

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

FINANCIAL STATEMENT AND
FEDERAL SINGLE AUDIT REPORT
OF

METROPOLITAN SCHOOL DISTRICT OF MT. VERNON
POSEY COUNTY, INDIANA

July 1, 2016 to June 30, 2018



FILED
03/22/2019

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SCHEDULE OF OFFICIALS

<u>Office</u>	<u>Official</u>	<u>Term</u>
Treasurer	Mary E. Buchanan Kimberley Morton	01-01-16 to 10-16-17 10-17-17 to 12-31-19
Superintendent of Schools	Dr. Thomas P. Kopatich	07-01-13 to 06-30-20
President of the School Board	Mark A. Isaac Beth McFadin Higgins Katherine Weinzapfel Mark A. Isaac	01-01-16 to 12-31-16 01-01-17 to 12-31-17 01-01-18 to 12-31-18 01-01-19 to 12-31-19



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INDEPENDENT AUDITOR'S REPORT

TO: THE OFFICIALS OF THE METROPOLITAN SCHOOL DISTRICT
OF MT. VERNON, POSEY COUNTY, INDIANA

Report on the Financial Statement

We have audited the accompanying financial statement of the Metropolitan School District of Mt. Vernon (School Corporation), which comprises the financial position and results of operations for the period of July 1, 2016 to June 30, 2018, 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, 2016 to June 30, 2018.

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, 2016 to June 30, 2018, in accordance with the financial reporting provisions of the Indiana State Board of Accounts described in Note 1.

Other Matters

Supplementary Information

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

Other Information

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

INDEPENDENT AUDITOR'S REPORT
(Continued)

Other Reporting Required by *Government Auditing Standards*

In accordance with *Government Auditing Standards*, we have also issued a report dated February 4, 2019, 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

February 4, 2019



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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 METROPOLITAN SCHOOL DISTRICT
OF MT. VERNON, POSEY 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 Metropolitan School District of Mt. Vernon (School Corporation), which comprises the financial position and results of operations for the period of July 1, 2016 to June 30, 2018, and the related notes to the financial statement, and have issued our report thereon dated February 4, 2019, wherein we noted the School Corporation followed accounting practices the Indiana State Board of Accounts prescribes rather than accounting principles generally accepted in the United States of America.

Internal Control over Financial Reporting

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

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

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


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

Compliance and Other Matters

As part of obtaining reasonable assurance about whether the School Corporation's financial statement is free of material misstatement, we performed tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements, noncompliance with which could have a direct and material effect on the determination of financial statement amounts. However, providing an opinion on compliance with those provisions was not an objective of our audit and, accordingly, we do not express such an opinion. The results of our tests disclosed no instances of noncompliance or other matters that are required to be reported under *Government Auditing Standards*.

Purpose of This Report

The purpose of this report is solely to describe the scope of our testing of internal control and compliance and the results of that testing, and not to provide an opinion on the effectiveness of the School Corporation's internal control or on compliance. This report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering the School Corporation's internal control and compliance. Accordingly, this communication is not suitable for any other purpose.


Paul D. Joyce, CPA
State Examiner

February 4, 2019

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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.

METROPOLITAN SCHOOL DISTRICT OF MT. VERNON
STATEMENT OF RECEIPTS, DISBURSEMENTS,
OTHER FINANCING SOURCES (USES), AND CASH AND
INVESTMENT BALANCES - REGULATORY BASIS
For the Years Ended June 30, 2017 and 2018

Fund	Cash and Investments 07-01-16	Receipts	Disbursements	Other Financing Sources (Uses)	Cash and Investments 06-30-17	Receipts	Disbursements	Other Financing Sources (Uses)	Cash and Investments 06-30-18
General	\$ 1,933,737	\$ 13,998,287	\$ 14,252,415	\$ 1,018	\$ 1,680,627	\$ 14,463,969	\$ 14,103,254	\$ 3,400	\$ 2,044,742
Debt Service	2,300,229	2,468,457	2,236,000	(20,170)	2,512,516	2,424,782	2,696,000	(41,321)	2,199,977
Retirement/Severance Bond Debt Service	282,878	178,076	460,954	-	-	-	-	-	-
Capital Projects	2,609,255	6,710,621	5,728,752	(1,000,000)	2,591,124	6,792,829	5,590,118	(999,330)	2,794,505
School Transportation	1,508,959	2,158,750	1,978,842	(200,000)	1,488,867	2,251,348	1,861,552	(200,000)	1,678,663
School Bus Replacement	497,291	318,435	325,095	(200,000)	290,631	334,293	493,148	-	131,776
Rainy Day	1,976,739	21,150	620,171	1,300,000	2,677,718	-	671,161	600,000	2,606,557
Construction	-	-	-	-	-	11,538	-	9,000,000	9,011,538
School Lunch	674,982	1,085,391	1,158,296	-	602,077	1,105,315	997,190	-	710,202
Textbook Rental	39,687	224,243	221,910	20,170	62,190	223,369	186,989	41,321	139,891
Self-Insurance	884,296	2,125,740	2,357,152	100,000	752,884	2,235,617	2,912,166	600,000	676,335
Educational License Plates	1,139	281	-	-	1,420	394	1,500	-	314
Alternative Education	28,124	8,576	28,067	-	8,633	8,811	16,174	-	1,270
Early Intervention Grant	11,596	-	11,596	-	-	-	-	-	-
Lilly Grant	-	30,000	19,697	-	10,303	-	10,303	-	-
Monsanto-America Farmers	-	2,500	-	-	2,500	-	1,375	-	1,125
ELearn Donations	11,975	21,166	16,865	-	16,276	15,295	9,926	-	21,645
WSI Donation	-	-	-	-	-	33,214	12,000	-	21,214
Sue Goff Memorial	-	2,555	-	-	2,555	-	-	-	2,555
United Way Grant	21,150	-	21,150	-	-	33,295	-	-	33,295
ETFCU Card	8,323	5,055	2,547	-	10,831	4,750	5,420	-	10,161
Alt Program Grant	11,939	-	-	-	11,939	-	11,435	-	504
Black Twnshp - LOAS	16,307	-	16,307	-	-	-	-	-	-
SINE - Prof Dev	81	-	-	-	81	-	81	-	-
CFI Mini Grant	3,734	3,988	4,073	-	3,649	3,391	4,455	-	2,585
Dupont Pioneer Grant	-	2,200	775	-	1,425	-	945	-	480
Sabic Grant	-	-	-	-	-	10,000	10,000	-	-
Walmart Grant	-	-	-	-	-	1,900	1,000	-	900
Dollar General Reading	50,000	-	1,798	-	48,202	-	11,098	-	37,104
Energize Indiana Grant	250	100	-	-	350	100	-	-	450
Fine Arts Academy	2,679	2,867	1,000	-	4,546	300	-	-	4,846
Abell Scholarship	10,300	180	100	-	10,380	20	100	-	10,300
Bolger Scholarship	22,600	381	200	-	22,781	69	250	-	22,600
Frye/Love Trust	5,859	108	-	-	5,967	915	-	-	6,882
Bostick-Steinmetz	15,782	857	1,000	-	15,639	1,973	2,000	-	15,612
Gallucci-Steinmetz	10,850	1,037	1,000	-	10,887	3,845	2,000	-	12,732
Pence Scholarship	103,160	1,498	1,000	-	103,658	502	1,000	-	103,160
Tri-Kappa Scholarship	-	-	-	-	-	12,000	-	-	12,000

METROPOLITAN SCHOOL DISTRICT OF MT. VERNON
STATEMENT OF RECEIPTS, DISBURSEMENTS,
OTHER FINANCING SOURCES (USES), AND CASH AND
INVESTMENT BALANCES - REGULATORY BASIS
For the Years Ended June 30, 2017 and 2018

Fund	Cash and Investments 07-01-16	Receipts	Disbursements	Other Financing Sources (Uses)	Cash and Investments 06-30-17	Receipts	Disbursements	Other Financing Sources (Uses)	Cash and Investments 06-30-18
PCCF-Robot	12	-	12	-	-	-	-	-	-
PCCF-Easter Seals	1,896	-	1,896	-	-	-	-	-	-
State Fair Award	100	-	-	-	100	-	-	-	100
ED Partners	500	-	-	-	500	-	-	-	500
Facility Donation Fund	444	-	-	-	444	3,000	3,000	-	444
Cops 4 Kids Grant	-	-	-	-	-	500	-	-	500
Historical Library	70	-	-	-	70	-	-	-	70
Formative Assessment	-	20,026	20,026	-	-	24,647	24,647	-	-
High Ability	9,479	34,069	37,258	-	6,290	33,911	24,726	-	15,475
Non-English Speaking Programs	429	2,949	429	-	2,949	2,750	3,210	-	2,489
School Technology	8,932	45,340	45,524	-	8,748	101,031	30,258	-	79,521
Career and Technical Performance Grant	-	8,026	8,026	-	-	7,146	5,394	-	1,752
Performance Based Awards	23	94,778	94,785	-	16	60,610	60,577	-	49
Senator David Ford Technology	-	-	-	-	-	27,286	42,039	-	(14,753)
Project Lead the Way	-	-	-	-	-	22,500	-	-	22,500
PL 107-110 ECIA Title I FY 2018	-	-	-	-	-	227,411	261,845	-	(34,434)
PL 107-110 ECIA Title I FY 2016	(28,142)	74,297	46,155	-	-	-	-	-	-
PL 107-110 ECIA Title I FY 2017	-	197,089	244,271	-	(47,182)	87,765	40,583	-	-
PL 101-476 IDEA FY 2018	-	-	-	-	-	533,944	661,694	-	(127,750)
PL 101-476 IDEA FY 2016	(102,167)	398,956	330,134	-	(33,345)	81,773	48,428	-	-
PL 101-476 IDEA FY 2015	(13,043)	30,528	17,485	-	-	-	-	-	-
PL 101-476 IDEA FY 2017	-	488,707	557,281	-	(68,574)	466,637	417,282	-	(19,219)
PL 99-457 Preschool Handicap FY 2018	-	-	-	-	-	50,241	58,073	-	(7,832)
PL 99-457 Preschool Handicap FY 2016	(3,877)	18,221	14,344	-	-	260	260	-	-
PL 99-457 Preschool Handicap FY 2015	(339)	985	646	-	-	-	-	-	-
PL 99-457 Preschool Handicap FY 2017	-	52,712	58,312	-	(5,600)	20,826	15,371	-	(145)
Medicaid Reimbursement - Federal	-	9,479	-	13,514	22,993	13,849	7,193	-	29,649
Supporting Effective Instruction Title II, Part A FFY 2015	-	71,389	75,308	-	(3,919)	16,662	12,743	-	-
Supporting Effective Instruction Title II, Part A FFY 2014	(2,167)	2,573	406	-	-	-	-	-	-
Supporting Effective Instruction Title II, Part A FFY 2016	-	-	-	-	-	77,964	78,684	-	(720)
Elearn T2-A	(12,931)	13,000	14,477	-	(14,408)	17,000	2,592	-	-
Totals	\$ 12,903,120	\$ 30,935,623	\$ 31,033,537	\$ 14,532	\$ 12,819,738	\$ 31,851,547	\$ 31,411,239	\$ 9,004,070	\$ 22,264,116

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

METROPOLITAN SCHOOL DISTRICT OF MT. VERNON
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.

METROPOLITAN SCHOOL DISTRICT OF MT. VERNON
NOTES TO FINANCIAL STATEMENT
(Continued)

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

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

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

E. Disbursements

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

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

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

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

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

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

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

F. Other Financing Sources and Uses

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

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

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

METROPOLITAN SCHOOL DISTRICT OF MT. VERNON
NOTES TO FINANCIAL STATEMENT
(Continued)

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

G. Fund Accounting

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

Note 2. Budgets

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

Note 3. Property Taxes

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

Note 4. Deposits and Investments

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

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

METROPOLITAN SCHOOL DISTRICT OF MT. VERNON
NOTES TO FINANCIAL STATEMENT
(Continued)

Note 5. Risk Management

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

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

Note 6. Pension Plans

A. Public Employees' Retirement Fund

Plan Description

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

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

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

Funding Policy and Annual Pension Cost

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

METROPOLITAN SCHOOL DISTRICT OF MT. VERNON
NOTES TO FINANCIAL STATEMENT
(Continued)

B. Teachers' Retirement Fund

Plan Description

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

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

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

Funding Policy and Annual Pension Cost

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

Note 7. Cash Balance Deficits

The financial statement contains some funds with deficits in cash. This is a result of the funds being set up for reimbursable grants. The reimbursements were not received by June 30 of each fiscal year.

Note 8. Holding Corporation

The School Corporation has entered into a capital lease with Mt. Vernon of Posey County Multi-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 2017 and 2018 totaled \$2,236,000 and \$2,696,000, respectively.

METROPOLITAN SCHOOL DISTRICT OF MT. VERNON
NOTES TO FINANCIAL STATEMENT
(Continued)

Note 9. Combined Funds

Funds related to the federal Title II program were reported in a combined fund in the prior financial statement (Improving Teacher Quality, No Child Left, Title II, Part A), but were separated into individual funds (Supporting Effective Instruction Title II, Part A) by grant year for the current financial statement.

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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.

METROPOLITAN SCHOOL DISTRICT OF MT. VERNON
 COMBINING SCHEDULE OF RECEIPTS, DISBURSEMENTS,
 OTHER FINANCING SOURCES (USES), AND CASH AND
 INVESTMENT BALANCES - REGULATORY BASIS
 For the Year Ended June 30, 2017

	General	Debt Service	Retirement/ Severance Bond Debt Service	Capital Projects	School Transportation	School Bus Replacement	Rainy Day	Construction	School Lunch	Textbook Rental
Cash and investments - beginning	\$ 1,933,737	\$ 2,300,229	\$ 282,878	\$ 2,609,255	\$ 1,508,959	\$ 497,291	\$ 1,976,739	\$ -	\$ 674,982	\$ 39,687
Receipts:										
Local sources	251,711	2,468,457	178,076	6,706,336	2,106,210	318,435	-	-	540,728	162,765
Intermediate sources	3,699	-	-	-	-	-	-	-	-	-
State sources	13,710,839	-	-	-	-	-	-	-	13,807	60,644
Federal sources	-	-	-	-	-	-	-	-	516,001	-
Other receipts	32,038	-	-	4,285	52,540	-	21,150	-	14,855	834
Total receipts	13,998,287	2,468,457	178,076	6,710,621	2,158,750	318,435	21,150	-	1,085,391	224,243
Disbursements:										
Instruction	9,539,138	-	-	-	-	-	-	-	-	-
Support services	4,399,886	-	-	3,324,184	1,948,571	325,095	620,171	-	-	221,910
Noninstructional services	302,100	-	-	-	-	-	-	-	962,438	-
Facilities acquisition and construction	-	-	-	2,404,568	30,271	-	-	-	45,545	-
Debt service	11,291	2,236,000	460,954	-	-	-	-	-	-	-
Nonprogrammed charges	-	-	-	-	-	-	-	-	150,313	-
Total disbursements	14,252,415	2,236,000	460,954	5,728,752	1,978,842	325,095	620,171	-	1,158,296	221,910
Excess (deficiency) of receipts over disbursements	(254,128)	232,457	(282,878)	981,869	179,908	(6,660)	(599,021)	-	(72,905)	2,333
Other financing sources (uses):										
Sale of capital assets	14,532	-	-	-	-	-	-	-	-	-
Transfers in	-	-	-	-	-	-	1,400,000	-	-	20,170
Transfers out	(13,514)	(20,170)	-	(1,000,000)	(200,000)	(200,000)	(100,000)	-	-	-
Total other financing sources (uses)	1,018	(20,170)	-	(1,000,000)	(200,000)	(200,000)	1,300,000	-	-	20,170
Excess (deficiency) of receipts and other financing sources over disbursements and other financing uses	(253,110)	212,287	(282,878)	(18,131)	(20,092)	(206,660)	700,979	-	(72,905)	22,503
Cash and investments - ending	\$ 1,680,627	\$ 2,512,516	\$ -	\$ 2,591,124	\$ 1,488,867	\$ 290,631	\$ 2,677,718	\$ -	\$ 602,077	\$ 62,190

METROPOLITAN SCHOOL DISTRICT OF MT. VERNON
 COMBINING SCHEDULE OF RECEIPTS, DISBURSEMENTS,
 OTHER FINANCING SOURCES (USES), AND CASH AND
 INVESTMENT BALANCES - REGULATORY BASIS
 For the Year Ended June 30, 2017

	Self- Insurance	Educational License Plates	Alternative Education	Early Intervention Grant	Lilly Grant	Monsanto- America Farmers	Elearn Donations	WSI Donation	Sue Goff Memorial	United Way Grant
Cash and investments - beginning	\$ 884,296	\$ 1,139	\$ 28,124	\$ 11,596	\$ -	\$ -	\$ 11,975	\$ -	\$ -	\$ 21,150
Receipts:										
Local sources	2,125,740	-	-	-	30,000	2,500	-	-	2,555	-
Intermediate sources	-	281	-	-	-	-	-	-	-	-
State sources	-	-	8,576	-	-	-	-	-	-	-
Federal sources	-	-	-	-	-	-	-	-	-	-
Other receipts	-	-	-	-	-	-	21,166	-	-	-
Total receipts	2,125,740	281	8,576	-	30,000	2,500	21,166	-	2,555	-
Disbursements:										
Instruction	-	-	28,067	11,596	-	-	-	-	-	-
Support services	-	-	-	-	19,697	-	16,865	-	-	21,150
Noninstructional services	-	-	-	-	-	-	-	-	-	-
Facilities acquisition and construction	-	-	-	-	-	-	-	-	-	-
Debt service	-	-	-	-	-	-	-	-	-	-
Nonprogrammed charges	2,357,152	-	-	-	-	-	-	-	-	-
Total disbursements	2,357,152	-	28,067	11,596	19,697	-	16,865	-	-	21,150
Excess (deficiency) of receipts over disbursements	(231,412)	281	(19,491)	(11,596)	10,303	2,500	4,301	-	2,555	(21,150)
Other financing sources (uses):										
Sale of capital assets	-	-	-	-	-	-	-	-	-	-
Transfers in	100,000	-	-	-	-	-	-	-	-	-
Transfers out	-	-	-	-	-	-	-	-	-	-
Total other financing sources (uses)	100,000	-	-	-	-	-	-	-	-	-
Excess (deficiency) of receipts and other financing sources over disbursements and other financing uses	(131,412)	281	(19,491)	(11,596)	10,303	2,500	4,301	-	2,555	(21,150)
Cash and investments - ending	\$ 752,884	\$ 1,420	\$ 8,633	\$ -	\$ 10,303	\$ 2,500	\$ 16,276	\$ -	\$ 2,555	\$ -

METROPOLITAN SCHOOL DISTRICT OF MT. VERNON
 COMBINING SCHEDULE OF RECEIPTS, DISBURSEMENTS,
 OTHER FINANCING SOURCES (USES), AND CASH AND
 INVESTMENT BALANCES - REGULATORY BASIS
 For the Year Ended June 30, 2017

	ETFCU Card	Alt Program Grant	Black Township - LOAS	SINE - Prof Dev	CFI Mini Grant	Dupont Pioneer Grant	Sabic Grant	Walmart Grant	Dollar General Reading	Energize Indiana Grant
Cash and investments - beginning	\$ 8,323	\$ 11,939	\$ 16,307	\$ 81	\$ 3,734	\$ -	\$ -	\$ -	\$ 50,000	\$ 250
Receipts:										
Local sources	5,055	-	-	-	3,988	2,200	-	-	-	100
Intermediate sources	-	-	-	-	-	-	-	-	-	-
State sources	-	-	-	-	-	-	-	-	-	-
Federal sources	-	-	-	-	-	-	-	-	-	-
Other receipts	-	-	-	-	-	-	-	-	-	-
Total receipts	5,055	-	-	-	3,988	2,200	-	-	-	100
Disbursements:										
Instruction	930	-	10,314	-	4,073	775	-	-	798	-
Support services	1,617	-	5,993	-	-	-	-	-	1,000	-
Noninstructional services	-	-	-	-	-	-	-	-	-	-
Facilities acquisition and construction	-	-	-	-	-	-	-	-	-	-
Debt service	-	-	-	-	-	-	-	-	-	-
Nonprogrammed charges	-	-	-	-	-	-	-	-	-	-
Total disbursements	2,547	-	16,307	-	4,073	775	-	-	1,798	-
Excess (deficiency) of receipts over disbursements	2,508	-	(16,307)	-	(85)	1,425	-	-	(1,798)	100
Other financing sources (uses):										
Sale of capital assets	-	-	-	-	-	-	-	-	-	-
Transfers in	-	-	-	-	-	-	-	-	-	-
Transfers out	-	-	-	-	-	-	-	-	-	-
Total other financing sources (uses)	-	-	-	-	-	-	-	-	-	-
Excess (deficiency) of receipts and other financing sources over disbursements and other financing uses	2,508	-	(16,307)	-	(85)	1,425	-	-	(1,798)	100
Cash and investments - ending	\$ 10,831	\$ 11,939	\$ -	\$ 81	\$ 3,649	\$ 1,425	\$ -	\$ -	\$ 48,202	\$ 350

METROPOLITAN SCHOOL DISTRICT OF MT. VERNON
 COMBINING SCHEDULE OF RECEIPTS, DISBURSEMENTS,
 OTHER FINANCING SOURCES (USES), AND CASH AND
 INVESTMENT BALANCES - REGULATORY BASIS
 For the Year Ended June 30, 2017

	Fine Arts Academy	Abell Scholarship	Bolger Scholarship	Frye/ Love Trust	Bostick- Steinmetz	Gallucci- Steinmetz	Pence Scholarship	Tri- Kappa Scholarship	PCCF- Robot	PCCF- Easter Seals
Cash and investments - beginning	\$ 2,679	\$ 10,300	\$ 22,600	\$ 5,859	\$ 15,782	\$ 10,850	\$ 103,160	\$ -	\$ 12	\$ 1,896
Receipts:										
Local sources	2,867	180	381	108	857	1,037	1,498	-	-	-
Intermediate sources	-	-	-	-	-	-	-	-	-	-
State sources	-	-	-	-	-	-	-	-	-	-
Federal sources	-	-	-	-	-	-	-	-	-	-
Other receipts	-	-	-	-	-	-	-	-	-	-
Total receipts	2,867	180	381	108	857	1,037	1,498	-	-	-
Disbursements:										
Instruction	1,000	-	-	-	-	-	-	-	12	1,896
Support services	-	-	-	-	-	-	-	-	-	-
Noninstructional services	-	-	-	-	-	-	-	-	-	-
Facilities acquisition and construction	-	-	-	-	-	-	-	-	-	-
Debt service	-	-	-	-	-	-	-	-	-	-
Nonprogrammed charges	-	100	200	-	1,000	1,000	1,000	-	-	-
Total disbursements	1,000	100	200	-	1,000	1,000	1,000	-	12	1,896
Excess (deficiency) of receipts over disbursements	1,867	80	181	108	(143)	37	498	-	(12)	(1,896)
Other financing sources (uses):										
Sale of capital assets	-	-	-	-	-	-	-	-	-	-
Transfers in	-	-	-	-	-	-	-	-	-	-
Transfers out	-	-	-	-	-	-	-	-	-	-
Total other financing sources (uses)	-	-	-	-	-	-	-	-	-	-
Excess (deficiency) of receipts and other financing sources over disbursements and other financing uses	1,867	80	181	108	(143)	37	498	-	(12)	(1,896)
Cash and investments - ending	\$ 4,546	\$ 10,380	\$ 22,781	\$ 5,967	\$ 15,639	\$ 10,887	\$ 103,658	\$ -	\$ -	\$ -

METROPOLITAN SCHOOL DISTRICT OF MT. VERNON
 COMBINING SCHEDULE OF RECEIPTS, DISBURSEMENTS,
 OTHER FINANCING SOURCES (USES), AND CASH AND
 INVESTMENT BALANCES - REGULATORY BASIS
 For the Year Ended June 30, 2017

	State Fair Award	ED Partners	Facility Donation Fund	Cops 4 Kids Grant	Historical Library	Formative Assessment	High Ability	Non-English Speaking Programs	School Technology	Career and Technical Performance Grant
Cash and investments - beginning	\$ 100	\$ 500	\$ 444	\$ -	\$ 70	\$ -	\$ 9,479	\$ 429	\$ 8,932	\$ -
Receipts:										
Local sources	-	-	-	-	-	-	-	-	6,972	-
Intermediate sources	-	-	-	-	-	-	-	-	-	-
State sources	-	-	-	-	-	20,026	34,069	2,949	38,368	8,026
Federal sources	-	-	-	-	-	-	-	-	-	-
Other receipts	-	-	-	-	-	-	-	-	-	-
Total receipts	-	-	-	-	-	20,026	34,069	2,949	45,340	8,026
Disbursements:										
Instruction	-	-	-	-	-	20,026	37,258	26	-	8,026
Support services	-	-	-	-	-	-	-	403	45,524	-
Noninstructional services	-	-	-	-	-	-	-	-	-	-
Facilities acquisition and construction	-	-	-	-	-	-	-	-	-	-
Debt service	-	-	-	-	-	-	-	-	-	-
Nonprogrammed charges	-	-	-	-	-	-	-	-	-	-
Total disbursements	-	-	-	-	-	20,026	37,258	429	45,524	8,026
Excess (deficiency) of receipts over disbursements	-	-	-	-	-	-	(3,189)	2,520	(184)	-
Other financing sources (uses):										
Sale of capital assets	-	-	-	-	-	-	-	-	-	-
Transfers in	-	-	-	-	-	-	-	-	-	-
Transfers out	-	-	-	-	-	-	-	-	-	-
Total other financing sources (uses)	-	-	-	-	-	-	-	-	-	-
Excess (deficiency) of receipts and other financing sources over disbursements and other financing uses	-	-	-	-	-	-	(3,189)	2,520	(184)	-
Cash and investments - ending	\$ 100	\$ 500	\$ 444	\$ -	\$ 70	\$ -	\$ 6,290	\$ 2,949	\$ 8,748	\$ -

METROPOLITAN SCHOOL DISTRICT OF MT. VERNON
 COMBINING SCHEDULE OF RECEIPTS, DISBURSEMENTS,
 OTHER FINANCING SOURCES (USES), AND CASH AND
 INVESTMENT BALANCES - REGULATORY BASIS
 For the Year Ended June 30, 2017

	Performance Based Awards	Senator David Ford Technology	Project Lead the Way	PL 107-110 ECIA Title I FY 2018	PL 107-110 ECIA Title I FY 2016	PL 107-110 ECIA Title I FY 2017	PL 107-476 IDEA FY 2018	PL 107-476 IDEA FY 2016	PL 101-476 IDEA FY 2015	PL 101-476 IDEA FY 2017
Cash and investments - beginning	\$ 23	\$ -	\$ -	\$ -	\$ (28,142)	\$ -	\$ -	\$ (102,167)	\$ (13,043)	\$ -
Receipts:										
Local sources	-	-	-	-	-	-	-	-	-	-
Intermediate sources	-	-	-	-	-	-	-	-	-	-
State sources	94,778	-	-	-	-	-	-	-	-	-
Federal sources	-	-	-	-	74,297	197,089	-	398,956	30,528	488,707
Other receipts	-	-	-	-	-	-	-	-	-	-
Total receipts	94,778	-	-	-	74,297	197,089	-	398,956	30,528	488,707
Disbursements:										
Instruction	94,785	-	-	-	45,444	215,963	-	84,415	-	447,050
Support services	-	-	-	-	711	28,308	-	245,719	17,485	110,231
Noninstructional services	-	-	-	-	-	-	-	-	-	-
Facilities acquisition and construction	-	-	-	-	-	-	-	-	-	-
Debt service	-	-	-	-	-	-	-	-	-	-
Nonprogrammed charges	-	-	-	-	-	-	-	-	-	-
Total disbursements	94,785	-	-	-	46,155	244,271	-	330,134	17,485	557,281
Excess (deficiency) of receipts over disbursements	(7)	-	-	-	28,142	(47,182)	-	68,822	13,043	(68,574)
Other financing sources (uses):										
Sale of capital assets	-	-	-	-	-	-	-	-	-	-
Transfers in	-	-	-	-	-	-	-	-	-	-
Transfers out	-	-	-	-	-	-	-	-	-	-
Total other financing sources (uses)	-	-	-	-	-	-	-	-	-	-
Excess (deficiency) of receipts and other financing sources over disbursements and other financing uses	(7)	-	-	-	28,142	(47,182)	-	68,822	13,043	(68,574)
Cash and investments - ending	\$ 16	\$ -	\$ -	\$ -	\$ -	\$ (47,182)	\$ -	\$ (33,345)	\$ -	\$ (68,574)

METROPOLITAN SCHOOL DISTRICT OF MT. VERNON
 COMBINING SCHEDULE OF RECEIPTS, DISBURSEMENTS,
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 INVESTMENT BALANCES - REGULATORY BASIS
 For the Year Ended June 30, 2017

	PL 99-457 Preschool Handicap FY 2018	PL 99-457 Preschool Handicap FY 2016	PL 99-457 Preschool Handicap FY 2015	PL 99-457 Preschool Handicap FY 2017	Medicaid Reimbursement - Federal	Supporting Effective Instruction Title II, Part A FFY 2015	Supporting Effective Instruction Title II, Part A FFY 2014	Supporting Effective Instruction Title II, Part A FFY 2016	Elearn T2-A	Totals
Cash and investments - beginning	\$ -	\$ (3,877)	\$ (339)	\$ -	\$ -	-	\$ (2,167)	\$ -	\$ (12,931)	\$ 12,903,120
Receipts:										
Local sources	-	-	-	-	-	-	-	-	-	14,918,756
Intermediate sources	-	-	-	-	-	-	-	-	-	3,980
State sources	-	-	-	-	-	-	-	-	-	13,992,082
Federal sources	-	18,221	985	52,712	9,479	71,389	2,573	-	13,000	1,873,937
Other receipts	-	-	-	-	-	-	-	-	-	146,868
Total receipts	-	18,221	985	52,712	9,479	71,389	2,573	-	13,000	30,935,623
Disbursements:										
Instruction	-	51	-	24,350	-	55,570	-	-	-	10,631,563
Support services	-	14,293	646	33,962	-	19,738	406	-	14,477	11,438,042
Noninstructional services	-	-	-	-	-	-	-	-	-	1,264,538
Facilities acquisition and construction	-	-	-	-	-	-	-	-	-	2,480,384
Debt service	-	-	-	-	-	-	-	-	-	2,708,245
Nonprogrammed charges	-	-	-	-	-	-	-	-	-	2,510,765
Total disbursements	-	14,344	646	58,312	-	75,308	406	-	14,477	31,033,537
Excess (deficiency) of receipts over disbursements	-	3,877	339	(5,600)	9,479	(3,919)	2,167	-	(1,477)	(97,914)
Other financing sources (uses):										
Sale of capital assets	-	-	-	-	-	-	-	-	-	14,532
Transfers in	-	-	-	-	13,514	-	-	-	-	1,533,684
Transfers out	-	-	-	-	-	-	-	-	-	(1,533,684)
Total other financing sources (uses)	-	-	-	-	13,514	-	-	-	-	14,532
Excess (deficiency) of receipts and other financing sources over disbursements and other financing uses	-	3,877	339	(5,600)	22,993	(3,919)	2,167	-	(1,477)	(83,382)
Cash and investments - ending	\$ -	\$ -	\$ -	\$ (5,600)	\$ 22,993	\$ (3,919)	\$ -	\$ -	\$ (14,408)	\$ 12,819,738

METROPOLITAN SCHOOL DISTRICT OF MT. VERNON
 COMBINING SCHEDULE OF RECEIPTS, DISBURSEMENTS,
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 INVESTMENT BALANCES - REGULATORY BASIS
 For the Year Ended June 30, 2018

	General	Debt Service	Retirement/ Severance Bond Debt Service	Capital Projects	School Transportation	School Bus Replacement	Rainy Day	Construction	School Lunch	Textbook Rental
Cash and investments - beginning	\$ 1,680,627	\$ 2,512,516	\$ -	\$ 2,591,124	\$ 1,488,867	\$ 290,631	\$ 2,677,718	\$ -	\$ 602,077	\$ 62,190
Receipts:										
Local sources	216,837	2,424,782	-	6,782,573	2,217,514	334,293	-	11,538	554,828	154,397
Intermediate sources	528	-	-	-	-	-	-	-	-	-
State sources	14,195,728	-	-	-	-	-	-	-	12,792	68,622
Federal sources	-	-	-	-	-	-	-	-	532,757	-
Other receipts	50,876	-	-	10,256	33,834	-	-	-	4,938	350
Total receipts	14,463,969	2,424,782	-	6,792,829	2,251,348	334,293	-	11,538	1,105,315	223,369
Disbursements:										
Instruction	9,416,970	-	-	-	-	-	-	-	-	-
Support services	4,373,569	-	-	3,376,913	1,861,552	493,148	671,161	-	-	186,989
Noninstructional services	299,620	-	-	-	-	-	-	-	973,416	-
Facilities acquisition and construction	-	-	-	2,213,205	-	-	-	-	23,774	-
Debt service	-	2,696,000	-	-	-	-	-	-	-	-
Nonprogrammed charges	13,095	-	-	-	-	-	-	-	-	-
Total disbursements	14,103,254	2,696,000	-	5,590,118	1,861,552	493,148	671,161	-	997,190	186,989
Excess (deficiency) of receipts over disbursements	360,715	(271,218)	-	1,202,711	389,796	(158,855)	(671,161)	11,538	108,125	36,380
Other financing sources (uses):										
Sale of capital assets	3,400	-	-	670	-	-	-	9,000,000	-	-
Transfers in	-	-	-	-	-	-	1,200,000	-	-	41,321
Transfers out	-	(41,321)	-	(1,000,000)	(200,000)	-	(600,000)	-	-	-
Total other financing sources (uses)	3,400	(41,321)	-	(999,330)	(200,000)	-	600,000	9,000,000	-	41,321
Excess (deficiency) of receipts and other financing sources over disbursements and other financing uses	364,115	(312,539)	-	203,381	189,796	(158,855)	(71,161)	9,011,538	108,125	77,701
Cash and investments - ending	\$ 2,044,742	\$ 2,199,977	\$ -	\$ 2,794,505	\$ 1,678,663	\$ 131,776	\$ 2,606,557	\$ 9,011,538	\$ 710,202	\$ 139,891

METROPOLITAN SCHOOL DISTRICT OF MT. VERNON
 COMBINING SCHEDULE OF RECEIPTS, DISBURSEMENTS,
 OTHER FINANCING SOURCES (USES), AND CASH AND
 INVESTMENT BALANCES - REGULATORY BASIS
 For the Year Ended June 30, 2018

	Self- Insurance	Educational License Plates	Alternative Education	Early Intervention Grant	Lilly Grant	Monsanto- America Farmers	Elearn Donations	WSI Donation	Sue Goff Memorial	United Way Grant
Cash and investments - beginning	\$ 752,884	\$ 1,420	\$ 8,633	\$ -	\$ 10,303	\$ 2,500	\$ 16,276	\$ -	\$ 2,555	\$ -
Receipts:										
Local sources	2,235,617	-	-	-	-	-	1,215	33,214	-	33,295
Intermediate sources	-	394	-	-	-	-	-	-	-	-
State sources	-	-	8,811	-	-	-	-	-	-	-
Federal sources	-	-	-	-	-	-	-	-	-	-
Other receipts	-	-	-	-	-	-	14,080	-	-	-
Total receipts	2,235,617	394	8,811	-	-	-	15,295	33,214	-	33,295
Disbursements:										
Instruction	-	-	16,174	-	-	1,375	-	12,000	-	-
Support services	-	-	-	-	10,303	-	9,926	-	-	-
Noninstructional services	-	-	-	-	-	-	-	-	-	-
Facilities acquisition and construction	-	1,500	-	-	-	-	-	-	-	-
Debt service	-	-	-	-	-	-	-	-	-	-
Nonprogrammed charges	2,912,166	-	-	-	-	-	-	-	-	-
Total disbursements	2,912,166	1,500	16,174	-	10,303	1,375	9,926	12,000	-	-
Excess (deficiency) of receipts over disbursements	(676,549)	(1,106)	(7,363)	-	(10,303)	(1,375)	5,369	21,214	-	33,295
Other financing sources (uses):										
Sale of capital assets	-	-	-	-	-	-	-	-	-	-
Transfers in	600,000	-	-	-	-	-	-	-	-	-
Transfers out	-	-	-	-	-	-	-	-	-	-
Total other financing sources (uses)	600,000	-	-	-	-	-	-	-	-	-
Excess (deficiency) of receipts and other financing sources over disbursements and other financing uses	(76,549)	(1,106)	(7,363)	-	(10,303)	(1,375)	5,369	21,214	-	33,295
Cash and investments - ending	\$ 676,335	\$ 314	\$ 1,270	\$ -	\$ -	\$ 1,125	\$ 21,645	\$ 21,214	\$ 2,555	\$ 33,295

METROPOLITAN SCHOOL DISTRICT OF MT. VERNON
 COMBINING SCHEDULE OF RECEIPTS, DISBURSEMENTS,
 OTHER FINANCING SOURCES (USES), AND CASH AND
 INVESTMENT BALANCES - REGULATORY BASIS
 For the Year Ended June 30, 2018

	ETFCU Card	Alt Program Grant	Black Twnshp - LOAS	SINE - Prof Dev	CFI Mini Grant	Dupont Pioneer Grant	Sabic Grant	Walmart Grant	Dollar General Reading	Energize Indiana Grant
Cash and investments - beginning	\$ 10,831	\$ 11,939	\$ -	\$ 81	\$ 3,649	\$ 1,425	\$ -	\$ -	\$ 48,202	\$ 350
Receipts:										
Local sources	4,750	-	-	-	3,391	-	10,000	1,900	-	100
Intermediate sources	-	-	-	-	-	-	-	-	-	-
State sources	-	-	-	-	-	-	-	-	-	-
Federal sources	-	-	-	-	-	-	-	-	-	-
Other receipts	-	-	-	-	-	-	-	-	-	-
Total receipts	4,750	-	-	-	3,391	-	10,000	1,900	-	100
Disbursements:										
Instruction	-	11,435	-	-	4,455	945	-	1,000	11,098	-
Support services	5,420	-	-	81	-	-	-	-	-	-
Noninstructional services	-	-	-	-	-	-	-	-	-	-
Facilities acquisition and construction	-	-	-	-	-	-	-	-	-	-
Debt service	-	-	-	-	-	-	-	-	-	-
Nonprogrammed charges	-	-	-	-	-	-	10,000	-	-	-
Total disbursements	5,420	11,435	-	81	4,455	945	10,000	1,000	11,098	-
Excess (deficiency) of receipts over disbursements	(670)	(11,435)	-	(81)	(1,064)	(945)	-	900	(11,098)	100
Other financing sources (uses):										
Sale of capital assets	-	-	-	-	-	-	-	-	-	-
Transfers in	-	-	-	-	-	-	-	-	-	-
Transfers out	-	-	-	-	-	-	-	-	-	-
Total other financing sources (uses)	-	-	-	-	-	-	-	-	-	-
Excess (deficiency) of receipts and other financing sources over disbursements and other financing uses	(670)	(11,435)	-	(81)	(1,064)	(945)	-	900	(11,098)	100
Cash and investments - ending	\$ 10,161	\$ 504	\$ -	\$ -	\$ 2,585	\$ 480	\$ -	\$ 900	\$ 37,104	\$ 450

METROPOLITAN SCHOOL DISTRICT OF MT. VERNON
 COMBINING SCHEDULE OF RECEIPTS, DISBURSEMENTS,
 OTHER FINANCING SOURCES (USES), AND CASH AND
 INVESTMENT BALANCES - REGULATORY BASIS
 For the Year Ended June 30, 2018

	Fine Arts Academy	Abell Scholarship	Bolger Scholarship	Frye/ Love Trust	Bostick- Steinmetz	Gallucci- Steinmetz	Pence Scholarship	Tri- Kappa Scholarship	PCCF- Robot	PCCF- Easter Seals
Cash and investments - beginning	\$ 4,546	\$ 10,380	\$ 22,781	\$ 5,967	\$ 15,639	\$ 10,887	\$ 103,658	\$ -	\$ -	\$ -
Receipts:										
Local sources	300	20	69	915	1,973	3,845	502	12,000	-	-
Intermediate sources	-	-	-	-	-	-	-	-	-	-
State sources	-	-	-	-	-	-	-	-	-	-
Federal sources	-	-	-	-	-	-	-	-	-	-
Other receipts	-	-	-	-	-	-	-	-	-	-
Total receipts	300	20	69	915	1,973	3,845	502	12,000	-	-
Disbursements:										
Instruction	-	-	-	-	-	-	-	-	-	-
Support services	-	-	-	-	-	-	-	-	-	-
Noninstructional services	-	-	-	-	-	-	-	-	-	-
Facilities acquisition and construction	-	-	-	-	-	-	-	-	-	-
Debt service	-	-	-	-	-	-	-	-	-	-
Nonprogrammed charges	-	100	250	-	2,000	2,000	1,000	-	-	-
Total disbursements	-	100	250	-	2,000	2,000	1,000	-	-	-
Excess (deficiency) of receipts over disbursements	300	(80)	(181)	915	(27)	1,845	(498)	12,000	-	-
Other financing sources (uses):										
Sale of capital assets	-	-	-	-	-	-	-	-	-	-
Transfers in	-	-	-	-	-	-	-	-	-	-
Transfers out	-	-	-	-	-	-	-	-	-	-
Total other financing sources (uses)	-	-	-	-	-	-	-	-	-	-
Excess (deficiency) of receipts and other financing sources over disbursements and other financing uses	300	(80)	(181)	915	(27)	1,845	(498)	12,000	-	-
Cash and investments - ending	\$ 4,846	\$ 10,300	\$ 22,600	\$ 6,882	\$ 15,612	\$ 12,732	\$ 103,160	\$ 12,000	\$ -	\$ -

METROPOLITAN SCHOOL DISTRICT OF MT. VERNON
 COMBINING SCHEDULE OF RECEIPTS, DISBURSEMENTS,
 OTHER FINANCING SOURCES (USES), AND CASH AND
 INVESTMENT BALANCES - REGULATORY BASIS
 For the Year Ended June 30, 2018

	State Fair Award	ED Partners	Facility Donation Fund	Cops 4 Kids Grant	Historical Library	Formative Assessment	High Ability	Non-English Speaking Programs	School Technology	Career and Technical Performance Grant
Cash and investments - beginning	\$ 100	\$ 500	\$ 444	\$ -	\$ 70	\$ -	\$ 6,290	\$ 2,949	\$ 8,748	\$ -
Receipts:										
Local sources	-	-	3,000	500	-	-	-	-	23,604	-
Intermediate sources	-	-	-	-	-	-	-	-	-	-
State sources	-	-	-	-	-	24,647	33,911	2,750	77,397	7,146
Federal sources	-	-	-	-	-	-	-	-	-	-
Other receipts	-	-	-	-	-	-	-	-	30	-
Total receipts	-	-	3,000	500	-	24,647	33,911	2,750	101,031	7,146
Disbursements:										
Instruction	-	-	-	-	-	24,647	24,726	3,210	-	5,394
Support services	-	-	2,000	-	-	-	-	-	30,258	-
Noninstructional services	-	-	-	-	-	-	-	-	-	-
Facilities acquisition and construction	-	-	-	-	-	-	-	-	-	-
Debt service	-	-	-	-	-	-	-	-	-	-
Nonprogrammed charges	-	-	1,000	-	-	-	-	-	-	-
Total disbursements	-	-	3,000	-	-	24,647	24,726	3,210	30,258	5,394
Excess (deficiency) of receipts over disbursements	-	-	-	500	-	-	9,185	(460)	70,773	1,752
Other financing sources (uses):										
Sale of capital assets	-	-	-	-	-	-	-	-	-	-
Transfers in	-	-	-	-	-	-	-	-	-	-
Transfers out	-	-	-	-	-	-	-	-	-	-
Total other financing sources (uses)	-	-	-	-	-	-	-	-	-	-
Excess (deficiency) of receipts and other financing sources over disbursements and other financing uses	-	-	-	500	-	-	9,185	(460)	70,773	1,752
Cash and investments - ending	\$ 100	\$ 500	\$ 444	\$ 500	\$ 70	\$ -	\$ 15,475	\$ 2,489	\$ 79,521	\$ 1,752

METROPOLITAN SCHOOL DISTRICT OF MT. VERNON
 COMBINING SCHEDULE OF RECEIPTS, DISBURSEMENTS,
 OTHER FINANCING SOURCES (USES), AND CASH AND
 INVESTMENT BALANCES - REGULATORY BASIS
 For the Year Ended June 30, 2018

	Performance Based Awards	Senator David Ford Technology	Project Lead the Way	PL 107-110 ECIA Title I FY 2018	PL 107-110 ECIA Title I FY 2016	PL 107-110 ECIA Title I FY 2017	PL 107-476 IDEA FY 2018	PL 107-476 IDEA FY 2016	PL 101-476 IDEA FY 2015	PL 101-476 IDEA FY 2017
Cash and investments - beginning	\$ 16	\$ -	\$ -	\$ -	\$ -	\$ (47,182)	\$ -	\$ (33,345)	\$ -	\$ (68,574)
Receipts:										
Local sources	-	-	22,500	-	-	-	-	-	-	-
Intermediate sources	-	-	-	-	-	-	-	-	-	-
State sources	60,610	27,286	-	-	-	-	-	-	-	-
Federal sources	-	-	-	227,411	-	87,765	533,944	81,773	-	466,637
Other receipts	-	-	-	-	-	-	-	-	-	-
Total receipts	60,610	27,286	22,500	227,411	-	87,765	533,944	81,773	-	466,637
Disbursements:										
Instruction	60,577	-	-	193,563	-	36,981	524,840	-	-	109,479
Support services	-	42,039	-	68,282	-	3,602	136,854	48,428	-	307,803
Noninstructional services	-	-	-	-	-	-	-	-	-	-
Facilities acquisition and construction	-	-	-	-	-	-	-	-	-	-
Debt service	-	-	-	-	-	-	-	-	-	-
Nonprogrammed charges	-	-	-	-	-	-	-	-	-	-
Total disbursements	60,577	42,039	-	261,845	-	40,583	661,694	48,428	-	417,282
Excess (deficiency) of receipts over disbursements	33	(14,753)	22,500	(34,434)	-	47,182	(127,750)	33,345	-	49,355
Other financing sources (uses):										
Sale of capital assets	-	-	-	-	-	-	-	-	-	-
Transfers in	-	-	-	-	-	-	-	-	-	-
Transfers out	-	-	-	-	-	-	-	-	-	-
Total other financing sources (uses)	-	-	-	-	-	-	-	-	-	-
Excess (deficiency) of receipts and other financing sources over disbursements and other financing uses	33	(14,753)	22,500	(34,434)	-	47,182	(127,750)	33,345	-	49,355
Cash and investments - ending	\$ 49	\$ (14,753)	\$ 22,500	\$ (34,434)	\$ -	\$ -	\$ (127,750)	\$ -	\$ -	\$ (19,219)

METROPOLITAN SCHOOL DISTRICT OF MT. VERNON
 COMBINING SCHEDULE OF RECEIPTS, DISBURSEMENTS,
 OTHER FINANCING SOURCES (USES), AND CASH AND
 INVESTMENT BALANCES - REGULATORY BASIS
 For the Year Ended June 30, 2018

	PL 99-457 Preschool Handicap FY 2018	PL 99-457 Preschool Handicap FY 2016	PL 99-457 Preschool Handicap FY 2015	PL 99-457 Preschool Handicap FY 2017	Medicaid Reimbursement - Federal	Supporting Effective Instruction Title II, Part A FFY 2015	Supporting Effective Instruction Title II, Part A FFY 2014	Supporting Effective Instruction Title II, Part A FFY 2016	Elem T2-A	Totals
Cash and investments - beginning	\$ -	\$ -	\$ -	\$ (5,600)	\$ 22,993	\$ (3,919)	\$ -	\$ -	\$ (14,408)	\$ 12,819,738
Receipts:										
Local sources	-	-	-	-	-	-	-	-	-	15,089,472
Intermediate sources	-	-	-	-	-	-	-	-	-	922
State sources	-	-	-	-	-	-	-	-	-	14,519,700
Federal sources	50,241	260	-	20,826	13,849	16,662	-	77,964	17,000	2,127,089
Other receipts	-	-	-	-	-	-	-	-	-	114,364
Total receipts	50,241	260	-	20,826	13,849	16,662	-	77,964	17,000	31,851,547
Disbursements:										
Instruction	24,390	-	-	-	7,193	-	-	54,519	-	10,544,971
Support services	33,683	260	-	15,371	-	12,743	-	24,165	2,592	11,717,142
Noninstructional services	-	-	-	-	-	-	-	-	-	1,273,036
Facilities acquisition and construction	-	-	-	-	-	-	-	-	-	2,238,479
Debt service	-	-	-	-	-	-	-	-	-	2,696,000
Nonprogrammed charges	-	-	-	-	-	-	-	-	-	2,941,611
Total disbursements	58,073	260	-	15,371	7,193	12,743	-	78,684	2,592	31,411,239
Excess (deficiency) of receipts over disbursements	(7,832)	-	-	5,455	6,656	3,919	-	(720)	14,408	440,308
Other financing sources (uses):										
Sale of capital assets	-	-	-	-	-	-	-	-	-	9,004,070
Transfers in	-	-	-	-	-	-	-	-	-	1,841,321
Transfers out	-	-	-	-	-	-	-	-	-	(1,841,321)
Total other financing sources (uses)	-	-	-	-	-	-	-	-	-	9,004,070
Excess (deficiency) of receipts and other financing sources over disbursements and other financing uses	(7,832)	-	-	5,455	6,656	3,919	-	(720)	14,408	9,444,378
Cash and investments - ending	\$ (7,832)	\$ -	\$ -	\$ (145)	\$ 29,649	\$ -	\$ -	\$ (720)	\$ -	\$ 22,264,116

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METROPOLITAN SCHOOL DISTRICT OF MT. VERNON
SCHEDULE OF PAYABLES AND RECEIVABLES
June 30, 2018

<u>Government or Enterprise</u>	<u>Accounts Payable</u>	<u>Accounts Receivable</u>
Governmental activities	<u>\$ 179,677</u>	<u>\$ 226,495</u>

METROPOLITAN SCHOOL DISTRICT OF MT. VERNON
SCHEDULE OF LEASES AND DEBT
June 30, 2018

<u>Lessor</u>	<u>Purpose</u>	<u>Annual Lease Payment</u>	<u>Lease Beginning Date</u>	<u>Lease Ending Date</u>
Governmental activities:				
Mt. Vernon of Posey County Multi-School Building Corporation	Lease rental payments for Farmersville and West Elementary Schools Remodeling Projects	\$ 2,206,000	1/15/2008	1/15/2019
Mt. Vernon of Posey County Multi-School Building Corporation	Lease rental payments for Guaranteed Energy Savings Contract Renovations	<u>1,507,500</u>	4/17/2017	12/31/2028
Total governmental activities		<u>3,713,500</u>		
Total of annual lease payments		<u>\$ 3,713,500</u>		

METROPOLITAN SCHOOL DISTRICT OF MT. VERNON
SCHEDULE OF CAPITAL ASSETS
June 30, 2018

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

	<u>Ending Balance</u>
Governmental activities:	
Land	\$ 567,521
Buildings	52,431,337
Machinery, equipment, and vehicles	<u>4,707,447</u>
Total governmental activities	<u>57,706,305</u>
Total capital assets	<u>\$ 57,706,305</u>

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SUPPLEMENTAL AUDIT OF
FEDERAL AWARDS



STATE OF INDIANA
AN EQUAL OPPORTUNITY EMPLOYER

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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 METROPOLITAN SCHOOL DISTRICT
OF MT. VERNON, POSEY COUNTY, INDIANA

Report on Compliance for Each Major Federal Program

We have audited the Metropolitan School District of Mt. Vernon'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, 2016 to June 30, 2018. The School Corporation's major federal programs are identified in the Summary of Auditor's Results section of the accompanying Schedule of Findings and Questioned Costs.

Management's Responsibility

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

Auditor's Responsibility

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

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

Opinion on Each Major Federal Program

In our opinion, the School Corporation complied, in all material respects, with the types of compliance requirements referred to above that could have a direct and material effect on each of its major federal programs for the period of July 1, 2016 to June 30, 2018.

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


Report on Internal Control over Compliance

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

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

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

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


Paul D. Joyce, CPA
State Examiner

February 4, 2019

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SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS AND ACCOMPANYING NOTES

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

METROPOLITAN SCHOOL DISTRICT OF MT. VERNON
 SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS
 For the Years Ended June 30, 2017 and 2018

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 06-30-17	Total Federal Awards Expended 06-30-17	Passed Through to Subrecipient 06-30-18	Total Federal Awards Expended 06-30-18
<u>Department of Agriculture</u>							
Child Nutrition Cluster							
School Breakfast Program							
	Indiana Department of Education	10.553					
			FY17 65-6590	\$ -	\$ 104,244	\$ -	\$ -
			School Breakfast Program FY17	-	-	-	-
			School Breakfast Program FY18	-	-	-	109,330
				-	-	-	-
				-	104,244	-	109,330
Total - School Breakfast Program							
National School Lunch Program							
	Indiana Department of Education	10.555					
			FY17 65-6590	-	888	-	-
			After School Snack Program FY17	-	410,868	-	-
			School Lunch Program FY17	-	73,000	-	-
			School Lunch Program Commodities FY17	-	-	-	-
			School Lunch Program FY18	-	-	-	421,480
			After School Snack Program FY18	-	-	-	1,947
			School Lunch Program Commodities FY18	-	-	-	74,126
				-	-	-	-
				-	484,756	-	497,553
Total - National School Lunch Program							
Total - Child Nutrition Cluster							
Total - Department of Agriculture							
<u>Department of Education</u>							
Special Education Cluster (IDEA)							
Special Education Grants to States							
	Indiana Department of Education	84.027					
			14215-085-PN01	-	19,007	-	-
			Special Education FY15	-	240,924	-	50,971
			Special Education FY16	-	311,562	-	277,822
			Special Education FY17	-	-	-	362,576
			Special Education FY18	-	-	-	-
				-	-	-	-
				-	571,493	-	691,369
Total - Special Education Grants to States							
Special Education Preschool Grants							
	Indiana Department of Education	84.173					
			18619-078-PN01	-	-	-	27,503
			Special Education FY18	-	985	-	-
			45715-085-PN01	-	18,063	-	181
			Special Education FY15	-	28,459	-	19,827
			Special Education FY16	-	-	-	-
			Special Education FY17	-	-	-	-
				-	47,507	-	47,511
Total - Special Education Preschool Grants							
Total - Special Education Cluster (IDEA)							

METROPOLITAN SCHOOL DISTRICT OF MT. VERNON
 SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS
 For the Years Ended June 30, 2017 and 2018

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 06-30-17	Total Federal Awards Expended 06-30-17	Passed Through to Subrecipient 06-30-18	Total Federal Awards Expended 06-30-18
Title I Grants to Local Educational Agencies	Indiana Department of Education	84.010					
Title I FY16			Project 16-6590 FY16	-	74,297	-	-
Title I FY17			S010A150014	-	197,089	-	87,765
Title I FY18			S010A170014	-	-	-	227,411
Total - Title I Grants to Local Educational Agencies				-	271,386	-	315,176
Supporting Effective Instruction State Grants (formerly Improving Teacher Quality State Grants)	Indiana Department of Education	84.367					
Title IIA FY16			EDS #A58-6-16CI-3424	-	13,000	-	-
Title IIA FFY14			Project 14-6590 FY14	-	2,573	-	-
Title IIA FFY15			S367A150013	-	71,389	-	16,662
Title IIA FFY16			S367A160013	-	-	-	77,964
Title IIA FY17			EDS #A58-7-17CI-4600	-	-	-	17,000
Total - Supporting Effective Instruction State Grants (formerly Improving Teacher Quality State Grants)				-	86,962	-	111,626
Total - Department of Education				-	977,348	-	1,165,682
<u>Department of Health and Human Services</u>							
Medical Assistance Program	Indiana Department of Education	93.778					
IndianaMAC			EDS #A58-1-11DL-045	-	22,993	-	13,849
Total - Medical Assistance Program				-	22,993	-	13,849
Total - Department of Health and Human Services				-	22,993	-	13,849
Total federal awards expended				\$ -	\$ 1,589,341	\$ -	\$ 1,786,414

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

METROPOLITAN SCHOOL DISTRICT OF MT. VERNON
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, 2017 and 2018. 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.

METROPOLITAN SCHOOL DISTRICT OF MT. VERNON
SCHEDULE OF FINDINGS AND QUESTIONED COSTS

Section I - Summary of Auditor's Results

Financial Statement:

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

Federal Awards:

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

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

<u>CFDA Number</u>	<u>Name of Federal Program or Cluster</u>	<u>Opinion Issued</u>
84.010	Special Education Cluster (IDEA) Title I Grants to Local Educational Agencies	Unmodified Unmodified

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

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

No matters are reportable.

Section III - Federal Award Findings and Questioned Costs

No matters are reportable.

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/>.