

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

FINANCIAL STATEMENT AND
FEDERAL SINGLE AUDIT REPORT
OF

ZIONSVILLE COMMUNITY SCHOOLS
BOONE COUNTY, INDIANA

July 1, 2015 to June 30, 2017



FILED
11/21/2018

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SCHEDULE OF OFFICIALS

<u>Office</u>	<u>Official</u>	<u>Term</u>
Treasurer	Michael Shafer	07-01-15 to 12-31-18
Superintendent of Schools	Dr. Scott Robison	07-01-15 to 06-30-19
President of the School Board	Shari Richey Jane Burgess	01-01-15 to 12-31-16 01-01-17 to 12-31-18



STATE OF INDIANA
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INDEPENDENT AUDITOR'S REPORT

TO: THE OFFICIALS OF THE ZIONSVILLE COMMUNITY SCHOOLS, BOONE COUNTY, INDIANA

Report on the Financial Statement

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

Management's Responsibility for the Financial Statement

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

Auditor's Responsibility

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

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

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

INDEPENDENT AUDITOR'S REPORT
(Continued)

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

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

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

Adverse Opinion on U.S. Generally Accepted Accounting Principles

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

Opinion on Regulatory Basis of Accounting

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

Other Matters

Supplementary Information

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


Other Information

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

INDEPENDENT AUDITOR'S REPORT
(Continued)

Other Reporting Required by *Government Auditing Standards*

In accordance with *Government Auditing Standards*, we have also issued a report dated October 9, 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

October 9, 2018



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

TO: THE OFFICIALS OF THE ZIONSVILLE COMMUNITY SCHOOLS, BOONE 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 Zionsville Community Schools (School Corporation), which comprises the financial position and results of operations for the period of July 1, 2015 to June 30, 2017, and the related notes to the financial statement, and have issued our report thereon dated October 9, 2018, wherein we noted the School Corporation followed accounting practices the Indiana State Board of Accounts prescribes rather than accounting principles generally accepted in the United States of America.

Internal Control over Financial Reporting

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

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

Our consideration of internal control was for the limited purpose described in the first paragraph of this section and was not designed to identify all deficiencies in internal control that might be material weaknesses or significant deficiencies. 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.


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

Compliance and Other Matters

As part of obtaining reasonable assurance about whether the School Corporation's financial statement is free of material misstatement, we performed tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements, noncompliance with which could have a direct and material effect on the determination of financial statement amounts. However, providing an opinion on compliance with those provisions was not an objective of our audit and, accordingly, we do not express such an opinion. The results of our tests disclosed 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

October 9, 2018

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FINANCIAL STATEMENT AND ACCOMPANYING NOTES

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

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

Fund	Cash and Investments 07-01-15	Receipts	Disbursements	Other Financing Sources (Uses)	Cash and Investments 06-30-16	Receipts	Disbursements	Other Financing Sources (Uses)	Cash and Investments 06-30-17
General	\$ 3,292,398	\$ 38,290,592	\$ 36,709,582	\$ 195,520	\$ 5,068,928	\$ 40,886,323	\$ 39,210,882	\$ 233,122	\$ 6,977,491
Referendum Tax Levy	4,063,561	6,061,210	5,079,088	-	5,045,683	6,421,979	6,076,307	-	5,391,355
Debt Service	9,829,103	18,571,421	19,423,860	(1,023,853)	7,952,811	19,177,305	20,032,182	(869,097)	6,228,837
Retirement/Severance Bond Debt Service	206,294	733,677	645,899	(39,896)	254,176	732,128	657,402	(33,306)	295,596
Capital Projects	2,295,855	3,535,252	4,553,871	563,458	1,840,694	4,145,939	3,568,170	482,946	2,901,409
School Transportation	3,078,131	2,944,014	3,182,625	205,474	3,044,994	3,127,064	3,294,878	125,002	3,002,182
School Bus Replacement	363,047	181,362	347,209	33,422	230,622	149,087	178,365	19,455	220,799
Rainy Day	810,755	1,115	602,127	290,800	500,543	1,562	224	275,000	776,881
2017 A Construction	-	-	-	-	-	-	298,455	1,998,639	1,700,184
2017 B Construction	-	-	-	-	-	-	452,683	1,999,647	1,546,964
School Lunch	958,087	2,386,112	2,419,102	(97,797)	827,300	2,208,014	2,400,666	(140,093)	494,555
Textbook Rental	1,114,550	1,352,943	1,733,414	(39,352)	694,727	1,313,020	1,678,252	-	329,495
Levy Excess	-	29,405	-	(29,405)	-	-	-	-	-
Early Intervention Grant	-	-	-	-	-	33,690	24,402	-	9,288
Comp Counseling Initiative	-	-	-	-	-	50,000	49,265	-	735
Donations Fund	569,857	473,071	408,127	-	634,801	411,602	412,739	(10,772)	622,892
Miscellaneous Programs	25,605	55,782	60,095	-	21,292	13,286	27,810	10,772	17,540
Formative Assessment	-	52,416	-	-	52,416	65,394	117,810	-	-
High Ability Fund	25,615	55,963	58,831	-	22,747	57,198	48,203	-	31,742
Secured Schools Safety Grant	5,945	44,994	94,747	-	(43,808)	43,808	38,618	-	(38,618)
Non-English Speaking Programs	-	11,607	-	-	-	-	11,519	-	-
School Technology	22,030	52,081	31,048	-	43,063	69,677	25,726	-	87,014
Career and Technical Performance Grant	-	-	-	-	-	4,589	-	-	4,589
Performance Based Awards	16,420	-	-	-	16,420	-	-	-	16,420
Senator David Ford Technology	(7,013)	22,130	15,117	-	-	-	-	-	-
Campus Parking	124,680	31,522	71,354	(1,792)	83,056	31,874	13,536	(337)	101,057
Extended Service	1,174,120	2,924,059	2,394,658	(56,579)	1,646,942	3,220,333	2,566,782	(92,693)	2,207,800
Title I 2012-2013	(2,144)	81,725	81,571	-	(1,990)	65,852	64,402	-	(540)
Title V	-	-	-	-	-	-	-	-	-
Special Education Grant	(36,279)	1,015,189	1,019,627	-	(40,717)	702,786	701,721	-	(39,652)
Technical Assistance Special Education Grant	(2,625)	3,048	423	-	-	-	-	-	-
Special Education Preschool Grant	-	21,347	21,347	-	-	23,498	23,498	-	-
Drug Free Schools	10,143	-	-	-	10,143	-	-	-	10,143
Improving Teacher Quality, No Child Left, Title II, Part A	46,874	728	32,549	-	15,053	-	5,572	-	9,481
Title II Part A	(4,200)	55,748	66,682	-	(15,134)	32,659	22,194	-	(4,669)
Clearing	239,143	10,539,921	10,555,732	-	223,332	13,454,419	13,225,600	-	452,151
Totals	\$ 28,219,952	\$ 89,528,434	\$ 89,620,292	\$ -	\$ 28,128,094	\$ 96,454,605	\$ 95,227,863	\$ 3,998,285	\$ 33,353,121

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

ZIONSVILLE COMMUNITY SCHOOLS
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.

ZIONSVILLE COMMUNITY SCHOOLS
NOTES TO FINANCIAL STATEMENT
(Continued)

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

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

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

E. Disbursements

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

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

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

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

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

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

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

F. Other Financing Sources and Uses

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

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

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.

ZIONSVILLE COMMUNITY SCHOOLS
NOTES TO FINANCIAL STATEMENT
(Continued)

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

G. Fund Accounting

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

Note 2. Budgets

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

Note 3. Property Taxes

Property taxes levied are collected by the County Treasurer and are scheduled to be distributed to the School Corporation in June and December; however, situations can arise which would delay the distributions. State statute (IC 6-1.1-17-16) requires the Indiana Department of Local Government Finance to establish property tax rates and levies by December 31 (February 15 in years prior to 2019). These rates were based upon the preceding year's lien date (March 1 in a year ending before January 1, 2016 and January 1 in a year beginning after December 31, 2015) assessed valuations adjusted for various tax credits. Taxable property is assessed at 100 percent of the true tax value (determined in accordance with rules and regulations adopted by the Indiana Department of Local Government Finance). Taxes may be paid in two equal installments which normally become delinquent if not paid by May 10 and November 10, respectively.

Note 4. Deposits and Investments

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

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

ZIONSVILLE COMMUNITY SCHOOLS
NOTES TO FINANCIAL STATEMENT
(Continued)

Note 5. Risk Management

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

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

Note 6. Pension Plans

A. 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.

ZIONSVILLE COMMUNITY SCHOOLS
NOTES TO FINANCIAL STATEMENT
(Continued)

B. Additional Pension Plans

The School Corporation also contributes to additional pension plans unique to the School Corporation. Information regarding these plans may be obtained from the School Corporation.

Note 7. Cash Balance Deficits

The financial statement contains some funds with deficits in cash. This is a result of certain funds being set up for reimbursable grants and the disbursements not being reimbursed by June 30, 2016 and 2017.

Note 8. Holding Corporation

The School Corporation has entered into a series of capital leases with the Zionsville 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 fiscal years 2016 and 2017 totaled \$19,414,000 and \$20,028,500, respectively.

Note 9. Subsequent Events

On April 26, 2018, the School Corporation issued General Obligation bonds in the amount of \$6,850,000. The purposes of these bonds were as follows:

1. Series 2018A - The \$4,850,000 in proceeds will be used to pay for all or a portion of (i) undertaking all or a portion of certain renovation and miscellaneous facility improvement and equipping projects at one or more of the existing Zionsville Community High School, Zionsville Middle School, and Zionsville West Middle School operated by the School Corporation, including, but not limited to, all or a portion of the repair, replacement and/or upgrade of the heating and air conditioning systems.
2. Series 2018B - The \$2,000,000 in proceeds will be used to pay for all or a portion of (i) undertaking all or a portion of certain renovation and miscellaneous facility improvement and equipping projects at one or more of the existing elementary schools operated by the School Corporation, including, but not limited to, all or a portion of the repair, replacement and/or upgrade of the heating and air conditioning systems at all or any of such elementary school facilities.

Note 10. Other Postemployment Benefits

The School Corporation provides to eligible retirees and their spouses the following benefits: participation in the School Corporation's health insurance plan solely at the retiree's expense. These benefits pose a liability to the School Corporation for this year and in future years. Information regarding the benefits can be obtained by contacting the School Corporation.

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.

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

	General	Referendum Tax Levy	Debt Service	Retirement/ Severance Bond Debt Service	Capital Projects	School Transportation	School Bus Replacement
Cash and investments - beginning	\$ 3,292,398	\$ 4,063,561	\$ 9,829,103	\$ 206,294	\$ 2,295,855	\$ 3,078,131	\$ 363,047
Receipts:							
Local sources	1,671,849	6,061,210	18,571,421	733,677	3,535,252	2,944,014	181,362
Intermediate sources	6	-	-	-	-	-	-
State sources	36,618,737	-	-	-	-	-	-
Federal sources	-	-	-	-	-	-	-
Other receipts	-	-	-	-	-	-	-
Total receipts	<u>38,290,592</u>	<u>6,061,210</u>	<u>18,571,421</u>	<u>733,677</u>	<u>3,535,252</u>	<u>2,944,014</u>	<u>181,362</u>
Disbursements:							
Instruction	23,783,026	5,075,798	-	-	-	-	-
Support services	12,119,097	3,290	9,860	-	2,605,159	3,182,625	347,209
Noninstructional services	807,459	-	-	-	-	-	-
Facilities acquisition and construction	-	-	-	-	1,948,712	-	-
Debt services	-	-	19,414,000	645,899	-	-	-
Nonprogrammed charges	-	-	-	-	-	-	-
Total disbursements	<u>36,709,582</u>	<u>5,079,088</u>	<u>19,423,860</u>	<u>645,899</u>	<u>4,553,871</u>	<u>3,182,625</u>	<u>347,209</u>
Excess (deficiency) of receipts over disbursements	<u>1,581,010</u>	<u>982,122</u>	<u>(852,439)</u>	<u>87,778</u>	<u>(1,018,619)</u>	<u>(238,611)</u>	<u>(165,847)</u>
Other financing sources (uses):							
Proceeds of long-term debt	-	-	-	-	-	-	-
Transfers in	195,520	-	-	-	563,458	496,274	33,422
Transfers out	-	-	(1,023,853)	(39,896)	-	(290,800)	-
Total other financing sources (uses)	<u>195,520</u>	<u>-</u>	<u>(1,023,853)</u>	<u>(39,896)</u>	<u>563,458</u>	<u>205,474</u>	<u>33,422</u>
Excess (deficiency) of receipts and other financing sources over disbursements and other financing uses	<u>1,776,530</u>	<u>982,122</u>	<u>(1,876,292)</u>	<u>47,882</u>	<u>(455,161)</u>	<u>(33,137)</u>	<u>(132,425)</u>
Cash and investments - ending	<u>\$ 5,068,928</u>	<u>\$ 5,045,683</u>	<u>\$ 7,952,811</u>	<u>\$ 254,176</u>	<u>\$ 1,840,694</u>	<u>\$ 3,044,994</u>	<u>\$ 230,622</u>

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

	Rainy Day	2017 A Construction	2017 B Construction	School Lunch	Textbook Rental	Levy Excess
Cash and investments - beginning	\$ 810,755	\$ -	\$ -	\$ 958,087	\$ 1,114,550	\$ -
Receipts:						
Local sources	1,115	-	-	1,999,296	1,328,595	29,405
Intermediate sources	-	-	-	-	-	-
State sources	-	-	-	42,472	24,348	-
Federal sources	-	-	-	344,144	-	-
Other receipts	-	-	-	200	-	-
Total receipts	<u>1,115</u>	<u>-</u>	<u>-</u>	<u>2,386,112</u>	<u>1,352,943</u>	<u>29,405</u>
Disbursements:						
Instruction	-	-	-	-	3,161	-
Support services	602,127	-	-	45,713	1,617,889	-
Noninstructional services	-	-	-	2,309,248	-	-
Facilities acquisition and construction	-	-	-	-	112,364	-
Debt services	-	-	-	-	-	-
Nonprogrammed charges	-	-	-	64,141	-	-
Total disbursements	<u>602,127</u>	<u>-</u>	<u>-</u>	<u>2,419,102</u>	<u>1,733,414</u>	<u>-</u>
Excess (deficiency) of receipts over disbursements	<u>(601,012)</u>	<u>-</u>	<u>-</u>	<u>(32,990)</u>	<u>(380,471)</u>	<u>29,405</u>
Other financing sources (uses):						
Proceeds of long-term debt	-	-	-	-	-	-
Transfers in	290,800	-	-	-	-	-
Transfers out	-	-	-	(97,797)	(39,352)	(29,405)
Total other financing sources (uses)	<u>290,800</u>	<u>-</u>	<u>-</u>	<u>(97,797)</u>	<u>(39,352)</u>	<u>(29,405)</u>
Excess (deficiency) of receipts and other financing sources over disbursements and other financing uses	<u>(310,212)</u>	<u>-</u>	<u>-</u>	<u>(130,787)</u>	<u>(419,823)</u>	<u>-</u>
Cash and investments - ending	<u>\$ 500,543</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 827,300</u>	<u>\$ 694,727</u>	<u>\$ -</u>

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

	Early Intervention Grant	Comp Counseling Initiative	Donations Fund	Miscellaneous Programs	Formative Assessment	High Ability Fund
Cash and investments - beginning	\$ -	\$ -	\$ 569,857	\$ 25,605	\$ -	\$ 25,615
Receipts:						
Local sources	-	-	473,071	55,782	-	-
Intermediate sources	-	-	-	-	-	-
State sources	-	-	-	-	52,416	55,963
Federal sources	-	-	-	-	-	-
Other receipts	-	-	-	-	-	-
Total receipts	-	-	473,071	55,782	52,416	55,963
Disbursements:						
Instruction	-	-	298,049	60,095	-	58,831
Support services	-	-	110,000	-	-	-
Noninstructional services	-	-	-	-	-	-
Facilities acquisition and construction	-	-	78	-	-	-
Debt services	-	-	-	-	-	-
Nonprogrammed charges	-	-	-	-	-	-
Total disbursements	-	-	408,127	60,095	-	58,831
Excess (deficiency) of receipts over disbursements	-	-	64,944	(4,313)	52,416	(2,868)
Other financing sources (uses):						
Proceeds of long-term debt	-	-	-	-	-	-
Transfers in	-	-	-	-	-	-
Transfers out	-	-	-	-	-	-
Total other financing sources (uses)	-	-	-	-	-	-
Excess (deficiency) of receipts and other financing sources over disbursements and other financing uses	-	-	64,944	(4,313)	52,416	(2,868)
Cash and investments - ending	\$ -	\$ -	\$ 634,801	\$ 21,292	\$ 52,416	\$ 22,747

ZIONSVILLE COMMUNITY SCHOOLS
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 OTHER FINANCING SOURCES (USES), AND CASH AND
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 For the Year Ended June 30, 2016

	Secured Schools Safety Grant	Non-English Speaking Programs	School Technology	Career and Technical Performance Grant	Performance Based Awards	Senator David Ford Technology
Cash and investments - beginning	\$ 5,945	\$ -	\$ 22,030	\$ -	\$ 16,420	\$ (7,013)
Receipts:						
Local sources	-	-	12,775	-	-	-
Intermediate sources	-	-	-	-	-	-
State sources	44,994	11,607	13,044	-	-	22,130
Federal sources	-	-	26,262	-	-	-
Other receipts	-	-	-	-	-	-
Total receipts	<u>44,994</u>	<u>11,607</u>	<u>52,081</u>	<u>-</u>	<u>-</u>	<u>22,130</u>
Disbursements:						
Instruction	-	11,607	-	-	-	15,117
Support services	94,747	-	-	-	-	-
Noninstructional services	-	-	-	-	-	-
Facilities acquisition and construction	-	-	31,048	-	-	-
Debt services	-	-	-	-	-	-
Nonprogrammed charges	-	-	-	-	-	-
Total disbursements	<u>94,747</u>	<u>11,607</u>	<u>31,048</u>	<u>-</u>	<u>-</u>	<u>15,117</u>
Excess (deficiency) of receipts over disbursements	<u>(49,753)</u>	<u>-</u>	<u>21,033</u>	<u>-</u>	<u>-</u>	<u>7,013</u>
Other financing sources (uses):						
Proceeds of long-term debt	-	-	-	-	-	-
Transfers in	-	-	-	-	-	-
Transfers out	-	-	-	-	-	-
Total other financing sources (uses)	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Excess (deficiency) of receipts and other financing sources over disbursements and other financing uses	<u>(49,753)</u>	<u>-</u>	<u>21,033</u>	<u>-</u>	<u>-</u>	<u>7,013</u>
Cash and investments - ending	<u>\$ (43,808)</u>	<u>\$ -</u>	<u>\$ 43,063</u>	<u>\$ -</u>	<u>\$ 16,420</u>	<u>\$ -</u>

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

	Campus Parking	Extended Service	Title I 2012-2013	Title V	Special Education Grant	Technical Assistance Special Education Grant
Cash and investments - beginning	\$ 124,680	\$ 1,174,120	\$ (2,144)	\$ -	\$ (36,279)	\$ (2,625)
Receipts:						
Local sources	31,522	2,924,059	-	-	-	-
Intermediate sources	-	-	-	-	-	-
State sources	-	-	-	-	-	-
Federal sources	-	-	81,725	-	1,015,189	3,048
Other receipts	-	-	-	-	-	-
Total receipts	<u>31,522</u>	<u>2,924,059</u>	<u>81,725</u>	<u>-</u>	<u>1,015,189</u>	<u>3,048</u>
Disbursements:						
Instruction	-	1,515,168	80,618	-	1,019,627	423
Support services	71,354	194,783	953	-	-	-
Noninstructional services	-	684,707	-	-	-	-
Facilities acquisition and construction	-	-	-	-	-	-
Debt services	-	-	-	-	-	-
Nonprogrammed charges	-	-	-	-	-	-
Total disbursements	<u>71,354</u>	<u>2,394,658</u>	<u>81,571</u>	<u>-</u>	<u>1,019,627</u>	<u>423</u>
Excess (deficiency) of receipts over disbursements	<u>(39,832)</u>	<u>529,401</u>	<u>154</u>	<u>-</u>	<u>(4,438)</u>	<u>2,625</u>
Other financing sources (uses):						
Proceeds of long-term debt	-	-	-	-	-	-
Transfers in	-	-	-	-	-	-
Transfers out	<u>(1,792)</u>	<u>(56,579)</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Total other financing sources (uses)	<u>(1,792)</u>	<u>(56,579)</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Excess (deficiency) of receipts and other financing sources over disbursements and other financing uses	<u>(41,624)</u>	<u>472,822</u>	<u>154</u>	<u>-</u>	<u>(4,438)</u>	<u>2,625</u>
Cash and investments - ending	<u>\$ 83,056</u>	<u>\$ 1,646,942</u>	<u>\$ (1,990)</u>	<u>\$ -</u>	<u>\$ (40,717)</u>	<u>\$ -</u>

ZIONSVILLE COMMUNITY SCHOOLS
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 OTHER FINANCING SOURCES (USES), AND CASH AND
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 For the Year Ended June 30, 2016

	Special Education Preschool Grant	Drug Free Schools	Improving Teacher Quality, No Child Left, Title II, Part A	Title II Part A	Clearing	Totals
Cash and investments - beginning	\$ -	\$ 10,143	\$ 46,874	\$ (4,200)	\$ 239,143	\$ 28,219,952
Receipts:						
Local sources	-	-	728	-	-	40,555,133
Intermediate sources	-	-	-	-	-	6
State sources	-	-	-	-	-	36,885,711
Federal sources	21,347	-	-	55,748	-	1,547,463
Other receipts	-	-	-	-	10,539,921	10,540,121
Total receipts	<u>21,347</u>	<u>-</u>	<u>728</u>	<u>55,748</u>	<u>10,539,921</u>	<u>89,528,434</u>
Disbursements:						
Instruction	21,347	-	32,524	66,682	-	32,042,073
Support services	-	-	25	-	-	21,004,831
Noninstructional services	-	-	-	-	-	3,801,414
Facilities acquisition and construction	-	-	-	-	-	2,092,202
Debt services	-	-	-	-	-	20,059,899
Nonprogrammed charges	-	-	-	-	10,555,732	10,619,873
Total disbursements	<u>21,347</u>	<u>-</u>	<u>32,549</u>	<u>66,682</u>	<u>10,555,732</u>	<u>89,620,292</u>
Excess (deficiency) of receipts over disbursements	<u>-</u>	<u>-</u>	<u>(31,821)</u>	<u>(10,934)</u>	<u>(15,811)</u>	<u>(91,858)</u>
Other financing sources (uses):						
Proceeds of long-term debt	-	-	-	-	-	-
Transfers in	-	-	-	-	-	1,579,474
Transfers out	-	-	-	-	-	(1,579,474)
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>-</u>	<u>-</u>	<u>(31,821)</u>	<u>(10,934)</u>	<u>(15,811)</u>	<u>(91,858)</u>
Cash and investments - ending	\$ -	\$ 10,143	\$ 15,053	\$ (15,134)	\$ 223,332	\$ 28,128,094

ZIONSVILLE COMMUNITY SCHOOLS
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 OTHER FINANCING SOURCES (USES), AND CASH AND
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 For the Year Ended June 30, 2017

	General	Referendum Tax Levy	Debt Service	Retirement/ Severance/ Bond Debt Service	Capital Projects	School Transportation	School Bus Replacement
Cash and investments - beginning	\$ 5,068,928	\$ 5,045,683	\$ 7,952,811	\$ 254,176	\$ 1,840,694	\$ 3,044,994	\$ 230,622
Receipts:							
Local sources	1,919,079	6,421,979	19,177,305	732,128	4,145,939	3,127,064	149,087
Intermediate sources	9	-	-	-	-	-	-
State sources	38,967,235	-	-	-	-	-	-
Federal sources	-	-	-	-	-	-	-
Other receipts	-	-	-	-	-	-	-
Total receipts	<u>40,886,323</u>	<u>6,421,979</u>	<u>19,177,305</u>	<u>732,128</u>	<u>4,145,939</u>	<u>3,127,064</u>	<u>149,087</u>
Disbursements:							
Instruction	24,379,992	5,942,767	-	-	4,489	-	-
Support services	13,976,574	133,540	3,682	-	1,847,751	3,294,878	178,365
Noninstructional services	854,316	-	-	-	-	-	-
Facilities acquisition and construction	-	-	-	-	1,715,930	-	-
Debt services	-	-	20,028,500	657,402	-	-	-
Nonprogrammed charges	-	-	-	-	-	-	-
Total disbursements	<u>39,210,882</u>	<u>6,076,307</u>	<u>20,032,182</u>	<u>657,402</u>	<u>3,568,170</u>	<u>3,294,878</u>	<u>178,365</u>
Excess (deficiency) of receipts over disbursements	<u>1,675,441</u>	<u>345,672</u>	<u>(854,877)</u>	<u>74,726</u>	<u>577,769</u>	<u>(167,814)</u>	<u>(29,278)</u>
Other financing sources (uses):							
Proceeds of long-term debt	-	-	-	-	-	-	-
Transfers in	233,122	-	-	-	482,946	400,002	19,455
Transfers out	-	-	(869,097)	(33,306)	-	(275,000)	-
Total other financing sources (uses)	<u>233,122</u>	<u>-</u>	<u>(869,097)</u>	<u>(33,306)</u>	<u>482,946</u>	<u>125,002</u>	<u>19,455</u>
Excess (deficiency) of receipts and other financing sources over disbursements and other financing uses	<u>1,908,563</u>	<u>345,672</u>	<u>(1,723,974)</u>	<u>41,420</u>	<u>1,060,715</u>	<u>(42,812)</u>	<u>(9,823)</u>
Cash and investments - ending	\$ <u>6,977,491</u>	\$ <u>5,391,355</u>	\$ <u>6,228,837</u>	\$ <u>295,596</u>	\$ <u>2,901,409</u>	\$ <u>3,002,182</u>	\$ <u>220,799</u>

ZIONSVILLE COMMUNITY SCHOOLS
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 For the Year Ended June 30, 2017

	Rainy Day	2017 A Construction	2017 B Construction	School Lunch	Textbook Rental	Levy Excess
Cash and investments - beginning	\$ 500,543	\$ -	\$ -	\$ 827,300	\$ 694,727	\$ -
Receipts:						
Local sources	1,562	-	-	1,867,322	1,288,371	-
Intermediate sources	-	-	-	-	-	-
State sources	-	-	-	45,353	24,649	-
Federal sources	-	-	-	295,119	-	-
Other receipts	-	-	-	220	-	-
Total receipts	<u>1,562</u>	<u>-</u>	<u>-</u>	<u>2,208,014</u>	<u>1,313,020</u>	<u>-</u>
Disbursements:						
Instruction	-	-	-	-	1,784	-
Support services	224	-	-	46,754	1,564,104	-
Noninstructional services	-	-	-	2,235,857	-	-
Facilities acquisition and construction	-	298,455	452,683	-	112,364	-
Debt services	-	-	-	-	-	-
Nonprogrammed charges	-	-	-	118,055	-	-
Total disbursements	<u>224</u>	<u>298,455</u>	<u>452,683</u>	<u>2,400,666</u>	<u>1,678,252</u>	<u>-</u>
Excess (deficiency) of receipts over disbursements	<u>1,338</u>	<u>(298,455)</u>	<u>(452,683)</u>	<u>(192,652)</u>	<u>(365,232)</u>	<u>-</u>
Other financing sources (uses):						
Proceeds of long-term debt	-	1,998,639	1,999,647	-	-	-
Transfers in	275,000	-	-	-	-	-
Transfers out	-	-	-	(140,093)	-	-
Total other financing sources (uses)	<u>275,000</u>	<u>1,998,639</u>	<u>1,999,647</u>	<u>(140,093)</u>	<u>-</u>	<u>-</u>
Excess (deficiency) of receipts and other financing sources over disbursements and other financing uses	<u>276,338</u>	<u>1,700,184</u>	<u>1,546,964</u>	<u>(332,745)</u>	<u>(365,232)</u>	<u>-</u>
Cash and investments - ending	<u>\$ 776,881</u>	<u>\$ 1,700,184</u>	<u>\$ 1,546,964</u>	<u>\$ 494,555</u>	<u>\$ 329,495</u>	<u>\$ -</u>

ZIONSVILLE COMMUNITY SCHOOLS
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 For the Year Ended June 30, 2017

	Early Intervention Grant	Comp Counseling Initiative	Donations Fund	Miscellaneous Programs	Formative Assessment	High Ability Fund
Cash and investments - beginning	\$ -	\$ -	\$ 634,801	\$ 21,292	\$ 52,416	\$ 22,747
Receipts:						
Local sources	-	50,000	411,602	13,286	-	-
Intermediate sources	-	-	-	-	-	-
State sources	33,690	-	-	-	65,394	57,198
Federal sources	-	-	-	-	-	-
Other receipts	-	-	-	-	-	-
Total receipts	<u>33,690</u>	<u>50,000</u>	<u>411,602</u>	<u>13,286</u>	<u>65,394</u>	<u>57,198</u>
Disbursements:						
Instruction	-	-	272,648	15,509	117,810	48,203
Support services	24,402	44,065	138,407	12,188	-	-
Noninstructional services	-	-	1,585	-	-	-
Facilities acquisition and construction	-	5,200	99	113	-	-
Debt services	-	-	-	-	-	-
Nonprogrammed charges	-	-	-	-	-	-
Total disbursements	<u>24,402</u>	<u>49,265</u>	<u>412,739</u>	<u>27,810</u>	<u>117,810</u>	<u>48,203</u>
Excess (deficiency) of receipts over disbursements	<u>9,288</u>	<u>735</u>	<u>(1,137)</u>	<u>(14,524)</u>	<u>(52,416)</u>	<u>8,995</u>
Other financing sources (uses):						
Proceeds of long-term debt	-	-	-	-	-	-
Transfers in	-	-	-	10,772	-	-
Transfers out	-	-	(10,772)	-	-	-
Total other financing sources (uses)	<u>-</u>	<u>-</u>	<u>(10,772)</u>	<u>10,772</u>	<u>-</u>	<u>-</u>
Excess (deficiency) of receipts and other financing sources over disbursements and other financing uses	<u>9,288</u>	<u>735</u>	<u>(11,909)</u>	<u>(3,752)</u>	<u>(52,416)</u>	<u>8,995</u>
Cash and investments - ending	<u>\$ 9,288</u>	<u>\$ 735</u>	<u>\$ 622,892</u>	<u>\$ 17,540</u>	<u>\$ -</u>	<u>\$ 31,742</u>

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 For the Year Ended June 30, 2017

	Secured Schools Safety Grant	Non-English Speaking Programs	School Technology	Career and Technical Performance Grant	Performance Based Awards	Senator David Ford Technology
Cash and investments - beginning	\$ (43,808)	\$ -	\$ 43,063	\$ -	\$ 16,420	\$ -
Receipts:						
Local sources	-	-	16,059	-	-	-
Intermediate sources	-	-	-	-	-	-
State sources	43,808	11,519	14,948	4,589	-	-
Federal sources	-	-	38,670	-	-	-
Other receipts	-	-	-	-	-	-
Total receipts	<u>43,808</u>	<u>11,519</u>	<u>69,677</u>	<u>4,589</u>	<u>-</u>	<u>-</u>
Disbursements:						
Instruction	-	11,519	-	-	-	-
Support services	38,618	-	-	-	-	-
Noninstructional services	-	-	-	-	-	-
Facilities acquisition and construction	-	-	25,726	-	-	-
Debt services	-	-	-	-	-	-
Nonprogrammed charges	-	-	-	-	-	-
Total disbursements	<u>38,618</u>	<u>11,519</u>	<u>25,726</u>	<u>-</u>	<u>-</u>	<u>-</u>
Excess (deficiency) of receipts over disbursements	<u>5,190</u>	<u>-</u>	<u>43,951</u>	<u>4,589</u>	<u>-</u>	<u>-</u>
Other financing sources (uses):						
Proceeds of long-term debt	-	-	-	-	-	-
Transfers in	-	-	-	-	-	-
Transfers out	-	-	-	-	-	-
Total other financing sources (uses)	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Excess (deficiency) of receipts and other financing sources over disbursements and other financing uses	<u>5,190</u>	<u>-</u>	<u>43,951</u>	<u>4,589</u>	<u>-</u>	<u>-</u>
Cash and investments - ending	<u>\$ (38,618)</u>	<u>\$ -</u>	<u>\$ 87,014</u>	<u>\$ 4,589</u>	<u>\$ 16,420</u>	<u>\$ -</u>

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

	Campus Parking	Extended Service	Title I 2012-2013	Title V	Special Education Grant	Technical Assistance Special Education Grant
Cash and investments - beginning	\$ 83,056	\$ 1,646,942	\$ (1,990)	\$ -	\$ (40,717)	\$ -
Receipts:						
Local sources	31,874	3,220,333	-	-	-	-
Intermediate sources	-	-	-	-	-	-
State sources	-	-	-	-	-	-
Federal sources	-	-	65,852	-	702,786	-
Other receipts	-	-	-	-	-	-
Total receipts	<u>31,874</u>	<u>3,220,333</u>	<u>65,852</u>	<u>-</u>	<u>702,786</u>	<u>-</u>
Disbursements:						
Instruction	-	1,629,886	54,936	-	701,721	-
Support services	13,536	181,847	9,466	-	-	-
Noninstructional services	-	744,451	-	-	-	-
Facilities acquisition and construction	-	10,598	-	-	-	-
Debt services	-	-	-	-	-	-
Nonprogrammed charges	-	-	-	-	-	-
Total disbursements	<u>13,536</u>	<u>2,566,782</u>	<u>64,402</u>	<u>-</u>	<u>701,721</u>	<u>-</u>
Excess (deficiency) of receipts over disbursements	<u>18,338</u>	<u>653,551</u>	<u>1,450</u>	<u>-</u>	<u>1,065</u>	<u>-</u>
Other financing sources (uses):						
Proceeds of long-term debt	-	-	-	-	-	-
Transfers in	-	-	-	-	-	-
Transfers out	<u>(337)</u>	<u>(92,693)</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Total other financing sources (uses)	<u>(337)</u>	<u>(92,693)</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Excess (deficiency) of receipts and other financing sources over disbursements and other financing uses	<u>18,001</u>	<u>560,858</u>	<u>1,450</u>	<u>-</u>	<u>1,065</u>	<u>-</u>
Cash and investments - ending	<u>\$ 101,057</u>	<u>\$ 2,207,800</u>	<u>\$ (540)</u>	<u>\$ -</u>	<u>\$ (39,652)</u>	<u>\$ -</u>

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

	Special Education Preschool Grant	Drug Free Schools	Improving Teacher Quality, No Child Left, Title II, Part A	Title II Part A	Clearing	Totals
Cash and investments - beginning	\$ -	\$ 10,143	\$ 15,053	\$ (15,134)	\$ 223,332	\$ 28,128,094
Receipts:						
Local sources	-	-	-	-	-	42,572,990
Intermediate sources	-	-	-	-	-	9
State sources	-	-	-	-	-	39,268,383
Federal sources	23,498	-	-	32,659	-	1,158,584
Other receipts	-	-	-	-	13,454,419	13,454,639
Total receipts	<u>23,498</u>	<u>-</u>	<u>-</u>	<u>32,659</u>	<u>13,454,419</u>	<u>96,454,605</u>
Disbursements:						
Instruction	23,498	-	5,572	22,194	-	33,232,528
Support services	-	-	-	-	-	21,508,401
Noninstructional services	-	-	-	-	-	3,836,209
Facilities acquisition and construction	-	-	-	-	-	2,621,168
Debt services	-	-	-	-	-	20,685,902
Nonprogrammed charges	-	-	-	-	13,225,600	13,343,655
Total disbursements	<u>23,498</u>	<u>-</u>	<u>5,572</u>	<u>22,194</u>	<u>13,225,600</u>	<u>95,227,863</u>
Excess (deficiency) of receipts over disbursements	<u>-</u>	<u>-</u>	<u>(5,572)</u>	<u>10,465</u>	<u>228,819</u>	<u>1,226,742</u>
Other financing sources (uses):						
Proceeds of long-term debt	-	-	-	-	-	3,998,286
Transfers in	-	-	-	-	-	1,421,297
Transfers out	-	-	-	-	-	(1,421,298)
Total other financing sources (uses)	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>3,998,285</u>
Excess (deficiency) of receipts and other financing sources over disbursements and other financing uses	<u>-</u>	<u>-</u>	<u>(5,572)</u>	<u>10,465</u>	<u>228,819</u>	<u>5,225,027</u>
Cash and investments - ending	\$ -	\$ 10,143	\$ 9,481	\$ (4,669)	\$ 452,151	\$ 33,353,121

ZIONSVILLE COMMUNITY SCHOOLS
 SCHEDULE OF PAYABLES AND RECEIVABLES
 June 30, 2017

<u>Government or Enterprise</u>	<u>Accounts Payable</u>	<u>Accounts Receivable</u>
Governmental activities	<u>\$ -</u>	<u>\$ 83,479</u>

ZIONSVILLE COMMUNITY SCHOOLS
SCHEDULE OF LEASES AND DEBT
June 30, 2017

Lessor	Purpose	Annual Lease Payment	Lease Beginning Date	Lease Ending Date
Governmental activities:				
Key Government Finance	Capital Lease - Servers	\$ 429,448	6/30/2014	9/30/2017
Konica Minolta Finance	Lease of Copiers	53,395	5/15/2017	5/26/2022
Zionsville Community School Building Corporation	Lease-Rental Bonds - 2000 CABS	312,500	6/30/2000	1/15/2018
Zionsville Community School Building Corporation	Lease-Rental Bonds - 2002 CABS	2,210,000	1/24/2002	1/15/2025
Zionsville Community School Building Corporation	Lease-Rental Bonds - Series 2003Z Unrefunded Portion	-	9/30/2014	12/31/2024
Zionsville Community School Building Corporation	Lease-Rental Bonds - Series 2005Z Unrefunded Portion	-	9/30/2014	12/31/2028
Zionsville Community School Building Corporation	Lease-Rental Bonds - Series 2005 Refunding	221,000	8/16/2005	1/15/2018
Zionsville Community School Building Corporation	Lease-Rental Bonds - Series 2007 Refunding	3,608,000	1/30/2007	1/15/2025
Zionsville Community School Building Corporation	Lease-Rental Bonds - Series 2009 Refunding	3,125,000	2/19/2009	7/10/2018
Zionsville Community School Building Corporation	Lease-Rental Bonds - Series 2011 Refunding	3,164,000	4/6/2011	1/15/2020
Zionsville Community School Building Corporation	Lease-Rental Bonds - Series 2012A Refunding	-	3/15/2012	7/15/2027
Zionsville Community School Building Corporation	Lease-Rental Bonds - Series 2012B Refunding	-	3/15/2012	1/15/2030
Zionsville Community School Building Corporation	Lease-Rental Bonds - 1999 CABS	-	2/24/1999	1/15/2023
Zionsville Community School Building Corporation	Refunding Bonds of 2014B	7,834,000	9/30/2014	12/31/2027
Zionsville Community School Building Corporation	Refunding Bonds of 2014A	<u>33,000</u>	9/30/2014	12/31/2022
Total governmental activities		<u>20,990,343</u>		
Total of annual lease payments		<u>\$ 20,990,343</u>		

Type	Description of Debt	Purpose	Ending Principal Balance	Principal and Interest Due Within One Year
Governmental activities:				
General obligation bonds	Construction Project- 2017A		\$ 1,915,000	\$ -
General obligation bonds	Construction Project- 2017B		1,975,000	-
General obligation bonds	Refinanced Pension Bonds		<u>4,585,000</u>	<u>658,370</u>
Total governmental activities			<u>8,475,000</u>	<u>658,370</u>
Totals			<u>\$ 8,475,000</u>	<u>\$ 658,370</u>

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ZIONSVILLE COMMUNITY SCHOOLS
 SCHEDULE OF CAPITAL ASSETS
 June 30, 2017

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

	<u>Ending Balance</u>
Governmental activities:	
Land	
Buildings	\$ 13,769,903
Improvements other than buildings	217,057,971
Machinery, equipment, and vehicles	933,103
Construction in progress	9,081,698
	<u>751,087</u>
Total governmental activities	<u>241,593,762</u>
Total capital assets	<u><u>\$ 241,593,762</u></u>

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SUPPLEMENTAL AUDIT OF
FEDERAL AWARDS



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 ON COMPLIANCE FOR EACH MAJOR FEDERAL
PROGRAM AND ON INTERNAL CONTROL OVER COMPLIANCE

TO: THE OFFICIALS OF THE ZIONSVILLE COMMUNITY SCHOOLS, BOONE COUNTY, INDIANA

Report on Compliance for Each Major Federal Program

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

Management's Responsibility

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

Auditor's Responsibility

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

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

Opinion on Each Major Federal Program

In our opinion, the School Corporation complied, in all material respects, with the types of compliance requirements referred to above that could have a direct and material effect on each of its major federal programs for the period of July 1, 2015 to June 30, 2017.

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


Report on Internal Control over Compliance

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

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

Our consideration of internal control over compliance was for the limited purpose described in the first paragraph of this section and was not designed to identify all deficiencies in internal control over compliance that might be material weaknesses or significant deficiencies. We did not identify any deficiencies in internal control over compliance that we consider to be material weaknesses. However, material weaknesses may exist that have not been identified.

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


Paul D. Joyce, CPA
State Examiner

October 9, 2018

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SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS AND ACCOMPANYING NOTES

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

ZIONSVILLE COMMUNITY SCHOOLS
SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS
For the Years Ended June 30, 2016 and 2017

Federal Grantor Agency Cluster Title/Program Title/Project Title	Pass-Through Entity or Direct Grant	Federal CFDA Number	Pass-Through Entity (or Other) Identifying Number	Passed Through to Subrecipient 06-30-16	Total Federal Awards Expended 06-30-16	Passed Through to Subrecipient 06-30-17	Total Federal Awards Expended 06-30-17
<u>Department of Agriculture</u>							
Child Nutrition Cluster							
School Breakfast Program	Indiana Department of Education	10.553					
			FY 15-16	\$ -	\$ 6,312	\$ -	\$ -
			FY 16-17	-	-	-	4,149
Total - School Breakfast Program				-	6,312	-	4,149
National School Lunch Program	Indiana Department of Education	10.555					
National School Lunch Program			FY 15-16	-	337,832	-	-
			FY 16-17	-	-	-	290,970
National School Lunch Program - Commodities			FY 15-16	-	125,186	-	-
			FY 16-17	-	-	-	178,978
Total - National School Lunch Program				-	463,018	-	469,948
Total - Child Nutrition Cluster				-	469,330	-	474,097
Total - Department of Agriculture				-	469,330	-	474,097
<u>Department of Education</u>							
Special Education Cluster (IDEA)							
Special Education_Grants to States	Indiana Department of Education	84.027					
			14214-063-PN01	-	2,517	-	-
			14215-149-PN01	-	164,232	-	-
			14216-118-PN01	-	848,439	-	103,192
			14217-118-PN01	-	-	-	599,595
			99914-063-TA01	-	3,048	-	-
Total - Special Education_Grants to States				-	1,018,236	-	702,787
Special Education_Preschool Grants	Indiana Department of Education	84.173					
			45716-118-PN01	-	21,347	-	-
			45717-118-PN01	-	-	-	23,498
Total - Special Education_Preschool Grants				-	21,347	-	23,498
Total - Special Education Cluster (IDEA)				-	1,039,583	-	726,285
Title I Grants to Local Educational Agencies	Indiana Department of Education	84.010					
			15-0630	-	7,550	-	-
			16-0630	-	74,175	-	8,039
			17-0630	-	-	-	57,813
Total - Title I Grants to Local Educational Agencies				-	81,725	-	65,852
Supporting Effective Instruction State Grants	Indiana Department of Education	84.367					
			15-0630	-	8,535	-	-
			16-0630	-	33,186	-	-
			17-0630	-	14,026	-	29,400
			18-0630	-	-	-	3,259
Total - Supporting Effective Instruction State Grants				-	55,747	-	32,659
Total - Department of Education				-	1,177,055	-	824,796
Total federal awards expended				\$ -	\$ 1,646,385	\$ -	\$ 1,298,893

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

ZIONSVILLE COMMUNITY SCHOOLS
NOTES TO SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS

Note 1. Basis of Presentation

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

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

Note 2. Summary of Significant Accounting Policies

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

ZIONSVILLE COMMUNITY SCHOOLS
SCHEDULE OF FINDINGS AND QUESTIONED COSTS

Section I - Summary of Auditor's Results

Financial Statement:

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

Federal Awards:

Internal control over major program:	
Material weakness identified?	no
Significant deficiency identified?	none reported
Any audit findings disclosed that are required to be reported in accordance with section 2 CFR 200.516(a)?	no

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

<u>Name of Federal Program or Cluster</u>	<u>Opinion Issued</u>
Special Education Cluster (IDEA)	Unmodified
Child Nutrition Cluster	Unmodified

Dollar threshold used to distinguish between Type A and Type B programs: \$750,000

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

Section II - Financial Statement Findings

No matters are reportable.

Section III - Federal Award Findings and Questioned Costs

No matters are reportable.

AUDITEE-PREPARED DOCUMENT

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

Zionsville Community Schools

900 Mulberry Street • Zionsville, Indiana 46077
317.873.2858 • www.zcs.k12.in.us



SUMMARY SCHEDULE OF PRIOR AUDIT FINDINGS

FINDING 2015-001

Fiscal year in which the finding initially occurred: FY2013

Pass-Through Entity: Indiana Department of Education

Contact Person Responsible for Corrective Action: Michael A. Shafer, CFO

Contact Phone Number: 317-873-2858

Status of Audit Finding:

As noted in the Corrective Action Plan filed April 11, 2017 in response to the finding, the school corporation's Controller (representing management), provides oversight to the employee who prepares receipts and bank deposits. Central to this process are reviews of all bank deposits with comparisons to receipts and verifications of amounts. These reviews are documented and a file of the resultant documentation is maintained. The Corrective Action Plan described above is currently in place, and is documented to have been followed consistently since June 2015.

A handwritten signature in black ink that reads "Michael A. Shafer".

Michael A. Shafer
Chief Financial Officer and Treasurer

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/>.