

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

FINANCIAL STATEMENT AND
FEDERAL SINGLE AUDIT REPORT
OF

NORTH HARRISON COMMUNITY
SCHOOL CORPORATION
HARRISON COUNTY, INDIANA

July 1, 2015 to June 30, 2017



FILED
12/07/2018

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SCHEDULE OF OFFICIALS

<u>Office</u>	<u>Official</u>	<u>Term</u>
Treasurer	Jo Ann Burson	07-01-15 to 06-30-19
Superintendent of Schools	D. John Thomas Dr. Lance Richards (acting) Dr. Lance Richards	07-01-15 to 05-11-17 05-12-17 to 07-11-17 07-12-17 to 06-30-19
President of the School Board	Veronica J. Battista	01-01-15 to 12-31-18



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INDEPENDENT AUDITOR'S REPORT

TO: THE OFFICIALS OF THE NORTH HARRISON COMMUNITY
SCHOOL CORPORATION, HARRISON COUNTY, INDIANA

Report on the Financial Statement

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

Management's Responsibility for the Financial Statement

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

Auditor's Responsibility

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

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

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

INDEPENDENT AUDITOR'S REPORT
(Continued)

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

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

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

Adverse Opinion on U.S. Generally Accepted Accounting Principles

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

Opinion on Regulatory Basis of Accounting

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

Other Matters

Supplementary Information

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


Other Information

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

INDEPENDENT AUDITOR'S REPORT
(Continued)

Other Reporting Required by *Government Auditing Standards*

In accordance with *Government Auditing Standards*, we have also issued a report dated October 29, 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 29, 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 NORTH HARRISON COMMUNITY
SCHOOL CORPORATION, HARRISON 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 North Harrison Community School Corporation (School Corporation), which comprises the financial position and results of operations for the period of July 1, 2015 to June 30, 2017, and the related notes to the financial statement, and have issued our report thereon dated October 29, 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 29, 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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NORTH HARRISON COMMUNITY SCHOOL CORPORATION
STATEMENT OF RECEIPTS, DISBURSEMENTS,
OTHER FINANCING SOURCES (USES), AND CASH AND
INVESTMENT BALANCES - REGULATORY BASIS
For the Years Ended June 30, 2016 and 2017

Fund	Cash and Investments 07-01-15	Receipts	Disbursements	Other Financing Sources (Uses)	Cash and Investments 06-30-16	Receipts	Disbursements	Other Financing Sources (Uses)	Cash and Investments 06-30-17
General	\$ 1,427,100	\$ 14,475,574	\$ 14,837,459	\$ -	\$ 1,065,215	\$ 14,860,902	\$ 15,227,618	\$ -	\$ 698,499
Debt Service	1,191,335	1,993,450	2,149,981	(4,862)	1,029,942	1,978,284	2,305,150	-	703,076
Capital Projects	834,965	1,245,097	951,077	(500,000)	628,985	1,472,107	1,384,803	-	716,289
School Transportation	621,983	1,200,568	1,097,359	4,430	729,622	1,223,113	883,512	6,177	1,075,400
School Bus Replacement	644,363	278,583	190,436	-	732,510	278,055	633,542	-	377,023
Rainy Day	537	499,463	499,463	500,000	500,537	-	-	-	500,537
Retirement/Severance Bond	524,233	15,065	345,071	-	194,227	698	129,717	-	65,208
Construction	-	995,015	445,015	-	550,000	25,851	132,708	-	443,143
School Lunch	695,582	1,239,871	1,128,306	-	807,147	1,257,186	1,240,985	-	823,348
Textbook Rental	163,015	319,117	308,443	4,862	178,551	325,748	315,950	-	188,349
Child Care Program	1,046	10,946	10,935	-	1,057	15,144	19,365	-	(3,164)
Educational License Plates	6,788	169	-	-	6,957	188	-	-	7,145
Instructional Support	(1,551)	12,145	10,594	-	-	17,097	17,097	-	-
Extra-Curricular Activities	141	31,675	31,677	-	139	30,966	31,089	-	16
Arts Council - NHE	900	-	-	-	900	-	-	-	900
HC Substance Abuse Prevention Coalition	7	-	-	-	7	-	-	-	7
Jackson Township Trustee	2,628	-	-	-	2,628	-	-	-	2,628
Local Program	-	165	146	-	19	165	-	-	184
Community Donations	500	-	498	-	2	3,000	499	-	2,503
HCCF 2011	3,841	3,025	6,252	-	614	1,765	1,766	-	613
HCCF Spring 2015	(1,741)	4,464	2,723	-	-	-	-	-	-
Riverboat 2013-2014	47	-	47	-	-	-	-	-	-
Riverboat 2014-2015	34,764	-	34,764	-	-	-	-	-	-
Riverboat 2015	255,658	137	255,795	-	-	-	-	-	-
Riverboat 2016	-	399,692	81,042	-	318,650	-	318,650	-	-
Riverboat 2017	-	-	-	-	-	407,249	147,077	-	260,172
Formative Assessment	-	19,308	17,445	-	1,863	28,456	21,287	-	9,032
High Ability 2012-2013	5	-	-	-	5	-	-	-	5
High Ability 2014-2015	28,895	-	28,895	-	-	-	-	-	-
High Ability 2015-2016	-	34,541	2,979	-	31,562	-	31,562	-	-
High Ability 2016-2017	-	-	-	-	-	34,135	3,202	-	30,933
Scholarships and Awards	1,000	-	-	-	1,000	-	-	-	1,000
Non-English Speaking Programs	2,079	-	-	-	2,079	-	-	-	2,079
School Technology	24,298	31,338	31,329	-	24,307	49,190	32,564	-	40,933
Career and Technical Performance Grant	-	-	-	-	-	8,403	-	-	8,403
21st Century Scholars	2,202	16,668	16,668	-	2,202	16,403	16,403	-	2,202
Title I 2014-2015	(38,576)	97,458	58,882	-	-	-	-	-	-
Title I 2015-2016	-	204,645	222,651	-	(18,006)	40,142	22,136	-	-
Title I 2016-2017	-	-	-	-	-	183,408	200,484	-	(17,076)
Improving Teacher Quality, No Child Left, Title II, Part A	(6,953)	100,362	99,116	-	(5,707)	79,316	81,298	-	(7,689)
LOIT 2016 Special Distribution	-	21,729	-	-	21,729	-	-	-	21,729
Matching Grant Clearing	31	-	-	-	31	-	-	-	31
Payroll Withholdings	105,965	4,008,071	3,996,520	-	117,516	4,177,769	4,118,159	-	177,126
Totals	\$ 6,525,087	\$ 27,258,341	\$ 26,861,568	\$ 4,430	\$ 6,926,290	\$ 26,514,740	\$ 27,316,623	\$ 6,177	\$ 6,130,584

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

NORTH HARRISON COMMUNITY SCHOOL CORPORATION
NOTES TO FINANCIAL STATEMENT

Note 1. Summary of Significant Accounting Policies

A. Reporting Entity

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

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

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

B. Basis of Accounting

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

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

C. Cash and Investments

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

D. Receipts

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

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

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

NORTH HARRISON COMMUNITY SCHOOL CORPORATION
NOTES TO FINANCIAL STATEMENT
(Continued)

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

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

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

E. Disbursements

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

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

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

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

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

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

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

F. Other Financing Sources and Uses

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

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

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.

NORTH HARRISON COMMUNITY 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.

NORTH HARRISON COMMUNITY SCHOOL CORPORATION
NOTES TO FINANCIAL STATEMENT
(Continued)

Note 5. Risk Management

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

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

Note 6. Pension Plans

A. Public Employees' Retirement Fund

Plan Description

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

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

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

Funding Policy and Annual Pension Cost

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

NORTH HARRISON COMMUNITY SCHOOL CORPORATION
NOTES TO FINANCIAL STATEMENT
(Continued)

B. Teachers' Retirement Fund

Plan Description

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

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

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

Funding Policy and Annual Pension Cost

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

Note 7. Cash Balance Deficits

The financial statement contains some funds with deficits in cash. This is a result of funds being set up for reimbursable grants. The cash deficits were the result of disbursements exceeding receipts due to timing delays in reimbursements being received from grantors; these deficits are to be repaid from future grant receipts.

Note 8. Holding Corporations

The School Corporation has entered into capital leases with the North Harrison Community School Building Corporation, the North Harrison Middle School Building Corporation, and the North Harrison School Building Corporation (the lessors). The lessors were organized as not-for-profit corporations pursuant to state statute for the purposes of financing and constructing or reconstructing facilities for lease to the School Corporation. The lessors have been determined to be related-parties of the School Corporation. Lease payments during the years ended June 30, 2016 and 2017, totaled \$2,149,981 and \$2,305,150, respectively.

NORTH HARRISON COMMUNITY SCHOOL CORPORATION
NOTES TO FINANCIAL STATEMENT
(Continued)

Note 9. Subsequent Events

The School Corporation obtained a General Obligation Bond in the amount of \$3,170,000 on January 11, 2018, for the construction of a new field house for the Middle School Building. Loan payments are due semiannually beginning on July 15, 2018, and ending January 15, 2033. Payments will range in amounts from \$38,153 to \$619,581 at interest rates ranging from 2 percent to 3.25 percent.

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OTHER INFORMATION - UNAUDITED

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

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

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

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

	General	Debt Service	Capital Projects	School Transportation	School Bus Replacement	Rainy Day	Retirement/Severance Bond	Construction	School Lunch	Textbook Rental	Child Care Program
Cash and investments - beginning	\$ 1,427,100	\$ 1,191,335	\$ 834,965	\$ 621,983	\$ 644,363	\$ 537	\$ 524,233	\$ -	\$ 695,582	\$ 163,015	\$ 1,046
Receipts:											
Local sources	148,470	1,993,450	1,245,097	1,200,568	278,583	499,463	15,065	445,015	517,136	240,032	10,946
Intermediate sources	29	-	-	-	-	-	-	-	-	-	-
State sources	14,325,099	-	-	-	-	-	-	-	51,941	78,535	-
Federal sources	-	-	-	-	-	-	-	-	670,794	-	-
Other receipts	1,976	-	-	-	-	-	-	550,000	-	550	-
Total receipts	14,475,574	1,993,450	1,245,097	1,200,568	278,583	499,463	15,065	995,015	1,239,871	319,117	10,946
Disbursements:											
Instruction	10,732,024	-	-	-	-	-	195,286	-	-	-	10,935
Support services	3,957,222	-	783,429	1,097,359	190,436	-	149,785	-	9,221	308,119	-
Noninstructional services	143,927	-	-	-	-	-	-	-	1,063,011	-	-
Facilities acquisition and construction	4,286	-	167,648	-	-	499,463	-	445,015	55,267	-	-
Debt service	-	2,149,981	-	-	-	-	-	-	807	324	-
Nonprogrammed charges	-	-	-	-	-	-	-	-	-	-	-
Total disbursements	14,837,459	2,149,981	951,077	1,097,359	190,436	499,463	345,071	445,015	1,128,306	308,443	10,935
Excess (deficiency) of receipts over disbursements	(361,885)	(156,531)	294,020	103,209	88,147	-	(330,006)	550,000	111,565	10,674	11
Other financing sources (uses):											
Sale of capital assets	-	-	-	4,430	-	-	-	-	-	-	-
Transfers in	-	-	-	-	400,000	500,000	-	400,000	-	4,862	-
Transfers out	-	(4,862)	(500,000)	-	(400,000)	-	-	(400,000)	-	-	-
Total other financing sources (uses)	-	(4,862)	(500,000)	4,430	-	500,000	-	-	-	4,862	-
Excess (deficiency) of receipts and other financing sources over disbursements and other financing uses	(361,885)	(161,393)	(205,980)	107,639	88,147	500,000	(330,006)	550,000	111,565	15,536	11
Cash and investments - ending	\$ 1,065,215	\$ 1,029,942	\$ 628,985	\$ 729,622	\$ 732,510	\$ 500,537	\$ 194,227	\$ 550,000	\$ 807,147	\$ 178,551	\$ 1,057

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

	Educational License Plates	Instructional Support	Extra- Curricular Activities	Arts Council - NHE	HC Substance Abuse Prevention Coalition	Jackson Township Trustee	Local Program	Community Donations	HCCF 2011	HCCF Spring 2015	Riverboat 2013-2014
Cash and investments - beginning	\$ 6,788	\$ (1,551)	\$ 141	\$ 900	\$ 7	\$ 2,628	\$ -	\$ 500	\$ 3,841	\$ (1,741)	\$ 47
Receipts:											
Local sources	-	12,145	31,675	-	-	-	165	-	3,025	4,464	-
Intermediate sources	169	-	-	-	-	-	-	-	-	-	-
State sources	-	-	-	-	-	-	-	-	-	-	-
Federal sources	-	-	-	-	-	-	-	-	-	-	-
Other receipts	-	-	-	-	-	-	-	-	-	-	-
Total receipts	169	12,145	31,675	-	-	-	165	-	3,025	4,464	-
Disbursements:											
Instruction	-	10,594	10,677	-	-	-	146	498	-	(30)	-
Support services	-	-	21,000	-	-	-	-	-	6,252	-	-
Noninstructional services	-	-	-	-	-	-	-	-	-	-	-
Facilities acquisition and construction	-	-	-	-	-	-	-	-	-	2,753	47
Debt service	-	-	-	-	-	-	-	-	-	-	-
Nonprogrammed charges	-	-	-	-	-	-	-	-	-	-	-
Total disbursements	-	10,594	31,677	-	-	-	146	498	6,252	2,723	47
Excess (deficiency) of receipts over disbursements	169	1,551	(2)	-	-	-	19	(498)	(3,227)	1,741	(47)
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	169	1,551	(2)	-	-	-	19	(498)	(3,227)	1,741	(47)
Cash and investments - ending	\$ 6,957	\$ -	\$ 139	\$ 900	\$ 7	\$ 2,628	\$ 19	\$ 2	\$ 614	\$ -	\$ -

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

	Riverboat 2014-2015	Riverboat 2015	Riverboat 2016	Riverboat 2017	Formative Assessment	High Ability 2012-2013	High Ability 2014-2015	High Ability 2015-2016	High Ability 2016-2017	Scholarships and Awards	Non-English Speaking Programs
Cash and investments - beginning	\$ 34,764	\$ 255,658	\$ -	\$ -	\$ -	\$ 5	\$ 28,895	\$ -	\$ -	\$ 1,000	\$ 2,079
Receipts:											
Local sources	-	-	-	-	-	-	-	-	-	-	-
Intermediate sources	-	137	399,692	-	-	-	-	-	-	-	-
State sources	-	-	-	-	19,308	-	-	34,541	-	-	-
Federal sources	-	-	-	-	-	-	-	-	-	-	-
Other receipts	-	-	-	-	-	-	-	-	-	-	-
Total receipts	-	137	399,692	-	19,308	-	-	34,541	-	-	-
Disbursements:											
Instruction	-	-	-	-	-	-	28,895	2,979	-	-	-
Support services	-	128,238	31,759	-	17,445	-	-	-	-	-	-
Noninstructional services	-	-	-	-	-	-	-	-	-	-	-
Facilities acquisition and construction	34,764	127,557	49,283	-	-	-	-	-	-	-	-
Debt service	-	-	-	-	-	-	-	-	-	-	-
Nonprogrammed charges	-	-	-	-	-	-	-	-	-	-	-
Total disbursements	34,764	255,795	81,042	-	17,445	-	28,895	2,979	-	-	-
Excess (deficiency) of receipts over disbursements	(34,764)	(255,658)	318,650	-	1,863	-	(28,895)	31,562	-	-	-
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	(34,764)	(255,658)	318,650	-	1,863	-	(28,895)	31,562	-	-	-
Cash and investments - ending	\$ -	\$ -	\$ 318,650	\$ -	\$ 1,863	\$ 5	\$ -	\$ 31,562	\$ -	\$ 1,000	\$ 2,079

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

	School Technology	Career and Technical Performance Grant	21st Century Scholars	Title I 2014-2015	Title I 2015-2016	Title I 2016-2017	Improving Teacher Quality, No Child Left, Title II, Part A	LOIT 2016 Special Distribution	Matching Grant Clearing	Payroll Withholdings	Totals
Cash and investments - beginning	\$ 24,298	\$ -	\$ 2,202	\$ (38,576)	\$ -	\$ -	\$ (6,953)	\$ -	\$ 31	\$ 105,965	\$ 6,525,087
Receipts:											
Local sources	31,338	-	16,668	-	-	-	-	21,729	-	-	6,715,034
Intermediate sources	-	-	-	-	-	-	-	-	-	-	400,027
State sources	-	-	-	-	-	-	-	-	-	-	14,509,424
Federal sources	-	-	-	97,458	204,645	-	100,362	-	-	-	1,073,259
Other receipts	-	-	-	-	-	-	-	-	-	4,008,071	4,560,597
Total receipts	31,338	-	16,668	97,458	204,645	-	100,362	21,729	-	4,008,071	27,258,341
Disbursements:											
Instruction	-	-	16,668	58,882	222,651	-	37,700	-	-	-	11,327,905
Support services	31,329	-	-	-	-	-	61,416	-	-	-	6,793,010
Noninstructional services	-	-	-	-	-	-	-	-	-	-	1,206,938
Facilities acquisition and construction	-	-	-	-	-	-	-	-	-	-	1,386,083
Debt service	-	-	-	-	-	-	-	-	-	-	2,151,112
Nonprogrammed charges	-	-	-	-	-	-	-	-	-	3,996,520	3,996,520
Total disbursements	31,329	-	16,668	58,882	222,651	-	99,116	-	-	3,996,520	26,861,568
Excess (deficiency) of receipts over disbursements	9	-	-	38,576	(18,006)	-	1,246	21,729	-	11,551	396,773
Other financing sources (uses):											
Sale of capital assets	-	-	-	-	-	-	-	-	-	-	4,430
Transfers in	-	-	-	-	-	-	-	-	-	-	1,304,862
Transfers out	-	-	-	-	-	-	-	-	-	-	(1,304,862)
Total other financing sources (uses)	-	-	-	-	-	-	-	-	-	-	4,430
Excess (deficiency) of receipts and other financing sources over disbursements and other financing uses	9	-	-	38,576	(18,006)	-	1,246	21,729	-	11,551	401,203
Cash and investments - ending	\$ 24,307	\$ -	\$ 2,202	\$ -	\$ (18,006)	\$ -	\$ (5,707)	\$ 21,729	\$ 31	\$ 117,516	\$ 6,926,290

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

	General	Debt Service	Capital Projects	School Transportation	School Bus Replacement	Rainy Day	Retirement/Severance Bond	Construction	School Lunch	Textbook Rental	Child Care Program
Cash and investments - beginning	\$ 1,065,215	\$ 1,029,942	\$ 628,985	\$ 729,622	\$ 732,510	\$ 500,537	\$ 194,227	\$ 550,000	\$ 807,147	\$ 178,551	\$ 1,057
Receipts:											
Local sources	200,767	1,978,284	1,472,107	1,223,113	278,055	-	698	25,851	533,685	247,199	15,144
Intermediate sources	48	-	-	-	-	-	-	-	-	-	-
State sources	14,660,087	-	-	-	-	-	-	-	29,481	78,029	-
Federal sources	-	-	-	-	-	-	-	-	693,720	-	-
Other receipts	-	-	-	-	-	-	-	-	300	520	-
Total receipts	14,860,902	1,978,284	1,472,107	1,223,113	278,055	-	698	25,851	1,257,186	325,748	15,144
Disbursements:											
Instruction	11,298,221	-	-	-	-	-	57,063	-	-	-	19,365
Support services	3,798,930	-	1,224,970	883,512	633,542	-	72,654	29,545	14,984	315,507	-
Noninstructional services	128,796	-	-	-	-	-	-	-	1,058,513	-	-
Facilities acquisition and construction	1,671	-	159,833	-	-	-	-	103,163	167,018	-	-
Debt service	-	2,305,150	-	-	-	-	-	-	470	443	-
Nonprogrammed charges	-	-	-	-	-	-	-	-	-	-	-
Total disbursements	15,227,618	2,305,150	1,384,803	883,512	633,542	-	129,717	132,708	1,240,985	315,950	19,365
Excess (deficiency) of receipts over disbursements	(366,716)	(326,866)	87,304	339,601	(355,487)	-	(129,019)	(106,857)	16,201	9,798	(4,221)
Other financing sources (uses):											
Sale of capital assets	-	-	-	6,177	-	-	-	-	-	-	-
Transfers in	-	35,088	50,157	38,412	8,916	-	-	-	-	-	-
Transfers out	-	(35,088)	(50,157)	(38,412)	(8,916)	-	-	-	-	-	-
Total other financing sources (uses)	-	-	-	6,177	-	-	-	-	-	-	-
Excess (deficiency) of receipts and other financing sources over disbursements and other financing uses	(366,716)	(326,866)	87,304	345,778	(355,487)	-	(129,019)	(106,857)	16,201	9,798	(4,221)
Cash and investments - ending	\$ 698,499	\$ 703,076	\$ 716,289	\$ 1,075,400	\$ 377,023	\$ 500,537	\$ 65,208	\$ 443,143	\$ 823,348	\$ 188,349	\$ (3,164)

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

	Educational License Plates	Instructional Support	Extra- Curricular Activities	Arts Council - NHE	HC Substance Abuse Prevention Coalition	Jackson Township Trustee	Local Program	Community Donations	HCCF 2011	HCCF Spring 2015	Riverboat 2013-2014
Cash and investments - beginning	\$ 6,957	\$ -	\$ 139	\$ 900	\$ 7	\$ 2,628	\$ 19	\$ 2	\$ 614	\$ -	\$ -
Receipts:											
Local sources	-	17,097	30,966	-	-	-	165	3,000	1,765	-	-
Intermediate sources	188	-	-	-	-	-	-	-	-	-	-
State sources	-	-	-	-	-	-	-	-	-	-	-
Federal sources	-	-	-	-	-	-	-	-	-	-	-
Other receipts	-	-	-	-	-	-	-	-	-	-	-
Total receipts	188	17,097	30,966	-	-	-	165	3,000	1,765	-	-
Disbursements:											
Instruction	-	17,097	9,642	-	-	-	-	499	-	-	-
Support services	-	-	21,447	-	-	-	-	-	1,766	-	-
Noninstructional services	-	-	-	-	-	-	-	-	-	-	-
Facilities acquisition and construction	-	-	-	-	-	-	-	-	-	-	-
Debt service	-	-	-	-	-	-	-	-	-	-	-
Nonprogrammed charges	-	-	-	-	-	-	-	-	-	-	-
Total disbursements	-	17,097	31,089	-	-	-	-	499	1,766	-	-
Excess (deficiency) of receipts over disbursements	188	-	(123)	-	-	-	165	2,501	(1)	-	-
Other financing sources (uses):											
Sale of capital assets	-	-	-	-	-	-	-	-	-	-	-
Transfers in	-	-	-	-	-	-	-	-	-	-	-
Transfers out	-	-	-	-	-	-	-	-	-	-	-
Total other financing sources (uses)	-	-	-	-	-	-	-	-	-	-	-
Excess (deficiency) of receipts and other financing sources over disbursements and other financing uses	188	-	(123)	-	-	-	165	2,501	(1)	-	-
Cash and investments - ending	\$ 7,145	\$ -	\$ 16	\$ 900	\$ 7	\$ 2,628	\$ 184	\$ 2,503	\$ 613	\$ -	\$ -

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

	Riverboat 2014-2015	Riverboat 2015	Riverboat 2016	Riverboat 2017	Formative Assessment	High Ability 2012-2013	High Ability 2014-2015	High Ability 2015-2016	High Ability 2016-2017	Scholarships and Awards	Non-English Speaking Programs
Cash and investments - beginning	\$ -	\$ -	\$ 318,650	\$ -	\$ 1,863	\$ 5	\$ -	\$ 31,562	\$ -	\$ 1,000	\$ 2,079
Receipts:											
Local sources	-	-	-	-	-	-	-	-	-	-	-
Intermediate sources	-	-	-	407,249	-	-	-	-	-	-	-
State sources	-	-	-	-	28,456	-	-	-	34,135	-	-
Federal sources	-	-	-	-	-	-	-	-	-	-	-
Other receipts	-	-	-	-	-	-	-	-	-	-	-
Total receipts	-	-	-	407,249	28,456	-	-	-	34,135	-	-
Disbursements:											
Instruction	-	-	-	118,875	-	-	-	31,562	3,202	-	-
Support services	-	-	127,598	24,603	21,287	-	-	-	-	-	-
Noninstructional services	-	-	-	-	-	-	-	-	-	-	-
Facilities acquisition and construction	-	-	191,052	3,599	-	-	-	-	-	-	-
Debt service	-	-	-	-	-	-	-	-	-	-	-
Nonprogrammed charges	-	-	-	-	-	-	-	-	-	-	-
Total disbursements	-	-	318,650	147,077	21,287	-	-	31,562	3,202	-	-
Excess (deficiency) of receipts over disbursements	-	-	(318,650)	260,172	7,169	-	-	(31,562)	30,933	-	-
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	-	-	(318,650)	260,172	7,169	-	-	(31,562)	30,933	-	-
Cash and investments - ending	\$ -	\$ -	\$ -	\$ 260,172	\$ 9,032	\$ 5	\$ -	\$ -	\$ 30,933	\$ 1,000	\$ 2,079

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

	School Technology	Career and Technical Performance Grant	21st Century Scholars	Title I 2014-2015	Title I 2015-2016	Title I 2016-2017	Improving Teacher Quality, No Child Left, Title II, Part A	LOIT 2016 Special Distribution	Matching Grant Clearing	Payroll Withholdings	Totals
Cash and investments - beginning	\$ 24,307	\$ -	\$ 2,202	\$ -	\$ (18,006)	\$ -	\$ (5,707)	\$ 21,729	\$ 31	\$ 117,516	\$ 6,926,290
Receipts:											
Local sources	49,190	-	16,403	-	-	-	-	-	-	-	6,093,489
Intermediate sources	-	-	-	-	-	-	-	-	-	-	407,485
State sources	-	8,403	-	-	-	-	-	-	-	-	14,838,591
Federal sources	-	-	-	-	40,142	183,408	79,316	-	-	-	996,586
Other receipts	-	-	-	-	-	-	-	-	-	4,177,769	4,178,589
Total receipts	49,190	8,403	16,403	-	40,142	183,408	79,316	-	-	4,177,769	26,514,740
Disbursements:											
Instruction	-	-	16,403	-	22,136	200,484	38,882	-	-	-	11,833,431
Support services	32,564	-	-	-	-	-	42,416	-	-	-	7,245,325
Noninstructional services	-	-	-	-	-	-	-	-	-	-	1,187,309
Facilities acquisition and construction	-	-	-	-	-	-	-	-	-	-	626,336
Debt service	-	-	-	-	-	-	-	-	-	-	2,306,063
Nonprogrammed charges	-	-	-	-	-	-	-	-	-	4,118,159	4,118,159
Total disbursements	32,564	-	16,403	-	22,136	200,484	81,298	-	-	4,118,159	27,316,623
Excess (deficiency) of receipts over disbursements	16,626	8,403	-	-	18,006	(17,076)	(1,982)	-	-	59,610	(801,883)
Other financing sources (uses):											
Sale of capital assets	-	-	-	-	-	-	-	-	-	-	6,177
Transfers in	-	-	-	-	-	-	-	-	-	-	132,573
Transfers out	-	-	-	-	-	-	-	-	-	-	(132,573)
Total other financing sources (uses)	-	-	-	-	-	-	-	-	-	-	6,177
Excess (deficiency) of receipts and other financing sources over disbursements and other financing uses	16,626	8,403	-	-	18,006	(17,076)	(1,982)	-	-	59,610	(795,706)
Cash and investments - ending	\$ 40,933	\$ 8,403	\$ 2,202	\$ -	\$ -	\$ (17,076)	\$ (7,689)	\$ 21,729	\$ 31	\$ 177,126	\$ 6,130,584

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NORTH HARRISON COMMUNITY SCHOOL CORPORATION
SCHEDULE OF PAYABLES AND RECEIVABLES
June 30, 2017

<u>Government or Enterprise</u>	<u>Accounts Payable</u>	<u>Accounts Receivable</u>
Governmental activities	<u>\$ 287,431</u>	<u>\$ 169,598</u>

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

<u>Lessor</u>	<u>Purpose</u>	<u>Annual Lease Payment</u>	<u>Lease Beginning Date</u>	<u>Lease Ending Date</u>
Governmental activities:				
North Harrison Community School Building Corporation	North Harrison Elementary	\$ 891,775	10/19/2006	10/19/2028
North Harrison Middle School Building Corporation	Middle school renovation and addition	478,650	10/08/2015	10/08/2035
North Harrison School Building Corporation	Morgan Elementary	<u>929,000</u>	01/15/2009	01/15/2030
Total of annual lease payments		<u>\$ 2,299,425</u>		

NORTH HARRISON COMMUNITY SCHOOL CORPORATION
SCHEDULE OF CAPITAL ASSETS
June 30, 2017

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

	<u>Ending Balance</u>
Governmental activities:	
Land	\$ 579,096
Buildings	61,904,794
Machinery, equipment, and vehicles	5,094,797
Construction in progress	<u>6,414,747</u>
Total capital assets	<u>\$ 73,993,434</u>

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SUPPLEMENTAL AUDIT OF
FEDERAL AWARDS



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

TO: THE OFFICIALS OF THE NORTH HARRISON COMMUNITY SCHOOL CORPORATION, HARRISON COUNTY, INDIANA

Report on Compliance for Each Major Federal Program

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

Management's Responsibility

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

Auditor's Responsibility

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

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

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)

Other Matters

The results of our auditing procedures disclosed instances of noncompliance, which are required to be reported in accordance with the Uniform Guidance and which are described in the accompanying Schedule of Findings and Questioned Costs as items 2017-001, 2017-002, 2017-003, 2017-004, and 2017-006. Our opinion on each major federal program is not modified with respect to these matters.

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

Report on Internal Control over Compliance

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

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 and, therefore, material weaknesses or significant deficiencies may exist that were not identified. We identified certain deficiencies in internal control over compliance, as described in the accompanying Schedule of Findings and Questioned Costs as items 2017-001, 2017-002, 2017-003, 2017-004, 2017-005, and 2017-006, that we consider to be material weaknesses.

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

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

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

Paul D. Joyce
Paul D. Joyce, CPA
State Examiner

October 29, 2018

SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS AND ACCOMPANYING NOTES

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

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

Federal Grantor Agency Cluster Title/Program Title/Project Title	Pass-Through Entity or Direct Grant	Federal CFDA Number	Pass-Through Entity (or Other) Identifying Number	Passed Through to Subrecipient 06-30-16	Total Federal Awards Expended 06-30-16	Passed Through to Subrecipient 06-30-17	Total Federal Awards Expended 06-30-17
<u>Department of Agriculture</u>							
Child Nutrition Cluster							
School Breakfast Program	Indiana Department of Education	10.553					
School Breakfast Program			FY 2015/2016	\$ -	\$ 139,568	\$ -	\$ -
School Breakfast Program			FY 2016/2017	-	-	-	144,473
Total - School Breakfast Program				-	139,568	-	144,473
National School Lunch Program							
School Lunch Program	Indiana Department of Education	10.555					
School Lunch Program			FY 2015/2016	-	516,776	-	-
School Lunch Program - Commodities			FY 2016/2017	-	-	-	534,881
School Lunch Program - Commodities			FY 2015/2016	-	87,176	-	-
School Lunch Program - Commodities			FY 2016/2017	-	-	-	124,908
Total - National School Lunch Program				-	603,952	-	659,789
Total - Child Nutrition Cluster				-	743,520	-	804,262
Total - Department of Agriculture				-	743,520	-	804,262
<u>Department of Education</u>							
Title I Grants to Local Educational Agencies							
Title I FY 2014-2015	Indiana Department of Education	84.010	15-3180	-	97,458	-	-
Title I FY 2015-2016			16-3180	-	204,645	-	40,142
Title I FY 2016-2017			S010A160014	-	-	-	183,408
Total - Title I Grants to Local Educational Agencies				-	302,103	-	223,550
Special Education Cluster (IDEA)							
Special Education_Grants to States							
Part B 611 FY 2014	Indiana Department of Education	84.027	14214-028-PN01	-	27,920	-	-
Part B 611 FY 2015			14215-028-PN01	-	167,961	-	64,472
Part B 611 FY 2016			14216-026-PN01	-	198,998	-	227,778
Part B 611 FY 2017			14217-026-PN01	-	-	-	271,672
Technical Assistance FY 2014			99914-028-TA01	-	3,447	-	-
Total - Special Education_Grants to States				-	398,326	-	563,922
Special Education_Preschool Grants							
Part B 619 FY 2016	Indiana Department of Education	84.173	45716-026-PN01	-	12,070	-	3,084
Part B 619 FY 2017			45717-026-PN01	-	-	-	14,825
Total - Special Education_Preschool Grants				-	12,070	-	17,909
Total - Special Education Cluster (IDEA)				-	410,396	-	581,831
Supporting Effective Instruction State Grants							
Title II Part A FFY 2014	Indiana Department of Education	84.367	13-3180	-	14,739	-	-
Title II Part A FFY 2015			S367A150015	-	85,624	-	5,018
Title II Part A FFY 2016			S367A160013	-	-	-	74,297
Total - Supporting Effective Instruction State Grants				-	100,363	-	79,315
Total - Department of Education				-	812,862	-	884,696
Total federal awards expended				\$ -	\$ 1,556,382	\$ -	\$ 1,688,958

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

NORTH HARRISON COMMUNITY SCHOOL CORPORATION
NOTES TO SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS

Note 1. Basis of Presentation

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

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

Note 2. Summary of Significant Accounting Policies

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

Note 3. Special Education Cooperative

The School Corporation is a member of Harrison County Exceptional Learners Cooperative (Cooperative), a special education cooperative. The Cooperative operates the special education programs for the School Corporation. As a result, some activity for the Special Education Cluster (IDEA) that is presented on the Schedule of Expenditures of Federal Awards is not presented as receipts and disbursements in the financial statement.

NORTH HARRISON COMMUNITY SCHOOL CORPORATION
SCHEDULE OF FINDINGS AND QUESTIONED COSTS

Section I - Summary of Auditor's Results

Financial Statement:

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

Federal Awards:

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

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

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

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

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

No matters are reportable

Section III - Federal Award Findings and Questioned Costs

FINDING 2017-001

Subject: Child Nutrition Cluster - Allowable Costs/Cost Principles
 Federal Agency: Department of Agriculture
 Federal Programs: School Breakfast Program, National School Lunch Program
 CFDA Numbers: 10.553, 10.555
 Federal Award Numbers and Years (or Other Identifying Numbers): FY 2015/2016, FY 2016/2017
 Pass-Through Entity: Indiana Department of Education
 Compliance Requirement: Allowable Costs/Cost Principles
 Audit Findings: Material Weakness, Other Matters

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

Repeat Finding

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

Condition

An effective internal control system was not in place at the School Corporation to ensure compliance with requirements related to the grant agreement and the Allowable Costs/Cost Principles compliance requirement. No controls were in place to ensure compliance with time and effort requirements; as a result, proper time records were not maintained.

Context

The lack of controls and noncompliance were systemic issues throughout the audit period. In most instances, employees worked on only one cost objective; however, there was one employee who had no documentation to support the amount of time spent on the breakfast and lunch programs in relationship to the costs charged.

Criteria

2 CFR 200.303 states in part:

"The non-Federal entity must:

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

2 CFR 200.430(i) states in part:

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

(i) Be supported by a system of internal control which provides reasonable assurance that the charges are accurate, allowable, and properly allocated;

(ii) Be incorporated into the official records of the non-Federal entity;

(iii) Reasonably reflect the total activity for which the employee is compensated by the non-Federal entity, not exceeding 100% of compensated activities (for IHE, this per the IHE's definition of IBS); . . .

(vii) Support the distribution of the employee's salary or wages among specific activities or cost objectives if the employee works on more than one Federal award; a Federal award and non-Federal award; an indirect cost activity and a direct cost activity; two or more indirect activities which are allocated using different allocation bases; or an unallowable activity and a direct or indirect cost activity. . . ."

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

Cause

The School Corporation did not have a system in place that would have ensured compliance with the grant agreement and the Allowable Costs/Cost Principles compliance requirement.

Effect

The failure to establish effective internal controls enabled material noncompliance to go undetected. The failure to comply with the compliance requirement could have resulted in the loss of federal funds to the School Corporation.

Questioned Costs

There were no questioned costs identified.

Recommendation

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

Views of Responsible Officials

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

FINDING 2017-002

Subject: Child Nutrition Cluster - Suspension and Debarment
Federal Agency: Department of Agriculture
Federal Programs: School Breakfast Program, National School Lunch Program
CFDA Numbers: 10.553, 10.555
Federal Award Numbers and Years (or Other Identifying Numbers): FY 2015/2016, FY 2016/2017
Pass-Through Entity: Indiana Department of Education
Compliance Requirement: Procurement and Suspension and Debarment
Audit Findings: Material Weakness, Other Matters

Repeat Finding

This is a repeat finding from the immediately prior report. The prior audit finding number was 2015-005.

Condition

An effective internal control system was not in place at the School Corporation to ensure compliance with requirements related to the grant agreement and the suspension and debarment requirements. The School Corporation did not have procedures in place to determine if vendors had been suspended or debarred from participating in federal programs.

The School Corporation did not perform any procedures to verify that vendors from which bread and dairy products were purchased had not been suspended or debarred.

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

Context

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

Criteria

2 CFR 200.303 states in part:

"The non-Federal entity must:

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

2 CFR 180.300 states:

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

You do this by:

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

Cause

Management was not aware of the program requirements regarding the suspension and debarment requirements.

Effect

The failure to establish effective internal controls enabled material noncompliance to go undetected. The failure to comply with the compliance requirement could have resulted in the loss of federal funds to the School Corporation.

Questioned Costs

There were no questioned costs identified.

Recommendation

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

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

Views of Responsible Officials

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

FINDING 2017-003

Subject: Child Nutrition Cluster - Reporting
Federal Agency: Department of Agriculture
Federal Programs: School Breakfast Program, National School Lunch Program
CFDA Numbers: 10.553, 10.555
Federal Award Numbers and Years (or Other Identifying Numbers): FY 2015/2016, FY 2016/2017
Pass-Through Entity: Indiana Department of Education
Compliance Requirement: Reporting
Audit Findings: Material Weakness, Other Matters

Repeat Finding

This is a repeat finding from the immediately prior report. The prior audit finding number was 2015-006.

Condition

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

The School Corporation had not designed or implemented adequate policies or procedures to ensure that the Annual Financial Reports (AFRs) were accurate prior to submission. One individual prepared and submitted the reports without any oversight, review, or approval process prior to submission.

The AFRs filed by the School Corporation for the school years 2015-2016 and 2016-2017 did not agree with the School Corporation's financial records. The detail of the School Lunch fund Revenue Report and Budget Expenditure Report did not agree with the detail reported in the AFRs; however, total revenues and expenditures did agree with the School Corporation's records. Beginning and ending balances reported in the AFRs did not agree with the beginning and ending balances in the School Lunch funds.

Context

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

Criteria

2 CFR 200.303 states in part:

"The non-Federal entity must:

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

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

2 CFR 200.302(b)(2) states in part: "Accurate, current, and complete disclosure of the financial results of each Federal award or program in accordance with the reporting requirements set forth in §§ 200.327 Financial reporting and 200.328 Monitoring and reporting program performance. . . ."

Cause

Management of the School Corporation had not developed a system of internal controls that would have ensured that the School Corporation complied with the grant agreement and the reporting requirements.

Effect

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

Questioned Costs

There were no questioned costs identified.

Recommendation

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

Views of Responsible Officials

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

FINDING 2017-004

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

Federal Agency: Department of Education

Federal Programs: Special Education_Grants to States, Special Education_Preschool Grants

CFDA Numbers: 84.027, 84.173

Federal Award Numbers and Years (or Other Identifying Numbers): 99914-028-TA01, 14214-028-PN01,
14215-028-PN01, 14216-026-PN01,
14217-026-PN01, 45716-026-PN01,
45717-026-PN01

Pass-Through Entity: Indiana Department of Education

Compliance Requirement: Allowable Costs/Cost Principles

Audit Findings: Material Weakness, Other Matters

Repeat Finding

This is a repeat finding from the immediately prior report. The prior audit finding number was 2015-011.

Condition

The School Corporation had not established an effective internal control system related to the grant agreement and the Allowable Costs/Cost Principles compliance requirement.

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

Proper controls were not in place to ensure that costs associated with salaries and benefits were properly charged and allocated to the grant programs. Salaries and benefits were approved in summary totals only. Details of salary and benefit transactions were not reviewed to verify that employees' costs were for employees that had performed work for the grant programs and were in agreement with the amounts reported on supporting time records.

Proper controls were not in place to ensure that all employees completed documentation of personnel expenses. Semi-Annual Certifications, Personnel Activity Reports, or other documentation of personnel expenses were not completed for some employees that were paid from special education funds. In addition, no controls were in place to verify the accuracy of the any documentation completed to the employee time cards.

Proper controls were not in place to ensure that detailed documentation supporting all adjustment/transfer transactions were reviewed and approved prior to the recording of the transactions. Adjustments/transfers were approved in summary totals only. In addition, controls were not in place to ensure that any adjustments/transfer transactions for benefits related to salaries were required.

Proper controls were also not in place to ensure that adequate supporting documentation was maintained for all grant disbursements. Questioned costs of \$4,121 were identified for shipping and payroll adjustments that did not have proper supporting documentation to determine if costs had been properly allocated. When the errors were projected to the population, additional likely questioned costs of \$23,036 were identified.

Context

The lack of controls and noncompliance were systemic issues throughout the audit period. No detailed payroll distributions records or detailed supporting documentation for adjustment/transfer transactions were presented to the School Board for review prior to payments of salaries and wages or recording of adjustments/transfers from grant funds.

There were five instances identified in which proper personnel documentation was not maintained for employees paid from grant funds during the 2015-2016 school year. Four of the five instances involved substitute teachers. For the 2016-2017 school year, nine instances, all involving substitute teachers, were identified in which proper documentation was not maintained.

Criteria

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

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

2 CFR 200.303 states in part:

"The non-Federal entity must:

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

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

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

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

- a. Be necessary and reasonable for proper and efficient performance and administration of Federal awards.
- b. Be allocable to Federal awards under the provisions of this Circular. . . .
- j. Be adequately documented. . . ."

2 CFR 200.403 states in part:

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

- (a) Be necessary and reasonable for the performance of the Federal award and be allocable thereto under these principles.
- (b) Conform to any limitation or exclusions set forth in these principles or in the Federal award as to Types or amount of cost items. . . .
- (g) Be adequately documented. . . ."

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

". . . (3) Where employees are expected to work solely on a single federal award or cost objective, charges or their salaries and wages will be supported by periodic certifications that the employees worked solely on that program for the audit period covered by the certification. Their certifications will be prepared at least semi-annually and will be signed by the employee or supervisory official having first hand knowledge of the work performed by the employee.

(4) Where employees work on multiple activities or cost objectives, a distribution of their salaries or wages will be supported by personnel activity reports or equivalent documentation which meets that standards in subsection (5) unless a statistical sampling system . . . or substitute system has been approved by the cognizant Federal agency. . . ."

2 CFR 200.430(i) states in part:

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

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

- (i) Be supported by a system of internal control which provides reasonable assurance that the charges are accurate, allowable, and properly allocated;
- (ii) Be incorporated into the official records of the non-Federal entity;
- (iii) Reasonably reflect the total activity for which the employee is compensated by the non-Federal entity, not exceeding 100% of compensated activities (for IHE, this per the IHE's definition of IBS); . . .
- (vii) Support the distribution of the employee's salary or wages among specific activities or cost objectives if the employee works on more than one Federal award; a Federal award and non-Federal award; an indirect cost activity and a direct cost activity; two or more indirect activities which are allocated using different allocation bases; or an unallowable activity and a direct or indirect cost activity. . . ."

Cause

Management of the School Corporation had not developed a system of internal controls that would have ensured that the School Corporation complied with the grant agreement and the Allowable Costs/Cost Principles compliance requirement.

Effect

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

Questioned Costs

Known questioned costs of \$4,121 were identified as detailed in the *Condition*.

Recommendation

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

Views of Responsible Officials

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

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

FINDING 2017-005

Subject: Special Education Cluster (IDEA) - Internal Controls

Federal Agency: Department of Education

Federal Programs: Special Education_Grants to States, Special Education_Preschool Grants

CFDA Numbers: 84.027, 84.173

Federal Award Numbers and Years (or Other Identifying Numbers): 99914-028-TA01, 14214-028-PN01,
14215-028-PN01, 14216-026-PN01,
14217-026-PN01, 45716-026-PN01,
45717-026-PN01

Pass-Through Entity: Indiana Department of Education

Compliance Requirements: Activities Allowed or Unallowed, Cash Management, Period of Performance

Audit Finding: Material Weakness

Repeat Finding

This is a repeat finding from the immediately prior report regarding period of performance. The prior audit finding number was 2015-013.

Condition

An effective internal control system was not in place at the School Corporation in order to ensure compliance with requirements related to the grant agreement and the following compliance requirements: Activities Allowed or Unallowed, Cash Management, and Period of Performance.

Activities Allowed or Unallowed

There were no controls in place to ensure that expenditures charged to the grant programs were for allowable activities. Summary total amounts recorded to the grants with the ledger reference description, payroll transactions, FICA, or insurance were not reviewed to ensure that the underlying detailed transactions actually related to the ledger posting description and were allowable activities. Detailed information supporting adjustment transactions was not reviewed to verify that the underlying transactions were for allowable activities.

Cash Management

There were no controls in place to ensure that cash reimbursements requests were reviewed by someone other than the preparer and to verify that the amounts requested were in agreement with the underlying financial records for costs that had been paid prior to making the request.

Period of Performance

There were no controls in place to ensure that the underlying obligation for salary and benefit expenditures charged to the grant programs were within the period of performance. Detailed information supporting adjustment transactions was not reviewed to verify that the underlying transactions were within the period of performance.

Context

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

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

Criteria

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

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

2 CFR 200.303 states in part:

"The non-Federal entity must:

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

Cause

Management had not developed a system of internal controls to ensure compliance with the compliance requirements listed above.

Effect

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

Questioned Costs

There were no questioned costs identified.

Recommendation

We recommended that the School Corporation's management establish controls related to the grant agreement and the compliance requirements listed above.

Views of Responsible Officials

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

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

FINDING 2017-006

Subject: Special Education Cluster (IDEA) - Reporting
 Federal Agency: Department of Education
 Federal Programs: Special Education_Grants to States, Special Education_Preschool Grants
 CFDA Numbers: 84.173, 84.027
 Federal Award Numbers and Years (or Other Identifying Numbers): 99914-028-TA01, 14214-028-PN01,
 14215-028-PN01, 14216-026-PN01,
 14217-026-PN01, 45716-026-PN01,
 45717-026-PN01

Pass-Through Entity: Indiana Department of Education
 Compliance Requirement: Reporting
 Audit Findings: Material Weakness, Other Matters

Repeat Finding

This is a repeat finding from the immediately prior report. The prior audit finding number was 2015-012.

Condition

Management of the School Corporation had not established an effective internal control system related to the grant agreement and the Reporting compliance requirement. There were no controls in place to verify that backup documentation per the financial ledger attached to the Final Financial Expenditure Reports (Reports) was in agreement with amounts reported on the Reports submitted.

Some Reports submitted did not agree with the underlying accounting financial ledger reports for the grant funds. Expenditures were recorded to the financial records in excess of the grant award budget amounts. As a result of overspending the grant award budget amounts, the grant funds had deficit balances. Management resolved the deficits in the grant funds by transferring monies from local sources.

Context

Four of the six Reports submitted during the audit period did not match the School Corporation's expenditure reports that were attached as supporting documentation. The following differences existed between the amounts reported on the Reports and the total expenditures for the fund per the ledger:

Final Financial Expenditure Report					
Fund Number	Grant Award Number	Report Filed	Expenditures per Final Expenditure Report	Expenditures per Funds Ledger	Difference
5202	14214-028-PN01	11-30-15	\$ 1,355,436	\$ 1,381,603	\$ (26,167)
5403	45715-028-PN01	11-30-15	35,879	39,068	(3,189)
5203	14215-028-PN01	12-15-16	1,355,867	1,450,903	(95,036)
5409	45716-026-PN01	05-06-17	35,965	47,423	(11,458)

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

Criteria

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

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

2 CFR 200.303 states in part:

"The non-Federal entity must:

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

34 CFR 80.20(b)(1) states: "*Financial reporting*. Accurate, current, and complete disclosure of the financial results of financially assisted activities must be made in accordance with the financial reporting requirements of the grant or subgrant."

2 CFR 200.302(b)(2) states in part: "Accurate, current, and complete disclosure of the financial results of each Federal award or program in accordance with the reporting requirements set forth in §§ 200.327 Financial reporting and 200.328 Monitoring and reporting program performance. . . ."

Cause

Management of the School Corporation had not developed a system of internal controls that would have ensured that the School Corporation complied with the grant agreement and the reporting requirements.

Effect

The failure to establish internal controls enabled material noncompliance to go undetected. The failure to comply with the reporting requirements could have resulted in the loss of federal funds to the School Corporation.

Questioned Costs

There were no questioned costs identified.

Recommendation

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

Views of Responsible Officials

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

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AUDITEE-PREPARED DOCUMENTS

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

NORTH HARRISON COMMUNITY SCHOOL CORPORATION

OFFICE OF THE SUPERINTENDENT

Ramsey, Indiana 47166

812-347-2407

FAX: 812-347-2870

SUMMARY SCHEDULE OF PRIOR AUDIT FINDINGS

Section II

FINDING 2015-001

Fiscal year in which the finding initially occurred: 2013
Contact Person Responsible for Corrective Action: Jo Ann Burson
Contact Phone Number: 812-347-2407

Status of Audit Finding: On going

As of the 2016-2017 SEFA Report, dated August 17, 2017, the School Breakfast Program, National School Lunch Program and the Special Education Grants were included in the report.

The SEFA was prepared by the Treasurer, Jo Ann Burson. Plan administrators reviewed the information and the Superintendent, Dr. Lance Richards, also reviewed the information.

FINDING 2015-002

Fiscal year in which the finding initially occurred: 2013
Pass-Through Entity, if pass-through or Federal Grantor Agency, if direct:
Contact Person Responsible for Corrective Action: Kathy Chinn
Contact Phone Number: 812-347-3905

Status of Audit Finding: In process beginning with 2017-2018 school year

Issue 1: Documentation is being sent with the Form 9 to support Form 9 Revenue and Expenditures. Corporation Treasurer reviews documentation for accuracy and compliance within the School Lunch and Textbook Fund.

Issue 2: Café Managers sign supporting documentation sent with daily deposits. Daily deposits, receipt edits, bank deposit slips and bank reconciliations are reviewed by second person and initialed.

Section III

FINDING 2015-003

Fiscal year in which the finding initially occurred: 2015
Pass-Through Entity, if pass-through or Federal Grantor Agency, if direct:
Contact Person Responsible for Corrective Action: Kathy Chinn
Contact Phone Number: 812-347-3905

Status of Audit Finding: In process beginning with 2017-2018 school year

Semi-annual certifications are prepared for cafeteria employees that work on a single Federal award or cost objective. One employee supplies a personal activity report with each time card to show time spent on Federal award and non-Federal award.

FINDING 2015-004

Fiscal year in which the finding initially occurred: 2015
Pass-Through Entity, if pass-through or Federal Grantor Agency, if direct:
Contact Person Responsible for Corrective Action: Kathy Chinn
Contact Phone Number: 812-347-3905

Status of Audit Finding: In process beginning with 2017-2018 school year

School Food Authority completed its remodel on North Harrison Middle School Cafeteria. Future purchases for equipment for North Harrison Community Food Service Department will continue to help spend down the net cash resources to an amount that does not exceed a three month's average for its nonprofit school food service or such other amount as may be approved by the State Agency.

FINDING 2015-005

Fiscal year in which the finding initially occurred: 2015
Pass-Through Entity, if pass-through or Federal Grantor Agency, if direct:
Contact Person Responsible for Corrective Action: Kathy Chinn
Contact Phone Number: 812-347-3905

Status of Audit Finding: In process beginning with 2017-2018 school year

Management submitted Procurement Plan template provided by DOE. Management joined Wilson Education Center for bread and milk bids to help ensure all requirements were being met. Management also joined Southern Indiana Coop with surrounding schools for procurement purposes.

FINDING 2015-006

Fiscal year in which the finding initially occurred: 2015
Pass-Through Entity, if pass-through or Federal Grantor Agency, if direct:
Contact Person Responsible for Corrective Action: Kathy Chinn
Contact Phone Number: 812-347-3905

Status of Audit Finding: In process beginning with 2017-2018 school year

Issue1: Management will take a copy of the Annual Financial Report to the Corporation Treasurer for review along with supporting documentation.

Issue 2: Prepay funds were created August, 2017 to alleviate the overstatement of prepaid meal receipts. Lunch money is deposited into the Prepay Funds in a timely manner. Money is moved from the Prepay Funds to the School Lunch fund on a monthly basis. The 2018 Annual Financial Report has been corrected to reflect prepay balance at the end of June.

FINDING 2015-007

Fiscal year in which the finding initially occurred: 2015
Pass-Through Entity, if pass-through or Federal Grantor Agency, if direct:
Contact Person Responsible for Corrective Action: Kathy Chinn
Contact Phone Number: 812-347-3905

Status of Audit Finding: In process beginning with 2017-2018 school year

A second person reviews the free and reduced lunch applications after entered in computer for accuracy. Second person sign and initials the application as well as employee responsible for entering applications. A second person will also sign off the Verification Report

Finding 2015-008

Fiscal year in which the finding initially occurred: **2015**
Pass-Through Entity, if pass-through or Federal Grantor Agency, if direct: **IDOE**
Contact Person Responsible for Corrective Action: **Dr. Lance Richards**
Contact Phone Number: 812-347-2407

Status of Audit Finding: Corrective Action Implemented 8-4-2017

Finding 2015-009

Fiscal year in which the finding initially occurred: **2015**
Pass-Through Entity, if pass-through or Federal Grantor Agency, if direct: **IDOE**
Contact Person Responsible for Corrective Action: **Dr. Stephen Hatton**
Contact Phone Number: 812-347-2407

Status of Audit Finding: Corrective Action Implemented 4-25-18

Finding 2015-010

Fiscal year in which the finding initially occurred: **2015**
Pass-Through Entity, if pass-through or Federal Grantor Agency, if direct: **IDOE**
Contact Person Responsible for Corrective Action: **Dr. Lance Richards**
Phone Number: 812-347-2407

Status of Audit Finding: Corrective Action Implemented 10-24-17

Finding 2015-011

Fiscal year in which the finding initially occurred: **2015**
Pass-Through Entity, if pass-through or Federal Grantor Agency, if direct: **IDOE**
Contact Person Responsible for Corrective Action: **Dr. Lance Richards**
Phone Number: 812-347-2407

Status of Audit Finding: Corrective Action Implemented April 2018

Finding 2015-012

Fiscal year in which the finding initially occurred: **2015**
Pass-Through Entity, if pass-through or Federal Grantor Agency, if direct: **IDOE**
Contact Person Responsible for Corrective Action: **Dr. Lance Richards**
Phone Number: 812-347-2407

Status of Audit Finding: Corrective Action Implemented April 2018

Finding 2015-013

Fiscal year in which the finding initially occurred: **2015**

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

Contact Person Responsible for Corrective Action: **Dr. Lance Richards**

Phone Number: **812-347-2407**

Status of Audit Finding: **Corrective Action Implemented April 2018**



(Signature)

Treasurer

(Title)

10-3-18

(Date)

North Harrison Community School Corporation
1260 Highway 64 NW
Ramsey, IN 47166

CORRECTIVE ACTION PLAN

FINDING 2017-001

Contact Person Responsible for Corrective Action: Kathy Chinn
Contact Phone Number: 812-347-3905

Views of Responsible Official:

I concur with this finding. However, this is a repeat from 2013/2014 and 2014/2015 audit. This finding was corrected as soon as we were notified of it in the previous audit.

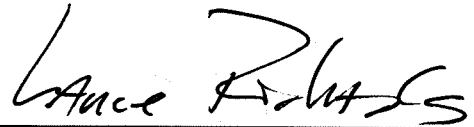
Description of Corrective Action Plan:

Cafeteria Managers will prepare certifications semi-annually for employees that work on a single Federal award or cost objective. The Food Service Contact will prepare certifications semi-annually for employees that work on a single Federal award or cost objective.

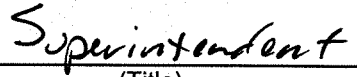
Employees that work on a Federal award and a non-Federal award will maintain a time and effort log and will submit it every two weeks along with the time card.

Anticipated Completion Date:

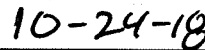
July 1, 2017



(Signature)



(Title)



(Date)

North Harrison Community School Corporation
1260 Highway 64 NW
Ramsey, IN 47166

CORRECTIVE ACTION PLAN

FINDING 2017-002

Contact Person Responsible for Corrective Action: Kathy Chinn
Contact Phone Number: 812-347-3905

Views of Responsible Official:

I concur with this finding. However, this is a repeat from 2013/2014 and 2014/2015 audit. This finding was corrected as soon as we were notified of it in the previous audit.

Description of Corrective Action Plan:

Management has joined in with the Wilson Education Center for bread and dairy procurement. They are in compliance with the requirements for Suspension and Debarment. Copies of the bid are on file which include the signed Suspension and Debarment certificates.

Anticipated Completion Date:

July 1, 2017

Lance A. Roberts
(Signature)

Superintendent
(Title)

10-24-13
(Date)

North Harrison Community School Corporation
1070 Highway 64 NW
Ramsey, IN 47166

CORRECTIVE ACTION PLAN

FINDING 2017-003

Contact Person Responsible for Corrective Action: Kathy Chinn
Contact Phone Number: 812-347-3905

Views of Responsible Official:

I concur with this finding. However, this is a repeat from 2013/2014 and 2014/2015 audit. This finding was corrected as soon as we were notified of it in the previous audit.

Description of Corrective Action Plan:

Management will send a copy of the Annual Financial Report to the Corporation Treasurer for review to ensure accuracy and compliance before submitting the report to the Office of School and Community Nutrition. Prepaid receipts and prepay used have been removed from the Operating Fund and have been put in their own fund labeled Prepay for each of the four lunch funds. This should make all aspects of the AFR balance.

Anticipated Completion Date:

July 1, 2017

Lance Roberts
(Signature)

Superintendent
(Title)

10-24-18
(Date)

North Harrison Community School Corporation
Office of the Superintendent
1260 Hwy 64 NW
Ramsey, IN 47166

Voice: 812-347-2407
Fax: 812-347-2870

CORRECTIVE ACTION PLAN

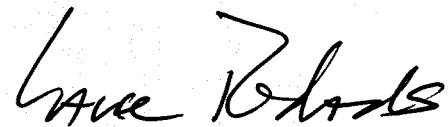
FINDING 2017-004

Contact Person Responsible for Corrective Action: Dr. Lance Richards
Contact Phone Number: 812-347-2407

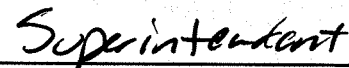
Views of Responsible Official: NHCS does not serve as the LEA for this grant. The grant is administered as part of the Harrison County Exceptional Learners Cooperative (HELC). South Harrison administers the grant for the school districts county. South Harrison has concurred with the finding and so has NHCS. Note: Corrective action plan was put in place after the March 2018 audit of fiscal years 2013-2014 and 2014-2015.

Description of Corrective Action Plan: As of April 2018, South Harrison Board of School Trustees receive full payroll distribution reports. These reports include individual names along with budgetary expenditure detail. Documented approval of distribution from Federal funds with individual payroll will be sought from the Director of the HELC with copies maintained in the grant file. Personal Activity Reports and Semi-Annual Certifications for time and effort reporting will be completed and properly approved. NHCS will monitor the SBOA audits that confirm that HELC has followed the corrective action plan.

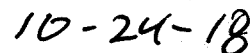
Anticipated Completion Date: April 2018



(Signature)



(Title)



(Date)

North Harrison Community School Corporation
Office of the Superintendent
1260 Hwy 64 NW
Ramsey, IN 47166

Voice: 812-347-2407
Fax: 812-347-2870

CORRECTIVE ACTION PLAN

FINDING 2017-005

Contact Person Responsible for Corrective Action: Dr. Lance Richards
Contact Phone Number: 812-347-2407

Views of Responsible Official: NHCS does not serve as the LEA for this grant. The grant is administered as part of the Harrison County Exceptional Learners Cooperative (HELC). South Harrison administers the grant for the school districts county. South Harrison has concurred with the finding and so has NHCS. Note: Corrective action plan was put in place after the March 2018 audit of fiscal 2013-2014 and 2014-2015.

Description of Corrective Action Plan: North Harrison Community School Corporation designated South Harrison Community School Corporation as the fiscal agent to receive and manage the funding of the special education programs. South Harrison Board of School Trustees will determine if transfers are necessary, appropriate descriptions will be used so that transactions can clearly be identified to verify period of availability.

A Summary of Claims & Vouchers report will be provided to South Harrison Community School Board along with payroll distribution report, expenditure reports and any other supporting documentation deemed necessary to verify transactions to be allowable activities and to verify that those transactions were paid prior to making the requests for reimbursement."

Anticipated Completion Date: April 2018

Lance Richards
(Signature)

Superintendent
(Title)

10-24-18
(Date)

North Harrison Community School Corporation
Office of the Superintendent
1260 Hwy 64 NW
Ramsey, IN 47166

Voice: 812-347-2407
Fax: 812-347-2870

CORRECTIVE ACTION PLAN

FINDING 2017-006

Contact Person Responsible for Corrective Action: Dr. Lance Richards
Contact Phone Number: 812-347-2407

Views of Responsible Official: NHCS does not serve as the LEA for this grant. The grant is administered as part of the Harrison County Exceptional Learners Cooperative (HELC). South Harrison administers the grant for the school districts county. South Harrison has concurred with the finding and so has NHCS. Note: Corrective action plan was put in place after the March 2018 audit of fiscal 2013-2014 and 2014-2015.

Description of Corrective Action Plan: North Harrison Community School Corporation designated South Harrison Community School Corporation as the fiscal agent to receive and manage the funding of the special education programs. Appropriations for the new grant period will be established with expenditures made from the budgetary line item at the beginning of the grant cycle and not upon receipt of approval of the grant (which has sometimes been as late as six months beyond the beginning of the grant period).

Documentation will be included with the file for each reimbursement request and spreadsheets have been utilized to provide detailed tracking of expenditures. Final expenditure reports will be included with the Final Expenditure Report.

Anticipated Completion Date: April 2018

Lance Richards
(Signature)

Superintendent
(Title)

10-24-18
(Date)

OTHER REPORTS

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