

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

FINANCIAL STATEMENT AND
FEDERAL SINGLE AUDIT REPORT
OF

GREENCASTLE COMMUNITY SCHOOL CORPORATION
PUTNAM COUNTY, INDIANA

July 1, 2015 to June 30, 2017



FILED
02/01/2019

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SCHEDULE OF OFFICIALS

<u>Office</u>	<u>Official</u>	<u>Term</u>
Treasurer	Jayne Barber	07-01-15 to 06-30-19
Superintendent of Schools	Dawn Puckett Jeffrey L. Hubble (interim) Jeffrey L. Hubble	07-01-15 to 08-24-16 08-25-16 to 02-28-17 03-01-17 to 06-30-19
President of the School Board	Denise McMains Sigworth Michael White	07-01-15 to 06-30-18 07-01-18 to 06-30-19



STATE OF INDIANA
AN EQUAL OPPORTUNITY EMPLOYER

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

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

INDEPENDENT AUDITOR'S REPORT

TO: THE OFFICIALS OF THE GREENCASTLE COMMUNITY
SCHOOL CORPORATION, PUTNAM COUNTY, INDIANA

Report on the Financial Statement

We have audited the accompanying financial statement of the Greencastle 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, and Schedule of Leases and Debt, 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 December 17, 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

December 17, 2018



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ROOM E418
INDIANAPOLIS, INDIANA 46204-2769

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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 GREENCASTLE COMMUNITY
SCHOOL CORPORATION, PUTNAM 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 Greencastle 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 December 17, 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 and, therefore, material weaknesses or significant deficiencies may exist that were not identified. We did identify certain deficiencies in internal control, described in the accompanying Schedule of Findings and Questioned Costs as items 2017-001 and 2017-002, that we consider to be material weaknesses.

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*.

Greencastle Community School Corporation's Response to Findings

The School Corporation's response to the 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 the financial statement and, accordingly, we express no opinion on it.

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

December 17, 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.

GREENCASTLE 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	\$ 1,466,966	\$ 12,755,441	\$ 12,464,305	\$ -	\$ 1,758,102	\$ 12,504,249	\$ 12,582,324	\$ -	\$ 1,680,027
Debt Service	1,848,462	3,205,111	3,271,830	-	1,781,743	3,239,625	3,225,000	-	1,796,368
Retirement/Severance Bond Debt Service	116,104	297,935	272,204	-	141,835	178,623	243,982	-	76,476
Capital Projects	1,034,373	2,089,278	1,695,706	(300,000)	1,127,945	1,913,014	1,718,397	(450,000)	872,562
School Transportation	502,855	999,209	859,439	-	642,625	996,736	880,002	(200,000)	559,359
School Bus Replacement	40,830	46,315	64,663	-	22,482	193,315	41,678	-	174,119
Rainy Day	1,047,343	44,936	143,541	300,000	1,248,738	420,823	1,713,467	650,000	606,094
Construction	1,079	-	-	-	1,079	-	1,079	-	-
Construction 2015 Bond	600,623	-	459,070	-	141,553	-	141,553	-	-
Construction 2016 Bond	-	-	-	-	-	-	321,906	1,200,000	878,094
School Lunch	298,449	1,011,417	1,130,095	-	179,771	1,015,713	1,007,477	-	188,007
Textbook Rental	88,265	314,499	306,198	-	96,566	272,698	99,781	-	269,483
Educational License Plates	1,763	239	-	-	2,002	206	-	-	2,208
Alternative Education	9,483	3,066	-	-	12,549	5,247	-	-	17,796
Safe Haven 2010-11	12,478	-	-	-	12,478	-	-	-	12,478
Safe Haven 2014-15	(2,622)	2,621	(1)	-	-	-	-	-	-
Safe Haven 2015-16	-	1,390	2,963	-	(1,573)	1,524	(49)	-	-
Safe Haven 2016-17	-	-	-	-	-	2,222	2,922	-	(700)
Putnam Co Foundation-Bully Wk	2,889	-	2,889	-	-	-	-	-	-
Putnam Co Foundation-Fitness	1,672	-	997	-	675	-	675	-	-
Putnam Co Foundation - MS Band	-	675	-	-	675	-	-	-	675
American Chem Society/HS	-	1,000	500	-	500	500	500	-	500
HS Library Grant APTIP	-	500	432	-	68	-	62	-	6
Alt Ed Computers	-	-	-	-	-	6,866	6,866	-	-
Techcon15	1,867	275	920	-	1,222	-	-	-	1,222
Donation	77	-	-	-	77	-	77	-	-
Instructional Support	-	-	-	-	-	680	-	-	680
RISE 2011-12 Energy Grant	1,000	-	-	-	1,000	-	-	-	1,000
AP English	1,000	-	-	-	1,000	-	-	-	1,000
Family Cons Science Class	447	-	-	-	447	-	-	-	447
Health/CPR Fund	10	720	627	-	103	840	608	-	335
VVWCI Grant/Wellness Incentive	3	-	-	-	3	-	-	-	3
TZ Young American Poetry Award	100	-	-	-	100	-	100	-	-
PCCF Recycling Bins GHS Award	285	-	-	-	285	-	-	-	285
Put Co Found Band Grant	-	657	-	-	657	-	-	-	657
Academic Spr Bwl Sgn Donation	627	-	-	-	627	-	-	-	627
GHS Scrap Donation Fund	-	181	-	-	181	-	-	-	181
GMS Music Dept Doantion	49	1,000	193	-	856	-	780	-	76
MS PTO Donation Calc/Art Tbls	-	2,075	-	-	2,075	-	2,075	-	-
Lilly Endowment Grant	-	-	-	-	-	30,000	5,416	-	24,584
HS Robotics Club	-	-	-	-	-	2,000	2,113	-	(113)
PCCF Grant Wrtng Wrkshp Award	-	-	-	-	-	500	187	-	313
PCCF TZ Sensory Totes Grant	-	700	663	-	37	-	37	-	-
Science Night Grant TZ	209	-	-	-	209	-	209	-	-
TCU Donation TZ Robotics Kits	1,194	-	-	-	1,194	1,850	1,350	-	1,694
Camp Invention 2015	165	1,308	-	-	1,473	12,100	11,321	-	2,252
HS Life Skills Coffee Shop	-	825	824	-	1	-	-	-	1
York Donation HS Flr Scrubber	-	-	-	-	-	3,500	3,500	-	-
Ridpath Library Fund	187	-	187	-	-	-	-	-	-
PCCF Putnam Co Band Fest. Grant	500	-	-	-	500	-	-	-	500
Elem Dental/Flor Program	498	-	-	-	498	-	-	-	498
Pepsi Fund	20,291	12,059	7,304	-	25,046	9,662	19,087	-	15,621
Library Fund	2,677	807	59	-	3,425	336	51	-	3,710

GREENCASTLE 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
TZ Book Room Lost Books	5	-	-	-	5	-	5	-	-
GMS Science Coach Grant	1,408	1,500	905	-	2,003	1,000	1,185	-	1,818
DPU Battery Award (Kuhne)	3,450	-	-	-	3,450	-	30	-	3,420
MS Science McDonald's Grant	-	500	677	-	(177)	-	(177)	-	-
Coca Cola	2,838	-	2,027	-	811	-	638	-	173
Donations/Reimbursements	-	1,419	4,051	-	(2,632)	1,868	(1,483)	-	719
Formative Assessment	-	16,536	16,536	-	-	20,341	15,400	-	4,941
Tech Prep Staff Dev	92	-	-	-	92	-	-	-	92
High Ability Grant 15-16	-	34,024	33,437	-	587	-	587	-	-
High Ability Grant 16-17	-	-	-	-	-	33,884	863	-	33,021
Early Childhood Intervention (First Steps)	-	-	-	-	-	9,736	8,566	-	1,170
Medicaid Reimbursement	11,020	758	2,027	-	9,751	636	3,259	-	7,128
Secured Schools Safety Grant	(390)	1,367	50,977	-	(50,000)	50,000	-	-	-
Non-English Speaking Programs	657	-	-	-	657	-	-	-	657
NESP (Non English Spkng) 14/15	1,404	-	1,404	-	-	-	-	-	-
NESP (Non English Spkng) 15/16	-	1,583	-	-	1,583	-	1,583	-	-
NESP (Non English Spkng) 16/17	-	-	-	-	-	4,112	85	-	4,027
School Technology	11,134	6,564	250	-	17,448	8,468	-	-	25,916
Career and Technical Performance Grant	-	-	-	-	-	15,288	15,288	-	-
Excellence Performance Grant	1,864	-	-	-	1,864	-	-	-	1,864
Technology Planning Grant	596	-	-	-	596	-	-	-	596
Cash for College Grant	1,000	-	-	-	1,000	-	-	-	1,000
Senator David Ford Technology	(57,535)	57,535	42,465	-	(42,465)	42,465	-	-	-
Title I Basic 2014-15	(19,626)	103,736	84,110	-	-	-	-	-	-
Title I (Part D) 2014/15	-	8,820	8,820	-	-	-	-	-	-
Title I (Part D) 2015/16	-	-	-	-	-	12,881	12,881	-	-
Title I Basic 2015/16	-	99,741	181,427	-	(81,686)	161,757	80,071	-	-
Title I Basic 2016/17	-	-	-	-	-	167,613	187,427	-	(19,814)
Title I (Part D) 10/11	2,920	-	-	-	2,920	-	-	-	2,920
McKinney-Vento Grant 14/15	-	14,368	14,368	-	-	-	-	-	-
McKinney-Vento Grant 15/16	-	-	-	-	-	12,000	13,515	-	(1,515)
McKinney-Vento Grant 16/17	-	-	-	-	-	-	8,334	-	(8,334)
Sp Ed Preschool 619 FY2016	-	-	1,624	-	(1,624)	1,943	20,011	-	(19,692)
Spec Ed IDEA Part B 611 FY2014	(11,114)	97,188	86,074	-	-	-	-	-	-
Spec Ed IDEA Part B TA FY2014	-	2,905	2,905	-	-	-	-	-	-
Spec Ed IDEA Part B 611 FY2016	-	28,738	163,431	-	(134,693)	430,636	323,817	-	(27,874)
Spec Ed IDEA 611 FY2015	(28,047)	255,926	291,733	-	(63,854)	63,854	-	-	-
Spec Ed Preschool Grant FY2015	-	14,866	17,389	-	(2,523)	2,523	-	-	-
Spec Ed IDEA Part B 611 FY2017	-	-	-	-	-	-	166,182	-	(166,182)
Sp Ed Preschool 619 FY2017	-	-	-	-	-	-	1,290	-	(1,290)
Drug Free Schools	3,690	-	-	-	3,690	-	-	-	3,690
Medicaid Reimbursement - Federal	24,086	1,254	9,272	-	16,068	1,071	1,929	-	15,210
Title II, Part A 2013-2015	(11,319)	36,659	25,340	-	-	-	-	-	-
Title II, Part A 2014-2016	-	59,337	72,651	-	(13,314)	13,313	(160)	-	159
Title II, Part A 2015-2017	-	-	16,457	-	(16,457)	55,185	70,660	-	(31,932)
Elearning Regional Conf Grant	-	7,000	7,000	-	-	-	-	-	-
Title II Part B Math and Science Partnership	-	-	-	-	-	80,152	143,947	-	(63,795)
Payroll Withholdings and Benefits	255,554	2,628,580	2,648,526	-	235,608	2,724,384	2,747,280	-	212,712
Health Insurance	2,339,659	1,775,457	1,765,008	-	2,350,108	1,668,436	1,867,159	-	2,151,385
Totals	\$ 9,635,544	\$ 26,050,600	\$ 26,236,499	\$ -	\$ 9,449,645	\$ 26,396,375	\$ 27,724,705	\$ 1,200,000	\$ 9,321,315

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

GREENCASTLE 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.

GREENCASTLE 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:

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

GREENCASTLE COMMUNITY SCHOOL CORPORATION
NOTES TO FINANCIAL STATEMENT
(Continued)

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

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

G. Fund Accounting

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

Note 2. Budgets

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

Note 3. Property Taxes

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

Note 4. Deposits and Investments

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

GREENCASTLE COMMUNITY SCHOOL CORPORATION
NOTES TO FINANCIAL STATEMENT
(Continued)

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

Note 5. Risk Management

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

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

Note 6. Pension Plans

A. Public Employees' Retirement Fund

Plan Description

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

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

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

Funding Policy and Annual Pension Cost

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

GREENCASTLE COMMUNITY SCHOOL CORPORATION
NOTES TO FINANCIAL STATEMENT
(Continued)

B. Teachers' Retirement Fund

Plan Description

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

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

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

Funding Policy and Annual Pension Cost

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

Note 7. Negative Disbursements

The financial statement contains some disbursements which appear as negative entries. This is a result of how correcting entries are made.

Note 8. Cash Balance Deficits

The financial statement contains some funds with deficits in cash. Most of these are the result of the funds being set up for reimbursable grants. The reimbursement for expenditures made by the School Corporation were not received by June 30, 2016 and 2017. Three of the funds are not reimbursable grants. The expenditures in these three funds exceeded revenue.

GREENCASTLE COMMUNITY SCHOOL CORPORATION
NOTES TO FINANCIAL STATEMENT
(Continued)

Note 9. *Holding Corporation*

The School Corporation has entered into capital leases with Greencastle School Building Corporation (the lessor). The lessor was organized as a not-for-profit corporation pursuant to state statute for the purpose of financing and constructing or reconstructing facilities for lease to the School Corporation. The lessor has been determined to be a related-party of the School Corporation. Lease payments during the years ended June 30, 2016 and 2017, totaled \$3,223,000 and \$3,220,600, respectively.

Note 10. *Other Postemployment Benefits*

The School Corporation provides health insurance benefits to eligible retirees and their spouses. These benefits pose a liability to the School Corporation for this year and in future years. Information regarding the benefits can be obtained by contacting the School Corporation.

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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.

GREENCASTLE 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	Construction	Construction 2015 Bond
Cash and investments - beginning	\$ 1,466,966	\$ 1,848,462	\$ 116,104	\$ 1,034,373	\$ 502,855	\$ 40,830	\$ 1,047,343	\$ 1,079	\$ 600,623
Receipts:									
Local sources	116,136	3,205,111	297,935	2,089,278	991,261	46,315	44,936	-	-
Intermediate sources	-	-	-	-	-	-	-	-	-
State sources	12,639,305	-	-	-	-	-	-	-	-
Federal sources	-	-	-	-	-	-	-	-	-
Other receipts	-	-	-	-	7,948	-	-	-	-
Total receipts	<u>12,755,441</u>	<u>3,205,111</u>	<u>297,935</u>	<u>2,089,278</u>	<u>999,209</u>	<u>46,315</u>	<u>44,936</u>	<u>-</u>	<u>-</u>
Disbursements:									
Instruction	8,935,881	-	-	-	-	-	-	-	-
Support services	3,318,516	48,830	-	1,407,458	859,439	64,663	143,541	-	4,870
Noninstructional services	209,908	-	-	-	-	-	-	-	-
Facilities acquisition and construction	-	-	-	288,248	-	-	-	-	454,200
Debt service	-	3,223,000	272,204	-	-	-	-	-	-
Nonprogrammed charges	-	-	-	-	-	-	-	-	-
Total disbursements	<u>12,464,305</u>	<u>3,271,830</u>	<u>272,204</u>	<u>1,695,706</u>	<u>859,439</u>	<u>64,663</u>	<u>143,541</u>	<u>-</u>	<u>459,070</u>
Excess (deficiency) of receipts over disbursements	<u>291,136</u>	<u>(66,719)</u>	<u>25,731</u>	<u>393,572</u>	<u>139,770</u>	<u>(18,348)</u>	<u>(98,605)</u>	<u>-</u>	<u>(459,070)</u>
Other financing sources (uses):									
Transfers in	-	-	-	-	-	-	300,000	-	-
Transfers out	-	-	-	(300,000)	-	-	-	-	-
Total other financing sources (uses)	<u>-</u>	<u>-</u>	<u>-</u>	<u>(300,000)</u>	<u>-</u>	<u>-</u>	<u>300,000</u>	<u>-</u>	<u>-</u>
Excess (deficiency) of receipts and other financing sources over disbursements and other financing uses	<u>291,136</u>	<u>(66,719)</u>	<u>25,731</u>	<u>93,572</u>	<u>139,770</u>	<u>(18,348)</u>	<u>201,395</u>	<u>-</u>	<u>(459,070)</u>
Cash and investments - ending	<u>\$ 1,758,102</u>	<u>\$ 1,781,743</u>	<u>\$ 141,835</u>	<u>\$ 1,127,945</u>	<u>\$ 642,625</u>	<u>\$ 22,482</u>	<u>\$ 1,248,738</u>	<u>\$ 1,079</u>	<u>\$ 141,553</u>

GREENCASTLE 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

	Construction 2016 Bond	School Lunch	Textbook Rental	Educational License Plates	Alternative Education	Safe Haven 2010-11	Safe Haven 2014-15	Safe Haven 2015-16	Safe Haven 2016-17
Cash and investments - beginning	\$ -	\$ 298,449	\$ 88,265	\$ 1,763	\$ 9,483	\$ 12,478	\$ (2,622)	\$ -	\$ -
Receipts:									
Local sources	-	423,276	244,875	-	-	-	-	-	-
Intermediate sources	-	-	-	239	-	-	-	-	-
State sources	-	10,451	69,624	-	3,066	-	2,621	1,390	-
Federal sources	-	577,690	-	-	-	-	-	-	-
Other receipts	-	-	-	-	-	-	-	-	-
Total receipts	-	1,011,417	314,499	239	3,066	-	2,621	1,390	-
Disbursements:									
Instruction	-	-	-	-	-	-	(1)	2,963	-
Support services	-	4,088	306,198	-	-	-	-	-	-
Noninstructional services	-	1,126,007	-	-	-	-	-	-	-
Facilities acquisition and construction	-	-	-	-	-	-	-	-	-
Debt service	-	-	-	-	-	-	-	-	-
Nonprogrammed charges	-	-	-	-	-	-	-	-	-
Total disbursements	-	1,130,095	306,198	-	-	-	(1)	2,963	-
Excess (deficiency) of receipts over disbursements	-	(118,678)	8,301	239	3,066	-	2,622	(1,573)	-
Other financing sources (uses):									
Transfers in	-	-	-	-	-	-	-	-	-
Transfers out	-	-	-	-	-	-	-	-	-
Total other financing sources (uses)	-	-	-	-	-	-	-	-	-
Excess (deficiency) of receipts and other financing sources over disbursements and other financing uses	-	(118,678)	8,301	239	3,066	-	2,622	(1,573)	-
Cash and investments - ending	\$ -	\$ 179,771	\$ 96,566	\$ 2,002	\$ 12,549	\$ 12,478	\$ -	\$ (1,573)	\$ -

GREENCASTLE 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

	Putnam Co Foundation- Bully Wk	Putnam Co Foundation- Fitness	Putnam Co Foundation - MS Band	American Chem Society/HS	HS Library Grant APTIP	Alt Ed Computers	Techcon15	Donation	Instructional Support
Cash and investments - beginning	\$ 2,889	\$ 1,672	\$ -	\$ -	\$ -	\$ -	\$ 1,867	\$ 77	\$ -
Receipts:									
Local sources	-	-	675	1,000	500	-	275	-	-
Intermediate sources	-	-	-	-	-	-	-	-	-
State sources	-	-	-	-	-	-	-	-	-
Federal sources	-	-	-	-	-	-	-	-	-
Other receipts	-	-	-	-	-	-	-	-	-
Total receipts	-	-	675	1,000	500	-	275	-	-
Disbursements:									
Instruction	-	997	-	500	-	-	-	-	-
Support services	2,889	-	-	-	432	-	920	-	-
Noninstructional services	-	-	-	-	-	-	-	-	-
Facilities acquisition and construction	-	-	-	-	-	-	-	-	-
Debt service	-	-	-	-	-	-	-	-	-
Nonprogrammed charges	-	-	-	-	-	-	-	-	-
Total disbursements	2,889	997	-	500	432	-	920	-	-
Excess (deficiency) of receipts over disbursements	(2,889)	(997)	675	500	68	-	(645)	-	-
Other financing sources (uses):									
Transfers in	-	-	-	-	-	-	-	-	-
Transfers out	-	-	-	-	-	-	-	-	-
Total other financing sources (uses)	-	-	-	-	-	-	-	-	-
Excess (deficiency) of receipts and other financing sources over disbursements and other financing uses	(2,889)	(997)	675	500	68	-	(645)	-	-
Cash and investments - ending	\$ -	\$ 675	\$ 675	\$ 500	\$ 68	\$ -	\$ 1,222	\$ 77	\$ -

GREENCASTLE 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

	RISE 2011-12 Energy Grant	AP English	Family Cons Science Class	Health/ CPR Fund	WVWCI Grant/ Wellness Incentive	TZ Young American Poetry Award	PCCF Recycling Bins GHS Award	Put Co Found Band Grant	Academic Spr Bwl Sgn Donation
Cash and investments - beginning	\$ 1,000	\$ 1,000	\$ 447	\$ 10	\$ 3	\$ 100	\$ 285	\$ -	\$ 627
Receipts:									
Local sources	-	-	-	720	-	-	-	657	-
Intermediate sources	-	-	-	-	-	-	-	-	-
State sources	-	-	-	-	-	-	-	-	-
Federal sources	-	-	-	-	-	-	-	-	-
Other receipts	-	-	-	-	-	-	-	-	-
Total receipts	-	-	-	720	-	-	-	657	-
Disbursements:									
Instruction	-	-	-	-	-	-	-	-	-
Support services	-	-	-	627	-	-	-	-	-
Noninstructional services	-	-	-	-	-	-	-	-	-
Facilities acquisition and construction	-	-	-	-	-	-	-	-	-
Debt service	-	-	-	-	-	-	-	-	-
Nonprogrammed charges	-	-	-	-	-	-	-	-	-
Total disbursements	-	-	-	627	-	-	-	-	-
Excess (deficiency) of receipts over disbursements	-	-	-	93	-	-	-	657	-
Other financing sources (uses):									
Transfers in	-	-	-	-	-	-	-	-	-
Transfers out	-	-	-	-	-	-	-	-	-
Total other financing sources (uses)	-	-	-	-	-	-	-	-	-
Excess (deficiency) of receipts and other financing sources over disbursements and other financing uses	-	-	-	93	-	-	-	657	-
Cash and investments - ending	\$ 1,000	\$ 1,000	\$ 447	\$ 103	\$ 3	\$ 100	\$ 285	\$ 657	\$ 627

GREENCASTLE 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

	GHS Scrap Donation Fund	GMS Music Dept Donation	MS PTO Donation Calc/Art Tbls	Lilly Endowment Grant	HS Robotics Club	PCCF Grant Wrtnng Wrkshp Award	PCCF TZ Sensory Totes Grant	Science Night Grant TZ	TCU Donation TZ Robotics Kits
Cash and investments - beginning	\$ -	\$ 49	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 209	\$ 1,194
Receipts:									
Local sources	181	1,000	2,075	-	-	-	700	-	-
Intermediate sources	-	-	-	-	-	-	-	-	-
State sources	-	-	-	-	-	-	-	-	-
Federal sources	-	-	-	-	-	-	-	-	-
Other receipts	-	-	-	-	-	-	-	-	-
Total receipts	181	1,000	2,075	-	-	-	700	-	-
Disbursements:									
Instruction	-	193	-	-	-	-	663	-	-
Support services	-	-	-	-	-	-	-	-	-
Noninstructional services	-	-	-	-	-	-	-	-	-
Facilities acquisition and construction	-	-	-	-	-	-	-	-	-
Debt service	-	-	-	-	-	-	-	-	-
Nonprogrammed charges	-	-	-	-	-	-	-	-	-
Total disbursements	-	193	-	-	-	-	663	-	-
Excess (deficiency) of receipts over disbursements	181	807	2,075	-	-	-	37	-	-
Other financing sources (uses):									
Transfers in	-	-	-	-	-	-	-	-	-
Transfers out	-	-	-	-	-	-	-	-	-
Total other financing sources (uses)	-	-	-	-	-	-	-	-	-
Excess (deficiency) of receipts and other financing sources over disbursements and other financing uses	181	807	2,075	-	-	-	37	-	-
Cash and investments - ending	\$ 181	\$ 856	\$ 2,075	\$ -	\$ -	\$ -	\$ 37	\$ 209	\$ 1,194

GREENCASTLE 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

	Camp Invention 2015	HS Life Skills Coffee Shop	York Donation HS Flr Scrubber	Ridpath Library Fund	PCCF Putnam Co Band Fest. Grant	Elem Dental/ Flor Program	Pepsi Fund	Library Fund	TZ Book Room Lost Books
Cash and investments - beginning	\$ 165	\$ -	\$ -	\$ 187	\$ 500	\$ 498	\$ 20,291	\$ 2,677	\$ 5
Receipts:									
Local sources	1,308	825	-	-	-	-	12,059	807	-
Intermediate sources	-	-	-	-	-	-	-	-	-
State sources	-	-	-	-	-	-	-	-	-
Federal sources	-	-	-	-	-	-	-	-	-
Other receipts	-	-	-	-	-	-	-	-	-
Total receipts	1,308	825	-	-	-	-	12,059	807	-
Disbursements:									
Instruction	-	824	-	187	-	-	6,966	-	-
Support services	-	-	-	-	-	-	338	59	-
Noninstructional services	-	-	-	-	-	-	-	-	-
Facilities acquisition and construction	-	-	-	-	-	-	-	-	-
Debt service	-	-	-	-	-	-	-	-	-
Nonprogrammed charges	-	-	-	-	-	-	-	-	-
Total disbursements	-	824	-	187	-	-	7,304	59	-
Excess (deficiency) of receipts over disbursements	1,308	1	-	(187)	-	-	4,755	748	-
Other financing sources (uses):									
Transfers in	-	-	-	-	-	-	-	-	-
Transfers out	-	-	-	-	-	-	-	-	-
Total other financing sources (uses)	-	-	-	-	-	-	-	-	-
Excess (deficiency) of receipts and other financing sources over disbursements and other financing uses	1,308	1	-	(187)	-	-	4,755	748	-
Cash and investments - ending	\$ 1,473	\$ 1	\$ -	\$ -	\$ 500	\$ 498	\$ 25,046	\$ 3,425	\$ 5

GREENCASTLE 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

	GMS Science Coach Grant	DPU Battery Award (Kuhne)	MS Science McDonald's Grant	Coca Cola	Donations/ Reimbursements	Formative Assessment	Tech Prep Staff Dev	High Ability Grant 15-16	High Ability Grant 16-17
Cash and investments - beginning	\$ 1,408	\$ 3,450	\$ -	\$ 2,838	\$ -	\$ -	\$ 92	\$ -	\$ -
Receipts:									
Local sources	1,500	-	500	-	1,419	-	-	-	-
Intermediate sources	-	-	-	-	-	-	-	-	-
State sources	-	-	-	-	-	16,536	-	34,024	-
Federal sources	-	-	-	-	-	-	-	-	-
Other receipts	-	-	-	-	-	-	-	-	-
Total receipts	1,500	-	500	-	1,419	16,536	-	34,024	-
Disbursements:									
Instruction	905	-	677	931	134	-	-	33,437	-
Support services	-	-	-	1,096	3,917	16,536	-	-	-
Noninstructional services	-	-	-	-	-	-	-	-	-
Facilities acquisition and construction	-	-	-	-	-	-	-	-	-
Debt service	-	-	-	-	-	-	-	-	-
Nonprogrammed charges	-	-	-	-	-	-	-	-	-
Total disbursements	905	-	677	2,027	4,051	16,536	-	33,437	-
Excess (deficiency) of receipts over disbursements	595	-	(177)	(2,027)	(2,632)	-	-	587	-
Other financing sources (uses):									
Transfers in	-	-	-	-	-	-	-	-	-
Transfers out	-	-	-	-	-	-	-	-	-
Total other financing sources (uses)	-	-	-	-	-	-	-	-	-
Excess (deficiency) of receipts and other financing sources over disbursements and other financing uses	595	-	(177)	(2,027)	(2,632)	-	-	587	-
Cash and investments - ending	\$ 2,003	\$ 3,450	\$ (177)	\$ 811	\$ (2,632)	\$ -	\$ 92	\$ 587	\$ -

GREENCASTLE 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

	Early Childhood Intervention (First Steps)	Medicaid Reimbursement	Secured Schools Safety Grant	Non-English Speaking Programs	NESP (Non English Spkng) 14/15	NESP (Non English Spkng) 15/16	NESP (Non English Spkng) 16/17	School Technology
Cash and investments - beginning	\$ -	\$ 11,020	\$ (390)	\$ 657	\$ 1,404	\$ -	\$ -	\$ 11,134
Receipts:								
Local sources	-	-	-	-	-	-	-	-
Intermediate sources	-	-	-	-	-	-	-	-
State sources	-	758	1,367	-	-	1,583	-	6,564
Federal sources	-	-	-	-	-	-	-	-
Other receipts	-	-	-	-	-	-	-	-
Total receipts	-	758	1,367	-	-	1,583	-	6,564
Disbursements:								
Instruction	-	-	-	-	1,404	-	-	-
Support services	-	2,027	50,977	-	-	-	-	250
Noninstructional services	-	-	-	-	-	-	-	-
Facilities acquisition and construction	-	-	-	-	-	-	-	-
Debt service	-	-	-	-	-	-	-	-
Nonprogrammed charges	-	-	-	-	-	-	-	-
Total disbursements	-	2,027	50,977	-	1,404	-	-	250
Excess (deficiency) of receipts over disbursements	-	(1,269)	(49,610)	-	(1,404)	1,583	-	6,314
Other financing sources (uses):								
Transfers in	-	-	-	-	-	-	-	-
Transfers out	-	-	-	-	-	-	-	-
Total other financing sources (uses)	-	-	-	-	-	-	-	-
Excess (deficiency) of receipts and other financing sources over disbursements and other financing uses	-	(1,269)	(49,610)	-	(1,404)	1,583	-	6,314
Cash and investments - ending	\$ -	\$ 9,751	\$ (50,000)	\$ 657	\$ -	\$ 1,583	\$ -	\$ 17,448

GREENCASTLE 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

	Career and Technical Performance Grant	Excellence Performance Grant	Technology Planning Grant	Cash for College Grant	Senator David Ford Technology	Title I Basic 2014-15	Title I (Part D) 2014/15	Title I (Part D) 2015/16
Cash and investments - beginning	\$ -	\$ 1,864	\$ 596	\$ 1,000	\$ (57,535)	\$ (19,626)	\$ -	\$ -
Receipts:								
Local sources	-	-	-	-	-	-	-	-
Intermediate sources	-	-	-	-	-	-	-	-
State sources	-	-	-	-	57,535	-	-	-
Federal sources	-	-	-	-	-	103,736	8,820	-
Other receipts	-	-	-	-	-	-	-	-
Total receipts	-	-	-	-	57,535	103,736	8,820	-
Disbursements:								
Instruction	-	-	-	-	-	84,110	8,468	-
Support services	-	-	-	-	42,465	-	352	-
Noninstructional services	-	-	-	-	-	-	-	-
Facilities acquisition and construction	-	-	-	-	-	-	-	-
Debt service	-	-	-	-	-	-	-	-
Nonprogrammed charges	-	-	-	-	-	-	-	-
Total disbursements	-	-	-	-	42,465	84,110	8,820	-
Excess (deficiency) of receipts over disbursements	-	-	-	-	15,070	19,626	-	-
Other financing sources (uses):								
Transfers in	-	-	-	-	-	-	-	-
Transfers out	-	-	-	-	-	-	-	-
Total other financing sources (uses)	-	-	-	-	-	-	-	-
Excess (deficiency) of receipts and other financing sources over disbursements and other financing uses	-	-	-	-	15,070	19,626	-	-
Cash and investments - ending	\$ -	\$ 1,864	\$ 596	\$ 1,000	\$ (42,465)	\$ -	\$ -	\$ -

GREENCASTLE COMMUNITY SCHOOL CORPORATION
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	Title I Basic 2015/16	Title I Basic 2016/17	Title I (Part D) 10/11	McKinney-Vento Grant 14/15	McKinney-Vento Grant 15/16	McKinney-Vento Grant 16/17	Sp Ed Preschool 619 FY2016	Spec Ed IDEA Part B 611 FY2014
Cash and investments - beginning	\$ -	\$ -	\$ 2,920	\$ -	\$ -	\$ -	\$ -	\$ (11,114)
Receipts:								
Local sources	-	-	-	-	-	-	-	-
Intermediate sources	-	-	-	-	-	-	-	-
State sources	-	-	-	-	-	-	-	-
Federal sources	99,741	-	-	14,368	-	-	-	97,188
Other receipts	-	-	-	-	-	-	-	-
Total receipts	99,741	-	-	14,368	-	-	-	97,188
Disbursements:								
Instruction	181,427	-	-	14,368	-	-	1,624	86,074
Support services	-	-	-	-	-	-	-	-
Noninstructional services	-	-	-	-	-	-	-	-
Facilities acquisition and construction	-	-	-	-	-	-	-	-
Debt service	-	-	-	-	-	-	-	-
Nonprogrammed charges	-	-	-	-	-	-	-	-
Total disbursements	181,427	-	-	14,368	-	-	1,624	86,074
Excess (deficiency) of receipts over disbursements	(81,686)	-	-	-	-	-	(1,624)	11,114
Other financing sources (uses):								
Transfers in	-	-	-	-	-	-	-	-
Transfers out	-	-	-	-	-	-	-	-
Total other financing sources (uses)	-	-	-	-	-	-	-	-
Excess (deficiency) of receipts and other financing sources over disbursements and other financing uses	(81,686)	-	-	-	-	-	(1,624)	11,114
Cash and investments - ending	\$ (81,686)	\$ -	\$ 2,920	\$ -	\$ -	\$ -	\$ (1,624)	\$ -

GREENCASTLE COMMUNITY SCHOOL CORPORATION
 COMBINING SCHEDULE OF RECEIPTS, DISBURSEMENTS,
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	Spec Ed IDEA Part B TA FY2014	Spec Ed IDEA Part B 611 FY2016	Spec Ed IDEA 611 FY2015	Spec Ed Preschool Grant FY2015	Spec Ed IDEA Part B 611 FY2017	Sp Ed Preschool 619 FY2017	Drug Free Schools	Medicaid Reimbursement - Federal
Cash and investments - beginning	\$ -	\$ -	\$ (28,047)	\$ -	\$ -	\$ -	\$ 3,690	\$ 24,086
Receipts:								
Local sources	-	-	-	-	-	-	-	-
Intermediate sources	-	-	-	-	-	-	-	-
State sources	-	-	-	-	-	-	-	-
Federal sources	2,905	28,738	255,926	14,866	-	-	-	1,254
Other receipts	-	-	-	-	-	-	-	-
Total receipts	<u>2,905</u>	<u>28,738</u>	<u>255,926</u>	<u>14,866</u>	-	-	-	<u>1,254</u>
Disbursements:								
Instruction	-	163,431	291,733	17,389	-	-	-	-
Support services	2,905	-	-	-	-	-	-	9,272
Noninstructional services	-	-	-	-	-	-	-	-
Facilities acquisition and construction	-	-	-	-	-	-	-	-
Debt service	-	-	-	-	-	-	-	-
Nonprogrammed charges	-	-	-	-	-	-	-	-
Total disbursements	<u>2,905</u>	<u>163,431</u>	<u>291,733</u>	<u>17,389</u>	-	-	-	<u>9,272</u>
Excess (deficiency) of receipts over disbursements	-	(134,693)	(35,807)	(2,523)	-	-	-	(8,018)
Other financing sources (uses):								
Transfers in	-	-	-	-	-	-	-	-
Transfers out	-	-	-	-	-	-	-	-
Total other financing sources (uses)	-	-	-	-	-	-	-	-
Excess (deficiency) of receipts and other financing sources over disbursements and other financing uses	-	(134,693)	(35,807)	(2,523)	-	-	-	(8,018)
Cash and investments - ending	<u>\$ -</u>	<u>\$ (134,693)</u>	<u>\$ (63,854)</u>	<u>\$ (2,523)</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 3,690</u>	<u>\$ 16,068</u>

GREENCASTLE COMMUNITY SCHOOL CORPORATION
 COMBINING SCHEDULE OF RECEIPTS, DISBURSEMENTS,
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	Title II, Part A 2013-2015	Title II, Part A 2014-2016	Title II, Part A 2015-2017	Elearning Regional Conf Grant	Title II Part B Math and Science Partnership	Payroll Withholdings and Benefits	Health Insurance	Totals
Cash and investments - beginning	\$ (11,319)	\$ -	\$ -	\$ -	\$ -	\$ 255,554	\$ 2,339,659	\$ 9,635,544
Receipts:								
Local sources	-	-	-	-	-	-	-	7,485,324
Intermediate sources	-	-	-	-	-	-	-	239
State sources	-	-	-	-	-	-	-	12,844,824
Federal sources	36,659	59,337	-	7,000	-	-	-	1,308,228
Other receipts	-	-	-	-	-	2,628,580	1,775,457	4,411,985
Total receipts	<u>36,659</u>	<u>59,337</u>	<u>-</u>	<u>7,000</u>	<u>-</u>	<u>2,628,580</u>	<u>1,775,457</u>	<u>26,050,600</u>
Disbursements:								
Instruction	-	13,915	-	-	-	-	-	9,849,200
Support services	25,340	58,736	16,457	7,000	-	-	-	6,400,198
Noninstructional services	-	-	-	-	-	-	-	1,335,915
Facilities acquisition and construction	-	-	-	-	-	-	-	742,448
Debt service	-	-	-	-	-	-	-	3,495,204
Nonprogrammed charges	-	-	-	-	-	2,648,526	1,765,008	4,413,534
Total disbursements	<u>25,340</u>	<u>72,651</u>	<u>16,457</u>	<u>7,000</u>	<u>-</u>	<u>2,648,526</u>	<u>1,765,008</u>	<u>26,236,499</u>
Excess (deficiency) of receipts over disbursements	<u>11,319</u>	<u>(13,314)</u>	<u>(16,457)</u>	<u>-</u>	<u>-</u>	<u>(19,946)</u>	<u>10,449</u>	<u>(185,899)</u>
Other financing sources (uses):								
Transfers in	-	-	-	-	-	-	-	300,000
Transfers out	-	-	-	-	-	-	-	(300,000)
Total other financing sources (uses)	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Excess (deficiency) of receipts and other financing sources over disbursements and other financing uses	<u>11,319</u>	<u>(13,314)</u>	<u>(16,457)</u>	<u>-</u>	<u>-</u>	<u>(19,946)</u>	<u>10,449</u>	<u>(185,899)</u>
Cash and investments - ending	<u>\$ -</u>	<u>\$ (13,314)</u>	<u>\$ (16,457)</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 235,608</u>	<u>\$ 2,350,108</u>	<u>\$ 9,449,645</u>

GREENCASTLE COMMUNITY SCHOOL CORPORATION
 COMBINING SCHEDULE OF RECEIPTS, DISBURSEMENTS,
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 For the Year Ended June 30, 2017

	General	Debt Service	Retirement/ Severance Bond Debt Service	Capital Projects	School Transportation	School Bus Replacement	Rainy Day	Construction	Construction 2015 Bond
Cash and investments - beginning	\$ 1,758,102	\$ 1,781,743	\$ 141,835	\$ 1,127,945	\$ 642,625	\$ 22,482	\$ 1,248,738	\$ 1,079	\$ 141,553
Receipts:									
Local sources	129,923	3,239,625	178,623	1,913,014	987,580	193,315	420,823	-	-
Intermediate sources	-	-	-	-	-	-	-	-	-
State sources	12,374,326	-	-	-	-	-	-	-	-
Federal sources	-	-	-	-	-	-	-	-	-
Other receipts	-	-	-	-	9,156	-	-	-	-
Total receipts	12,504,249	3,239,625	178,623	1,913,014	996,736	193,315	420,823	-	-
Disbursements:									
Instruction	9,204,428	-	-	-	-	-	-	-	-
Support services	3,121,884	-	-	1,481,940	880,002	41,678	1,713,467	-	-
Noninstructional services	256,012	-	-	-	-	-	-	-	-
Facilities acquisition and construction	-	-	-	236,457	-	-	-	1,079	141,553
Debt service	-	3,225,000	243,982	-	-	-	-	-	-
Nonprogrammed charges	-	-	-	-	-	-	-	-	-
Total disbursements	12,582,324	3,225,000	243,982	1,718,397	880,002	41,678	1,713,467	1,079	141,553
Excess (deficiency) of receipts over disbursements	(78,075)	14,625	(65,359)	194,617	116,734	151,637	(1,292,644)	(1,079)	(141,553)
Other financing sources (uses):									
Proceeds of long-term debt	-	-	-	-	-	-	-	-	-
Transfers in	-	-	-	-	-	-	650,000	-	-
Transfers out	-	-	-	(450,000)	(200,000)	-	-	-	-
Total other financing sources (uses)	-	-	-	(450,000)	(200,000)	-	650,000	-	-
Excess (deficiency) of receipts and other financing sources over disbursements and other financing uses	(78,075)	14,625	(65,359)	(255,383)	(83,266)	151,637	(642,644)	(1,079)	(141,553)
Cash and investments - ending	\$ 1,680,027	\$ 1,796,368	\$ 76,476	\$ 872,562	\$ 559,359	\$ 174,119	\$ 606,094	\$ -	\$ -

GREENCASTLE COMMUNITY SCHOOL CORPORATION
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 For the Year Ended June 30, 2017

	Construction 2016 Bond	School Lunch	Textbook Rental	Educational License Plates	Alternative Education	Safe Haven 2010-11	Safe Haven 2014-15	Safe Haven 2015-16	Safe Haven 2016-17
Cash and investments - beginning	\$ -	\$ 179,771	\$ 96,566	\$ 2,002	\$ 12,549	\$ 12,478	\$ -	\$ (1,573)	\$ -
Receipts:									
Local sources	-	437,406	207,239	-	-	-	-	-	-
Intermediate sources	-	-	-	206	-	-	-	-	-
State sources	-	9,897	65,459	-	5,247	-	-	1,524	2,222
Federal sources	-	568,410	-	-	-	-	-	-	-
Other receipts	-	-	-	-	-	-	-	-	-
Total receipts	-	1,015,713	272,698	206	5,247	-	-	1,524	2,222
Disbursements:									
Instruction	-	-	-	-	-	-	-	(49)	2,922
Support services	-	22,853	99,781	-	-	-	-	-	-
Noninstructional services	-	984,624	-	-	-	-	-	-	-
Facilities acquisition and construction	321,906	-	-	-	-	-	-	-	-
Debt service	-	-	-	-	-	-	-	-	-
Nonprogrammed charges	-	-	-	-	-	-	-	-	-
Total disbursements	321,906	1,007,477	99,781	-	-	-	-	(49)	2,922
Excess (deficiency) of receipts over disbursements	(321,906)	8,236	172,917	206	5,247	-	-	1,573	(700)
Other financing sources (uses):									
Proceeds of long-term debt	1,200,000	-	-	-	-	-	-	-	-
Transfers in	-	-	-	-	-	-	-	-	-
Transfers out	-	-	-	-	-	-	-	-	-
Total other financing sources (uses)	1,200,000	-	-	-	-	-	-	-	-
Excess (deficiency) of receipts and other financing sources over disbursements and other financing uses	878,094	8,236	172,917	206	5,247	-	-	1,573	(700)
Cash and investments - ending	\$ 878,094	\$ 188,007	\$ 269,483	\$ 2,208	\$ 17,796	\$ 12,478	\$ -	\$ -	\$ (700)

GREENCASTLE COMMUNITY SCHOOL CORPORATION
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	Putnam Co Foundation- Bully Wk	Putnam Co Foundation- Fitness	Putnam Co Foundation - MS Band	American Chem Society/HS	HS Library Grant APTIP	Alt Ed Computers	Techcon15	Donation	Instructional Support
Cash and investments - beginning	\$ -	\$ 675	\$ 675	\$ 500	\$ 68	\$ -	\$ 1,222	\$ 77	\$ -
Receipts:									
Local sources	-	-	-	500	-	6,866	-	-	680
Intermediate sources	-	-	-	-	-	-	-	-	-
State sources	-	-	-	-	-	-	-	-	-
Federal sources	-	-	-	-	-	-	-	-	-
Other receipts	-	-	-	-	-	-	-	-	-
Total receipts	-	-	-	500	-	6,866	-	-	680
Disbursements:									
Instruction	-	675	-	500	-	6,866	-	77	-
Support services	-	-	-	-	62	-	-	-	-
Noninstructional services	-	-	-	-	-	-	-	-	-
Facilities acquisition and construction	-	-	-	-	-	-	-	-	-
Debt service	-	-	-	-	-	-	-	-	-
Nonprogrammed charges	-	-	-	-	-	-	-	-	-
Total disbursements	-	675	-	500	62	6,866	-	77	-
Excess (deficiency) of receipts over disbursements	-	(675)	-	-	(62)	-	-	(77)	680
Other financing sources (uses):									
Proceeds of long-term debt	-	-	-	-	-	-	-	-	-
Transfers in	-	-	-	-	-	-	-	-	-
Transfers out	-	-	-	-	-	-	-	-	-
Total other financing sources (uses)	-	-	-	-	-	-	-	-	-
Excess (deficiency) of receipts and other financing sources over disbursements and other financing uses	-	(675)	-	-	(62)	-	-	(77)	680
Cash and investments - ending	\$ -	\$ -	\$ 675	\$ 500	\$ 6	\$ -	\$ 1,222	\$ -	\$ 680

GREENCASTLE COMMUNITY SCHOOL CORPORATION
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	RISE 2011-12 Energy Grant	AP English	Family Cons Science Class	Health/ CPR Fund	WVWCI Grant/ Wellness Incentive	TZ Young American Poetry Award	PCCF Recycling Bins GHS Award	Put Co Found Band Grant	Academic Spr Bwl Sgn Donation
Cash and investments - beginning	\$ 1,000	\$ 1,000	\$ 447	\$ 103	\$ 3	\$ 100	\$ 285	\$ 657	\$ 627
Receipts:									
Local sources	-	-	-	840	-	-	-	-	-
Intermediate sources	-	-	-	-	-	-	-	-	-
State sources	-	-	-	-	-	-	-	-	-
Federal sources	-	-	-	-	-	-	-	-	-
Other receipts	-	-	-	-	-	-	-	-	-
Total receipts	-	-	-	840	-	-	-	-	-
Disbursements:									
Instruction	-	-	-	-	-	100	-	-	-
Support services	-	-	-	608	-	-	-	-	-
Noninstructional services	-	-	-	-	-	-	-	-	-
Facilities acquisition and construction	-	-	-	-	-	-	-	-	-
Debt service	-	-	-	-	-	-	-	-	-
Nonprogrammed charges	-	-	-	-	-	-	-	-	-
Total disbursements	-	-	-	608	-	100	-	-	-
Excess (deficiency) of receipts over disbursements	-	-	-	232	-	(100)	-	-	-
Other financing sources (uses):									
Proceeds of long-term debt	-	-	-	-	-	-	-	-	-
Transfers in	-	-	-	-	-	-	-	-	-
Transfers out	-	-	-	-	-	-	-	-	-
Total other financing sources (uses)	-	-	-	-	-	-	-	-	-
Excess (deficiency) of receipts and other financing sources over disbursements and other financing uses	-	-	-	232	-	(100)	-	-	-
Cash and investments - ending	\$ 1,000	\$ 1,000	\$ 447	\$ 335	\$ 3	\$ -	\$ 285	\$ 657	\$ 627

GREENCASTLE COMMUNITY SCHOOL CORPORATION
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	GHS Scrap Donation Fund	GMS Music Dept Donation	MS PTO Donation Calc/Art Tbls	Lilly Endowment Grant	HS Robotics Club	PCCF Grant Wrting Wrkshp Award	PCCF TZ Sensory Totes Grant	Science Night Grant TZ	TCU Donation TZ Robotics Kits
Cash and investments - beginning	\$ 181	\$ 856	\$ 2,075	\$ -	\$ -	\$ -	\$ 37	\$ 209	\$ 1,194
Receipts:									
Local sources	-	-	-	30,000	2,000	500	-	-	1,850
Intermediate sources	-	-	-	-	-	-	-	-	-
State sources	-	-	-	-	-	-	-	-	-
Federal sources	-	-	-	-	-	-	-	-	-
Other receipts	-	-	-	-	-	-	-	-	-
Total receipts	-	-	-	30,000	2,000	500	-	-	1,850
Disbursements:									
Instruction	-	780	2,075	-	2,113	187	37	209	1,350
Support services	-	-	-	5,416	-	-	-	-	-
Noninstructional services	-	-	-	-	-	-	-	-	-
Facilities acquisition and construction	-	-	-	-	-	-	-	-	-
Debt service	-	-	-	-	-	-	-	-	-
Nonprogrammed charges	-	-	-	-	-	-	-	-	-
Total disbursements	-	780	2,075	5,416	2,113	187	37	209	1,350
Excess (deficiency) of receipts over disbursements	-	(780)	(2,075)	24,584	(113)	313	(37)	(209)	500
Other financing sources (uses):									
Proceeds of long-term debt	-	-	-	-	-	-	-	-	-
Transfers in	-	-	-	-	-	-	-	-	-
Transfers out	-	-	-	-	-	-	-	-	-
Total other financing sources (uses)	-	-	-	-	-	-	-	-	-
Excess (deficiency) of receipts and other financing sources over disbursements and other financing uses	-	(780)	(2,075)	24,584	(113)	313	(37)	(209)	500
Cash and investments - ending	\$ 181	\$ 76	\$ -	\$ 24,584	\$ (113)	\$ 313	\$ -	\$ -	\$ 1,694

GREENCASTLE COMMUNITY SCHOOL CORPORATION
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	Camp Invention 2015	HS Life Skills Coffee Shop	York Donation HS Flr Scrubber	Ridpath Library Fund	PCCF Putnam Co Band Fest. Grant	Elem Dental/ Flor Program	Pepsi Fund	Library Fund	TZ Book Room Lost Books
Cash and investments - beginning	\$ 1,473	\$ 1	\$ -	\$ -	\$ 500	\$ 498	\$ 25,046	\$ 3,425	\$ 5
Receipts:									
Local sources	12,100	-	3,500	-	-	-	9,662	336	-
Intermediate sources	-	-	-	-	-	-	-	-	-
State sources	-	-	-	-	-	-	-	-	-
Federal sources	-	-	-	-	-	-	-	-	-
Other receipts	-	-	-	-	-	-	-	-	-
Total receipts	12,100	-	3,500	-	-	-	9,662	336	-
Disbursements:									
Instruction	11,321	-	3,500	-	-	-	9,811	-	5
Support services	-	-	-	-	-	-	7,945	51	-
Noninstructional services	-	-	-	-	-	-	1,331	-	-
Facilities acquisition and construction	-	-	-	-	-	-	-	-	-
Debt service	-	-	-	-	-	-	-	-	-
Nonprogrammed charges	-	-	-	-	-	-	-	-	-
Total disbursements	11,321	-	3,500	-	-	-	19,087	51	5
Excess (deficiency) of receipts over disbursements	779	-	-	-	-	-	(9,425)	285	(5)
Other financing sources (uses):									
Proceeds of long-term debt	-	-	-	-	-	-	-	-	-
Transfers in	-	-	-	-	-	-	-	-	-
Transfers out	-	-	-	-	-	-	-	-	-
Total other financing sources (uses)	-	-	-	-	-	-	-	-	-
Excess (deficiency) of receipts and other financing sources over disbursements and other financing uses	779	-	-	-	-	-	(9,425)	285	(5)
Cash and investments - ending	\$ 2,252	\$ 1	\$ -	\$ -	\$ 500	\$ 498	\$ 15,621	\$ 3,710	\$ -

GREENCASTLE 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

	GMS Science Coach Grant	DPU Battery Award (Kuhne)	MS Science McDonald's Grant	Coca Cola	Donations/ Reimbursements	Formative Assessment	Tech Prep Staff Dev	High Ability Grant 15-16	High Ability Grant 16-17
Cash and investments - beginning	\$ 2,003	\$ 3,450	\$ (177)	\$ 811	\$ (2,632)	\$ -	\$ 92	\$ 587	\$ -
Receipts:									
Local sources	1,000	-	-	-	1,868	-	-	-	-
Intermediate sources	-	-	-	-	-	-	-	-	-
State sources	-	-	-	-	-	20,341	-	-	33,884
Federal sources	-	-	-	-	-	-	-	-	-
Other receipts	-	-	-	-	-	-	-	-	-
Total receipts	1,000	-	-	-	1,868	20,341	-	-	33,884
Disbursements:									
Instruction	1,185	30	(177)	-	-	-	-	587	863
Support services	-	-	-	638	(1,483)	15,400	-	-	-
Noninstructional services	-	-	-	-	-	-	-	-	-
Facilities acquisition and construction	-	-	-	-	-	-	-	-	-
Debt service	-	-	-	-	-	-	-	-	-
Nonprogrammed charges	-	-	-	-	-	-	-	-	-
Total disbursements	1,185	30	(177)	638	(1,483)	15,400	-	587	863
Excess (deficiency) of receipts over disbursements	(185)	(30)	177	(638)	3,351	4,941	-	(587)	33,021
Other financing sources (uses):									
Proceeds of long-term debt	-	-	-	-	-	-	-	-	-
Transfers in	-	-	-	-	-	-	-	-	-
Transfers out	-	-	-	-	-	-	-	-	-
Total other financing sources (uses)	-	-	-	-	-	-	-	-	-
Excess (deficiency) of receipts and other financing sources over disbursements and other financing uses	(185)	(30)	177	(638)	3,351	4,941	-	(587)	33,021
Cash and investments - ending	\$ 1,818	\$ 3,420	\$ -	\$ 173	\$ 719	\$ 4,941	\$ 92	\$ -	\$ 33,021

GREENCASTLE 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

	Early Childhood Intervention (First Steps)	Medicaid Reimbursement	Secured Schools Safety Grant	Non-English Speaking Programs	NESP (Non English Spkng) 14/15	NESP (Non English Spkng) 15/16	NESP (Non English Spkng) 16/17	School Technology
Cash and investments - beginning	\$ -	\$ 9,751	\$ (50,000)	\$ 657	\$ -	\$ 1,583	\$ -	\$ 17,448
Receipts:								
Local sources	-	-	-	-	-	-	-	-
Intermediate sources	-	-	-	-	-	-	-	-
State sources	9,736	636	50,000	-	-	-	4,112	8,468
Federal sources	-	-	-	-	-	-	-	-
Other receipts	-	-	-	-	-	-	-	-
Total receipts	9,736	636	50,000	-	-	-	4,112	8,468
Disbursements:								
Instruction	8,566	-	-	-	-	1,583	85	-
Support services	-	3,259	-	-	-	-	-	-
Noninstructional services	-	-	-	-	-	-	-	-
Facilities acquisition and construction	-	-	-	-	-	-	-	-
Debt service	-	-	-	-	-	-	-	-
Nonprogrammed charges	-	-	-	-	-	-	-	-
Total disbursements	8,566	3,259	-	-	-	1,583	85	-
Excess (deficiency) of receipts over disbursements	1,170	(2,623)	50,000	-	-	(1,583)	4,027	8,468
Other financing sources (uses):								
Proceeds of long-term debt	-	-	-	-	-	-	-	-
Transfers in	-	-	-	-	-	-	-	-
Transfers out	-	-	-	-	-	-	-	-
Total other financing sources (uses)	-	-	-	-	-	-	-	-
Excess (deficiency) of receipts and other financing sources over disbursements and other financing uses	1,170	(2,623)	50,000	-	-	(1,583)	4,027	8,468
Cash and investments - ending	\$ 1,170	\$ 7,128	\$ -	\$ 657	\$ -	\$ -	\$ 4,027	\$ 25,916

GREENCASTLE 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

	Career and Technical Performance Grant	Excellence Performance Grant	Technology Planning Grant	Cash for College Grant	Senator David Ford Technology	Title I Basic 2014-15	Title I (Part D) 2014/15	Title I (Part D) 2015/16
Cash and investments - beginning	\$ -	\$ 1,864	\$ 596	\$ 1,000	\$ (42,465)	\$ -	\$ -	\$ -
Receipts:								
Local sources	-	-	-	-	-	-	-	-
Intermediate sources	-	-	-	-	-	-	-	-
State sources	-	-	-	-	42,465	-	-	-
Federal sources	15,288	-	-	-	-	-	-	12,881
Other receipts	-	-	-	-	-	-	-	-
Total receipts	15,288	-	-	-	42,465	-	-	12,881
Disbursements:								
Instruction	15,288	-	-	-	-	-	-	10,125
Support services	-	-	-	-	-	-	-	2,756
Noninstructional services	-	-	-	-	-	-	-	-
Facilities acquisition and construction	-	-	-	-	-	-	-	-
Debt service	-	-	-	-	-	-	-	-
Nonprogrammed charges	-	-	-	-	-	-	-	-
Total disbursements	15,288	-	-	-	-	-	-	12,881
Excess (deficiency) of receipts over disbursements	-	-	-	-	42,465	-	-	-
Other financing sources (uses):								
Proceeds of long-term debt	-	-	-	-	-	-	-	-
Transfers in	-	-	-	-	-	-	-	-
Transfers out	-	-	-	-	-	-	-	-
Total other financing sources (uses)	-	-	-	-	-	-	-	-
Excess (deficiency) of receipts and other financing sources over disbursements and other financing uses	-	-	-	-	42,465	-	-	-
Cash and investments - ending	\$ -	\$ 1,864	\$ 596	\$ 1,000	\$ -	\$ -	\$ -	\$ -

GREENCASTLE 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 I Basic 2015/16	Title I Basic 2016/17	Title I (Part D) 10/11	McKinney-Vento Grant 14/15	McKinney-Vento Grant 15/16	McKinney-Vento Grant 16/17	Sp Ed Preschool 619 FY2016	Spec Ed IDEA Part B 611 FY2014
Cash and investments - beginning	\$ (81,686)	\$ -	\$ 2,920	\$ -	\$ -	\$ -	\$ (1,624)	\$ -
Receipts:								
Local sources	-	-	-	-	-	-	-	-
Intermediate sources	-	-	-	-	-	-	-	-
State sources	-	-	-	-	-	-	-	-
Federal sources	161,757	167,613	-	-	12,000	-	1,943	-
Other receipts	-	-	-	-	-	-	-	-
Total receipts	161,757	167,613	-	-	12,000	-	1,943	-
Disbursements:								
Instruction	80,071	187,427	-	-	13,515	8,334	20,011	-
Support services	-	-	-	-	-	-	-	-
Noninstructional services	-	-	-	-	-	-	-	-
Facilities acquisition and construction	-	-	-	-	-	-	-	-
Debt service	-	-	-	-	-	-	-	-
Nonprogrammed charges	-	-	-	-	-	-	-	-
Total disbursements	80,071	187,427	-	-	13,515	8,334	20,011	-
Excess (deficiency) of receipts over disbursements	81,686	(19,814)	-	-	(1,515)	(8,334)	(18,068)	-
Other financing sources (uses):								
Proceeds of long-term debt	-	-	-	-	-	-	-	-
Transfers in	-	-	-	-	-	-	-	-
Transfers out	-	-	-	-	-	-	-	-
Total other financing sources (uses)	-	-	-	-	-	-	-	-
Excess (deficiency) of receipts and other financing sources over disbursements and other financing uses	81,686	(19,814)	-	-	(1,515)	(8,334)	(18,068)	-
Cash and investments - ending	\$ -	\$ (19,814)	\$ 2,920	\$ -	\$ (1,515)	\$ (8,334)	\$ (19,692)	\$ -

GREENCASTLE 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

	Spec Ed IDEA Part B TA FY2014	Spec Ed IDEA Part B 611 FY2016	Spec Ed IDEA 611 FY2015	Spec Ed Preschool Grant FY2015	Spec Ed IDEA Part B 611 FY2017	Sp Ed Preschool 619 FY2017	Drug Free Schools	Medicaid Reimbursement - Federal
Cash and investments - beginning	\$ -	\$ (134,693)	\$ (63,854)	\$ (2,523)	\$ -	\$ -	\$ 3,690	\$ 16,068
Receipts:								
Local sources	-	-	-	-	-	-	-	-
Intermediate sources	-	-	-	-	-	-	-	-
State sources	-	-	-	-	-	-	-	-
Federal sources	-	430,636	63,854	2,523	-	-	-	1,071
Other receipts	-	-	-	-	-	-	-	-
Total receipts	-	430,636	63,854	2,523	-	-	-	1,071
Disbursements:								
Instruction	-	323,817	-	-	166,182	1,290	-	-
Support services	-	-	-	-	-	-	-	1,929
Noninstructional services	-	-	-	-	-	-	-	-
Facilities acquisition and construction	-	-	-	-	-	-	-	-
Debt service	-	-	-	-	-	-	-	-
Nonprogrammed charges	-	-	-	-	-	-	-	-
Total disbursements	-	323,817	-	-	166,182	1,290	-	1,929
Excess (deficiency) of receipts over disbursements	-	106,819	63,854	2,523	(166,182)	(1,290)	-	(858)
Other financing sources (uses):								
Proceeds of long-term debt	-	-	-	-	-	-	-	-
Transfers in	-	-	-	-	-	-	-	-
Transfers out	-	-	-	-	-	-	-	-
Total other financing sources (uses)	-	-	-	-	-	-	-	-
Excess (deficiency) of receipts and other financing sources over disbursements and other financing uses	-	106,819	63,854	2,523	(166,182)	(1,290)	-	(858)
Cash and investments - ending	\$ -	\$ (27,874)	\$ -	\$ -	\$ (166,182)	\$ (1,290)	\$ 3,690	\$ 15,210

GREENCASTLE 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 II, Part A 2013-2015	Title II, Part A 2014-2016	Title II, Part A 2015-2017	Elearning Regional Conf Grant	Title II Part B Math and Science Partnership	Payroll Withholdings and Benefits	Health Insurance	Totals
Cash and investments - beginning	\$ -	\$ (13,314)	\$ (16,457)	\$ -	\$ -	\$ 235,608	\$ 2,350,108	\$ 9,449,645
Receipts:								
Local sources	-	-	-	-	-	-	-	7,779,250
Intermediate sources	-	-	-	-	-	-	-	206
State sources	-	-	-	-	-	-	-	12,628,317
Federal sources	-	13,313	55,185	-	80,152	-	-	1,586,626
Other receipts	-	-	-	-	-	2,724,384	1,668,436	4,401,976
Total receipts	-	13,313	55,185	-	80,152	2,724,384	1,668,436	26,396,375
Disbursements:								
Instruction	-	-	-	-	14,542	-	-	10,100,231
Support services	-	(160)	70,660	-	129,405	-	-	7,598,091
Noninstructional services	-	-	-	-	-	-	-	1,241,967
Facilities acquisition and construction	-	-	-	-	-	-	-	700,995
Debt service	-	-	-	-	-	-	-	3,468,982
Nonprogrammed charges	-	-	-	-	-	2,747,280	1,867,159	4,614,439
Total disbursements	-	(160)	70,660	-	143,947	2,747,280	1,867,159	27,724,705
Excess (deficiency) of receipts over disbursements	-	13,473	(15,475)	-	(63,795)	(22,896)	(198,723)	(1,328,330)
Other financing sources (uses):								
Proceeds of long-term debt	-	-	-	-	-	-	-	1,200,000
Transfers in	-	-	-	-	-	-	-	650,000
Transfers out	-	-	-	-	-	-	-	(650,000)
Total other financing sources (uses)	-	-	-	-	-	-	-	1,200,000
Excess (deficiency) of receipts and other financing sources over disbursements and other financing uses	-	13,473	(15,475)	-	(63,795)	(22,896)	(198,723)	(128,330)
Cash and investments - ending	\$ -	\$ 159	\$ (31,932)	\$ -	\$ (63,795)	\$ 212,712	\$ 2,151,385	\$ 9,321,315

GREENCASTLE 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>\$ 416,439</u>	<u>\$ 340,426</u>

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

Lessor	Purpose	Annual Lease Payment	Lease Beginning Date	Lease Ending Date
Governmental activities:				
CIT	Desktop Computer Lease	\$ 19,180	10/05/2014	10/05/2018
Dell Financial Services	Student Devices	90,162	07/01/2017	07/01/2019
Greencastle School Building Corporation	School Corp Maint/Improvements (2015)	399,000	01/15/2016	01/15/2020
Greencastle School Building Corporation	School Corp Maint/Improvements (2017 Rfnd)	289,000	07/15/2017	01/15/2027
Greencastle School Building Corporation	School Corp Maint/Improvements (2012A)	1,588,000	07/15/2012	01/15/2024
Greencastle School Building Corporation	School Corp Maint/Improvements (2012B)	544,000	07/15/2012	01/15/2018
Greencastle School Building Corporation	School Corp Maint/Improvements (2016)	408,000	01/15/2017	07/15/2026
HP Financial Services	HP Laptop Computer Lease	45,522	03/31/2015	03/31/2019
Ricoh	Copier Lease	20,808	06/28/2013	06/27/2018
Total of annual lease payments		<u>\$ 3,403,672</u>		

Type	Description of Debt	Purpose	Ending Principal Balance	Principal and Interest Due Within One Year
Governmental activities:				
General obligation bonds	Retirement/Severance		<u>\$ 1,660,000</u>	<u>\$ 244,440</u>

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SUPPLEMENTAL AUDIT OF
FEDERAL AWARDS



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

TO: THE OFFICIALS OF THE GREENCASTLE COMMUNITY
SCHOOL CORPORATION, PUTNAM COUNTY, INDIANA

Report on Compliance for Each Major Federal Program

We have audited the Greencastle 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. Except as discussed below, 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.

Basis for Qualified Opinion on the Child Nutrition Cluster

As described in item 2017-004 in the accompanying Schedule of Findings and Questioned Costs, the School Corporation did not comply with requirements regarding Program Income that are applicable to its Child Nutrition Cluster. Compliance with such requirements is necessary, in our opinion, for the School Corporation to comply with requirements applicable to that program.

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

Basis for Qualified Opinion on the Special Education Cluster (IDEA)

As described in item 2017-009 in the accompanying Schedule of Findings and Questioned Costs, we were unable to obtain sufficient appropriate audit evidence supporting the compliance of the School Corporation with the Special Education Cluster (IDEA) regarding Matching, Level of Effort, Earmarking. Consequently, we were unable to determine whether the School Corporation complied with those requirements applicable to the program.

Qualified Opinion on Child Nutrition Cluster

In our opinion, except for the noncompliance described in the *Basis for Qualified Opinion on Child Nutrition Cluster* paragraph, 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 Child Nutrition Cluster for the period of July 1, 2015 to June 30, 2017.

Qualified Opinion on Special Education Cluster (IDEA)

In our opinion, except for the possible effects of the matter described in the *Basis for Qualified Opinion on Special Education Cluster (IDEA)* paragraph, 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 the Special Education Cluster (IDEA) for the period of July 1, 2015 to June 30, 2017.

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 2017-003, 2017-005, 2017-007, 2017-008, and 2017-010. 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


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

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 2017-003, 2017-004, 2017-005, 2017-006, 2017-007, 2017-008, 2017-009, and 2017-010, 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

December 17, 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.

GREENCASTLE 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						
800 Federal Money-Breakfast		10.553	FY2016	\$ -	\$ 120,435	\$ -	\$ -
800 Federal Money-Breakfast		10.553	FY2017	-	-	-	120,793
Total - School Breakfast Program				-	120,435	-	120,793
National School Lunch Program	Indiana Department of Education						
800 Federal Money - Lunch		10.555	FY2016	-	433,475	-	-
800 Federal Money - Lunch		10.555	FY2017	-	-	-	410,299
Commodities		10.555	FY2016 & 2017	-	67,123	-	76,516
Total - National School Lunch Program				-	500,598	-	486,815
Summer Food Service Program for Children	Indiana Department of Education						
800 Summer Food Service Program for Children		10.559	FY2016	-	23,780	-	-
800 Summer Food Service Program for Children		10.559	FY2017	-	-	-	37,318
Total - Summer Food Service Program for Children				-	23,780	-	37,318
Total - Child Nutrition Cluster				-	644,813	-	644,926
Total - Department of Agriculture				-	644,813	-	644,926
<u>Department of Education</u>							
Special Education Cluster (IDEA)							
Special Education_Grants to States	Indiana Department of Education						
5252 FY2014 IDEA Part B		84.027	14214-086-PN01	-	97,188	-	-
5256 FY2015 IDEA Part B		84.027	14215-086-PN01	-	255,926	-	63,854
5255 FY2015 IDEA Part B		84.027	14216-079-PN01	-	28,738	-	430,636
5254 Special Ed 619 FY2014		84.027	99914-086-PN01	-	2,905	-	-
Total - Special Education_Grants to States				-	384,757	-	494,490
Special Education_Preschool Grants	Indiana Department of Education						
5257 Special Ed Part B 619 FY15		84.173	45715-086-PN01	-	14,866	-	2,523
5251 Sp Ed Part B 619 FY16		84.173	45716-079-PN01	-	-	-	1,943
Total - Special Education_Preschool Grants				-	14,866	-	4,466
Total - Special Education Cluster (IDEA)				-	399,623	-	498,956

GREENCASTLE 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
Title I Grants to Local Educational Agencies	Indiana Department of Education						
4114 Title I Basic		84.010	15-6755	-	103,736	-	-
4117 Title I Basic		84.010	16-6755	-	99,741	-	161,757
4118 Title I Basic 2016/17		84.010	17-6755	-	-	-	167,613
Total - Title I Grants to Local Educational Agencies				-	203,477	-	329,370
Title I State Agency Program for Neglected and Delinquent Children and Youth	Indiana Department of Education						
4115 Title I Part D		84.013	15-6755	-	8,820	-	-
4116 Title I (Part D) 2015-2016		84.013	16-6755	-	-	-	12,881
Total - Title I State Agency Program for Neglected and Delinquent Children and Youth				-	8,820	-	12,881
Education for Homeless Children and Youth	Indiana Department of Education						
5115 McKinney Vento Grant		84.196	7000S196A140015	-	14,368	-	-
5116 McKinney Vento Grant 2015-16		84.196	7000S196A150015	-	-	-	12,000
Total - Education for Homeless Children and Youth				-	14,368	-	12,000
Mathematics and Science Partnerships Grant	Indiana Department of Education						
6900 MSP Grant		84.366	A58-6-16CI-3738	-	-	-	80,152
Supporting Effective Instruction State Grants	Indiana Department of Education						
6842 Title II Part A 2013-2015		84.367	13-6755	-	36,659	-	-
6843 Title II Part A 2014-2016		84.367	14-6755	-	66,337	-	13,313
6844 Title II Part A 2015-2017		84.367	FFY 2015	-	-	-	55,185
Total - Supporting Effective Instruction State Grants				-	102,996	-	68,498
Total - Department of Education				-	729,284	-	1,001,857
Total federal awards expended				\$ -	\$ 1,374,097	\$ -	\$ 1,646,783

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

GREENCASTLE 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.

GREENCASTLE 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?	yes
Significant deficiency identified?	none reported
Noncompliance material to financial statement noted?	no

Federal Awards:

Internal control over major programs:	
Material weaknesses identified?	yes
Significant deficiency 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	Qualified
Special Education Cluster	Qualified

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

FINDING 2017-001

Subject: Preparation of the Schedule of Expenditures of Federal Awards
Audit Finding: Material Weakness

Repeat Finding

This is a repeat finding from the immediately prior audit. The prior audit finding number was 2015-001.

Condition

The School Corporation did not have a proper system of internal control in place to prevent, or detect and correct, errors on the Schedule of Expenditures of Federal Awards (SEFA).

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

The School Corporation had not established effective internal controls over the federal award information entered into the Indiana Gateway for Government Units (Gateway) financial reporting system, which was the source of the School Corporation's SEFA. The Treasurer prepared the federal award information and entered it into Gateway without a control in place to prevent, or detect and correct, errors prior to submission.

Context

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

Criteria

The Indiana State Board of Accounts (SBOA) is required under Indiana Code 5-11-1-27(e) to define the acceptable minimum level of internal control standards. To provide clarifying guidance, the State Examiner compiled the standards contained in the manual, *Uniform Internal Control Standards for Indiana Political Subdivisions*. All political subdivisions subject to audit by SBOA are expected to adhere to these standards. The standards include adequate control activities. According to this manual:

"Control activities are the actions and tools established through policies and procedures that help to detect, prevent, or reduce the identified risks that interfere with the achievement of objectives. Detection activities are designed to identify unfavorable events in a timely manner whereas prevention activities are designed to deter the occurrence of an unfavorable event. Examples of these activities include reconciliations, authorizations, approval processes, performance reviews, and verification processes.

An integral part of the control activity component is segregation of duties. . . .

There is an expectation of segregation of duties. If compensating controls are necessary, documentation should exist to identify both the areas where segregation of duties are not feasible or practical and the compensating controls implemented to mitigate the risk. . . ."

Cause

Management had not established a system of internal control to ensure proper reporting of the SEFA.

Effect

Without a proper system of internal control in place that operated effectively, material misstatements of the SEFA could have remained undetected.

Recommendation

We recommended that the School Corporation's management establish controls related to the preparation of the SEFA.

Views of Responsible Officials

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

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

FINDING 2017-002

Subject: Financial Transactions and Reporting
Audit Finding: Material Weakness

Condition

There was a deficiency in the internal control system of the School Corporation related to financial transactions and reporting. There was a lack of segregation of duties as the School Corporation had not separated incompatible activities related to receipts. Receipts were issued and recorded by the Treasurer without a documented oversight, review, or approval process.

Context

The lack of controls over receipts was a systemic issue throughout the audit period.

Criteria

The Indiana State Board of Accounts (SBOA) is required under Indiana Code 5-11-1-27(e) to define the acceptable minimum level of internal control standards. To provide clarifying guidance, the State Examiner compiled the standards contained in the manual, *Uniform Internal Control Standards for Indiana Political Subdivisions*. All political subdivisions subject to audit by SBOA are expected to adhere to these standards. The standards include adequate control activities. According to this manual:

"Control activities are the actions and tools established through policies and procedures that help to detect, prevent, or reduce the identified risks that interfere with the achievement of objectives. Detection activities are designed to identify unfavorable events in a timely manner whereas prevention activities are designed to deter the occurrence of an unfavorable event. Examples of these activities include reconciliations, authorizations, approval processes, performance reviews, and verification processes.

An integral part of the control activity component is segregation of duties. . . .

There is an expectation of segregation of duties. If compensating controls are necessary, documentation should exist to identify both the areas where segregation of duties are not feasible or practical and the compensating controls implemented to mitigate the risk. . . ."

Cause

Management of the School Corporation had not established a proper system of internal control that segregated key functions.

Effect

The failure to establish controls could have enabled misstatements or irregularities to remain undetected.

Recommendation

We recommended that the School Corporation establish a system of internal controls related to financial transactions and reporting of receipts.

GREENCASTLE 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.

Section III - Federal Award Findings and Questioned Costs

FINDING 2017-003

Subject: Child Nutrition Cluster - Procurement and Suspension and Debarment
Federal Agency: Department of Agriculture
Federal Programs: School Breakfast Program, National School Lunch Program,
Summer Food Service Program for Children
CFDA Numbers: 10.553, 10.555, 10.559
Federal Award Numbers and Years (or Other Identifying Numbers): FY2016, FY2017
Pass-Through Entity: Indiana Department of Education
Compliance Requirement: Procurement and Suspension and Debarment
Audit Findings: Material Weakness, Other Matters

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 procurement and suspension and debarment requirements.

Procurement

The School Corporation had not established effective controls to ensure that their purchasing method used complied with 2 CFR 200.320.

The School Corporation did not obtain price or rate quotes from an adequate number of sources for purchases of goods or services exceeding \$3,500, which required the use of small purchase procedures. The School Corporation also did not obtain a contract for one vendor for which the total disbursements exceeded \$150,000; the threshold for use of simplified acquisition procedures.

Suspension and Debarment

The School Corporation had not established an effective internal control system to ensure compliance with the suspension and debarment requirements. There were no controls in place to ensure that vendors were not suspended or debarred from participation in federal programs.

The School Corporation did not perform any procedures to verify that vendors were not suspended or debarred from participation in federal programs before entering into a contract.

Context

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

GREENCASTLE 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). . . ."

2 CFR 200.320 states in part:

"The non-Federal entity must use one of the following methods of procurement. . . ."

(b) Procurement by small purchase procedures. Small purchase procedures are those relatively simple and informal procurement methods for securing services, supplies, or other property that do not cost more than the Simplified Acquisition Threshold. If small purchase procedures are used, price or rate quotations must be obtained from an adequate number of qualified sources.

(c) Procurement by sealed bids (formal advertising). Bids are publicly solicited and a firm fixed price contract (lump sum or unit price) is awarded to the responsible bidder whose bid, conforming with all the material terms and conditions of the invitation for bids, is the lowest in price. The sealed bid method is the preferred method for procuring construction, if the conditions in paragraph (c)(1) of this section apply. . . ."

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."

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

Cause

The School Corporation's management had not developed a system of internal controls that would have ensured compliance with the procurement and suspension and debarment requirements.

Effect

The failure to establish an effective internal control system enabled material noncompliance to go undetected. Noncompliance with the grant agreement or 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 and comply with 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.

FINDING 2017-004

Subject: Child Nutrition Cluster - Program Income

Federal Agency: Department of Agriculture

Federal Programs: School Breakfast Program, National School Lunch Program,
Summer Food Service Program for Children

CFDA Numbers: 10.553, 10.555, 10.559

Federal Award Numbers and Years (or Other Identifying Numbers): FY2016, FY2017

Pass-Through Entity: Indiana Department of Education

Compliance Requirement: Program Income

Audit Findings: Material Weakness, Modified Opinion

Repeat Finding

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

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. An oversight, review, or approval process had not been established.

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

All payments were recorded directly into the School Lunch fund with no distinction between actual revenue and amounts prepaid on student accounts.

Context

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

Criteria

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

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

2 CFR 200.303 states in part:

"The non-Federal entity must:

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

7 CFR 210.14(c) states:

"*Financial assurances.* The school food authority shall meet the requirements of the State agency for compliance with § 210.19(a) including any separation of records of nonprofit school food service from records of any other food service which may be operated by the school food authority as provided in paragraph (a) of this section."

7 CFR 210.14(f)(3) states: "All revenue from the sale of nonprogram foods shall accrue to the nonprofit school food service account of a participating school food authority."

7 CFR 220.7(e) states in part:

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

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

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

7 CFR 225.6(e) states in part:

"State-Sponsor Agreement. A sponsor approved for participation in the Program must enter into a permanent written agreement with the State agency. All sponsors must agree in writing to: . . .

(12) Maintain a financial management system as prescribed by the State agency; . . ."

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

Cause

Management had not developed a system of internal controls that would have ensured compliance with the program income requirements.

Effect

The failure to establish an effective internal control system allowed noncompliance to occur.

Questioned Costs

There were no questioned costs identified.

Recommendation

We recommended that the School Corporation's management establish controls to ensure compliance and comply 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.

FINDING 2017-005

Subject: Child Nutrition Cluster - Equipment

Federal Agency: Department of Education

Federal Programs: School Breakfast Program, National School Lunch Program,
Summer Food Service Program for Children

CFDA Numbers: 10.553, 10.555, 10.559

Federal Award Numbers and Years (or Other Identifying Numbers): FY2016, FY2017

Pass-Through Entity: Indiana Department of Education

Compliance Requirement: Equipment and Real Property Management

Audit Findings: Material Weakness, Other Matters

GREENCASTLE 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 equipment requirements.

The School Corporation failed to comply with the equipment requirement that property records be maintained which includes a description of the property, a serial number or other identification number, the source of property, who holds title, the acquisition date, and cost of the property, and any ultimate disposition data including the date of disposal and sale price of the property. The School Corporation purchased two pieces of equipment prior to October 1, 2015, which totaled \$59,251, that were not included in their property records as required.

The School Corporation also failed to comply with the equipment requirement that a physical inventory be taken and reconciled with property records at least every two years. The School Corporation did not perform a capital asset inventory during the audit period.

Context

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

Criteria

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

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

2 CFR 200.303 states in part:

"The non-Federal entity must:

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

7 CFR 3016.32(d) states in part:

"*Management requirements.* Procedures for managing equipment (including replacement equipment), whether acquired in whole or in part with grant funds, until disposition takes place will, as a minimum, meet the following requirements:

- (1) Property records must be maintained that include a description of the property, a serial number or other identification number, the source of property, who holds title, the acquisition date, and cost of the property, percentage of Federal participation in the cost of the property, the location, use and condition of the property, and any ultimate disposition data including the date of disposal and sale price of the property.

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

- (2) A physical inventory of the property must be taken and the results reconciled with the property records at least once every two years. . . ."

2 CFR 200.313 states in part:

". . . (b) . . . Other non-Federal entities must follow paragraphs (c) through (e) of this section. . . .

(d) *Management requirements.* Procedures for managing equipment (including replacement equipment), whether acquired in whole or in part under a Federal award, until disposition takes place will, as a minimum, meet the following requirements:

- (1) Property records must be maintained that include a description of the property, a serial number or other identification number, the source of funding for the property (including the FAIN), who holds title, the acquisition date, and cost of the property, percentage of Federal participation in the project costs for the Federal award under which the property was acquired, the location, use and condition of the property, and any ultimate disposition data including the date of disposal and sale price of the property.
- (2) A physical inventory of the property must be taken and the results reconciled with the property records at least once every two years. . . ."

Cause

The School Corporation had not established an effective system of internal controls that would have ensured compliance with the grant agreement and the equipment requirements.

Effect

The failure to establish an effective internal control system enabled material noncompliance to go undetected. Noncompliance with the grant agreement and the equipment 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 to ensure compliance and comply with the Equipment and Real Property Management compliance requirement.

Views of Responsible Officials

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

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

FINDING 2017-006

Subject: Child Nutrition Cluster - Reporting
Federal Agency: Department of Agriculture
Federal Programs: School Breakfast Program, National School Lunch Program,
Summer Food Service Program for Children
CFDA Numbers: 10.553, 10.555, 10.559
Federal Award Numbers and Years (or Other Identifying Numbers): FY2016, FY2017
Pass-Through Entity: Indiana Department of Education
Compliance Requirement: Reporting
Audit Finding: Material Weakness

Repeat Finding

This is a repeat finding from the immediately prior audit. The prior audit finding number was 2015-002.

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 Reporting compliance requirement. The Food Service Director completed and submitted the required reports, including the monthly reimbursement requests and Annual Financial Reports, without an oversight, review, or approval process, to ensure the accuracy of the reports.

Context

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

Criteria

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

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

2 CFR 200.303 states in part:

"The non-Federal entity must:

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

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

Cause

Management had not developed a system of internal controls to ensure compliance with the Reporting compliance requirement.

Effect

The failure to establish an effective internal control system placed the School Corporation at risk of noncompliance with the grant agreement and the Reporting compliance requirement. A lack of segregation of duties within an internal control system could have also allowed noncompliance with the compliance requirement 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 to ensure compliance with 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 2017-007

Subject: Child Nutrition Cluster - Eligibility
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): FY2016, FY2017
Pass-Through Entity: Indiana Department of Education
Compliance Requirement: Eligibility
Audit Findings: Material Weakness, Other Matters

Repeat Finding

The lack of internal controls is a repeat finding from the immediately prior audit. The prior audit finding number was 2015-002.

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 Eligibility compliance requirement.

The School Corporation had not designed or implemented adequate policies and procedures to ensure compliance with eligibility requirements. The free and reduced price lunch applications that were completed by hand were entered into the computer system by the Food Service Director without an oversight, review, or approval process. Due to the lack of controls, free and/or reduced price meal benefits were not provided to all eligible students.

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

Context

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

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). . . ."

7 CFR 245.3 states in part:

"(a) Each State agency, or FNSRO where applicable, shall by July 1 of each year announce family-size income standards to be used by local educational agencies, as defined in § 245.2, under the jurisdiction of such State agency, or FNSRO where applicable, in making eligibility determinations for free or reduced price meals and for free milk. Such family size income standards for free and reduced price meals and for free milk shall be in accordance with Income Eligibility Guidelines published by the Department by notice in the FEDERAL REGISTER.

(b) Each participating local educational agency and all participating schools under its jurisdiction must adhere to the eligibility criteria specified in this part. . . ."

7 CFR 245.6(c) states in part:

"Determination of eligibility–

(1) Duration of eligibility. Except as otherwise specified in paragraph (c)(3) of this section, eligibility for free or reduced price meals, as determined through an approved application or by direct certification, must remain in effect for the entire school year and for up to 30 operating days into the subsequent school year. The local educational agency must determine household eligibility for free or reduced price meals either through direct certification or the application process at or about the beginning of the school year. The local educational agency must determine eligibility for free or reduced price meals when a household submits an application or if feasible, through direct certification, at any time during the school year. . . ."

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

7 CFR 245.6(c)(6) states in part: "*Notice of Approval*–(i) *Income applications*. The local educational agency must notify the household of the children's eligibility and provide the eligible children the benefits to which they are entitled within 10 operating days of receiving the application from the household. . . ."

Cause

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

Effect

The failure to establish an effective internal control system enabled material noncompliance to go undetected. Noncompliance with the grant agreement and the eligibility 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 to ensure compliance and comply with the grant agreement and the Eligibility 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 2017-008

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): 99914-086-PN01, 14214-086-PN01,
14215-086-PN01, 14216-079-PN01,
45715-086-PN01, 45716-079-PN01

Pass-Through Entity: Indiana Department of Education

Compliance Requirement: Allowable Costs/Cost Principles

Audit Findings: Material Weakness, Other Matters

Condition

An effective internal control system was not in place at the School Corporation in order to ensure compliance with requirements related to the grant agreement and the Allowable Costs/Cost Principles compliance requirements.

The School Corporation presented Semi-Annual Certifications for the audit period as evidence of time and effort. In the periods selected for testing, 55 payroll checks were issued from Special Education funds; 30 percent were for employees that were not included on the Semi-Annual Certifications.

GREENCASTLE 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

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). . . ."

OMB Circular A-87, Attachment B, section 8h(3) states:

"Where employees are expected to work solely on a single Federal award or cost objective, charges for their salaries and wages will be supported by periodic certifications that the employees worked solely on that program for the period covered by the certification. These 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."

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. . . ."

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

Cause

The School Corporation's management had not developed or implemented a system of internal control that would have ensured compliance with the grant agreement and the Allowable Costs/Cost Principles compliance requirement.

Effect

The failure to establish an effective internal control system enabled noncompliance to go undetected. Noncompliance with the grant agreement and 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 and comply with 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 2017-009

Subject: Special Education Cluster (IDEA) - Level of Effort - Maintenance of Effort

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): 99914-086-PN01, 14214-086-PN01,
14215-086-PN01, 14216-079-PN01,
45715-086-PN01, 45716-079-PN01

Pass-Through Entity: Indiana Department of Education

Compliance Requirement: Matching, Level of Effort, Earmarking

Audit Findings: Material Weakness, Modified Opinion

Condition

An effective internal control system was not in place at the School Corporation in order to ensure compliance with requirements related to the grant agreement and the Level of Effort - Maintenance of Effort (MOE) requirements.

Per the instructions for the special education program applications, the School Corporation was required to use the 2015-2016 expenditure data to complete the MOE calculation for the fiscal year 2017 application, and 2016-2017 expenditure data to complete the fiscal year 2018 application.

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

The School Corporation did not use the correct years' expenditure data when completing the calculation for fiscal year. It could not be determined which expenditure data was used. The School Corporation did use the correct expenditure data when completing the calculation for fiscal year; however, there was no supporting documentation presented for audit to verify the expenditures.

Context

The lack of controls and failure to provide adequate supporting documentation regarding MOE were systemic issues throughout the audit period.

Criteria

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

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

2 CFR 200.303 states in part:

"The non-Federal entity must:

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

2 CFR 200.333 states in part:

"Financial records, supporting documents, statistical records, and all other non-Federal entity records pertinent to a Federal award must be retained for a period of three years from the date of submission of the final expenditure report or, for Federal awards that are renewed quarterly or annually, from the date of the submission of the quarterly or annual financial report, respectively, as reported to the Federal awarding agency or pass-through entity in the case of a subrecipient. . . ."

Cause

Management had not developed a system of internal controls that would have ensured that adequate documentation to support the MOE calculations was maintained and presented for audit.

Effect

The failure to establish an effective internal control system and to provide adequate supporting documentation prevented the determination of the School Corporation's compliance with the MOE requirements.

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

Questioned Costs

There were no questioned costs identified.

Recommendation

We recommended that the School Corporation's management establish controls to ensure that adequate documentation to support compliance with the Matching, Level of Effort, Earmarking compliance requirement will be maintained for audit.

Views of Responsible Officials

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

FINDING 2017-010

Subject: Special Education_Grants to States - Procurement and Suspension and Debarment

Federal Agency: Department of Education

Federal Programs: Special Education_Grants to States

CFDA Numbers: 84.027

Federal Award Numbers and Years (or Other Identifying Numbers): 99914-086-PN01, 14214-086-PN01,
14215-086-PN01, 14216-079-PN01

Pass-Through Entity: Indiana Department of Education

Compliance Requirement: Procurement and Suspension and Debarment

Audit Findings: Material Weakness, Other Matters

Condition

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

Procurement

The School Corporation had not established effective controls to ensure that proper procurement policies were followed.

Suspension and Debarment

The School Corporation had not established effective controls to ensure that vendors were not suspended or debarred or otherwise excluded from participation in federal assistance programs.

The School Corporation did not perform any procedures to verify that vendors were not suspended or debarred from participation in federal programs before entering into a contract.

Context

The lack of controls and noncompliance regarding suspension and debarment requirements were systemic issues throughout the audit period.

GREENCASTLE 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). . . ."

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 had not developed a system of internal controls that would have ensured compliance with the Procurement and Suspension and Debarment compliance requirement.

Effect

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

Questioned Costs

There were no questioned costs identified.

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

Recommendation

We recommended that the School Corporation's management establish controls to ensure compliance and comply with 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.

AUDITEE-PREPARED DOCUMENTS

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



GREENCASTLE COMMUNITY SCHOOL CORPORATION

1002 Mill Pond Lane, P.O. Box 480, Greencastle, IN 46135
Phone: 765.653.9771 www.greencastle.k12.in.us Fax: 765.653.1282

SUMMARY SCHEDULE OF PRIOR AUDIT FINDINGS

Jeffrey Hubble
Superintendent
jhubble@greencastle.k12.in.us
Extension 104

Donovan Garletts
Assistant Superintendent
dgarletts@greencastle.k12.in.us
Extension 103

Jayme Barber
Finance Director
jbarber@greencastle.k12.in.us
Extension 105

Debbie Carrico
Food Services Director
dcarrico@greencastle.k12.in.us
Extension 116

Daniel Green
Operations Director
dgreen@greencastle.k12.in.us
Extension 129

Cory Hill
Technology Director
chill@greencastle.k12.in.us
Extension 109

Kim Sullivan
Special Services Director
ksullivan@greencastle.k12.in.us
Extension 120

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FINDING 2015-001

Fiscal year in which the finding initially occurred: FY14
Contact Person Responsible for Corrective Action: Donovan Garletts
Contact Phone Number: 765-653-9771

Status of Audit Finding:

GCSC did not implement internal controls for Schedule of Expenditures of Federal Awards. In the future we will ensure someone else in Central Office review the submittal prior to submission in Gateway.

FINDING 2015-002

Fiscal year in which the finding initially occurred: FY14
Pass-Through Entity, if pass-through or Federal Grantor Agency, if direct: Indiana Department of Education
Contact Person Responsible for Corrective Action: Donovan Garletts
Contact Phone Number: 765-653-9771

Status of Audit Finding:

GCSC did not implement internal controls over eligibility for child nutrition. In the future we will check the parameters of income guidelines within Skyward. This check will be completed on a few "test" subjects when entering applications. Additionally, any paper application will be checked by another Central Office staff to ensure proper transfer of information.

GCSC did not implement internal controls over reporting for child nutrition. In the future we will have another Central Office staff review reports prior to submission.



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Jeffrey Hubble
Superintendent
jhubble@greencastle.k12.in.us
Extension 104

Donovan Garletts
Assistant Superintendent
dgarletts@greencastle.k12.in.us
Extension 103

Jayme Barber
Finance Director
jbarber@greencastle.k12.in.us
Extension 105

Debbie Carrico
Food Services Director
dcarrico@greencastle.k12.in.us
Extension 116

Daniel Green
Operations Director
dgreen@greencastle.k12.in.us
Extension 129

Cory Hill
Technology Director
chill@greencastle.k12.in.us
Extension 109

Kim Sullivan
Special Services Director
ksullivan@greencastle.k12.in.us
Extension 120

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FINDING 2015-003

Fiscal year in which the finding initially occurred: FY14
Pass-Through Entity, if pass-through or Federal Grantor Agency, if direct: Indiana
Department of Education
Contact Person Responsible for Corrective Action: Donovan Garletts
Contact Phone Number: 765-653-9771

Status of Audit Finding:

GCSC did not implement any new procedures to ensure program income was properly recorded until July 1st of 2017. We currently follow those procedures.

FINDING 2015-004

Fiscal year in which the finding initially occurred: FY14
Pass-Through Entity, if pass-through or Federal Grantor Agency, if direct: Indiana
Department of Education
Contact Person Responsible for Corrective Action: Donovan Garletts
Contact Phone Number: 765-653-9771

Status of Audit Finding:

GCSC implemented internal controls by ensuring the Food Service Director presents to and has approved by the board all price increases. The calculations used to determine price increases are recorded for future audits.

FINDING 2015-005

Fiscal year in which the finding initially occurred: FY14
Pass-Through Entity, if pass-through or Federal Grantor Agency, if direct: Indiana
Department of Education
Contact Person Responsible for Corrective Action: Donovan Garletts
Contact Phone Number: 765-653-9771

Status of Audit Finding:

GCSC implemented internal controls in the form of our Corporation Treasurer providing our Food Service Director monthly reports including revenue, expenditures, and a fund report. The Food Service Director was then able to calculate her average monthly cash balance in order to ensure she did not accumulate a large balance.



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Jeffrey Hubble
Superintendent
jhubble@greencastle.k12.in.us
Extension 104

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Assistant Superintendent
dgarletts@greencastle.k12.in.us
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Finance Director
jbarber@greencastle.k12.in.us
Extension 105

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Food Services Director
dcarrico@greencastle.k12.in.us
Extension 116

Daniel Green
Operations Director
dgreen@greencastle.k12.in.us
Extension 129

Cory Hill
Technology Director
chill@greencastle.k12.in.us
Extension 109

Kim Sullivan
Special Services Director
ksullivan@greencastle.k12.in.us
Extension 120

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FINDING 2015-006

Fiscal year in which the finding initially occurred: FY14

Pass-Through Entity, if pass-through or Federal Grantor Agency, if direct: Indiana Department of Education

Contact Person Responsible for Corrective Action: Donovan Garletts

Contact Phone Number: 765-653-9771

Status of Audit Finding:

GCSC implemented internal controls over eligibility for Title I by ensuring multiple people are involved with the determination of which students receive targeted assistance. This is evidenced by multiple student data points.

GCSC implemented internal controls over special test and provisions- comparability report for Title I by having a Central Office staff member review the report prior to submission.

 12/5/18

Donovan Garletts, Assistant Superintendent



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1002 Mill Pond Lane, P.O. Box 480, Greencastle, IN 46135

Phone: 765.653.9771 www.greencastle.k12.in.us Fax: 765.653.1282

Jeffrey Hubble, Superintendent

12 December, 2018

CORRECTIVE ACTION PLAN

FINDING 2017-001

Contact Person Responsible for Corrective Action: Donovan Garletts
Contact Phone Number: 765-653-9771 ext. 104

Views of Responsible Official:

We concur with the finding.

Description of Corrective Action Plan:

The Treasurer will ensure a second individual designated by the superintendent will review the Schedule of Expenditures of Federal Awards report prior to submission.

Anticipated Completion Date:

Immediately (12/10/2018)

FINDING 2017-002

Contact Person Responsible for Corrective Action: Donovan Garletts
Contact Phone Number: 765-653-9771 ext. 104

Views of Responsible Official:

We concur with the finding.

Description of Corrective Action Plan:

The Treasurer will ensure a second individual designated by the superintendent will review the preparation of Receipts prior to posting.

Anticipated Completion Date:

Immediately (12/10/2018)



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1002 Mill Pond Lane, P.O. Box 480, Greencastle, IN 46135

Phone: 765.653.9771 www.greencastle.k12.in.us Fax: 765.653.1282

Jeffrey Hubble, Superintendent

FINDING 2017-003

Contact Person Responsible for Corrective Action: Donovan Garletts
Contact Phone Number: 765-653-9771 ext. 104

Views of Responsible Official:

We concur with the finding.

Description of Corrective Action Plan:

The Director of Food Services will assign a designee who will cross check purchasing to ensure compliance with 2 CFR 200.320 and suspension and debarment requirements prior to order. The department utilizes a Co-Op for bidding who also ensures compliance with both 2 CFR 200.320 and suspension and debarment.

Anticipated Completion Date:

Immediately (12/10/2018)

FINDING 2017-004

Contact Person Responsible for Corrective Action: Donovan Garletts
Contact Phone Number: 765-653-9771 ext. 104

Views of Responsible Official:

We concur with the finding.

Description of Corrective Action Plan:

The Director of Food Services implemented procedures to ensure program income is properly recorded in July of 2017 including cross checking a revenue report from Skyward with the Director of Finance.

Anticipated Completion Date:

Immediately (12/10/2018)

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Phone: 765.653.9771 www.greencastle.k12.in.us Fax: 765.653.1282
Jeffrey Hubble, Superintendent

FINDING 2017-005

Contact Person Responsible for Corrective Action: Donovan Garletts
Contact Phone Number: 765-653-9771 ext. 104

Views of Responsible Official:

We concur with the finding.

Description of Corrective Action Plan:

The Director of Food Services will ensure a capital asset inventory is completed and will include descriptions, serial or other ID, acquisition source and date, title location (if any), cost, and if applicable, a date/price of disposition for any item over \$5000. The report is cross checked by the Director of Finance in both June and December.

Anticipated Completion Date:

Immediately (12/10/2018)

FINDING 2017-006

Contact Person Responsible for Corrective Action: Donovan Garletts
Contact Phone Number: 765-653-9771 ext. 104

Views of Responsible Official:

We concur with the finding.

Description of Corrective Action Plan:

The Director of Food Services will ensure internal controls over reporting for child nutrition. An additional Central Office staff will review reports prior to submission. This procedure has already been implemented.

Anticipated Completion Date:

Immediately (12/10/2018)



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1002 Mill Pond Lane, P.O. Box 480, Greencastle, IN 46135
Phone: 765.653.9771 www.greencastle.k12.in.us Fax: 765.653.1282

Jeffrey Hubble, Superintendent

FINDING 2017-007

Contact Person Responsible for Corrective Action: Donovan Garletts
Contact Phone Number: 765-653-9771 ext. 104

Views of Responsible Official:

We concur with the finding.

Description of Corrective Action Plan:

The Director of Food Services will ensure internal controls over eligibility for child nutrition. The parameters of income guidelines within Skyward will be tested. This check will be completed on a few "test" subjects when entering applications. Additionally, any paper application will be checked by an additional Central Office staff to ensure proper transfer of information.

Anticipated Completion Date:

Immediately (12/10/2018)

FINDING 2017-008

Contact Person Responsible for Corrective Action: Donovan Garletts
Contact Phone Number: 765-653-9771 ext. 104

Views of Responsible Official:

We concur with the finding.

Description of Corrective Action Plan:

The Director of Special Services will ensure all employees working under the grant will be included on the Semi-Annual Certification and will designate an additional Central Office staff to check the report against a payroll report prior to submission.

Anticipated Completion Date:

Immediately (12/10/2018)



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1002 Mill Pond Lane, P.O. Box 480, Greencastle, IN 46135

Phone: 765.653.9771 www.greencastle.k12.in.us Fax: 765.653.1282

Jeffrey Hubble, Superintendent

FINDING 2017-009

Contact Person Responsible for Corrective Action: Donovan Garletts
Contact Phone Number: 765-653-9771 ext. 104

Views of Responsible Official:

We concur with the finding.

Description of Corrective Action Plan:

The Director of Special Services will ensure the preceding year's expenditure report will be utilized when completing the Maintenance of Effort report and will designate an additional Central Office staff to check the report prior to submission.

Anticipated Completion Date:

Immediately (12/10/2018)

FINDING 2017-010

Contact Person Responsible for Corrective Action: Donovan Garletts
Contact Phone Number: 765-653-9771 ext. 104

Views of Responsible Official:

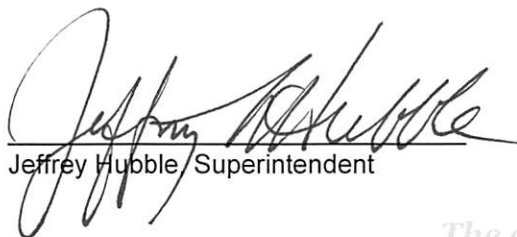
We concur with the finding.

Description of Corrective Action Plan:

The Director of Special Services will assign a designee who will cross check purchasing to ensure compliance with procurement and suspension and debarment requirements prior to order.

Anticipated Completion Date:

Immediately (12/10/2018)



Jeffrey Hubble, Superintendent

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/>.