

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

FINANCIAL STATEMENT AND  
FEDERAL SINGLE AUDIT REPORT  
OF

NINEVEH-HENSLEY-JACKSON  
UNITED SCHOOL CORPORATION  
JOHNSON COUNTY, INDIANA

July 1, 2015 to June 30, 2017



**FILED**  
11/30/2018



TABLE OF CONTENTS

<u>Description</u>	<u>Page</u>
Schedule of Officials .....	2
Independent Auditor's Report .....	3-5
Independent Auditor's Report on Internal Control over Financial Reporting and on Compliance and Other Matters Based on an Audit of the Financial Statement Performed in Accordance with <i>Government Auditing Standards</i> .....	6-7
Financial Statement and Accompanying Notes:	
Statement of Receipts, Disbursements, Other Financing Sources (Uses), and Cash and Investment Balances - Regulatory Basis.....	10-11
Notes to Financial Statement .....	12-17
Other Information - Unaudited:	
Combining Schedules of Receipts, Disbursements, Other Financing Sources (Uses), and Cash and Investment Balances - Regulatory Basis.....	21-34
Schedule of Payables and Receivables .....	35
Schedule of Leases and Debt .....	36
Schedule of Capital Assets.....	37
Supplemental Audit of Federal Awards:	
Independent Auditor's Report on Compliance for Each Major Federal Program and on Internal Control over Compliance .....	40-41
Schedule of Expenditures of Federal Awards and Accompanying Notes:	
Schedule of Expenditures of Federal Awards.....	44-45
Notes to Schedule of Expenditures of Federal Awards .....	46
Schedule of Findings and Questioned Costs .....	47
Auditee-Prepared Document:	
Summary Schedule of Prior Audit Findings.....	50-51
Other Reports.....	52

SCHEDULE OF OFFICIALS

<u>Office</u>	<u>Official</u>	<u>Term</u>
Treasurer	Debra E. Carter	07-01-15 to 12-31-18
Superintendent of Schools	Dr. Timothy Edsell	07-01-15 to 06-30-19
President of the School Board	Kathy Vest Greg Waltz	07-01-15 to 12-31-16 01-01-17 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](http://www.in.gov/sboa)

INDEPENDENT AUDITOR'S REPORT

TO: THE OFFICIALS OF THE NINEVEH-HENSLEY-JACKSON UNITED  
SCHOOL CORPORATION, JOHNSON COUNTY, INDIANA

**Report on the Financial Statement**

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

***Management's Responsibility for the Financial Statement***

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

***Auditor's Responsibility***

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

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

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

INDEPENDENT AUDITOR'S REPORT  
(Continued)

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

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

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

***Adverse Opinion on U.S. Generally Accepted Accounting Principles***

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

***Opinion on Regulatory Basis of Accounting***

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

***Other Matters***

*Supplementary Information*

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


*Other Information*

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

INDEPENDENT AUDITOR'S REPORT  
(Continued)

**Other Reporting Required by *Government Auditing Standards***

In accordance with *Government Auditing Standards*, we have also issued a report dated October 22, 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 22, 2018



**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](http://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 NINEVEH-HENSLEY-JACKSON UNITED  
SCHOOL CORPORATION, JOHNSON 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 Nineveh-Hensley-Jackson United School Corporation (School Corporation), which comprises the financial position and results of operations for the period of July 1, 2015 to June 30, 2017, and the related notes to the financial statement, and have issued our report thereon dated October 22, 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.


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

**Compliance and Other Matters**

As part of obtaining reasonable assurance about whether the School Corporation's financial statement is free of material misstatement, we performed tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements, noncompliance with which could have a direct and material effect on the determination of financial statement amounts. However, providing an opinion on compliance with those provisions was not an objective of our audit and, accordingly, we do not express such an opinion. The results of our tests disclosed 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 22, 2018

(This page intentionally left blank.)

## 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.

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

Fund	Cash and Investments 07-01-15	Receipts	Disbursements	Other Financing Sources (Uses)	Cash and Investments 06-30-16	Receipts	Disbursements	Other Financing Sources (Uses)	Cash and Investments 06-30-17
General	\$ 1,476,295	\$ 11,138,990	\$ 10,686,038	\$ (862)	\$ 1,928,385	\$ 11,420,371	\$ 10,871,332	\$ (299,700)	\$ 2,177,724
Debt Service	897,352	2,316,796	2,422,015	-	792,133	2,564,951	2,339,581	-	1,017,503
Retirement/Severance Bond Debt Service	116,598	205,629	200,544	-	121,683	206,747	201,105	-	127,325
Capital Projects	590,979	1,278,377	1,129,513	-	739,843	1,371,453	1,365,390	-	745,906
School Transportation	470,975	1,258,058	1,073,968	862	655,927	1,161,003	1,133,949	-	682,981
School Bus Replacement	221,706	136,431	-	-	358,137	111,777	145,643	-	324,271
Rainy Day	1,589,126	69,802	37,181	-	1,621,747	-	125,579	300,000	1,796,168
Go Bond of 2014 ICES Addition	507,906	-	164,032	-	343,874	10,150	343,846	-	10,178
Construction Fund New ICES	200,000	-	-	-	200,000	-	10,437	-	189,563
School Lunch	447,272	871,227	969,251	-	349,248	818,660	873,794	-	294,114
Textbook Rental	355,487	264,292	409,619	-	210,160	335,822	286,347	-	259,635
Levy Excess	-	-	-	-	-	-	-	-	-
Child Care Program	-	-	-	-	-	53,485	24,172	-	29,313
Educational License Plates	1,767	19	1,786	-	-	-	-	-	-
Alternative Education	-	8,002	-	-	8,002	14,002	17,937	-	4,067
Early Intervention 13/14	197	-	197	-	-	-	-	-	-
Early Intervention Grant 2015	58	-	58	-	-	-	-	-	-
Lilly Comprehensive Counseling	-	-	-	-	-	27,777	8,092	-	19,685
Bryan Pitcher Gift Interest	7,481	12	600	-	6,893	44	1,804	-	5,133
Greer Family Gift Interest	6,212	-	-	-	6,212	44	-	-	6,256
McNeely Gifts (8000)	8,000	-	-	-	8,000	-	-	-	8,000
McNeely Gifts (21500)	21,500	-	-	-	21,500	-	-	-	21,500
McNeely Gifts (26092)	26,092	-	-	-	26,092	-	-	-	26,092
McNeely Gifts Usable Interest	10,438	4,966	4,995	-	10,409	5,725	4,900	-	11,234
McNeely Gift/Hillyard Lyons	46,060	-	-	-	46,060	-	-	-	46,060
NASA/Life Sciences Grant 10/12	28,600	-	11,578	-	17,022	-	1,562	-	15,460
Pepsi Donation	6,475	14,000	12,367	-	8,108	2,500	2,991	-	7,617
NHJ Education Foundation	2,230	12,641	13,871	-	1,000	8,167	9,167	-	-
Houghton/Riverside Donation	2,900	7,440	2,519	-	7,821	-	4,236	-	3,585
Century Link Clarke M Williams	578	-	-	-	578	-	578	-	-
Stem Classroom Grant	500	500	924	-	76	-	-	-	76

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

Fund	Cash and Investments 07-01-15	Receipts	Disbursements	Other Financing Sources (Uses)	Cash and Investments 06-30-16	Receipts	Disbursements	Other Financing Sources (Uses)	Cash and Investments 06-30-17
CVS Caremark Challenge Grant	336	-	306	-	30	1,000	1,030	-	-
East Asian Literature Grant	300	-	288	-	12	-	12	-	-
Patterson Family Foundation	-	2,000	-	-	2,000	-	1,993	-	7
Endress Hauser Grant ICHS	-	500	-	-	500	250	365	-	385
Houghton Mifflin Donation ICMS	-	7,908	2,287	-	5,621	-	3,412	-	2,209
St Francis Marketing Sponsors	-	-	-	-	-	15,000	13,967	-	1,033
Coca Cola Sponsorship	-	-	-	-	-	32,594	1,829	-	30,765
Formative Assessment	-	-	-	-	-	23,209	23,209	-	-
High Ability 14/15	7,831	-	7,831	-	-	-	-	-	-
High Ability 15/16	-	33,026	30,259	-	2,767	-	2,767	-	-
High Ability 16/17	-	-	-	-	-	32,538	32,052	-	486
Drug Free Comm JCCASA 2014	-	-	-	-	-	-	-	-	-
Medicaid Reimbursement	23,942	23,869	7,140	-	40,671	23,838	13,315	-	51,194
Secured Schools Safety Grant	-	7,128	7,128	-	-	-	11,207	-	(11,207)
School Technology	(7,072)	19,868	12,980	-	(184)	57,016	39,512	-	17,320
Career and Technical Performance Grant	-	-	-	-	-	12,735	12,624	-	111
Little Braves Preschool	-	700	-	-	700	36,374	29,943	-	7,131
Title I 14/15	(31,554)	87,923	56,369	-	-	-	-	-	-
Title I 15/16	-	140,669	157,906	-	(17,237)	74,976	57,739	-	-
Title I 16/17	-	-	-	-	-	147,323	168,854	-	(21,531)
Medicaid Reimbursement - Federal	57,090	12,290	-	-	69,380	7,729	324	-	76,785
Title II 14/16	(3,496)	16,752	13,256	-	-	-	-	-	-
Title II 15/17	-	24,724	28,518	-	(3,794)	15,956	12,162	-	-
Title II 16/18	-	-	-	-	-	18,653	22,103	-	(3,450)
Payroll Withholdings	81,662	2,787,754	2,802,271	-	67,145	2,842,059	2,855,209	-	53,995
Prepaid Lunch Fund	8,610	508,633	511,594	-	5,649	523,784	515,399	-	14,034
Totals	<u>\$ 7,180,433</u>	<u>\$ 21,260,926</u>	<u>\$ 20,779,189</u>	<u>\$ -</u>	<u>\$ 7,662,170</u>	<u>\$ 21,977,712</u>	<u>\$ 21,591,469</u>	<u>\$ 300</u>	<u>\$ 8,048,713</u>

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

NINEVEH-HENSLEY-JACKSON UNITED 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.

NINEVEH-HENSLEY-JACKSON UNITED SCHOOL CORPORATION  
NOTES TO FINANCIAL STATEMENT  
(Continued)

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

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

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

**E. Disbursements**

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

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

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

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

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

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

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

**F. Other Financing Sources and Uses**

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

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

*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.

NINEVEH-HENSLEY-JACKSON UNITED SCHOOL CORPORATION  
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 February 15. These rates were based upon the preceding year's lien date (March 1 in a year ending before January 1, 2016 and January 1 in a year beginning after December 31, 2015) assessed valuations adjusted for various tax credits. Taxable property is assessed at 100 percent of the true tax value (determined in accordance with rules and regulations adopted by the Indiana Department of Local Government Finance). Taxes may be paid in two equal installments which normally become delinquent if not paid by May 10 and November 10, respectively.

**Note 4. Deposits and Investments**

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

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

NINEVEH-HENSLEY-JACKSON UNITED SCHOOL CORPORATION  
NOTES TO FINANCIAL STATEMENT  
(Continued)

**Note 5. Risk Management**

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

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

**Note 6. Pension Plans**

*A. Public Employees' Retirement Fund*

*Plan Description*

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

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

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

*Funding Policy and Annual Pension Cost*

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

NINEVEH-HENSLEY-JACKSON UNITED SCHOOL CORPORATION  
NOTES TO FINANCIAL STATEMENT  
(Continued)

*B. Teachers' Retirement Fund*

*Plan Description*

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

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

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

*Funding Policy and Annual Pension Cost*

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

**Note 7. Cash Balance Deficits**

The financial statement contains some funds with deficits in cash. This is a result of grant funds that are required to be spent prior to reimbursement by the grantor agency. There were disbursements made from these funds as of June 30, 2016 and 2017, that were not yet reimbursed.

**Note 8. Holding Corporations**

The School Corporation has entered into a series of capital leases with Nineveh-Hensley-Jackson Intermediate 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 ended June 30, 2016 and 2017, totaled \$1,629,829 and \$2,027,437, respectively.

NINEVEH-HENSLEY-JACKSON UNITED SCHOOL CORPORATION  
NOTES TO FINANCIAL STATEMENT  
(Continued)

The School Corporation has entered into a capital lease with Nineveh-Hensley-Jackson United School Building Corporation (the lessor). The lessor was organized as a not-for-profit corporation pursuant to state statute for the purpose of financing and constructing or reconstructing facilities for lease to the School Corporation. The lessor has been determined to be a related-party of the School Corporation. Lease payments during the years ending June 30, 2016 and 2017, totaled \$249,000 each year.

The School Corporation has entered into a capital lease with Central Nine Career Center 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 ended June 30, 2016 and 2017, totaled \$37,622 and \$37,651, respectively.

**Note 9. Combined Funds**

The Prepaid Lunch Fund, which is used to account for activity in individual student lunch accounts, was reported individually in the current financial statement, but was combined with the School Lunch fund and reported as one fund in the prior financial statement.

(This page intentionally left blank.)

#### 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.

(This page intentionally left blank.)

NINEVEH-HENSLEY-JACKSON UNITED 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	Go Bond of 2014 ICES Addition	Construction Fund New ICES
Cash and investments - beginning	\$ 1,476,295	\$ 897,352	\$ 116,598	\$ 590,979	\$ 470,975	\$ 221,706	\$ 1,589,126	\$ 507,906	\$ 200,000
Receipts:									
Local sources	36,712	2,316,796	205,629	1,277,004	1,227,128	136,431	69,802	-	-
Intermediate sources	10	-	-	-	-	-	-	-	-
State sources	11,066,640	-	-	-	-	-	-	-	-
Federal sources	-	-	-	-	-	-	-	-	-
Other receipts	35,628	-	-	1,373	30,930	-	-	-	-
Total receipts	11,138,990	2,316,796	205,629	1,278,377	1,258,058	136,431	69,802	-	-
Disbursements:									
Instruction	6,927,935	-	-	-	-	-	-	-	-
Support services	3,602,036	-	-	762,230	1,073,968	-	37,181	-	-
Noninstructional services	137,542	-	-	-	-	-	-	-	-
Facilities acquisition and construction	18,525	-	-	367,283	-	-	-	164,032	-
Debt service	-	2,422,015	200,544	-	-	-	-	-	-
Nonprogrammed charges	-	-	-	-	-	-	-	-	-
Total disbursements	10,686,038	2,422,015	200,544	1,129,513	1,073,968	-	37,181	164,032	-
Excess (deficiency) of receipts over disbursements	452,952	(105,219)	5,085	148,864	184,090	136,431	32,621	(164,032)	-
Other financing sources (uses):									
Transfers in	-	-	-	-	862	-	-	-	-
Transfers out	(862)	-	-	-	-	-	-	-	-
Total other financing sources (uses)	(862)	-	-	-	862	-	-	-	-
Excess (deficiency) of receipts and other financing sources over disbursements and other financing uses	452,090	(105,219)	5,085	148,864	184,952	136,431	32,621	(164,032)	-
Cash and investments - ending	\$ 1,928,385	\$ 792,133	\$ 121,683	\$ 739,843	\$ 655,927	\$ 358,137	\$ 1,621,747	\$ 343,874	\$ 200,000

NINEVEH-HENSLEY-JACKSON UNITED 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

	School Lunch	Textbook Rental	Levy Excess	Child Care Program	Educational License Plates	Alternative Education	Early Intervention 13/14	Early Intervention Grant 2015	Lilly Comprehensive Counseling
Cash and investments - beginning	\$ 447,272	\$ 355,487	\$ -	\$ -	\$ 1,767	\$ -	\$ 197	\$ 58	\$ -
Receipts:									
Local sources	518,775	218,619	-	-	-	-	-	-	-
Intermediate sources	-	-	-	-	19	-	-	-	-
State sources	11,468	45,673	-	-	-	8,002	-	-	-
Federal sources	340,045	-	-	-	-	-	-	-	-
Other receipts	939	-	-	-	-	-	-	-	-
Total receipts	871,227	264,292	-	-	19	8,002	-	-	-
Disbursements:									
Instruction	-	-	-	-	-	-	197	58	-
Support services	978	268,035	-	-	1,786	-	-	-	-
Noninstructional services	968,273	-	-	-	-	-	-	-	-
Facilities acquisition and construction	-	-	-	-	-	-	-	-	-
Debt service	-	141,584	-	-	-	-	-	-	-
Nonprogrammed charges	-	-	-	-	-	-	-	-	-
Total disbursements	969,251	409,619	-	-	1,786	-	197	58	-
Excess (deficiency) of receipts over disbursements	(98,024)	(145,327)	-	-	(1,767)	8,002	(197)	(58)	-
Other financing sources (uses):									
Transfers in	-	-	-	-	-	-	-	-	-
Transfers out	-	-	-	-	-	-	-	-	-
Total other financing sources (uses)	-	-	-	-	-	-	-	-	-
Excess (deficiency) of receipts and other financing sources over disbursements and other financing uses	(98,024)	(145,327)	-	-	(1,767)	8,002	(197)	(58)	-
Cash and investments - ending	\$ 349,248	\$ 210,160	\$ -	\$ -	\$ -	\$ 8,002	\$ -	\$ -	\$ -

NINEVEH-HENSLEY-JACKSON UNITED 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

	Bryan Pitcher Gift Interest	Greer Family Gift Interest	McNeely Gifts (8000)	McNeely Gifts (21500)	McNeely Gifts (26092)	McNeely Gifts Usable Interest	McNeely Gift/ Hillyard Lyons	NASA/ Life Sciences Grant 10/12
Cash and investments - beginning	\$ 7,481	\$ 6,212	\$ 8,000	\$ 21,500	\$ 26,092	\$ 10,438	\$ 46,060	\$ 28,600
Receipts:								
Local sources	12	-	-	-	-	4,966	-	-
Intermediate sources	-	-	-	-	-	-	-	-
State sources	-	-	-	-	-	-	-	-
Federal sources	-	-	-	-	-	-	-	-
Other receipts	-	-	-	-	-	-	-	-
Total receipts	12	-	-	-	-	4,966	-	-
Disbursements:								
Instruction	-	-	-	-	-	4,995	-	11,578
Support services	600	-	-	-	-	-	-	-
Noninstructional services	-	-	-	-	-	-	-	-
Facilities acquisition and construction	-	-	-	-	-	-	-	-
Debt service	-	-	-	-	-	-	-	-
Nonprogrammed charges	-	-	-	-	-	-	-	-
Total disbursements	600	-	-	-	-	4,995	-	11,578
Excess (deficiency) of receipts over disbursements	(588)	-	-	-	-	(29)	-	(11,578)
Other financing sources (uses):								
Transfers in	-	-	-	-	-	-	-	-
Transfers out	-	-	-	-	-	-	-	-
Total other financing sources (uses)	-	-	-	-	-	-	-	-
Excess (deficiency) of receipts and other financing sources over disbursements and other financing uses	(588)	-	-	-	-	(29)	-	(11,578)
Cash and investments - ending	\$ 6,893	\$ 6,212	\$ 8,000	\$ 21,500	\$ 26,092	\$ 10,409	\$ 46,060	\$ 17,022

NINEVEH-HENSLEY-JACKSON UNITED 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

	Pepsi Donation	NHJ Education Foundation	Houghton/ Riverside Donation	Century Link Clarke M Williams	Stem Classroom Grant	CVS Caremark Challenge Grant	East Asian Literature Grant	Patterson Family Foundation
Cash and investments - beginning	\$ 6,475	\$ 2,230	\$ 2,900	\$ 578	\$ 500	\$ 336	\$ 300	\$ -
Receipts:								
Local sources	14,000	12,641	7,440	-	500	-	-	2,000
Intermediate sources	-	-	-	-	-	-	-	-
State sources	-	-	-	-	-	-	-	-
Federal sources	-	-	-	-	-	-	-	-
Other receipts	-	-	-	-	-	-	-	-
Total receipts	14,000	12,641	7,440	-	500	-	-	2,000
Disbursements:								
Instruction	-	13,871	2,519	-	924	306	288	-
Support services	1,643	-	-	-	-	-	-	-
Noninstructional services	-	-	-	-	-	-	-	-
Facilities acquisition and construction	5,724	-	-	-	-	-	-	-
Debt service	-	-	-	-	-	-	-	-
Nonprogrammed charges	5,000	-	-	-	-	-	-	-
Total disbursements	12,367	13,871	2,519	-	924	306	288	-
Excess (deficiency) of receipts over disbursements	1,633	(1,230)	4,921	-	(424)	(306)	(288)	2,000
Other financing sources (uses):								
Transfers in	-	-	-	-	-	-	-	-
Transfers out	-	-	-	-	-	-	-	-
Total other financing sources (uses)	-	-	-	-	-	-	-	-
Excess (deficiency) of receipts and other financing sources over disbursements and other financing uses	1,633	(1,230)	4,921	-	(424)	(306)	(288)	2,000
Cash and investments - ending	\$ 8,108	\$ 1,000	\$ 7,821	\$ 578	\$ 76	\$ 30	\$ 12	\$ 2,000

NINEVEH-HENSLEY-JACKSON UNITED 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

	Endress Hauser Grant ICHS	Houghton Mifflin Donation ICMS	St Francis Marketing Sponsors	Coca Cola Sponsorship	Formative Assessment	High Ability 14/15	High Ability 15/16	High Ability 16/17
Cash and investments - beginning	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 7,831	\$ -	\$ -
Receipts:								
Local sources	500	7,908	-	-	-	-	-	-
Intermediate sources	-	-	-	-	-	-	-	-
State sources	-	-	-	-	-	-	33,026	-
Federal sources	-	-	-	-	-	-	-	-
Other receipts	-	-	-	-	-	-	-	-
Total receipts	500	7,908	-	-	-	-	33,026	-
Disbursements:								
Instruction	-	2,287	-	-	-	7,831	30,259	-
Support services	-	-	-	-	-	-	-	-
Noninstructional services	-	-	-	-	-	-	-	-
Facilities acquisition and construction	-	-	-	-	-	-	-	-
Debt service	-	-	-	-	-	-	-	-
Nonprogrammed charges	-	-	-	-	-	-	-	-
Total disbursements	-	2,287	-	-	-	7,831	30,259	-
Excess (deficiency) of receipts over disbursements	500	5,621	-	-	-	(7,831)	2,767	-
Other financing sources (uses):								
Transfers in	-	-	-	-	-	-	-	-
Transfers out	-	-	-	-	-	-	-	-
Total other financing sources (uses)	-	-	-	-	-	-	-	-
Excess (deficiency) of receipts and other financing sources over disbursements and other financing uses	500	5,621	-	-	-	(7,831)	2,767	-
Cash and investments - ending	\$ 500	\$ 5,621	\$ -	\$ -	\$ -	\$ -	\$ 2,767	\$ -

NINEVEH-HENSLEY-JACKSON UNITED 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

	Drug Free Comm JCCASA 2014	Medicaid Reimbursement	Secured Schools Safety Grant	School Technology	Career and Technical Performance Grant	Little Braves Preschool	Title I 14/15	Title I 15/16
Cash and investments - beginning	\$ -	\$ 23,942	\$ -	\$ (7,072)	\$ -	\$ -	\$ (31,554)	\$ -
Receipts:								
Local sources	-	-	-	-	-	-	-	-
Intermediate sources	-	-	-	-	-	-	-	-
State sources	-	23,869	7,128	19,868	-	700	-	-
Federal sources	-	-	-	-	-	-	87,923	140,669
Other receipts	-	-	-	-	-	-	-	-
Total receipts	-	23,869	7,128	19,868	-	700	87,923	140,669
Disbursements:								
Instruction	-	7,140	-	-	-	-	56,369	157,906
Support services	-	-	7,128	-	-	-	-	-
Noninstructional services	-	-	-	-	-	-	-	-
Facilities acquisition and construction	-	-	-	12,980	-	-	-	-
Debt service	-	-	-	-	-	-	-	-
Nonprogrammed charges	-	-	-	-	-	-	-	-
Total disbursements	-	7,140	7,128	12,980	-	-	56,369	157,906
Excess (deficiency) of receipts over disbursements	-	16,729	-	6,888	-	700	31,554	(17,237)
Other financing sources (uses):								
Transfers in	-	-	-	-	-	-	-	-
Transfers out	-	-	-	-	-	-	-	-
Total other financing sources (uses)	-	-	-	-	-	-	-	-
Excess (deficiency) of receipts and other financing sources over disbursements and other financing uses	-	16,729	-	6,888	-	700	31,554	(17,237)
Cash and investments - ending	\$ -	\$ 40,671	\$ -	\$ (184)	\$ -	\$ 700	\$ -	\$ (17,237)

NINEVEH-HENSLEY-JACKSON UNITED 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 16/17	Medicaid Reimbursement - Federal	Title II 14/16	Title II 15/17	Title II 16/18	Payroll Withholdings	Prepaid Lunch Fund	Totals
Cash and investments - beginning	\$ -	\$ 57,090	\$ (3,496)	\$ -	\$ -	\$ 81,662	\$ 8,610	\$ 7,180,433
Receipts:								
Local sources	-	-	-	-	-	-	508,633	6,565,496
Intermediate sources	-	-	-	-	-	-	-	29
State sources	-	-	-	-	-	-	-	11,216,374
Federal sources	-	12,290	16,752	24,724	-	-	-	622,403
Other receipts	-	-	-	-	-	2,787,754	-	2,856,624
Total receipts	-	12,290	16,752	24,724	-	2,787,754	508,633	21,260,926
Disbursements:								
Instruction	-	-	13,256	28,518	-	-	-	7,266,237
Support services	-	-	-	-	-	-	-	5,755,585
Noninstructional services	-	-	-	-	-	-	511,594	1,617,409
Facilities acquisition and construction	-	-	-	-	-	-	-	568,544
Debt service	-	-	-	-	-	-	-	2,764,143
Nonprogrammed charges	-	-	-	-	-	2,802,271	-	2,807,271
Total disbursements	-	-	13,256	28,518	-	2,802,271	511,594	20,779,189
Excess (deficiency) of receipts over disbursements	-	12,290	3,496	(3,794)	-	(14,517)	(2,961)	481,737
Other financing sources (uses):								
Transfers in	-	-	-	-	-	-	-	862
Transfers out	-	-	-	-	-	-	-	(862)
Total other financing sources (uses)	-	-	-	-	-	-	-	-
Excess (deficiency) of receipts and other financing sources over disbursements and other financing uses	-	12,290	3,496	(3,794)	-	(14,517)	(2,961)	481,737
Cash and investments - ending	\$ -	\$ 69,380	\$ -	\$ (3,794)	\$ -	\$ 67,145	\$ 5,649	\$ 7,662,170

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

	General	Debt Service	Retirement/ Severance Bond Debt Service	Capital Projects	School Transportation	School Bus Replacement	Rainy Day	Go Bond of 2014 ICES Addition	Construction Fund New ICES
Cash and investments - beginning	\$ 1,928,385	\$ 792,133	\$ 121,683	\$ 739,843	\$ 655,927	\$ 358,137	\$ 1,621,747	\$ 343,874	\$ 200,000
Receipts:									
Local sources	43,211	2,564,951	206,747	1,345,816	1,134,843	111,777	-	-	-
Intermediate sources	18	-	-	-	-	-	-	-	-
State sources	11,327,609	-	-	-	-	-	-	-	-
Federal sources	-	-	-	-	-	-	-	-	-
Other receipts	49,533	-	-	25,637	26,160	-	-	10,150	-
Total receipts	11,420,371	2,564,951	206,747	1,371,453	1,161,003	111,777	-	10,150	-
Disbursements:									
Instruction	7,011,842	-	-	-	-	-	-	-	-
Support services	3,728,895	24,821	-	865,830	1,133,949	145,643	-	-	-
Noninstructional services	130,595	-	-	-	-	-	-	-	-
Facilities acquisition and construction	-	-	-	499,560	-	-	125,579	343,846	10,437
Debt service	-	2,314,760	201,105	-	-	-	-	-	-
Nonprogrammed charges	-	-	-	-	-	-	-	-	-
Total disbursements	10,871,332	2,339,581	201,105	1,365,390	1,133,949	145,643	125,579	343,846	10,437
Excess (deficiency) of receipts over disbursements	549,039	225,370	5,642	6,063	27,054	(33,866)	(125,579)	(333,696)	(10,437)
Other financing sources (uses):									
Sale of capital assets	300	-	-	-	-	-	-	-	-
Transfers in	-	-	-	-	-	-	300,000	-	-
Transfers out	(300,000)	-	-	-	-	-	-	-	-
Total other financing sources (uses)	(299,700)	-	-	-	-	-	300,000	-	-
Excess (deficiency) of receipts and other financing sources over disbursements and other financing uses	249,339	225,370	5,642	6,063	27,054	(33,866)	174,421	(333,696)	(10,437)
Cash and investments - ending	\$ 2,177,724	\$ 1,017,503	\$ 127,325	\$ 745,906	\$ 682,981	\$ 324,271	\$ 1,796,168	\$ 10,178	\$ 189,563

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

	School Lunch	Textbook Rental	Levy Excess	Child Care Program	Educational License Plates	Alternative Education	Early Intervention 13/14	Early Intervention Grant 2015	Lilly Comprehensive Counseling
Cash and investments - beginning	\$ 349,248	\$ 210,160	\$ -	\$ -	\$ -	\$ 8,002	\$ -	\$ -	\$ -
Receipts:									
Local sources	505,995	268,069	-	53,485	-	-	-	-	27,777
Intermediate sources	-	-	-	-	-	-	-	-	-
State sources	11,255	42,932	-	-	-	14,002	-	-	-
Federal sources	298,227	-	-	-	-	-	-	-	-
Other receipts	3,183	24,821	-	-	-	-	-	-	-
Total receipts	818,660	335,822	-	53,485	-	14,002	-	-	27,777
Disbursements:									
Instruction	-	-	-	-	-	17,937	-	-	-
Support services	1,555	178,874	-	-	-	-	-	-	8,092
Noninstructional services	872,239	-	-	24,172	-	-	-	-	-
Facilities acquisition and construction	-	-	-	-	-	-	-	-	-
Debt service	-	107,473	-	-	-	-	-	-	-
Nonprogrammed charges	-	-	-	-	-	-	-	-	-
Total disbursements	873,794	286,347	-	24,172	-	17,937	-	-	8,092
Excess (deficiency) of receipts over disbursements	(55,134)	49,475	-	29,313	-	(3,935)	-	-	19,685
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	(55,134)	49,475	-	29,313	-	(3,935)	-	-	19,685
Cash and investments - ending	\$ 294,114	\$ 259,635	\$ -	\$ 29,313	\$ -	\$ 4,067	\$ -	\$ -	\$ 19,685

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

	Bryan Pitcher Gift Interest	Greer Family Gift Interest	McNeely Gifts (8000)	McNeely Gifts (21500)	McNeely Gifts (26092)	McNeely Gifts Usable Interest	McNeely Gift/ Hillyard Lyons	NASA/ Life Sciences Grant 10/12
Cash and investments - beginning	\$ 6,893	\$ 6,212	\$ 8,000	\$ 21,500	\$ 26,092	\$ 10,409	\$ 46,060	\$ 17,022
Receipts:								
Local sources	44	44	-	-	-	5,725	-	-
Intermediate sources	-	-	-	-	-	-	-	-
State sources	-	-	-	-	-	-	-	-
Federal sources	-	-	-	-	-	-	-	-
Other receipts	-	-	-	-	-	-	-	-
Total receipts	44	44	-	-	-	5,725	-	-
Disbursements:								
Instruction	-	-	-	-	-	4,900	-	1,562
Support services	1,804	-	-	-	-	-	-	-
Noninstructional services	-	-	-	-	-	-	-	-
Facilities acquisition and construction	-	-	-	-	-	-	-	-
Debt service	-	-	-	-	-	-	-	-
Nonprogrammed charges	-	-	-	-	-	-	-	-
Total disbursements	1,804	-	-	-	-	4,900	-	1,562
Excess (deficiency) of receipts over disbursements	(1,760)	44	-	-	-	825	-	(1,562)
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	(1,760)	44	-	-	-	825	-	(1,562)
Cash and investments - ending	\$ 5,133	\$ 6,256	\$ 8,000	\$ 21,500	\$ 26,092	\$ 11,234	\$ 46,060	\$ 15,460

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

	Pepsi Donation	NHJ Education Foundation	Houghton/ Riverside Donation	Century Link Clarke M Williams	Stem Classroom Grant	CVS Caremark Challenge Grant	East Asian Literature Grant	Patterson Family Foundation
Cash and investments - beginning	\$ 8,108	\$ 1,000	\$ 7,821	\$ 578	\$ 76	\$ 30	\$ 12	\$ 2,000
Receipts:								
Local sources	2,500	8,167	-	-	-	1,000	-	-
Intermediate sources	-	-	-	-	-	-	-	-
State sources	-	-	-	-	-	-	-	-
Federal sources	-	-	-	-	-	-	-	-
Other receipts	-	-	-	-	-	-	-	-
Total receipts	2,500	8,167	-	-	-	1,000	-	-
Disbursements:								
Instruction	-	9,167	4,236	578	-	1,030	12	1,993
Support services	1,991	-	-	-	-	-	-	-
Noninstructional services	-	-	-	-	-	-	-	-
Facilities acquisition and construction	-	-	-	-	-	-	-	-
Debt service	-	-	-	-	-	-	-	-
Nonprogrammed charges	1,000	-	-	-	-	-	-	-
Total disbursements	2,991	9,167	4,236	578	-	1,030	12	1,993
Excess (deficiency) of receipts over disbursements	(491)	(1,000)	(4,236)	(578)	-	(30)	(12)	(1,993)
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	(491)	(1,000)	(4,236)	(578)	-	(30)	(12)	(1,993)
Cash and investments - ending	\$ 7,617	\$ -	\$ 3,585	\$ -	\$ 76	\$ -	\$ -	\$ 7

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

	Endress Hauser Grant ICHS	Houghton Mifflin Donation ICMS	St Francis Marketing Sponsors	Coca Cola Sponsorship	Formative Assessment	High Ability 14/15	High Ability 15/16	High Ability 16/17
Cash and investments - beginning	\$ 500	\$ 5,621	\$ -	\$ -	\$ -	\$ -	\$ 2,767	\$ -
Receipts:								
Local sources	250	-	15,000	32,594	-	-	-	-
Intermediate sources	-	-	-	-	-	-	-	-
State sources	-	-	-	-	23,209	-	-	32,538
Federal sources	-	-	-	-	-	-	-	-
Other receipts	-	-	-	-	-	-	-	-
Total receipts	250	-	15,000	32,594	23,209	-	-	32,538
Disbursements:								
Instruction	365	3,412	-	-	-	-	2,767	32,052
Support services	-	-	-	-	23,209	-	-	-
Noninstructional services	-	-	-	1,829	-	-	-	-
Facilities acquisition and construction	-	-	-	-	-	-	-	-
Debt service	-	-	-	-	-	-	-	-
Nonprogrammed charges	-	-	13,967	-	-	-	-	-
Total disbursements	365	3,412	13,967	1,829	23,209	-	2,767	32,052
Excess (deficiency) of receipts over disbursements	(115)	(3,412)	1,033	30,765	-	-	(2,767)	486
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	(115)	(3,412)	1,033	30,765	-	-	(2,767)	486
Cash and investments - ending	\$ 385	\$ 2,209	\$ 1,033	\$ 30,765	\$ -	\$ -	\$ -	\$ 486

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

	Drug Free Comm JCCASA 2014	Medicaid Reimbursement	Secured Schools Safety Grant	School Technology	Career and Technical Performance Grant	Little Braves Preschool	Title I 14/15	Title I 15/16
Cash and investments - beginning	\$ -	\$ 40,671	\$ -	\$ (184)	\$ -	\$ 700	\$ -	\$ (17,237)
Receipts:								
Local sources	-	-	-	-	-	-	-	-
Intermediate sources	-	-	-	-	-	-	-	-
State sources	-	23,838	-	57,016	3,368	36,374	-	-
Federal sources	-	-	-	-	9,367	-	-	74,976
Other receipts	-	-	-	-	-	-	-	-
Total receipts	-	23,838	-	57,016	12,735	36,374	-	74,976
Disbursements:								
Instruction	-	13,315	-	-	12,624	29,943	-	57,739
Support services	-	-	11,207	-	-	-	-	-
Noninstructional services	-	-	-	-	-	-	-	-
Facilities acquisition and construction	-	-	-	39,512	-	-	-	-
Debt service	-	-	-	-	-	-	-	-
Nonprogrammed charges	-	-	-	-	-	-	-	-
Total disbursements	-	13,315	11,207	39,512	12,624	29,943	-	57,739
Excess (deficiency) of receipts over disbursements	-	10,523	(11,207)	17,504	111	6,431	-	17,237
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	-	10,523	(11,207)	17,504	111	6,431	-	17,237
Cash and investments - ending	\$ -	\$ 51,194	\$ (11,207)	\$ 17,320	\$ 111	\$ 7,131	\$ -	\$ -

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

	Title I 16/17	Medicaid Reimbursement - Federal	Title II 14/16	Title II 15/17	Title II 16/18	Payroll Withholdings	Prepaid Lunch Fund	Totals
Cash and investments - beginning	\$ -	\$ 69,380	\$ -	\$ (3,794)	\$ -	\$ 67,145	\$ 5,649	\$ 7,662,170
Receipts:								
Local sources	-	-	-	-	-	-	523,784	6,851,779
Intermediate sources	-	-	-	-	-	-	-	18
State sources	-	-	-	-	-	-	-	11,572,141
Federal sources	147,323	7,729	-	15,956	18,653	-	-	572,231
Other receipts	-	-	-	-	-	2,842,059	-	2,981,543
Total receipts	147,323	7,729	-	15,956	18,653	2,842,059	523,784	21,977,712
Disbursements:								
Instruction	166,998	324	-	12,162	22,103	-	-	7,407,061
Support services	-	-	-	-	-	-	-	6,125,870
Noninstructional services	1,856	-	-	-	-	-	515,399	1,546,090
Facilities acquisition and construction	-	-	-	-	-	-	-	1,018,934
Debt service	-	-	-	-	-	-	-	2,623,338
Nonprogrammed charges	-	-	-	-	-	2,855,209	-	2,870,176
Total disbursements	168,854	324	-	12,162	22,103	2,855,209	515,399	21,591,469
Excess (deficiency) of receipts over disbursements	(21,531)	7,405	-	3,794	(3,450)	(13,150)	8,385	386,243
Other financing sources (uses):								
Sale of capital assets	-	-	-	-	-	-	-	300
Transfers in	-	-	-	-	-	-	-	300,000
Transfers out	-	-	-	-	-	-	-	(300,000)
Total other financing sources (uses)	-	-	-	-	-	-	-	300
Excess (deficiency) of receipts and other financing sources over disbursements and other financing uses	(21,531)	7,405	-	3,794	(3,450)	(13,150)	8,385	386,543
Cash and investments - ending	\$ (21,531)	\$ 76,785	\$ -	\$ -	\$ (3,450)	\$ 53,995	\$ 14,034	\$ 8,048,713

NINEVEH-HENSLEY-JACKSON UNITED SCHOOL CORPORATION  
SCHEDULE OF PAYABLES AND RECEIVABLES  
June 30, 2017

<u>Government or Enterprise</u>	<u>Accounts Payable</u>	<u>Accounts Receivable</u>
Governmental activities	<u>\$ 517,419</u>	<u>\$ 36,187</u>

NINEVEH-HENSLEY-JACKSON UNITED SCHOOL CORPORATION  
 SCHEDULE OF LEASES AND DEBT  
 June 30, 2017

Lessor	Purpose	Annual Lease Payment	Lease Beginning Date	Lease Ending Date
Governmental activities:				
Central Nine Career Center School Building Corporation	C9 Career Center Bonds of 2009	\$ 37,578	12/31/2010	06/30/2020
Nineveh-Hensley-Jackson Intermediate School Building Corporation	Taxable Ad Valorem Property Tax First Mortgage Bond 2011	266,000	01/15/2012	01/15/2020
Nineveh-Hensley-Jackson Intermediate School Building Corporation	Taxable Ad Valorem Property Tax First Mortgage Bond 2011A	1,040,000	01/15/2015	01/15/2027
Nineveh-Hensley-Jackson Intermediate School Building Corporation	Ad Valorem Property Tax First Mortgage Bond 2015	771,500	01/01/2016	01/01/2030
Nineveh-Hensley-Jackson United School Building Corporation	First Mortgage Refunding Bond Series 2009	<u>249,000</u>	01/15/2010	01/15/2020
Total of annual lease payments		<u>\$ 2,364,078</u>		

Type	Description of Debt Purpose	Ending Principal Balance	Principal and Interest Due Within One Year
Governmental activities:			
Revenue bonds	School Severance Taxable Program Series 2013	<u>\$ 455,000</u>	<u>\$ 201,080</u>

NINEVEH-HENSLEY-JACKSON UNITED SCHOOL CORPORATION  
 SCHEDULE OF CAPITAL ASSETS  
 June 30, 2017

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

	<u>Ending Balance</u>
Governmental activities:	
Land	\$ 910,363
Infrastructure	4,330
Buildings	68,996,720
Improvements other than buildings	2,224,317
Machinery, equipment, and vehicles	5,038,215
Books and other	<u>995,095</u>
Total capital assets	<u>\$ 78,169,040</u>

(This page intentionally left blank.)

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 NINEVEH-HENSLEY-JACKSON UNITED  
SCHOOL CORPORATION, JOHNSON COUNTY, INDIANA

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

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

***Management's Responsibility***

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

***Auditor's Responsibility***

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

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

***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 22, 2018

(This page intentionally left blank.)

#### 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.

NINEVEH-HENSLEY-JACKSON UNITED SCHOOL CORPORATION  
 SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS  
 For the Years Ended June 30, 2016 and 2017

Federal Grantor Agency Cluster Title/Program Title/Project Title	Pass-Through Entity or Direct Grant	Federal CFDA Number	Pass-Through Entity (or Other) Identifying Number	Passed Through to Subrecipient 06-30-16	Total Federal Awards Expended 06-30-16	Passed Through to Subrecipient 06-30-17	Total Federal Awards Expended 06-30-17
<u>Department of Agriculture</u>							
Child Nutrition Cluster							
School Breakfast Program	Indiana Department of Education	10.553					
Child Nutrition			FY2016	\$ -	\$ 57,721	\$ -	\$ -
Child Nutrition			FY2017	-	-	-	58,310
Total - School Breakfast Program				-	57,721	-	58,310
National School Lunch Program	Indiana Department of Education	10.555					
National School Lunch			FY2016	-	282,324	-	-
National School Lunch			FY2017	-	-	-	239,917
National School Lunch Commodities			FY2016	-	59,430	-	-
National School Lunch Commodities			FY2017	-	-	-	73,603
Total - National School Lunch Program				-	341,754	-	313,520
Total - Child Nutrition Cluster				-	399,475	-	371,830
Total - Department of Agriculture				-	399,475	-	371,830
<u>Department of Education</u>							
Special Education Cluster (IDEA)							
Special Education Grants to States	Indiana Department of Education	84.027					
Federal Grant			14214-033-PN01	-	98,056	-	-
Federal Grant			14215-033-PN01	-	-	-	2
Federal Grant			14216-031-PN01	-	238,202	-	93,902
Federal Grant			14217-031-PN01	-	-	-	244,865
Federal Grant			99914-033-TA01	-	436	-	-
Total - Special Education Grants to States				-	336,694	-	338,769

NINEVEH-HENSLEY-JACKSON UNITED SCHOOL CORPORATION  
SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS  
For the Years Ended June 30, 2016 and 2017

Federal Grantor Agency Cluster Title/Program Title/Project Title	Pass-Through Entity or Direct Grant	Federal CFDA Number	Pass-Through Entity (or Other) Identifying Number	Passed Through to Subrecipient 06-30-16	Total Federal Awards Expended 06-30-16	Passed Through to Subrecipient 06-30-17	Total Federal Awards Expended 06-30-17
Special Education_Preschool Grants	Indiana Department of Education	84.173					
Federal Grant			45714-033-PN01	-	4	-	-
Federal Grant			45715-033-PN01	-	2,907	-	-
Federal Grant			45716-031-PN01	-	5,993	-	2,452
Federal			45717-031-PN01	-	-	-	7,368
				-	8,904	-	9,820
Total - Special Education_Preschool Grants				-	8,904	-	9,820
Total - Special Education Cluster (IDEA)				-	345,598	-	348,589
Title I Grants to Local Educational Agencies	Indiana Department of Education	84.010					
Title 1			15-4255	-	87,923	-	-
Title 1			16-4255	-	140,670	-	74,976
Title 1			17-4255	-	-	-	147,323
				-	228,593	-	222,299
Total - Title I Grants to Local Educational Agencies				-	228,593	-	222,299
Supporting Effective Instruction State Grants	Indiana Department of Education	84.367					
Supporting Effective Instruction State Grants			16-4255	-	16,752	-	-
Supporting Effective Instruction State Grants			17-4255	-	24,724	-	15,956
Supporting Effective Instruction State Grants			18-4255	-	-	-	18,653
				-	41,476	-	34,609
Total - Supporting Effective Instruction State Grants				-	41,476	-	34,609
Total - Department of Education				-	615,667	-	605,497
Total federal awards expended				\$ -	\$ 1,015,142	\$ -	\$ 977,327

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

NINEVEH-HENSLEY-JACKSON UNITED SCHOOL CORPORATION  
NOTES TO SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS

**Note 1. Basis of Presentation**

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

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

**Note 2. Summary of Significant Accounting Policies**

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

NINEVEH-HENSLEY-JACKSON UNITED SCHOOL CORPORATION  
SCHEDULE OF FINDINGS AND QUESTIONED COSTS

**Section I - Summary of Auditor's Results**

Financial Statement:

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

Federal Awards:

Internal control over major programs:	
Material weakness identified?	no
Significant deficiency identified?	none reported
Any audit finding 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:

CFDA Number	Name of Federal Program or Cluster	Opinion Issued
84.010	Child Nutrition Cluster Title I Grants to Local Educational Agencies	Unmodified 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.

(This page intentionally left blank.)

AUDITEE-PREPARED DOCUMENT

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



# Nineveh-Hensley-Jackson United School Corporation

802 S Indian Creek Drive Trafalgar, IN 46181

P: 317.878.2100 F: 317.878.2109

www.indiancreekschools.com

*Indian Creek Schools*

## SUMMARY SCHEDULE OF PRIOR AUDIT FINDINGS

### **FINDING 2015-001 Preparation of Schedule of Expenditure of Federal Awards**(Auditor Assigned Reference Number)

Fiscal year in which the finding initially occurred: 2013-2015

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

Contact Person Responsible for Corrective Action: Debra Carter

Contact Phone Number: 317-878-2100

#### Status of Audit Finding:

NHJ implemented a plan to have the SEFA report doubled checked for accuracy & omissions. We have been including grants administered by Johnson County Special Services/Earlywood Educational Services for the 2015-2017 and current years.

The Food Service Director now includes the NonCash Assistance for the Child Nutrition Cluster and provides that information to the Business Manager. The Business Manager reviews the report with the Superintendent and both sign off that the report has been checked for accuracy.

### **Finding 2015-002 – Controls over Child Nutrition Cluster**

Contact Person Responsible for Corrective Action: Carol Schaaf

Contact Phone Number: 317-878-2106

NHJ implemented a plan immediately to ensure accuracy of annual financial reports and the annual verification reports. They are created by the Food Service Director and reviewed by the Business Manager and/or Superintendent. This is in our Internal Controls Manual on page 101 which was board approved December 13, 2016. We are currently following these procedures for the current year.

### **Finding 2015-03 – Control Over Title I Grants to Local Educational Agencies**

Contact Person Responsible for Corrective Action Plan: Debra Carter

Contact Phone Number: 317-878-2100

Cash Reimbursement requests are completed by both the Business Manager and Deputy Treasurer. Title I requires 2 signatures on the reimbursement forms. All grant reimbursements requests are handled with way by our corporations. When the reimbursement is received both Business Manager and Deputy Treasurer review and initial that the correct reimbursement was received.



# Nineveh-Hensley-Jackson United School Corporation

802 S Indian Creek Drive Trafalgar, IN 46181

P: 317.878.2100 F: 317.878.2109

www.indiancreekschools.com

## Indian Creek Schools

The Final Report is the last cash reimbursement report.

### Finding 2015-04 – Special Education Cluster (IDEA) – Cash Management Reporting

Current practice includes receiving reports from Johnson County Special Services/Earlywood Educational Services so those grants can be included on our SEFA report. This issue has already been corrected at Johnson County Special Services/Earlywood Educational Services and continues currently.

Debra E. Carter  
(Signature)

Business Manager  
(Title)

9/19/2018

(Date)

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

## 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/>.