------------------------------------|--|------------------------------------|--|
| Cash and investments - beginning | \$ 1,405 | \$ 91 | \$ (2,378) | \$ 24 | \$ 7 | \$ 2,370 | \$ 1,693 |
| Receipts: | | | | | | | |
| Local sources | - | - | 32,509 | - | - | - | - |
| Intermediate sources | - | - | 1,088 | - | - | - | - |
| State sources | - | - | - | - | - | - | - |
| Federal sources | - | - | - | - | - | - | - |
| Other receipts | - | - | - | - | - | - | - |
| Total receipts | - | - | 33,597 | - | - | - | - |
| Disbursements: | | | | | | | |
| Instruction | - | - | 10 | - | - | 967 | - |
| Support services | - | - | 1,239 | - | - | 535 | - |
| Noninstructional services | - | - | 32,290 | - | - | - | - |
| Facilities acquisition and construction | - | - | - | - | - | - | - |
| Debt service | - | - | - | - | - | - | - |
| Nonprogrammed charges | - | - | - | - | - | - | - |
| Interfund loans | - | - | - | - | - | - | - |
| Total disbursements | - | - | 33,539 | - | - | 1,502 | - |
| Excess (deficiency) of receipts over disbursements | - | - | 58 | - | - | (1,502) | - |
| Other financing sources (uses): | | | | | | | |
| Sale of capital assets | - | - | 1,268 | - | - | - | - |
| Transfers in | - | - | - | - | - | - | - |
| Transfers out | - | - | - | - | - | - | - |
| Total other financing sources (uses) | - | - | 1,268 | - | - | - | - |
| Excess (deficiency) of receipts and other financing sources over disbursements and other financing uses | - | - | 1,326 | - | - | (1,502) | - |
| Cash and investments - ending | \$ 1,405 | \$ 91 | \$ (1,052) | \$ 24 | \$ 7 | \$ 868 | \$ 1,693 |

AVON 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

| | Walmart/ Duke Energy Grant Math-HS | Forum Credit Union Foundation Grant | United Way PT Greenhouse Grant SY15 | Duke Energy Remedial Reading Program | Duke Energy Remedial Reading 16 | AHS Instructional Support | Making Activities Count Grant |
|---|--|---|--|--|---|---------------------------------|--|
| Cash and investments - beginning | \$ 188 | \$ - | \$ 324 | \$ 24,475 | \$ - | \$ - | \$ - |
| Receipts: | | | | | | | |
| Local sources | 350 | - | - | - | 25,000 | 220 | 500 |
| Intermediate sources | - | - | - | - | - | - | - |
| State sources | - | - | - | - | - | - | - |
| Federal sources | - | - | - | - | - | - | - |
| Other receipts | - | - | - | - | - | - | - |
| Total receipts | 350 | - | - | - | 25,000 | 220 | 500 |
| Disbursements: | | | | | | | |
| Instruction | 130 | - | - | 20,305 | 600 | - | 487 |
| Support services | - | - | - | - | 3,062 | - | - |
| Noninstructional services | - | - | - | - | - | - | - |
| Facilities acquisition and construction | - | - | - | - | - | - | - |
| Debt service | - | - | - | - | - | - | - |
| Nonprogrammed charges | - | - | - | - | - | - | - |
| Interfund loans | - | - | - | - | - | - | - |
| Total disbursements | 130 | - | - | 20,305 | 3,662 | - | 487 |
| Excess (deficiency) of receipts over disbursements | 220 | - | - | (20,305) | 21,338 | 220 | 13 |
| Other financing sources (uses): | | | | | | | |
| Sale of capital assets | - | - | - | - | - | - | - |
| Transfers in | - | - | - | - | - | - | - |
| Transfers out | - | - | - | - | - | - | - |
| Total other financing sources (uses) | - | - | - | - | - | - | - |
| Excess (deficiency) of receipts and other financing sources over disbursements and other financing uses | 220 | - | - | (20,305) | 21,338 | 220 | 13 |
| Cash and investments - ending | \$ 408 | \$ - | \$ 324 | \$ 4,170 | \$ 21,338 | \$ 220 | \$ 13 |

AVON 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

| | MSP Tech Purdue Science Grant | AEF School Grant RB | AEF School Grant IE | AEF School Grant IW | AEF School Grant MN | AEF School Grant ME | AEF School Grant WO |
|---|---|------------------------------|------------------------------|------------------------------|------------------------------|------------------------------|------------------------------|
| Cash and investments - beginning | \$ (999) | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - |
| Receipts: | | | | | | | |
| Local sources | - | 2,870 | 1,835 | 2,947 | 4,394 | 1,422 | 2,111 |
| Intermediate sources | 32,000 | - | - | - | - | - | - |
| State sources | - | - | - | - | - | - | - |
| Federal sources | - | - | - | - | - | - | - |
| Other receipts | - | - | - | - | - | - | - |
| Total receipts | <u>32,000</u> | <u>2,870</u> | <u>1,835</u> | <u>2,947</u> | <u>4,394</u> | <u>1,422</u> | <u>2,111</u> |
| Disbursements: | | | | | | | |
| Instruction | 7,182 | 876 | 326 | 2,061 | 1,123 | 888 | 1,502 |
| Support services | 46,985 | - | - | - | - | - | - |
| Noninstructional services | - | - | - | - | - | - | - |
| Facilities acquisition and construction | - | - | - | - | - | - | - |
| Debt service | - | - | - | - | - | - | - |
| Nonprogrammed charges | - | - | - | - | - | - | - |
| Interfund loans | - | - | - | - | - | - | - |
| Total disbursements | <u>54,167</u> | <u>876</u> | <u>326</u> | <u>2,061</u> | <u>1,123</u> | <u>888</u> | <u>1,502</u> |
| Excess (deficiency) of receipts over disbursements | <u>(22,167)</u> | <u>1,994</u> | <u>1,509</u> | <u>886</u> | <u>3,271</u> | <u>534</u> | <u>609</u> |
| Other financing sources (uses): | | | | | | | |
| Sale of capital assets | - | - | - | - | - | - | - |
| Transfers in | - | - | - | - | - | - | - |
| Transfers out | - | - | - | - | - | - | - |
| Total other financing sources (uses) | <u>-</u> | <u>-</u> | <u>-</u> | <u>-</u> | <u>-</u> | <u>-</u> | <u>-</u> |
| Excess (deficiency) of receipts and other financing sources over disbursements and other financing uses | <u>(22,167)</u> | <u>1,994</u> | <u>1,509</u> | <u>886</u> | <u>3,271</u> | <u>534</u> | <u>609</u> |
| Cash and investments - ending | <u>\$ (23,166)</u> | <u>\$ 1,994</u> | <u>\$ 1,509</u> | <u>\$ 886</u> | <u>\$ 3,271</u> | <u>\$ 534</u> | <u>\$ 609</u> |

AVON 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

| | AEF School Grant SE | AEF School Grant MS | AEF School Grant HS | AEF School Grant CE | AEF School Grant PT | AEF School Grant HE | ECA Field Trip |
|---|------------------------------|------------------------------|------------------------------|------------------------------|------------------------------|------------------------------|----------------------|
| Cash and investments - beginning | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ (9,774) |
| Receipts: | | | | | | | |
| Local sources | 1,516 | 2,565 | 3,429 | 1,211 | 2,724 | 1,480 | 58,984 |
| Intermediate sources | - | - | - | - | - | - | - |
| State sources | - | - | - | - | - | - | - |
| Federal sources | - | - | - | - | - | - | - |
| Other receipts | - | - | - | - | - | - | - |
| Total receipts | <u>1,516</u> | <u>2,565</u> | <u>3,429</u> | <u>1,211</u> | <u>2,724</u> | <u>1,480</u> | <u>58,984</u> |
| Disbursements: | | | | | | | |
| Instruction | 1,200 | 1,286 | 3,345 | 223 | 1,488 | 1,480 | - |
| Support services | - | - | - | - | - | - | 56,343 |
| Noninstructional services | - | - | - | - | - | - | - |
| Facilities acquisition and construction | - | - | - | - | - | - | - |
| Debt service | - | - | - | - | - | - | - |
| Nonprogrammed charges | - | - | - | - | - | - | - |
| Interfund loans | - | - | - | - | - | - | - |
| Total disbursements | <u>1,200</u> | <u>1,286</u> | <u>3,345</u> | <u>223</u> | <u>1,488</u> | <u>1,480</u> | <u>56,343</u> |
| Excess (deficiency) of receipts over disbursements | <u>316</u> | <u>1,279</u> | <u>84</u> | <u>988</u> | <u>1,236</u> | <u>-</u> | <u>2,641</u> |
| Other financing sources (uses): | | | | | | | |
| Sale of capital assets | - | - | - | - | - | - | - |
| Transfers in | - | - | - | - | - | - | - |
| Transfers out | - | - | - | - | - | - | - |
| Total other financing sources (uses) | <u>-</u> | <u>-</u> | <u>-</u> | <u>-</u> | <u>-</u> | <u>-</u> | <u>-</u> |
| Excess (deficiency) of receipts and other financing sources over disbursements and other financing uses | <u>316</u> | <u>1,279</u> | <u>84</u> | <u>988</u> | <u>1,236</u> | <u>-</u> | <u>2,641</u> |
| Cash and investments - ending | <u>\$ 316</u> | <u>\$ 1,279</u> | <u>\$ 84</u> | <u>\$ 988</u> | <u>\$ 1,236</u> | <u>\$ -</u> | <u>\$ (7,133)</u> |

AVON 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

| | Smiley Face Club | AEF Extra Curricular | Jeri Inman Scholarship SCHWAB | Gibraltar Citizenship Award | McCalment Scholarship Fund | R L T Mini-Grant PLTW Enhancement | Hendricks County Substance Abuse |
|---|------------------------|----------------------------|--|-----------------------------------|----------------------------------|--|---|
| Cash and investments - beginning | \$ 137 | \$ - | \$ 5,063 | \$ 635 | \$ 1,037 | \$ 120 | \$ 3,188 |
| Receipts: | | | | | | | |
| Local sources | - | 6,129 | - | - | 1,019 | - | - |
| Intermediate sources | - | - | - | - | - | - | - |
| State sources | - | - | - | - | - | - | - |
| Federal sources | - | - | - | - | - | - | - |
| Other receipts | - | - | - | - | - | - | - |
| Total receipts | - | 6,129 | - | - | 1,019 | - | - |
| Disbursements: | | | | | | | |
| Instruction | - | 6,129 | - | - | - | - | - |
| Support services | - | - | - | - | - | - | 1,328 |
| Noninstructional services | - | - | - | - | - | - | - |
| Facilities acquisition and construction | - | - | - | - | - | - | - |
| Debt service | - | - | - | - | - | - | - |
| Nonprogrammed charges | - | - | 1,000 | - | 1,000 | - | - |
| Interfund loans | - | - | - | - | - | - | - |
| Total disbursements | - | 6,129 | 1,000 | - | 1,000 | - | 1,328 |
| Excess (deficiency) of receipts over disbursements | - | - | (1,000) | - | 19 | - | (1,328) |
| Other financing sources (uses): | | | | | | | |
| Sale of capital assets | - | - | - | - | - | - | - |
| Transfers in | - | - | - | - | - | - | - |
| Transfers out | - | - | - | - | - | - | - |
| Total other financing sources (uses) | - | - | - | - | - | - | - |
| Excess (deficiency) of receipts and other financing sources over disbursements and other financing uses | - | - | (1,000) | - | 19 | - | (1,328) |
| Cash and investments - ending | \$ 137 | \$ - | \$ 4,063 | \$ 635 | \$ 1,056 | \$ 120 | \$ 1,860 |

AVON 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

| | Innovate ED PT | YMCA Latchkey Grant | Outdoor Learning Center | Hendricks County Solid Waste Grant-OLC | Technology Scholarship | Joseph Sugg Foundation | American Dairy Food Service Grant |
|---|----------------------|---------------------------|-------------------------------|--|---------------------------|------------------------------|---|
| Cash and investments - beginning | \$ - | \$ (31,627) | \$ 19,431 | \$ 18 | \$ - | \$ 540 | \$ - |
| Receipts: | | | | | | | |
| Local sources | - | 40,000 | 15,551 | 1,000 | 2,000 | - | 2,356 |
| Intermediate sources | - | - | - | - | - | - | - |
| State sources | - | - | - | - | - | - | - |
| Federal sources | - | - | - | - | - | - | - |
| Other receipts | - | - | - | - | - | - | - |
| Total receipts | - | 40,000 | 15,551 | 1,000 | 2,000 | - | 2,356 |
| Disbursements: | | | | | | | |
| Instruction | - | - | 12,795 | - | - | - | - |
| Support services | - | 62,932 | - | - | - | - | - |
| Noninstructional services | - | - | - | - | - | - | 2,368 |
| Facilities acquisition and construction | - | - | - | - | - | - | - |
| Debt service | - | - | - | - | - | - | - |
| Nonprogrammed charges | - | - | - | - | - | - | - |
| Interfund loans | - | - | - | - | - | - | - |
| Total disbursements | - | 62,932 | 12,795 | - | - | - | 2,368 |
| Excess (deficiency) of receipts over disbursements | - | (22,932) | 2,756 | 1,000 | 2,000 | - | (12) |
| Other financing sources (uses): | | | | | | | |
| Sale of capital assets | - | - | - | - | - | - | - |
| Transfers in | - | - | - | - | - | - | - |
| Transfers out | - | - | - | - | - | - | - |
| Total other financing sources (uses) | - | - | - | - | - | - | - |
| Excess (deficiency) of receipts and other financing sources over disbursements and other financing uses | - | (22,932) | 2,756 | 1,000 | 2,000 | - | (12) |
| Cash and investments - ending | \$ - | \$ (54,559) | \$ 22,187 | \$ 1,018 | \$ 2,000 | \$ 540 | \$ (12) |

AVON 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

| | Pinnacle Food Service Grant | Formative Assessment | High Ability Building Blocks 2013 | High Ability Grant Fund 2013-14 | Making a Difference/ Building Blocks 2014 | High Ability 2014-15 Grant | High Ability 2015-16 Grant |
|---|--------------------------------------|-------------------------|---|---|---|-------------------------------------|-------------------------------------|
| Cash and investments - beginning | \$ - | \$ - | \$ - | \$ - | \$ (6,597) | \$ 14,726 | \$ - |
| Receipts: | | | | | | | |
| Local sources | 1,000 | - | - | - | - | - | - |
| Intermediate sources | - | - | - | - | - | - | - |
| State sources | - | 81,387 | - | - | 6,597 | - | 78,820 |
| Federal sources | - | - | - | - | - | - | - |
| Other receipts | - | - | - | - | - | - | - |
| Total receipts | 1,000 | 81,387 | - | - | 6,597 | - | 78,820 |
| Disbursements: | | | | | | | |
| Instruction | - | - | - | - | - | 13,637 | 27,980 |
| Support services | - | 70,363 | - | - | - | 975 | 30,480 |
| Noninstructional services | - | - | - | - | - | - | - |
| Facilities acquisition and construction | - | - | - | - | - | - | - |
| Debt service | - | - | - | - | - | - | - |
| Nonprogrammed charges | - | - | - | - | - | - | - |
| Interfund loans | - | - | - | - | - | - | - |
| Total disbursements | - | 70,363 | - | - | - | 14,612 | 58,460 |
| Excess (deficiency) of receipts over disbursements | 1,000 | 11,024 | - | - | 6,597 | (14,612) | 20,360 |
| Other financing sources (uses): | | | | | | | |
| Sale of capital assets | - | - | - | - | - | - | - |
| Transfers in | - | - | - | - | - | - | - |
| Transfers out | - | - | - | - | - | - | - |
| Total other financing sources (uses) | - | - | - | - | - | - | - |
| Excess (deficiency) of receipts and other financing sources over disbursements and other financing uses | 1,000 | 11,024 | - | - | 6,597 | (14,612) | 20,360 |
| Cash and investments - ending | \$ 1,000 | \$ 11,024 | \$ - | \$ - | \$ - | \$ 114 | \$ 20,360 |

AVON 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

| | Medicaid Reimbursement | Secured Schools Safety Grant | NESP 2013-2014 | NESP 2014-2015 | NESP 2015-2016 | State Connectivity Grant School Technology | Project Lead the Way |
|---|---------------------------|---------------------------------------|-------------------|-------------------|-------------------|--|-------------------------------|
| Cash and investments - beginning | \$ 4,244 | \$ - | \$ - | \$ 2,332 | \$ - | \$ 76,430 | \$ - |
| Receipts: | | | | | | | |
| Local sources | - | - | - | - | - | - | - |
| Intermediate sources | - | - | - | - | - | - | - |
| State sources | 53,436 | - | - | - | 72,664 | 117,417 | - |
| Federal sources | - | - | - | - | - | - | - |
| Other receipts | - | - | - | - | - | - | - |
| Total receipts | 53,436 | - | - | - | 72,664 | 117,417 | - |
| Disbursements: | | | | | | | |
| Instruction | - | - | - | 453 | 16,812 | - | - |
| Support services | 40,418 | 50,000 | - | 1,879 | 50,269 | 9,478 | - |
| Noninstructional services | - | - | - | - | - | - | - |
| Facilities acquisition and construction | - | - | - | - | - | - | - |
| Debt service | - | - | - | - | - | - | - |
| Nonprogrammed charges | - | - | - | - | - | - | - |
| Interfund loans | - | - | - | - | - | - | - |
| Total disbursements | 40,418 | 50,000 | - | 2,332 | 67,081 | 9,478 | - |
| Excess (deficiency) of receipts over disbursements | 13,018 | (50,000) | - | (2,332) | 5,583 | 107,939 | - |
| Other financing sources (uses): | | | | | | | |
| Sale of capital assets | - | - | - | - | - | - | - |
| Transfers in | - | - | - | - | - | - | - |
| Transfers out | - | - | - | - | - | - | - |
| Total other financing sources (uses) | - | - | - | - | - | - | - |
| Excess (deficiency) of receipts and other financing sources over disbursements and other financing uses | 13,018 | (50,000) | - | (2,332) | 5,583 | 107,939 | - |
| Cash and investments - ending | \$ 17,262 | \$ (50,000) | \$ - | \$ - | \$ 5,583 | \$ 184,369 | \$ - |

AVON 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

| | Title I 2013-2014 | Title I 2014-2015 | Title I 2015-2016 | (IDEA, Part B) LEA Capacity Building (Sliver) Grants | West Central Part B 2010-11 | Part B Grant 2011-12 |
|---|----------------------|----------------------|----------------------|--|--------------------------------------|----------------------------|
| Cash and investments - beginning | \$ 45 | \$ (257,877) | \$ - | \$ (974,957) | \$ (25,254) | \$ - |
| Receipts: | | | | | | |
| Local sources | - | - | - | - | - | - |
| Intermediate sources | - | - | - | - | - | - |
| State sources | - | - | - | - | - | - |
| Federal sources | - | 334,136 | 160,493 | 1,265,481 | 30,606 | 1,124,518 |
| Other receipts | - | - | - | - | - | - |
| Total receipts | - | 334,136 | 160,493 | 1,265,481 | 30,606 | 1,124,518 |
| Disbursements: | | | | | | |
| Instruction | - | 73,487 | 372,006 | 290,524 | 5,352 | 1,239,783 |
| Support services | - | 2,772 | 27,711 | - | - | - |
| Noninstructional services | - | - | 1,169 | - | - | - |
| Facilities acquisition and construction | - | - | - | - | - | - |
| Debt service | - | - | - | - | - | - |
| Nonprogrammed charges | - | - | - | - | - | - |
| Interfund loans | - | - | - | - | - | - |
| Total disbursements | - | 76,259 | 400,886 | 290,524 | 5,352 | 1,239,783 |
| Excess (deficiency) of receipts over disbursements | - | 257,877 | (240,393) | 974,957 | 25,254 | (115,265) |
| Other financing sources (uses): | | | | | | |
| Sale of capital assets | - | - | - | - | - | - |
| Transfers in | - | - | - | - | - | - |
| Transfers out | - | - | - | - | - | - |
| Total other financing sources (uses) | - | - | - | - | - | - |
| Excess (deficiency) of receipts and other financing sources over disbursements and other financing uses | - | 257,877 | (240,393) | 974,957 | 25,254 | (115,265) |
| Cash and investments - ending | \$ 45 | \$ - | \$ (240,393) | \$ - | \$ - | \$ (115,265) |

AVON 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

| | Part B Preschool 2011-12 | Part B 611 Reg Grant 2012-13 | Part B 611 Reg Grant 2013-14 | Part B 619 Preschool Grant 2013-14 | Part B Technical Assistance Grant | Medicaid Reimbursement - Federal |
|---|--------------------------------|--|--|--|--|--|
| Cash and investments - beginning | \$ - | \$ - | \$ (28) | \$ (11) | \$ (2,984) | \$ 62,026 |
| Receipts: | | | | | | |
| Local sources | - | - | - | - | - | - |
| Intermediate sources | - | - | - | - | - | - |
| State sources | - | - | - | - | - | - |
| Federal sources | 32,220 | - | 26,334 | - | 16,992 | 96,527 |
| Other receipts | - | - | - | - | - | - |
| Total receipts | 32,220 | - | 26,334 | - | 16,992 | 96,527 |
| Disbursements: | | | | | | |
| Instruction | 35,202 | - | 24,344 | - | 12,500 | 2,999 |
| Support services | - | - | 1,990 | - | 1,660 | 30,357 |
| Noninstructional services | - | - | - | - | - | - |
| Facilities acquisition and construction | - | - | - | - | - | - |
| Debt service | - | - | - | - | - | - |
| Nonprogrammed charges | - | - | - | - | - | - |
| Interfund loans | - | - | - | - | - | - |
| Total disbursements | 35,202 | - | 26,334 | - | 14,160 | 33,356 |
| Excess (deficiency) of receipts over disbursements | (2,982) | - | - | - | 2,832 | 63,171 |
| Other financing sources (uses): | | | | | | |
| Sale of capital assets | - | - | - | - | - | - |
| Transfers in | - | - | - | - | - | - |
| Transfers out | - | - | - | - | - | - |
| Total other financing sources (uses) | - | - | - | - | - | - |
| Excess (deficiency) of receipts and other financing sources over disbursements and other financing uses | (2,982) | - | - | - | 2,832 | 63,171 |
| Cash and investments - ending | \$ (2,982) | \$ - | \$ (28) | \$ (11) | \$ (152) | \$ 125,197 |

AVON 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

| | IndianaMac Reimbursement PGM Federal | Other Federal Programs | Title II Part A 2012-14 | Title II Part A 2013-15 | Title II Part A 2014-16 | Title III 2012-13 |
|---|---|------------------------------|-------------------------------|-------------------------------|-------------------------------|----------------------|
| Cash and investments - beginning | \$ 36,331 | \$ - | \$ - | \$ (943) | \$ - | \$ - |
| Receipts: | | | | | | |
| Local sources | - | - | - | - | - | - |
| Intermediate sources | - | - | - | - | - | - |
| State sources | - | - | - | - | - | - |
| Federal sources | 52,548 | 33,141 | - | 91,447 | 93,144 | - |
| Other receipts | - | - | - | - | - | - |
| Total receipts | 52,548 | 33,141 | - | 91,447 | 93,144 | - |
| Disbursements: | | | | | | |
| Instruction | - | - | - | - | - | - |
| Support services | 57,621 | 33,414 | - | 90,504 | 93,144 | - |
| Noninstructional services | - | - | - | - | 908 | - |
| Facilities acquisition and construction | - | - | - | - | - | - |
| Debt service | - | - | - | - | - | - |
| Nonprogrammed charges | - | - | - | - | - | - |
| Interfund loans | - | - | - | - | - | - |
| Total disbursements | 57,621 | 33,414 | - | 90,504 | 94,052 | - |
| Excess (deficiency) of receipts over disbursements | (5,073) | (273) | - | 943 | (908) | - |
| Other financing sources (uses): | | | | | | |
| Sale of capital assets | - | - | - | - | - | - |
| Transfers in | - | - | - | - | - | - |
| Transfers out | - | - | - | - | - | - |
| Total other financing sources (uses) | - | - | - | - | - | - |
| Excess (deficiency) of receipts and other financing sources over disbursements and other financing uses | (5,073) | (273) | - | 943 | (908) | - |
| Cash and investments - ending | \$ 31,258 | \$ (273) | \$ - | \$ - | \$ (908) | \$ - |

AVON 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

| | Title III 2013-14 | Title III Wida 2014 Support | Title III 2014-15 | 84.378A Cash For College Grant | Payroll Clearing | Totals |
|---|----------------------|--------------------------------------|----------------------|--|---------------------|---------------|
| Cash and investments - beginning | \$ (300) | \$ - | \$ (12,576) | \$ - | \$ 4,645,137 | \$ 22,260,778 |
| Receipts: | | | | | | |
| Local sources | - | - | - | - | - | 43,383,121 |
| Intermediate sources | - | - | - | - | - | 56,487 |
| State sources | - | - | - | - | - | 56,804,997 |
| Federal sources | 574 | - | 49,451 | - | - | 5,040,233 |
| Other receipts | - | - | - | - | 2,476,759 | 3,204,978 |
| Total receipts | 574 | - | 49,451 | - | 2,476,759 | 108,489,816 |
| Disbursements: | | | | | | |
| Instruction | - | - | 28,481 | - | - | 38,124,851 |
| Support services | 274 | - | 8,394 | - | - | 33,504,344 |
| Noninstructional services | - | - | - | - | - | 4,609,185 |
| Facilities acquisition and construction | - | - | - | - | - | 1,113,552 |
| Debt service | - | - | - | - | - | 25,373,443 |
| Nonprogrammed charges | - | - | - | - | 1,248,026 | 1,825,588 |
| Interfund loans | - | - | - | - | - | - |
| Total disbursements | 274 | - | 36,875 | - | 1,248,026 | 104,550,963 |
| Excess (deficiency) of receipts over disbursements | 300 | - | 12,576 | - | 1,228,733 | 3,938,853 |
| Other financing sources (uses): | | | | | | |
| Sale of capital assets | - | - | - | - | - | 48,479 |
| Transfers in | - | - | - | - | - | 947,017 |
| Transfers out | - | - | - | - | - | (947,017) |
| Total other financing sources (uses) | - | - | - | - | - | 48,479 |
| Excess (deficiency) of receipts and other financing sources over disbursements and other financing uses | 300 | - | 12,576 | - | 1,228,733 | 3,987,332 |
| Cash and investments - ending | \$ - | \$ - | \$ - | \$ - | \$ 5,873,870 | \$ 26,248,110 |

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AVON COMMUNITY SCHOOL CORPORATION
SCHEDULE OF PAYABLES AND RECEIVABLES
June 30, 2016

| <u>Government or Enterprise</u> | <u>Accounts Payable</u> | <u>Accounts Receivable</u> |
|---------------------------------|-----------------------------|--------------------------------|
| Governmental activities | <u>\$ 1,330,045</u> | <u>\$ 196,133</u> |

AVON COMMUNITY SCHOOL CORPORATION
SCHEDULE OF LEASES AND DEBT
June 30, 2016

| Lessor | Purpose | Annual Lease Payment | Lease Beginning Date | Lease Ending Date |
|---|-----------------------------------|----------------------|----------------------|-------------------|
| Governmental activities: | | | | |
| Avon Community School Building Corporation | Building lease - 2013 | \$ 4,416,000 | 8/19/2013 | 1/15/2028 |
| Avon Community School Building Corporation | Building lease - 2015 | 375,000 | 11/9/2015 | 1/15/2023 |
| Avon Two Thousand School Building Corporation | Building lease - 2007 | 9,439,225 | 2/13/2007 | 1/15/2032 |
| Avon Two Thousand School Building Corporation | Building lease - 2008 | 5,593,547 | 2/13/2007 | 1/15/2033 |
| Avon 2000 Community School Building Corporation | Building lease - 2004/2005 | 4,143,188 | 6/10/1996 | 1/10/2022 |
| Ricoh | Multi-Functional Business Devices | 242,444 | 7/1/2014 | 6/23/2020 |
| US Bank | Building | <u>132,410</u> | 5/29/2015 | 12/29/2018 |
| Total governmental activities | | <u>24,341,814</u> | | |
| Total of annual lease payments | | <u>\$ 24,341,814</u> | | |

| Type | Description of Debt Purpose | Ending Principal Balance | Principal and Interest Due Within One Year |
|-------------------------------|--|--------------------------|--|
| Governmental activities: | | | |
| General obligation bonds | 2015 Pension Bond - eliminate unfunded liability | \$ 2,355,000 | \$ 345,766 |
| General obligation bonds | School Severance Bond 2012 - eliminate unfunded liability | 2,850,000 | 504,764 |
| General obligation bonds | Recovery Zone Economic Developmt Bond - additional intermed classrms | <u>2,000,000</u> | <u>127,563</u> |
| Total governmental activities | | <u>7,205,000</u> | <u>978,093</u> |
| Totals | | <u>\$ 7,205,000</u> | <u>\$ 978,093</u> |

AVON COMMUNITY SCHOOL CORPORATION
 SCHEDULE OF CAPITAL ASSETS
 June 30, 2016

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

| | <u>Ending Balance</u> |
|------------------------------------|------------------------------|
| Governmental activities: | |
| Land | \$ 10,117,791 |
| Buildings | 246,628,557 |
| Improvements other than buildings | 4,079,996 |
| Machinery, equipment, and vehicles | <u>235,537,778</u> |
| Total governmental activities | <u>496,364,122</u> |
| Total capital assets | <u><u>\$ 496,364,122</u></u> |

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SUPPLEMENTAL AUDIT OF
FEDERAL AWARDS



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

TO: THE OFFICIALS OF THE AVON COMMUNITY SCHOOL
CORPORATION, HENDRICKS COUNTY, INDIANA

Report on Compliance for Each Major Federal Program

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

Management's Responsibility

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

Auditor's Responsibility

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

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

Basis for Qualified Opinion on Child Nutrition Cluster

As described in item 2016-003 in the accompanying Schedule of Findings and Questioned Costs, we were unable to obtain sufficient appropriate audit evidence supporting the compliance of the School Corporation with the Child Nutrition Cluster regarding Program Income. Consequently, we were unable to determine whether the School Corporation complied with these requirements applicable to the program.

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

Qualified Opinion on Child Nutrition Cluster

In our opinion, except for the effects of such noncompliance, if any, as might have been determined had we been able to examine sufficient evidence regarding the School Corporation's compliance with the requirements of the Child Nutrition Cluster regarding Program Income, described in the *Basis for Qualified Opinion on Child Nutrition Cluster* paragraph, the School Corporation complied, in all material respects, with the requirements referred to above that could have a direct and material effect on the Child Nutrition Cluster for the period of July 1, 2014 to June 30, 2016.

Unmodified Opinion on Each of the Other Major Federal Programs

In our opinion, the School Corporation complied, in all material respects, with the types of compliance requirements referred to above that could have a direct and material effect on each of its other major federal programs identified in the Summary of Auditor's Results section of the accompanying Schedule of Findings and Questioned Costs for the period of July 1, 2014 to June 30, 2016.

Other Matters

The results of our auditing procedures disclosed an instance of noncompliance, which is required to be reported in accordance with OMB Circular A-133 and which is described in the accompanying Schedule of Findings and Questioned Costs as item 2016-004. Our opinion on each major federal program is not modified with respect to this matter.

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

Report on Internal Control over Compliance

Management of the School Corporation is responsible for establishing and maintaining effective internal control over compliance with the types of compliance requirements referred to above. In planning and performing our audit of compliance, we considered the School Corporation's internal control over compliance with the types of requirements that could have a direct and material effect on each major federal program to determine the auditing procedures that are appropriate in the circumstances for the purpose of expressing our opinion on compliance for each major federal program and to test and report on internal control over compliance in accordance with OMB Circular A-133, but not for the purpose of expressing an opinion on the effectiveness of internal control over compliance. Accordingly, we do not express an opinion on the effectiveness of the School Corporation's internal control over compliance.


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

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

A deficiency in internal control over compliance exists when the design or operation of a control over compliance does not allow management or employees, in the normal course of performing their assigned functions, to prevent, or detect and correct, noncompliance with a type of compliance requirement of a federal program on a timely basis. A material weakness in internal control over compliance is a deficiency, or a combination of deficiencies, in internal control over compliance, such that there is a reasonable possibility that material noncompliance with a type of compliance requirement of a federal program will not be prevented, or detected and corrected, on a timely basis. We consider the deficiencies in internal control over compliance described in the accompanying Schedule of Findings and Questioned Costs as items 2016-001, 2016-002, 2016-003, and 2016-004 to be material weaknesses.

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

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


Paul D. Joyce, CPA
State Examiner

September 14, 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.

AVON COMMUNITY SCHOOL CORPORATION
SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS
For the Years Ended June 30, 2015 and 2016

| Federal Grantor Agency Cluster Title/Program Title/Project Title | Pass-Through Entity or Direct Grant | Federal CFDA Number | Pass-Through Entity (or Other) Identifying Number | Passed Through to Subrecipient 06-30-15 | Total Federal Awards Expended 06-30-15 | Passed Through to Subrecipient 06-30-16 | Total Federal Awards Expended 06-30-16 |
|---|--------------------------------------|---------------------------|--|---|---|---|---|
| <u>Department of Agriculture</u> | | | | | | | |
| Child Nutrition Cluster | | | | | | | |
| School Breakfast Program | Indiana Department of Education | 10.553 | | | | | |
| School Breakfast Program | | | FY15 | \$ - | \$ 211,399 | \$ - | \$ - |
| School Breakfast Program | | | FY16 | - | - | - | 245,330 |
| Total - School Breakfast Program | | | | - | 211,399 | - | 245,330 |
| National School Lunch Program | | | | | | | |
| National School Lunch Program | Indiana Department of Education | 10.555 | | | | | |
| National School Lunch Program | | | FY15 | - | 1,263,574 | - | - |
| National School Lunch Program | | | FY16 | - | - | - | 1,328,383 |
| National School Lunch Program Commodities | | | FY15 | - | 229,635 | - | - |
| National School Lunch Program Commodities | | | FY16 | - | - | - | 245,963 |
| Total - National School Lunch Program | | | | - | 1,493,209 | - | 1,574,346 |
| Special Milk Program for Children | | | | | | | |
| Special Milk Program for Children | Indiana Department of Education | 10.556 | | | | | |
| Special Milk Program for Children | | | FY15 | - | 1,380 | - | - |
| Special Milk Program for Children | | | FY16 | - | - | - | 1,267 |
| Total - Special Milk Program for Children | | | | - | 1,380 | - | 1,267 |
| Total - Child Nutrition Cluster | | | | - | 1,705,988 | - | 1,820,943 |
| Total - Department of Agriculture | | | | - | 1,705,988 | - | 1,820,943 |
| <u>Department of Energy</u> | | | | | | | |
| State Energy Program | | | | | | | |
| Propane School Bus Grant Program | Indiana Office of Energy Development | 81.041 | | | | | |
| | | | EE0006210 | - | - | - | 27,990 |
| Total - Department of Energy | | | | - | - | - | 27,990 |
| <u>Department of Education</u> | | | | | | | |
| Special Education Cluster (IDEA) | | | | | | | |
| Special Education - Grants to States | | | | | | | |
| Part B 611 (Ages 3-21) Grant | Indiana Department of Education | 84.027 | | | | | |
| Part B 611 (Ages 3-21) Grant | | | 14213-063-PN01 | - | 8,850 | - | - |
| Part B 611 (Ages 3-21) Grant | | | 14214-063-PN01 | - | 508,663 | - | - |
| Technical Assistance Grant: FY 2014 Part B Funds | | | 99914-063-TA01 | - | 6,407 | - | - |
| Part B 611 (Ages 3-21) Grant | | | 14215-063-PN01 | - | - | - | 384,643 |
| Part B 611 (Ages 3-21) Grant | | | 14214-154-PN01 | - | - | - | 26,334 |
| Part B 611 (Ages 3-21) Grant | | | 14215-154-PN01 | - | 318,185 | - | 880,839 |
| Part B 611 (Ages 3-21) Grant | | | 14216-124-PN01 | - | - | - | 1,124,518 |
| Technical Assistance Grant: FY 2014 Part B Funds | | | 99914-154-TA01 | - | - | - | 16,992 |
| Total - Special Education - Grants to States | | | | - | 842,105 | - | 2,433,326 |
| Special Education - Preschool Grants | | | | | | | |
| Part B 619 (Ages 3-5) Grant | Indiana Department of Education | 84.173 | | | | | |
| Part B 619 (Ages 3-5) Grant | | | 45714-063-PN01 | - | 3,841 | - | - |
| Part B 619 (Ages 3-5) Grant | | | 45715-063-PN01 | - | 8,552 | - | 22,465 |
| Part B 619 (Ages 3-5) Grant | | | 45715-154-PN01 | - | - | - | 8,140 |
| Part B 619 (Ages 3-5) Grant | | | 45716-124-PN01 | - | - | - | 32,220 |
| Total - Special Education - Preschool Grants | | | | - | 12,393 | - | 62,825 |
| Total - Special Education Cluster (IDEA) | | | | - | 854,498 | - | 2,496,151 |

AVON COMMUNITY SCHOOL CORPORATION
SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS
For the Years Ended June 30, 2015 and 2016

| Federal Grantor Agency Cluster Title/Program Title/Project Title | Pass-Through Entity or Direct Grant | Federal CFDA Number | Pass-Through Entity (or Other) Identifying Number | Passed Through to Subrecipient 06-30-15 | Total Federal Awards Expended 06-30-15 | Passed Through to Subrecipient 06-30-16 | Total Federal Awards Expended 06-30-16 |
|---|---|---------------------------|--|---|---|---|---|
| Title I Grants to Local Educational Agencies | Indiana Department of Education | 84.010 | | | | | |
| Title I Part A | | | 14-3315 | - | 129,901 | - | - |
| Title I Part A | | | 15-3315 | - | 66,295 | - | 334,135 |
| Title I Part A | | | 16-3315 | - | - | - | 160,493 |
| Total - Title I Grants to Local Educational Agencies | | | | - | 196,196 | - | 494,628 |
| English Language Acquisition State Grants | Indiana Department of Education | 84.365 | | | | | |
| Title III English Language Acquisition State Grants | | | 01113-028-PN01 | - | 3,659 | - | - |
| Title III/WIDA Development Grant | | | 01113-326-PN01 | - | 849 | - | - |
| Title III English Language Acquisition State Grants | | | 0114-003-PN01 | - | 36,415 | - | 574 |
| Title III English Language Acquisition State Grants | | | 01115-031-PN01 | - | 12,256 | - | 49,452 |
| Total - English Language Acquisition State Grants | | | | - | 53,179 | - | 50,026 |
| Improving Teacher Quality State Grants | Indiana Department of Education | 84.367 | | | | | |
| Title II Part A Improving Teacher Quality and Effectiveness | | | 12-3315 | - | 104,254 | - | - |
| Title II Part A Improving Teacher Quality and Effectiveness | | | 13-3315 | - | - | - | 91,447 |
| Title II Part A Improving Teacher Quality and Effectiveness | | | 14-3315 | - | - | - | 93,144 |
| Total - Improving Teacher Quality State Grants | | | | - | 104,254 | - | 184,591 |
| Total - Department of Education | | | | - | 1,208,127 | - | 3,225,396 |
| <u>Commission for Higher Education</u> | | | | | | | |
| College Access Challenge Grant Program | Indiana Commission for Higher Education | 84.378 | | | | | |
| Cash for College | | | FY2015 | - | 1,000 | - | - |
| Total - Commission for Higher Education | | | | - | 1,000 | - | - |
| <u>Department of Health and Human Services</u> | | | | | | | |
| <u>Medicaid Cluster</u> | | | | | | | |
| Medical Assistance Program | Indiana Department of Education | 93.778 | | | | | |
| Medicaid Reimbursement | | | FY2016 | - | - | - | 96,527 |
| Indiana MAC Reimb Program | | | FY2016 | - | - | - | 52,548 |
| Medicaid Reimbursement | | | FY2015 | - | 55,445 | - | - |
| IndianaMAC Reimb Program | | | FY2015 | - | 47,871 | - | - |
| Total - Medical Assistance Program | | | | - | 104,316 | - | 149,075 |
| Total - Medicaid Cluster | | | | - | 104,316 | - | 149,075 |
| Total - Department of Health and Human Services | | | | - | 103,316 | - | 149,075 |
| Total federal awards expended | | | | \$ - | \$ 3,018,431 | \$ - | \$ 5,223,404 |

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

AVON 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, 2015 and 2016. The information in the SEFA is presented in accordance with the requirements of the Office of Management and Budget (OMB) Circular A-133, *Audits of States, Local Governments, and Non-Profit Organizations*. Because the SEFA presents only a select portion of the operations of the School Corporation, it is not intended to and does not present the financial position of the School Corporation.

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

Note 2. Summary of Significant Accounting Policies

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

AVON COMMUNITY SCHOOL CORPORATION
SCHEDULE OF FINDINGS AND QUESTIONED COSTS

Section I - Summary of Auditor's Results

Financial Statement:

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

Federal Awards:

| | |
|---|---|
| Internal control over major programs: | |
| Material weaknesses identified? | yes |
| Significant deficiencies identified? | none reported |
| Type of auditor's report issued on compliance for major programs: | Unmodified for Title I Grants to Local Educational Agencies and Special Education Cluster (IDEA); Qualified for Child Nutrition Cluster |
| Any audit findings disclosed that are required to be reported in accordance with section .510(a) of OMB Circular A-133? | yes |

Identification of Major Programs:

| CFDA Number | Name of Federal Program or Cluster |
|----------------|---|
| 84.010 | Child Nutrition Cluster Special Education Cluster (IDEA) Title I Grants to Local Educational Agencies |

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

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

Section II - Financial Statement Findings

No Matters are Reportable.

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

Section III - Federal Award Findings and Questioned Costs

FINDING 2016-001

Subject: Child Nutrition Cluster - Allowable Costs/Cost Principles
Federal Agency: Department of Agriculture
Federal Programs: School Breakfast Program, National School Lunch
Program, Special Milk Program for Children
CFDA Numbers: 10.553, 10.555, 10.556
Federal Award Numbers and Years (or Other Identifying Numbers): FY15, FY16
Pass-Through Entity: Indiana Department of Education
Compliance Requirement: Allowable Costs/Cost Principles
Audit Finding: Material Weakness

Repeat Finding

This is a repeat finding from the immediately prior audit report. The prior audit finding number was 2014-001.

Condition

An 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 failed to document proper review and oversight of the Semi-Annual Certifications that were completed for the Child Nutrition Cluster during the audit period.

Context

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

Criteria

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

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

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). . . ."

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

Cause

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

Effect

The failure to establish an effective system of internal control placed the School Corporation at risk of noncompliance with the grant agreement and the Allowable Costs/Cost Principles compliance requirement.

Questioned Costs

There were no questioned costs identified.

Recommendation

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

Views of Responsible Officials

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

FINDING 2016-002

Subject: Child Nutrition Cluster - Cash Management
Federal Agency: Department of Agriculture
Federal Programs: School Breakfast Program, National School Lunch Program, Special Milk Program for Children
CFDA Numbers: 10.553, 10.555, 10.556
Federal Award Numbers and Years (or Other Identifying Numbers): FY15, FY16
Pass-Through Entity: Indiana Department of Education
Compliance Requirement: Cash Management
Audit Finding: Material Weakness

Condition

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

The School Corporation had not properly designed or implemented controls to ensure that the cash balance did not exceed the three-month average expenditures requirement.

Context

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

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

Criteria

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

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

2 CFR 200.303 states in part:

"The non-Federal entity must:

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

Cause

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

Effect

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

Questioned Costs

There were no questioned costs identified.

Recommendation

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

Views of Responsible Officials

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

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

FINDING 2016-003

Subject: Child Nutrition Cluster - Program Income
Federal Agency: Department of Agriculture
Federal Programs: School Breakfast Program, National School Lunch
Program, Special Milk Program for Children
CFDA Numbers: 10.553, 10.555, 10.556
Federal Award Numbers and Years (or Other Identifying Numbers): FY15, FY16
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 properly designed or implemented adequate policies and procedures to ensure that program income was properly recorded in the financial records to enable the determination of its compliance with Program Income requirements.

The School Corporation had not established the School Lunch Clearing Fund (8400) to account for prepaid school lunch account balances. All monthly receipts from sales, as well as prepayments, were recorded directly in the School Lunch fund (800). Due to the method of recordkeeping, Program Income could not be audited for either school year.

Context

The lack of controls and was a systemic issue, which occurred throughout the audit period and prevented the determination of the School Corporation's compliance with the Program Income requirements.

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). . . ."

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

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 220.7(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; . . ."

7 CFR 215.7(d) states in part:

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

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

Clearing Account Number 8400 - Prepaid Food has been established to account for prepaid food. The collections are to be receipted to 8410 with 8420 representing the transfers out of the clearing account and recognition in the appropriate revenue classifications (1611 to 1614 series) in the School Lunch Fund. The transfer should be made periodically and at the end of each month to appropriately classify meals (breakfast, lunch, etc.) when known (charged by student). (The School Administrator and Uniform Compliance Guidelines, September 2008)

Cause

Management had not developed a system of internal controls that would have ensured that prepaid receipts and program income receipts were segregated and available for audit.

Effect

The failure to establish effective internal controls that would have ensured that prepaid receipts and program income receipts were segregated and available for audit prevented the determination of the School Corporation's compliance with the Program Income compliance requirement.

Questioned Costs

There were no questioned costs identified.

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

Recommendation

We recommended that the School Corporation's management establish controls to ensure that prepaid receipts and program income receipts will be segregated and available for audit.

Views of Responsible Officials

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

FINDING 2016-004

Subject: National School Lunch Program - Special Tests and Provisions - Paid Lunch Equity
Federal Agency: Department of Agriculture
Federal Programs: National School Lunch Program
CFDA Numbers: 10.555
Federal Award Numbers and Years (or Other Identifying Numbers): FY15, FY16
Pass-Through Entity: Indiana Department of Education
Compliance Requirement: Special Tests and Provisions - Paid Lunch Equity
Audit Findings: Material Weakness, Other Matters

Condition

An effective internal control system was not in place at the School Corporation in order to ensure compliance with requirements related to the grant agreement and the Special Tests and Provisions - Paid Lunch Equity compliance requirement.

The School Corporation did not have policies or procedures in place to ensure that Special Tests and Provisions - Paid Lunch Equity requirements were properly calculated and considered. The School Corporation retained the calculations for each school year, but did not provide the correct figures used for the calculation for the 2016 school year.

The School Corporation had not established internal controls, such as a review or approval process of the completion and accuracy of the Paid Lunch Equity calculation for both school years.

Context

The lack of controls was a systemic issue that occurred throughout the audit period. The non-compliance was isolated to the 2016 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. . . ."

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

2 CFR 200.302(a) states in part:

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

7 CFR 210.15(b) states in part:

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

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

7 CFR 210.14 states in part:

"(a) *Nonprofit school food service.* School food authorities shall maintain a nonprofit school food service. Revenues received by the nonprofit school food service are to be used only for the operation or improvement of such food service, *except that*, such revenues shall not be used to purchase land or buildings, unless otherwise approved by FNS, or to construct buildings. Expenditures of nonprofit school food service revenues shall be in accordance with the financial management system established by the State agency under § 210.19(a) of this part. School food authorities may use facilities, equipment, and personnel supported with nonprofit school food revenues to support a nonprofit nutrition program for the elderly, including a program funded under the Older Americans Act of 1965 (42 U.S.C. 3001 *et seq.*). . . .

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

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

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

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

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

Cause

Management had not developed a system of internal controls that would have ensured compliance with the Special Tests and Provisions - Paid Lunch Equity compliance requirement.

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

Effect

The failure to establish an effective internal control system placed the School Corporation in non-compliance with the grant agreement and the Special Tests and Provisions - Paid Lunch Equity compliance requirement.

Questioned Costs

There were no questioned costs identified.

Recommendation

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

Views of Responsible Officials

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

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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.



7203 EAST U.S. HIGHWAY 36
AVON, IN 46123
PHONE: (317) 544-6000
FAX: (317) 544-6001
www.avon-schools.org

September 5, 2018

Mr. Tim Guimont
Field Examiner
Indiana State Board of Accounts

Dear Mr. Guimont,

Below is the summary schedule of prior audit findings for Avon Community School Corporation (ACSC) regarding the audit period 7/1/12 to 6/30/14.

FINDING 2014-001 – Allowable Costs/Cost Principles

Fiscal Years: 2013 and 2014

Contact Person Responsible for Corrective Action: Dr. Scott Wyndham

Contact Phone Number: 317-544-6014

Status of Audit Finding: Time and effort records for the Title I grant have continued to be filed since October 2015 as a part of ACSC internal control procedures and grant monitoring. The Food Service Administrator has continued to complete semi-annual certifications for all Food Service staff since the six-month period of January to June 2016. These certifications certify that 100% of food service employee time is for activities authorized by the federal child nutrition programs.

FINDING 2014-002 – Internal Controls over Special Education Cluster (IDEA)

Fiscal Years: 2013 and 2014

Contact Person Responsible for Corrective Action: Dr. Scott Wyndham

Contact Phone Number: 317-544-6014

Status of Audit Finding: ACSC has continued to employ a Grant Specialist since August 2015. This position is responsible for managing all federal, state, and local grants. The Grant Specialist monitors cash management and reporting compliance requirements. The Grant Specialist prepares reimbursement requests for the Department of Education. However, the Corporation Treasurer reviews and signs reimbursement requests to provide ongoing internal control support over the process. The Corporation Treasurer further reviews and signs all grant quarterly reports and final reports prior to their submission.

Please let me know if you have any questions or need additional information.

Board of School Trustees

Pamela J. DeWeese
Anne L. Engelhardt
John K. McDavid
Cynthia L. Simmons
Kimberly L. Woodward

Administration

Superintendent
Margaret E. Hoernemann, Ph.D.
Associate Superintendent
John F. Atha, Ed.D.
Assistant Superintendent
Maryanne B. McMahon, Ph.D.
Director of Finance & Operations
Scott M. Wyndham, Ed.D.

Sincerely,

A handwritten signature in blue ink, appearing to read "S. Wyndham", with a long horizontal flourish extending to the right.

Scott M. Wyndham, Ed.D.

Director of Finance & Operations

Avon Community School Corporation



7203 EAST U.S. HIGHWAY 36
AVON, IN 46123
PHONE: (317) 544-6000
FAX: (317) 544-6001
www.avon-schools.org

CORRECTIVE ACTION PLAN

FINDING 2016-001 (Auditor Assigned Reference Number)

Contact Person Responsible for Corrective Action: Sheila Glass, Corporation Treasurer & Emily Cates, Food Service Administrator

Contact Phone Number: (317) 544-6000

Views of Responsible Official: This finding was corrected in June 2016.

Description of Corrective Action Plan: Avon Community School Corporation (ACSC) will continue to implement practices in place since June 2016 including semi-annual certifications for all food service employees to certify that 100% of food service employee time is for activities authorized by federal child nutrition programs.

Anticipated Completion Date: Corrective action was completed in June 2016.

FINDING 2016-002 (Auditor Assigned Reference Number)

Contact Person Responsible for Corrective Action: Sheila Glass, Corporation Treasurer & Emily Cates, Food Service Administrator

Contact Phone Number: (317) 544-6000

Views of Responsible Official: This finding was corrected in June 2016.

Description of Corrective Action Plan: Beginning in June 2016, 3 month average expenditure reports were implemented and analyzed. These reports include 3 month average expenditures compared to the cash balance at the end of each month. The Corporation Treasurer and Food Service Administrator review these reports monthly to ensure that the cash balance does not exceed the three-month average expenditures requirement.

Anticipated Completion Date: Corrective action was completed in June 2016.

FINDING 2016-003 (Auditor Assigned Reference Number)

Contact Person Responsible for Corrective Action: Sheila Glass, Corporation Treasurer & Emily Cates, Food Service Administrator

Contact Phone Number: (317) 544-6000

Views of Responsible Official: This finding was corrected in June 2016.

Description of Corrective Action Plan: Beginning in June 2016, the school corporation implemented a School Lunch Clearing Fund (8400). Food Services provides a report monthly of pre-paid balances and sales to the Corporation Treasurer. Funds are transferred to accurately report and segregate prepaid school lunch account balances from other program revenue monthly.

Board of School Trustees

Pamela J. DeWeese
Anne L. Engelhardt
John K. McDavid
Cynthia L. Simmons
Kimberly L. Woodward

Administration

Superintendent
Margaret E. Hoernemann, Ph.D.
Associate Superintendent
John F. Atha, Ed.D.
Assistant Superintendent
Maryanne B. McMahon, Ph.D.
Director of Finance & Operations
Scott M. Wyndham, Ed.D.

Anticipated Completion Date: Corrective action was completed in June 2016.

FINDING 2016-004 (Auditor Assigned Reference Number)

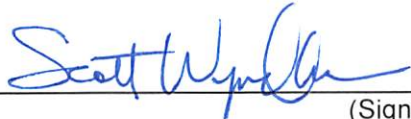
Contact Person Responsible for Corrective Action: Sheila Glass, Corporation Treasurer & Emily Cates, Food Service Administrator

Contact Phone Number: (317) 544-6000

Views of Responsible Official: This calculation error occurred in March of 2015 and was completed by a contracted service provider who was providing food service direction while the Food Service Administrator was on a leave. This calculation error did not lead to an incorrect meal price because the board approved meal price was in compliance with the Paid Lunch Equity (PLE) requirement.

Description of Corrective Action Plan: The PLE calculation has been done correctly in every other year besides the year when it was completed by a contracted service provider. ACSC plans to continue its practice of the Food Service Site Supervisor preparing monthly claims for review by the Food Service Administrator. Annually, these claims are analyzed to determine compliance with PLE requirement and make recommendations for lunch prices for the following year.

Anticipated Completion Date: This was corrected in March of 2016 when the PLE calculation was updated for the 2016-2017 school year and been completed accurately since that time.



(Signature)

Director of Finance & Operations

(Title)

9/14/18

(Date)

OTHER REPORTS

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