

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

FINANCIAL STATEMENT AND
FEDERAL SINGLE AUDIT REPORT
OF

EDINBURGH COMMUNITY SCHOOL CORPORATION
JOHNSON COUNTY, INDIANA

July 1, 2015 to June 30, 2017



FILED
12/21/2018

TABLE OF CONTENTS

<u>Description</u>	<u>Page</u>
Schedule of Officials	2
Independent Auditor's Report	3-5
Independent Auditor's Report on Internal Control over Financial Reporting and on Compliance and Other Matters Based on an Audit of the Financial Statement Performed in Accordance with <i>Government Auditing Standards</i>	6-7
Financial Statement and Accompanying Notes:	
Statement of Receipts, Disbursements, Other Financing Sources (Uses), and Cash and Investment Balances - Regulatory Basis.....	11
Notes to Financial Statement	12-16
Other Information - Unaudited:	
Combining Schedules of Receipts, Disbursements, Other Financing Sources (Uses), and Cash and Investment Balances - Regulatory Basis.....	18-29
Schedule of Payables and Receivables	30
Schedule of Leases and Debt	31
Schedule of Capital Assets.....	33
Supplemental Audit of Federal Awards:	
Independent Auditor's Report on Compliance for the Major Federal Program and on Internal Control over Compliance	36-37
Schedule of Expenditures of Federal Awards and Accompanying Notes:	
Schedule of Expenditures of Federal Awards.....	40-41
Notes to Schedule of Expenditures of Federal Awards	42
Schedule of Findings and Questioned Costs	43-46
Auditee-Prepared Documents:	
Summary Schedule of Prior Audit Findings.....	48-52
Corrective Action Plan	53-54
Other Reports.....	55

SCHEDULE OF OFFICIALS

<u>Office</u>	<u>Official</u>	<u>Term</u>
Treasurer	Tamara Lewis	01-01-15 to 12-31-18
Superintendent of Schools	Dr. William A. Glentzer Kevin Rockey (interim) Dr. Doug Arnold	07-01-15 to 12-31-17 01-01-18 to 06-30-18 07-01-18 to 06-30-21
President of the School Board	Cathy Hamm Justin Lollar	01-01-15 to 12-31-16 01-01-17 to 12-31-18



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

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

INDEPENDENT AUDITOR'S REPORT

TO: THE OFFICIALS OF THE EDINBURGH COMMUNITY SCHOOL CORPORATION, JOHNSON COUNTY, INDIANA

Report on the Financial Statement

We have audited the accompanying financial statement of the Edinburgh 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 November 7, 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

November 7, 2018



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

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

TO: THE OFFICIALS OF THE EDINBURGH COMMUNITY SCHOOL
CORPORATION, JOHNSON COUNTY, INDIANA

We have audited, in accordance with auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States, the financial statement of the Edinburgh 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 November 7, 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.

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)


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.

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

November 7, 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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EDINBURGH 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	\$ 2,556,788	\$ 6,125,218	\$ 6,195,293	\$ 32,810	\$ 2,519,523	\$ 5,942,757	\$ 6,059,397	\$ 24,251	\$ 2,427,134
Debt Service	364,355	958,648	885,593	-	437,410	949,039	856,042	-	530,407
Retirement/Severance Bond Debt Service	69,272	206,587	190,171	-	85,688	205,957	197,993	-	93,652
Capital Projects	365,990	423,714	391,363	-	398,341	411,800	334,955	-	475,186
School Transportation	99,667	154,035	126,787	-	126,915	170,581	129,772	249	167,973
School Bus Replacement	173,626	-	-	-	173,626	-	54,866	-	118,760
Rainy Day	26,913	36,019	-	-	62,932	-	-	-	62,932
Retirement/Severance Bond	110,879	-	-	-	110,879	-	-	-	110,879
Construction	-	50,025	-	-	50,025	11,045	-	-	61,070
School Lunch	167,098	486,911	539,379	-	114,630	489,705	492,813	-	111,522
Textbook Rental	210,657	104,244	81,123	(19,409)	214,369	149,861	129,094	(20,892)	214,244
Levy Excess	249	-	-	-	249	-	-	(249)	-
Educational License Plates	132	56	-	-	188	56	-	-	244
Alternative Education	-	4,295	4,295	-	-	4,247	4,247	-	-
ES PE Awards/Schl Supply	-	2,226	2,101	-	125	-	125	-	-
ES 8th Day Rider's Supply	-	-	-	-	-	1,101	-	-	1,101
Library Donations	-	304	298	-	6	500	506	-	-
ES Preschool Donation Conover	1,479	-	-	-	1,479	-	1,479	-	-
ES Donations M. Records	1,380	1,445	2,000	-	825	100	598	-	327
ES Clothe A Child Donations	36,932	10,634	8,223	-	39,343	8,176	8,003	-	39,516
HS Donations Courtyard Furniture	175	-	175	-	-	292	-	-	292
HS ERC Simon Youth Donation	2,443	4,167	5,638	-	972	4,344	4,738	-	578
HS Band and Choir Donations	1,000	1,000	143	-	1,857	635	500	-	1,992
HS Regions Bank Academics	10	-	10	-	-	-	-	-	-
Johnson Co Foundation Drugfree	-	-	-	-	-	250	-	-	250
ES Home Lice Kits-Hollenbeck	-	-	-	-	-	100	-	-	100
ES Caseys Don/Suess Convo	-	-	-	-	-	1,652	500	-	1,152
Techpoint Foundtn 4th Stem	-	-	-	-	-	928	928	-	-
HS Athletic Transportation-Cliffs Ride 14	155	4,000	1,957	-	2,198	2,350	2,588	-	1,960
HS Band Beta Sigma Bazaar CLNG	-	-	-	-	-	400	-	-	400
HS Donation FACS Homemake CLB	-	-	-	-	-	135	-	-	135
HS Art Ziegler Camera Donation	-	-	-	-	-	210	-	-	210
HS Ath Trans-Cliffs/AM Legion	-	3,000	3,000	-	-	5,350	5,350	-	-
HS AED Sean Bacha Grant 13117	-	-	-	-	-	4,880	4,880	-	-
Formative Assessment	-	-	-	-	-	10,201	10,201	-	-
High Ability 15-16	-	28,850	26,982	-	1,868	-	1,868	-	-
High Ability 16-17	-	-	-	-	-	28,716	28,716	-	-
Non-English Speaking Programs 15-16	-	5,452	5,452	-	-	6,512	6,512	-	-
School Technology	39,283	51,595	40,413	-	50,465	42,004	51,530	-	40,939
Career and Technical Performance Grant	-	-	-	-	-	6,795	-	-	6,795
Title I 14-15	(15,033)	44,183	29,150	-	-	-	-	-	-
Title I 15-16 CFDA 84.010	-	242,381	255,762	-	(13,381)	51,043	37,662	-	-
Title I 16-17	-	-	-	-	-	185,376	208,504	-	(23,128)
Medicaid Reimbursement - Federal	98,191	41,854	15,135	(16,441)	108,469	53,685	8,365	-	153,789
Title IIA 13-15 #13-4215	(1,939)	22,362	20,423	-	-	-	-	-	-
Title IIA 15-17 #15-4215	-	32,067	34,217	-	(2,150)	17,687	15,537	-	-
Title IIA 16-19 84-367A	-	-	-	-	-	25,446	28,894	-	(3,448)
SL ES Prepaid Food	14,072	4,693	3	-	18,762	992	-	-	19,754
Payroll Withholdings	11,639	1,417,953	1,414,775	-	14,817	1,427,025	1,425,970	-	15,872
Life Insurance Over 50,000	-	11,926	11,926	-	-	12,013	12,013	-	-
Totals	\$ 4,335,413	\$ 10,479,844	\$ 10,291,787	\$ (3,040)	\$ 4,520,430	\$ 10,233,946	\$ 10,125,146	\$ 3,359	\$ 4,632,589

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

EDINBURGH 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.

EDINBURGH 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.

EDINBURGH 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.

EDINBURGH COMMUNITY SCHOOL CORPORATION
NOTES TO FINANCIAL STATEMENT
(Continued)

Note 5. Risk Management

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

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

Note 6. Pension Plans

A. Public Employees' Retirement Fund

Plan Description

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

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

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

Funding Policy and Annual Pension Cost

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

B. Teachers' Retirement Fund

Plan Description

The Indiana Teachers' Retirement Fund (TRF) is a defined benefit pension plan. TRF is a cost-sharing multiple-employer public employee retirement system, which provides retirement benefits to plan members and beneficiaries. All employees engaged in teaching or in

EDINBURGH COMMUNITY SCHOOL CORPORATION
NOTES TO FINANCIAL STATEMENT
(Continued)

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 reimbursements for expenditures made by the School Corporation were not received by June 30, 2016 and 2017.

Note 8. Holding Corporation

The School Corporation has entered into a capital lease with the Edinburgh Community School Building Corp (the lessor). The lessor was organized as a not-for-profit corporation pursuant to state statute for the purpose of financing and constructing or reconstructing facilities for lease to the School Corporation. The lessor has been determined to be a related-party of the School Corporation. Lease payments during the years 2016 and 2017 totaled \$1,068,165 and \$1,008,195, respectively.

OTHER INFORMATION - UNAUDITED

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

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

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

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

	General	Debt Service	Retirement/ Severance Bond Debt Service	Capital Projects	School Transportation	School Bus Replacement	Rainy Day	Retirement/ Severance Bond	Construction
Cash and investments - beginning	\$ 2,556,788	\$ 364,355	\$ 69,272	\$ 365,990	\$ 99,667	\$ 173,626	\$ 26,913	\$ 110,879	\$ -
Receipts:									
Local sources	31,621	958,648	206,587	423,714	154,035	-	36,019	-	50,025
Intermediate sources	7	-	-	-	-	-	-	-	-
State sources	6,093,177	-	-	-	-	-	-	-	-
Federal sources	413	-	-	-	-	-	-	-	-
Other receipts	-	-	-	-	-	-	-	-	-
Total receipts	6,125,218	958,648	206,587	423,714	154,035	-	36,019	-	50,025
Disbursements:									
Instruction	4,249,875	-	-	-	-	-	-	-	-
Support services	1,870,122	-	-	325,015	126,787	-	-	-	-
Noninstructional services	75,296	-	-	-	-	-	-	-	-
Facilities acquisition and construction	-	-	-	66,348	-	-	-	-	-
Debt service	-	885,593	190,171	-	-	-	-	-	-
Nonprogrammed charges	-	-	-	-	-	-	-	-	-
Total disbursements	6,195,293	885,593	190,171	391,363	126,787	-	-	-	-
Excess (deficiency) of receipts over disbursements	(70,075)	73,055	16,416	32,351	27,248	-	36,019	-	50,025
Other financing sources (uses):									
Sale of capital assets	894	-	-	-	-	-	-	-	-
Transfers in	31,916	-	-	-	-	-	-	-	-
Transfers out	-	-	-	-	-	-	-	-	-
Total other financing sources (uses)	32,810	-	-	-	-	-	-	-	-
Excess (deficiency) of receipts and other financing sources over disbursements and other financing uses	(37,265)	73,055	16,416	32,351	27,248	-	36,019	-	50,025
Cash and investments - ending	\$ 2,519,523	\$ 437,410	\$ 85,688	\$ 398,341	\$ 126,915	\$ 173,626	\$ 62,932	\$ 110,879	\$ 50,025

EDINBURGH 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 Lunch	Textbook Rental	Levy Excess	Educational License Plates	Alternative Education	ES PE Awards/Schl Supply	ES 8th Day Rider's Supply	Library Donations	ES Preschool Donation Conover
Cash and investments - beginning	\$ 167,098	\$ 210,657	\$ 249	\$ 132	\$ -	\$ -	\$ -	\$ -	\$ 1,479
Receipts:									
Local sources	131,040	53,924	-	-	-	2,226	-	304	-
Intermediate sources	-	-	-	56	-	-	-	-	-
State sources	3,327	49,731	-	-	4,295	-	-	-	-
Federal sources	352,294	-	-	-	-	-	-	-	-
Other receipts	250	589	-	-	-	-	-	-	-
Total receipts	486,911	104,244	-	56	4,295	2,226	-	304	-
Disbursements:									
Instruction	-	-	-	-	4,295	-	-	298	-
Support services	723	81,123	-	-	-	2,101	-	-	-
Noninstructional services	538,656	-	-	-	-	-	-	-	-
Facilities acquisition and construction	-	-	-	-	-	-	-	-	-
Debt service	-	-	-	-	-	-	-	-	-
Nonprogrammed charges	-	-	-	-	-	-	-	-	-
Total disbursements	539,379	81,123	-	-	4,295	2,101	-	298	-
Excess (deficiency) of receipts over disbursements	(52,468)	23,121	-	56	-	125	-	6	-
Other financing sources (uses):									
Sale of capital assets	-	-	-	-	-	-	-	-	-
Transfers in	-	-	-	-	-	-	-	-	-
Transfers out	-	(19,409)	-	-	-	-	-	-	-
Total other financing sources (uses)	-	(19,409)	-	-	-	-	-	-	-
Excess (deficiency) of receipts and other financing sources over disbursements and other financing uses	(52,468)	3,712	-	56	-	125	-	6	-
Cash and investments - ending	\$ 114,630	\$ 214,369	\$ 249	\$ 188	\$ -	\$ 125	\$ -	\$ 6	\$ 1,479

EDINBURGH 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

	ES Donations M. Records	ES Clothe A Child Donations	HS Donations Courtyard Furniture	HS ERC Simon Youth Donation	HS Band and Choir Donations	HS Regions Bank Academics	Johnson Co Foundation Drugfree	ES Home Lice Kits- Hollenbeck	ES Caseys Don/Suess Convo
Cash and investments - beginning	\$ 1,380	\$ 36,932	\$ 175	\$ 2,443	\$ 1,000	\$ 10	\$ -	\$ -	\$ -
Receipts:									
Local sources	1,445	10,634	-	4,167	1,000	-	-	-	-
Intermediate sources	-	-	-	-	-	-	-	-	-
State sources	-	-	-	-	-	-	-	-	-
Federal sources	-	-	-	-	-	-	-	-	-
Other receipts	-	-	-	-	-	-	-	-	-
Total receipts	1,445	10,634	-	4,167	1,000	-	-	-	-
Disbursements:									
Instruction	635	-	-	5,638	143	-	-	-	-
Support services	1,365	-	175	-	-	10	-	-	-
Noninstructional services	-	8,223	-	-	-	-	-	-	-
Facilities acquisition and construction	-	-	-	-	-	-	-	-	-
Debt service	-	-	-	-	-	-	-	-	-
Nonprogrammed charges	-	-	-	-	-	-	-	-	-
Total disbursements	2,000	8,223	175	5,638	143	10	-	-	-
Excess (deficiency) of receipts over disbursements	(555)	2,411	(175)	(1,471)	857	(10)	-	-	-
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	(555)	2,411	(175)	(1,471)	857	(10)	-	-	-
Cash and investments - ending	\$ 825	\$ 39,343	\$ -	\$ 972	\$ 1,857	\$ -	\$ -	\$ -	\$ -

EDINBURGH 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

	Techpoint Foundtn 4th Stem	HS Athletic Transportation- Cliff's Ride 14	HS Band Beta Sigma Bazaar CLNG	HS Donation FACS Homemaker CLB	HS Art Ziegler Camera Donation	HS Ath Trans-Cliffs/ AM Legion	HS AED Sean Bacha Grant 13117	Formative Assessment
Cash and investments - beginning	\$ -	\$ 155	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Receipts:								
Local sources	-	4,000	-	-	-	3,000	-	-
Intermediate sources	-	-	-	-	-	-	-	-
State sources	-	-	-	-	-	-	-	-
Federal sources	-	-	-	-	-	-	-	-
Other receipts	-	-	-	-	-	-	-	-
Total receipts	-	4,000	-	-	-	3,000	-	-
Disbursements:								
Instruction	-	1,957	-	-	-	-	-	-
Support services	-	-	-	-	-	3,000	-	-
Noninstructional services	-	-	-	-	-	-	-	-
Facilities acquisition and construction	-	-	-	-	-	-	-	-
Debt service	-	-	-	-	-	-	-	-
Nonprogrammed charges	-	-	-	-	-	-	-	-
Total disbursements	-	1,957	-	-	-	3,000	-	-
Excess (deficiency) of receipts over disbursements	-	2,043	-	-	-	-	-	-
Other financing sources (uses):								
Sale of capital assets	-	-	-	-	-	-	-	-
Transfers in	-	-	-	-	-	-	-	-
Transfers out	-	-	-	-	-	-	-	-
Total other financing sources (uses)	-	-	-	-	-	-	-	-
Excess (deficiency) of receipts and other financing sources over disbursements and other financing uses	-	2,043	-	-	-	-	-	-
Cash and investments - ending	\$ -	\$ 2,198	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -

EDINBURGH 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

	High Ability 15-16	High Ability 16-17	Non-English Speaking Programs 15-16	School Technology	Career and Technical Performance Grant	Title I 14-15	Title I 15-16 CFDA 84.010	Title I 16-17
Cash and investments - beginning	\$ -	\$ -	\$ -	\$ 39,283	\$ -	\$ (15,033)	\$ -	\$ -
Receipts:								
Local sources	-	-	-	-	-	-	-	-
Intermediate sources	-	-	-	-	-	-	-	-
State sources	28,850	-	5,452	51,595	-	-	-	-
Federal sources	-	-	-	-	-	44,183	242,381	-
Other receipts	-	-	-	-	-	-	-	-
Total receipts	28,850	-	5,452	51,595	-	44,183	242,381	-
Disbursements:								
Instruction	26,982	-	5,452	30,747	-	24,986	214,095	-
Support services	-	-	-	9,666	-	4,164	39,565	-
Noninstructional services	-	-	-	-	-	-	2,102	-
Facilities acquisition and construction	-	-	-	-	-	-	-	-
Debt service	-	-	-	-	-	-	-	-
Nonprogrammed charges	-	-	-	-	-	-	-	-
Total disbursements	26,982	-	5,452	40,413	-	29,150	255,762	-
Excess (deficiency) of receipts over disbursements	1,868	-	-	11,182	-	15,033	(13,381)	-
Other financing sources (uses):								
Sale of capital assets	-	-	-	-	-	-	-	-
Transfers in	-	-	-	-	-	-	-	-
Transfers out	-	-	-	-	-	-	-	-
Total other financing sources (uses)	-	-	-	-	-	-	-	-
Excess (deficiency) of receipts and other financing sources over disbursements and other financing uses	1,868	-	-	11,182	-	15,033	(13,381)	-
Cash and investments - ending	\$ 1,868	\$ -	\$ -	\$ 50,465	\$ -	\$ -	\$ (13,381)	\$ -

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

	Medicaid Reimbursement - Federal	Title IIA 13-15 #13-4215	Title IIA 15-17 #15-4215	Title IIA 16-19 84-367A	SL ES Prepaid Food	Payroll Withholdings	Life Insurance Over 50,000	Totals
Cash and investments - beginning	\$ 98,191	\$ (1,939)	\$ -	\$ -	\$ 14,072	\$ 11,639	\$ -	\$ 4,335,413
Receipts:								
Local sources	-	-	-	-	-	-	-	2,072,389
Intermediate sources	-	-	-	-	-	-	-	63
State sources	-	-	-	-	-	-	-	6,236,427
Federal sources	41,854	22,362	32,067	-	-	-	-	735,554
Other receipts	-	-	-	-	4,693	1,417,953	11,926	1,435,411
Total receipts	41,854	22,362	32,067	-	4,693	1,417,953	11,926	10,479,844
Disbursements:								
Instruction	14,834	16,743	29,479	-	-	-	-	4,626,159
Support services	301	3,680	4,738	-	-	-	-	2,472,535
Noninstructional services	-	-	-	-	-	-	-	624,277
Facilities acquisition and construction	-	-	-	-	-	-	-	66,348
Debt service	-	-	-	-	-	-	-	1,075,764
Nonprogrammed charges	-	-	-	-	3	1,414,775	11,926	1,426,704
Total disbursements	15,135	20,423	34,217	-	3	1,414,775	11,926	10,291,787
Excess (deficiency) of receipts over disbursements	26,719	1,939	(2,150)	-	4,690	3,178	-	188,057
Other financing sources (uses):								
Sale of capital assets	-	-	-	-	-	-	-	894
Transfers in	-	-	-	-	-	-	-	31,916
Transfers out	(16,441)	-	-	-	-	-	-	(35,850)
Total other financing sources (uses)	(16,441)	-	-	-	-	-	-	(3,040)
Excess (deficiency) of receipts and other financing sources over disbursements and other financing uses	10,278	1,939	(2,150)	-	4,690	3,178	-	185,017
Cash and investments - ending	\$ 108,469	\$ -	\$ (2,150)	\$ -	\$ 18,762	\$ 14,817	\$ -	\$ 4,520,430

EDINBURGH 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	Retirement/ Severance Bond Debt Service	Capital Projects	School Transportation	School Bus Replacement	Rainy Day	Retirement/ Severance Bond	Construction
Cash and investments - beginning	\$ 2,519,523	\$ 437,410	\$ 85,688	\$ 398,341	\$ 126,915	\$ 173,626	\$ 62,932	\$ 110,879	\$ 50,025
Receipts:									
Local sources	50,118	949,039	205,957	411,800	169,881	-	-	-	11,045
Intermediate sources	12	-	-	-	-	-	-	-	-
State sources	5,892,534	-	-	-	-	-	-	-	-
Federal sources	-	-	-	-	-	-	-	-	-
Other receipts	93	-	-	-	700	-	-	-	-
Total receipts	5,942,757	949,039	205,957	411,800	170,581	-	-	-	11,045
Disbursements:									
Instruction	4,092,315	-	-	-	-	-	-	-	-
Support services	1,893,347	-	-	332,114	129,772	54,866	-	-	-
Noninstructional services	73,735	-	-	-	-	-	-	-	-
Facilities acquisition and construction	-	-	-	2,841	-	-	-	-	-
Debt service	-	856,042	197,993	-	-	-	-	-	-
Nonprogrammed charges	-	-	-	-	-	-	-	-	-
Total disbursements	6,059,397	856,042	197,993	334,955	129,772	54,866	-	-	-
Excess (deficiency) of receipts over disbursements	(116,640)	92,997	7,964	76,845	40,809	(54,866)	-	-	11,045
Other financing sources (uses):									
Sale of capital assets	3,344	-	-	-	-	-	-	-	-
Transfers in	20,907	-	-	-	249	-	-	-	-
Transfers out	-	-	-	-	-	-	-	-	-
Total other financing sources (uses)	24,251	-	-	-	249	-	-	-	-
Excess (deficiency) of receipts and other financing sources over disbursements and other financing uses	(92,389)	92,997	7,964	76,845	41,058	(54,866)	-	-	11,045
Cash and investments - ending	\$ 2,427,134	\$ 530,407	\$ 93,652	\$ 475,186	\$ 167,973	\$ 118,760	\$ 62,932	\$ 110,879	\$ 61,070

EDINBURGH 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 Lunch	Textbook Rental	Levy Excess	Educational License Plates	Alternative Education	ES PE Awards/Schl Supply	ES 8th Day Rider's Supply	Library Donations	ES Preschool Donation Conover
Cash and investments - beginning	\$ 114,630	\$ 214,369	\$ 249	\$ 188	\$ -	\$ 125	\$ -	\$ 6	\$ 1,479
Receipts:									
Local sources	141,550	102,497	-	-	-	-	1,101	500	-
Intermediate sources	-	-	-	56	-	-	-	-	-
State sources	3,006	47,095	-	-	4,247	-	-	-	-
Federal sources	344,899	-	-	-	-	-	-	-	-
Other receipts	250	269	-	-	-	-	-	-	-
Total receipts	489,705	149,861	-	56	4,247	-	1,101	500	-
Disbursements:									
Instruction	-	-	-	-	4,247	-	-	6	1,479
Support services	473	129,094	-	-	-	125	-	-	-
Noninstructional services	492,340	-	-	-	-	-	-	500	-
Facilities acquisition and construction	-	-	-	-	-	-	-	-	-
Debt service	-	-	-	-	-	-	-	-	-
Nonprogrammed charges	-	-	-	-	-	-	-	-	-
Total disbursements	492,813	129,094	-	-	4,247	125	-	506	1,479
Excess (deficiency) of receipts over disbursements	(3,108)	20,767	-	56	-	(125)	1,101	(6)	(1,479)
Other financing sources (uses):									
Sale of capital assets	-	15	-	-	-	-	-	-	-
Transfers in	-	-	-	-	-	-	-	-	-
Transfers out	-	(20,907)	(249)	-	-	-	-	-	-
Total other financing sources (uses)	-	(20,892)	(249)	-	-	-	-	-	-
Excess (deficiency) of receipts and other financing sources over disbursements and other financing uses	(3,108)	(125)	(249)	56	-	(125)	1,101	(6)	(1,479)
Cash and investments - ending	\$ 111,522	\$ 214,244	\$ -	\$ 244	\$ -	\$ -	\$ 1,101	\$ -	\$ -

EDINBURGH 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

	ES Donations M. Records	ES Clothe A Child Donations	HS Donations Courtyard Furniture	HS ERC Simon Youth Donation	HS Band and Choir Donations	HS Regions Bank Academics	Johnson Co Foundation Drugfree	ES Home Lice Kits- Hollenbeck	ES Caseys Don/Suess Convo
Cash and investments - beginning	\$ 825	\$ 39,343	\$ -	\$ 972	\$ 1,857	\$ -	\$ -	\$ -	\$ -
Receipts:									
Local sources	100	8,176	292	4,344	635	-	250	100	1,652
Intermediate sources	-	-	-	-	-	-	-	-	-
State sources	-	-	-	-	-	-	-	-	-
Federal sources	-	-	-	-	-	-	-	-	-
Other receipts	-	-	-	-	-	-	-	-	-
Total receipts	100	8,176	292	4,344	635	-	250	100	1,652
Disbursements:									
Instruction	598	-	-	4,738	500	-	-	-	500
Support services	-	-	-	-	-	-	-	-	-
Noninstructional services	-	8,003	-	-	-	-	-	-	-
Facilities acquisition and construction	-	-	-	-	-	-	-	-	-
Debt service	-	-	-	-	-	-	-	-	-
Nonprogrammed charges	-	-	-	-	-	-	-	-	-
Total disbursements	598	8,003	-	4,738	500	-	-	-	500
Excess (deficiency) of receipts over disbursements	(498)	173	292	(394)	135	-	250	100	1,152
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	(498)	173	292	(394)	135	-	250	100	1,152
Cash and investments - ending	\$ 327	\$ 39,516	\$ 292	\$ 578	\$ 1,992	\$ -	\$ 250	\$ 100	\$ 1,152

EDINBURGH 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

	Techpoint Foundtn 4th Stem	HS Athletic Transportation- Cliff's Ride 14	HS Band Beta Sigma Bazaar CLNG	HS Donation FACS Homemaker CLB	HS Art Ziegler Camera Donation	HS Ath Trans-Cliffs/ AM Legion	HS AED Sean Bacha Grant 13117	Formative Assessment	High Ability 15-16
Cash and investments - beginning	\$ -	\$ 2,198	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 1,868
Receipts:									
Local sources	928	2,350	400	135	210	5,350	4,880	-	-
Intermediate sources	-	-	-	-	-	-	-	-	-
State sources	-	-	-	-	-	-	-	10,201	-
Federal sources	-	-	-	-	-	-	-	-	-
Other receipts	-	-	-	-	-	-	-	-	-
Total receipts	928	2,350	400	135	210	5,350	4,880	10,201	-
Disbursements:									
Instruction	928	2,588	-	-	-	-	500	-	1,868
Support services	-	-	-	-	-	5,350	4,380	10,201	-
Noninstructional services	-	-	-	-	-	-	-	-	-
Facilities acquisition and construction	-	-	-	-	-	-	-	-	-
Debt service	-	-	-	-	-	-	-	-	-
Nonprogrammed charges	-	-	-	-	-	-	-	-	-
Total disbursements	928	2,588	-	-	-	5,350	4,880	10,201	1,868
Excess (deficiency) of receipts over disbursements	-	(238)	400	135	210	-	-	-	(1,868)
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	-	(238)	400	135	210	-	-	-	(1,868)
Cash and investments - ending	\$ -	\$ 1,960	\$ 400	\$ 135	\$ 210	\$ -	\$ -	\$ -	\$ -

EDINBURGH 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

	High Ability 16-17	Non-English Speaking Programs 15-16	School Technology	Career and Technical Performance Grant	Title I 14-15	Title I 15-16 CFDA 84.010	Title I 16-17	Medicaid Reimbursement - Federal
Cash and investments - beginning	\$ -	\$ -	\$ 50,465	\$ -	\$ -	\$ (13,381)	\$ -	\$ 108,469
Receipts:								
Local sources	-	-	-	-	-	-	-	-
Intermediate sources	-	-	-	-	-	-	-	-
State sources	28,716	6,512	42,004	6,795	-	-	-	-
Federal sources	-	-	-	-	-	51,043	185,376	53,685
Other receipts	-	-	-	-	-	-	-	-
Total receipts	28,716	6,512	42,004	6,795	-	51,043	185,376	53,685
Disbursements:								
Instruction	28,716	6,512	15,609	-	-	30,681	198,918	8,309
Support services	-	-	35,921	-	-	6,612	7,543	56
Noninstructional services	-	-	-	-	-	369	2,043	-
Facilities acquisition and construction	-	-	-	-	-	-	-	-
Debt service	-	-	-	-	-	-	-	-
Nonprogrammed charges	-	-	-	-	-	-	-	-
Total disbursements	28,716	6,512	51,530	-	-	37,662	208,504	8,365
Excess (deficiency) of receipts over disbursements	-	-	(9,526)	6,795	-	13,381	(23,128)	45,320
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	-	-	(9,526)	6,795	-	13,381	(23,128)	45,320
Cash and investments - ending	\$ -	\$ -	\$ 40,939	\$ 6,795	\$ -	\$ -	\$ (23,128)	\$ 153,789

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

	Title IIA 13-15 #13-4215	Title IIA 15-17 #15-4215	Title IIA 16-19 84-367A	SL ES Prepaid Food	Payroll Withholdings	Life Insurance Over 50,000	Totals
Cash and investments - beginning	\$ -	\$ (2,150)	\$ -	\$ 18,762	\$ 14,817	\$ -	\$ 4,520,430
Receipts:							
Local sources	-	-	-	-	-	-	2,073,290
Intermediate sources	-	-	-	-	-	-	68
State sources	-	-	-	-	-	-	6,041,110
Federal sources	-	17,687	25,446	-	-	-	678,136
Other receipts	-	-	-	992	1,427,025	12,013	1,441,342
Total receipts	-	17,687	25,446	992	1,427,025	12,013	10,233,946
Disbursements:							
Instruction	-	15,537	24,154	-	-	-	4,438,703
Support services	-	-	4,740	-	-	-	2,614,594
Noninstructional services	-	-	-	-	-	-	576,990
Facilities acquisition and construction	-	-	-	-	-	-	2,841
Debt service	-	-	-	-	-	-	1,054,035
Nonprogrammed charges	-	-	-	-	1,425,970	12,013	1,437,983
Total disbursements	-	15,537	28,894	-	1,425,970	12,013	10,125,146
Excess (deficiency) of receipts over disbursements	-	2,150	(3,448)	992	1,055	-	108,800
Other financing sources (uses):							
Sale of capital assets	-	-	-	-	-	-	3,359
Transfers in	-	-	-	-	-	-	21,156
Transfers out	-	-	-	-	-	-	(21,156)
Total other financing sources (uses)	-	-	-	-	-	-	3,359
Excess (deficiency) of receipts and other financing sources over disbursements and other financing uses	-	2,150	(3,448)	992	1,055	-	112,159
Cash and investments - ending	\$ -	\$ -	\$ (3,448)	\$ 19,754	\$ 15,872	\$ -	\$ 4,632,589

EDINBURGH 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>\$ 12,214</u>	<u>\$ 45,144</u>

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

Lessor	Purpose	Annual Lease Payment	Lease Beginning Date	Lease Ending Date
Governmental activities:				
Edinburgh Community School Building Corp	2012A Capital Improvements	\$ 247,883	6/30/2012	12/31/2022
Edinburgh Community School Building Corp	2009 Qualified School Construction Bond	90,000	9/24/2009	1/15/2024
Edinburgh Community School Building Corp	2013 Capital Improvements and Repairs	298,470	6/30/2014	12/31/2022
Edinburgh Community School Building Corp	2015 Capital Improvements and Repairs	244,875	6/30/2015	12/31/2025
US Bank Equipment Finance	Copier leases	<u>8,244</u>	7/13/2017	6/13/2022
Total governmental activities		<u>889,472</u>		
Total of annual lease payments		<u>\$ 889,472</u>		

Type	Description of Debt Purpose	Ending Principal Balance	Principal and Interest Due Within One Year
Governmental activities:			
General obligation bonds	GO Pension Bonds of 2012B	\$ 1,310,000	\$ 175,230
Totals		<u>\$ 1,310,000</u>	<u>\$ 175,230</u>

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EDINBURGH 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	\$ 55,000
Infrastructure	33,287
Buildings	36,924,809
Improvements other than buildings	352,630
Machinery, equipment, and vehicles	5,664,626
Construction in progress	320,244
Books and other	<u>121,766</u>
Total governmental activities	<u>43,472,362</u>
Total capital assets	<u>\$ 43,472,362</u>

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SUPPLEMENTAL AUDIT OF
FEDERAL AWARDS



STATE OF INDIANA
AN EQUAL OPPORTUNITY EMPLOYER

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

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

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

TO: THE OFFICIALS OF THE EDINBURGH COMMUNITY SCHOOL
CORPORATION, JOHNSON COUNTY, INDIANA

Report on Compliance for the Major Federal Program

We have audited the Edinburgh 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 its major federal program for the period of July 1, 2015 to June 30, 2017. The School Corporation's major federal program is 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 the School Corporation's major federal program 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 the major federal program. However, our audit does not provide a legal determination of the School Corporation's compliance.

Opinion on the 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 its major federal program for the period of July 1, 2015 to June 30, 2017.

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

Report on Internal Control over Compliance


Management of the School Corporation is responsible for establishing and maintaining effective internal control over compliance with the types of compliance requirements referred to above. In planning and performing our audit of compliance, we considered the School Corporation's internal control over compliance with the types of requirements that could have a direct and material effect on the major federal program to determine the auditing procedures that are appropriate in the circumstances for the purpose of expressing our opinion on compliance for the 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 and 2017-002, that we consider to be material weaknesses.

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

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


Paul D. Joyce, CPA
State Examiner

November 7, 2018

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SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS AND ACCOMPANYING NOTES

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

EDINBURGH 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	Total Federal Awards Expended 06-30-16	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 FY16					
41-4215 FY 2016					
\$ 75,218					
School Breakfast Program FY17					
41-4215 FY 2017					
-					
<u>76,025</u>					
Total - School Breakfast Program					
<u>75,218</u>					
<u>76,025</u>					
National School Lunch Program					
Indiana Department of Education					
10.555					
National School Lunch Program FY16					
41-4215 FY 2016					
277,162					
NSLP Commodities FY16					
FY16					
33,813					
National School Lunch Program FY17					
41-4215 FY 2017					
-					
268,875					
NSLP Commodities FY17					
FY17					
-					
<u>44,151</u>					
Total - National School Lunch Program					
<u>310,975</u>					
<u>313,026</u>					
Total - Child Nutrition Cluster					
<u>386,193</u>					
<u>389,051</u>					
Total - Department of Agriculture					
<u>386,193</u>					
<u>389,051</u>					
<u>Department of Education</u>					
Title I Grants to Local Educational Agencies					
Indiana Department of Education					
84.010					
Title I 14-15 #15-4215					
15-4215					
44,183					
Title I 15-16 #16-4215					
16-4215					
242,381					
Title I 16-17 #17-4215					
S010A150014					
-					
<u>185,376</u>					
Total - Title I Grants to Local Educational Agencies					
<u>286,564</u>					
<u>236,419</u>					

EDINBURGH 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	Total Federal Awards Expended 06-30-16	Total Federal Awards Expended 06-30-17
Special Education Cluster (IDEA)					
Special Education Grants to States	Indiana Department of Education	84.027			
SSJCS FY2014 Federal Technical Assistance Grant			99914-033-TA01	303	-
SSJCS FY2015 Federal Part B 611			14215-033-PN01	70,403	1
SSJCS FY2016 Federal Part B 611			14216-031-PN01	174,672	68,858
SSJCS FY2017 Federal Part B 611			14217-031-PN01	-	175,380
Total - Special Education Grants to States				<u>245,378</u>	<u>244,239</u>
Special Education Preschool Grants	Indiana Department of Education	84.173			
SSJCS FY2014 Federal Preschool Part B 619			45714-033-PN01	3	-
SSJCS FY2015 Federal Preschool Part B 619			45715-033-PN01	2,117	-
SSJCS FY2016 Federal Preschool Part B 619			45716-031-PN01	4,412	1,805
SSJCS FY2017 Federal Preschool Part B 619			45717-031-PN01	-	5,318
Total - Special Education Preschool Grants				<u>6,532</u>	<u>7,123</u>
Total - Special Education Cluster (IDEA)				<u>251,910</u>	<u>251,362</u>
Supporting Effective Instruction State Grants	Indiana Department of Education	84.367			
Title IIA 14-16 #14-4215			14-4215	22,362	-
Title IIA 15-17 #15-4215			15-4215	32,067	17,687
Title IIA 16-18 #16-4215			S367A160013	-	25,446
Total - Supporting Effective Instruction State Grants				<u>54,429</u>	<u>43,133</u>
Total - Department of Education				<u>592,903</u>	<u>530,914</u>
Total federal awards expended				<u>\$ 979,096</u>	<u>\$ 919,965</u>

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

EDINBURGH 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 the Earlywood Educational Services (Cooperative), which operates the special education program for the School Corporation. As a result, some activity for the Special Education Cluster (IDEA) that is presented on the SEFA is not presented as receipts and disbursements in the financial statement for the School Corporation. This activity is reported on the financial statement of the Cooperative.

EDINBURGH COMMUNITY SCHOOL CORPORATION
SCHEDULE OF FINDINGS AND QUESTIONED COSTS

Section I - Summary of Auditor's Results

Financial Statement:

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

Federal Awards:

Internal control over major program:	
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 Program and type of auditor's report issued on compliance for it:

<u>Name of Federal Program or Cluster</u>	<u>Opinion Issued</u>
Child Nutrition Cluster	Unmodified

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

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

Section II - Financial Statement Findings

No matters are reportable.

Section III - Federal Award Findings and Questioned Costs

FINDING 2017-001

Subject: Child Nutrition Cluster - Procurement

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): 41-4215 FY 2016, 41-4215 FY 2017, FY16, FY17

Pass-Through Entity: Indiana Department of Education

Compliance Requirement: Procurement and Suspension and Debarment

Audit Finding: Material Weakness

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

Condition

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

Procurement procedures used by the purchasing agent were not monitored or reviewed to ensure that the School Corporation's procurement policy was being followed in compliance with program requirements.

Context

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

Criteria

2 CFR 200.303 states in part:

"The non-Federal entity must:

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

Cause

The School Corporation had not designed or implemented an effective internal control system that would have ensured compliance with the Procurement and Suspension and Debarment compliance requirement.

Effect

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

Questioned Costs

There were no questioned costs identified.

Recommendation

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

Views of Responsible Officials

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

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

FINDING 2017-002

Subject: Child Nutrition Cluster - Program Income

Federal Agency: Department of Agriculture

Federal Programs: School Breakfast Program, National School Lunch Program

CFDA Numbers: 10.553, 10.555

Federal Award Numbers and Years (or Other Identifying Numbers): 41-4215 FY 2016, 41-4215 FY 2017,
FY16, FY17

Pass-Through Entity: Indiana Department of Education

Compliance Requirement: Program Income

Audit Finding: Material Weakness

Condition

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

The School Corporation had not designed or implemented adequate policies and procedures to ensure that program income was properly recorded in the financial records. The recording of program income was completed on a monthly basis using summary-level reports that were not subjected to a monitoring process to ensure their accuracy.

Context

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

Criteria

2 CFR 200.303 states in part:

"The non-Federal entity must:

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

Cause

The School Corporation had not designed or implemented an effective internal control system that would have ensured compliance with the Program Income compliance requirement.

Effect

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

Questioned Costs

There were no questioned costs identified.

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

Recommendation

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

Views of Responsible Officials

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

AUDITEE-PREPARED DOCUMENTS

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



EDINBURGH COMMUNITY SCHOOL CORPORATION

202 South Keeley St.
Edinburgh, IN 46124

Phone: 812-526-2681

Fax: 812-526-0271

Mrs. Cathy Hamm
Mr. Guy Hardin
Mr. Justin Lollar
Mr. Curtis Rooks
Mrs. Kim Weddle

Dr. Doug Arnold
Superintendent

SUMMARY SCHEDULE OF PRIOR AUDIT FINDINGS

FINDING 2015-001

Fiscal year in which the finding initially occurred: 2015

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

Contact Person Responsible for Corrective Action: Tamara Lewis, Business Manager/Treasurer

Contact Phone Number: (812) 526-2681

Status of Audit Finding: Edinburgh Community School Corporation began having two (2) central office staff members handle and review receipts/deposits.

Tamara Lewis
(Signature)

Business Manager
(Title)

October 15, 2018
(Date)



EDINBURGH COMMUNITY SCHOOL CORPORATION

202 South Keeley St.
Edinburgh, IN 46124

Phone: 812-526-2681

Fax: 812-526-0271

Mrs. Cathy Hamm
Mr. Guy Hardin
Mr. Justin Lollar
Mr. Curtis Rooks
Mrs. Kim Weddle

Dr. Doug Arnold
Superintendent

SUMMARY SCHEDULE OF PRIOR AUDIT FINDINGS

FINDING 2015-002

Fiscal year in which the finding initially occurred: 2015

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

Contact Person Responsible for Corrective Action: Tamara Lewis, Business Manager/Treasurer

Contact Phone Number: (812) 526-2681

Status of Audit Finding: Edinburgh Community School Corporation has another staff member verify that the three-month average expenditure requirements are met after the determination is made by the Food Service Director. Edinburgh Community School Corporation currently retains documentation sent to guardians/parents about free and reduced eligibility, including the required verbiage within the notification. Edinburgh Community School Corporation currently has someone review all required reports after they are initially prepared to ensure compliance with the program requirements. Documentation is kept for prepaid income collected and prepaid income used for each month to ensure accuracy. The Paid Lunch Equity calculations are reviewed for accuracy by another staff member other than the preparer.

Tamara Lewis
(Signature)

Business Manager
(Title)

October 15, 2018
(Date)



EDINBURGH COMMUNITY SCHOOL CORPORATION

202 South Keeley St.
Edinburgh, IN 46124

Phone: 812-526-2681

Fax: 812-526-0271

Mrs. Cathy Hamm
Mr. Guy Hardin
Mr. Justin Lollar
Mr. Curtis Rooks
Mrs. Kim Weddle

Dr. Doug Arnold
Superintendent

SUMMARY SCHEDULE OF PRIOR AUDIT FINDINGS

FINDING 2015-003

Fiscal year in which the finding initially occurred: 2015

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

Contact Person Responsible for Corrective Action: Tamara Lewis, Business Manager/Treasurer

Contact Phone Number: (812) 526-2681

Status of Audit Finding: Edinburgh Community School Corporation prepaid lunch monies are recorded to indicate the amount received and used on a monthly basis.

Tamara Lewis
(Signature)

Business Manager
(Title)

October 15, 2018
(Date)



EDINBURGH COMMUNITY SCHOOL CORPORATION

202 South Keeley St.
Edinburgh, IN 46124

Phone: 812-526-2681

Fax: 812-526-0271

Mrs. Cathy Hamm
Mr. Guy Hardin
Mr. Justin Lollar
Mr. Curtis Rooks
Mrs. Kim Weddle

Dr. Doug Arnold
Superintendent

SUMMARY SCHEDULE OF PRIOR AUDIT FINDINGS

FINDING 2015-004

Fiscal year in which the finding initially occurred: 2015

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

Contact Person Responsible for Corrective Action: Tamara Lewis, Business Manager/Treasurer

Contact Phone Number: (812) 526-2681

Status of Audit Finding: Edinburgh Community School Corporation is now keeping written documentation of solicitation of quotes for items greater than the micro-purchase threshold. Verification that the vendors are not federally suspended or debarred will be maintained and retained with procurement related documents.

Tamara Lewis
(Signature)

Business Manager
(Title)

October 15, 2018
(Date)



EDINBURGH COMMUNITY SCHOOL CORPORATION

202 South Keeley St.
Edinburgh, IN 46124

Phone: 812-526-2681

Fax: 812-526-0271

Mrs. Cathy Hamm
Mr. Guy Hardin
Mr. Justin Lollar
Mr. Curtis Rooks
Mrs. Kim Weddle

Dr. Doug Arnold
Superintendent

SUMMARY SCHEDULE OF PRIOR AUDIT FINDINGS

FINDING 2015-005

Fiscal year in which the finding initially occurred: 2015

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

Contact Person Responsible for Corrective Action: Tamara Lewis, Business Manager/Treasurer; Angela Balsley, Director of Earlywood Educational Services

Contact Phone Number: (812) 526-2681

Status of Audit Finding: Earlywood Educational Services now has controls in place for verification by a second person after November, 2017. The December 1 count of Children with Disabilities report will be verified by special education teachers and/or building office staff that has direct contact with the students after November, 2017.

Tamara Lewis
(Signature)

Business Manager
(Title)

October 15, 2018
(Date)



EDINBURGH COMMUNITY SCHOOL CORPORATION

202 South Keeley St.
Edinburgh, IN 46124

Phone: 812-526-2681

Fax: 812-526-0271

Mrs. Cathy Hamm
Mr. Guy Hardin
Mr. Justin Lollar
Mr. Curtis Rooks
Mrs. Kim Weddle

Dr. Doug Arnold
Superintendent

CORRECTIVE ACTION PLAN

FINDING 2017-001

Contact Person Responsible for Corrective Action: Tamara Lewis, Business Manager/Treasurer
Contact Phone Number: 812-526-2681

Views of Responsible Official: We concur with the findings.

Description of Corrective Action Plan:

The School Corporation is a small governmental unit and shall use existing employees to establish control procedures to ensure compliance with the Procurement, Suspension and Debarment requirements.

Anticipated Completion Date: By the end of the 2018-19 school year.

Tamara Lewis
(Signature)

Business Manager
(Title)

October 29, 2018
(Date)



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Edinburgh, IN 46124

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Mrs. Cathy Hamm
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Mr. Curtis Rooks
Mrs. Kim Weddle

Dr. Doug Arnold
Superintendent

CORRECTIVE ACTION PLAN

FINDING 2017-002

Contact Person Responsible for Corrective Action: Tamara Lewis, Business Manager/Treasurer
Contact Phone Number: 812-526-2681

Views of Responsible Official: We concur with the findings.

Description of Corrective Action Plan:

The School Corporation is a small governmental unit and shall use existing employees to establish control procedures to ensure compliance with Program Income requirements.

Anticipated Completion Date: By the end of the 2018-19 school year.

Tamara Lewis
(Signature)

Business Manager
(Title)

October 29, 2018
(Date)

OTHER REPORTS

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