

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

FINANCIAL STATEMENT AND  
FEDERAL SINGLE AUDIT REPORT  
OF

NORTH LAWRENCE COMMUNITY SCHOOLS  
LAWRENCE COUNTY, INDIANA

July 1, 2016 to June 30, 2018



**FILED**  
04/10/2019



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SCHEDULE OF OFFICIALS

<u>Office</u>	<u>Official</u>	<u>Term</u>
Treasurer	Corbin E. Dietrich (Vacant)	07-01-16 to 01-14-19 01-15-19 to 06-30-19
Superintendent of Schools	Gary D. Connor Ty Mungle (interim)	07-01-15 to 02-15-19 02-16-19 to 06-30-19
President of the School Board	Larry Arnold Kirsten N. Collier Trent Todd	07-01-16 to 12-31-16 01-01-17 to 12-31-18 01-01-19 to 12-31-19



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INDEPENDENT AUDITOR'S REPORT

TO: THE OFFICIALS OF THE NORTH LAWRENCE COMMUNITY  
SCHOOLS, LAWRENCE COUNTY, INDIANA

**Report on the Financial Statement**

We have audited the accompanying financial statement of the North Lawrence Community Schools (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, 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 March 21, 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

March 21, 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 NORTH LAWRENCE COMMUNITY  
SCHOOLS, LAWRENCE COUNTY, INDIANA

We have audited, in accordance with auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States, the financial statement of the North Lawrence Community Schools (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 March 21, 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 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 item 2018-001, 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*.

**North Lawrence Community Schools' 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

March 21, 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.

NORTH LAWRENCE COMMUNITY SCHOOLS  
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	\$ 2,897,205	\$ 33,127,022	\$ 31,599,693	\$ (495,025)	\$ 3,929,509	\$ 33,507,886	\$ 32,686,905	\$ 1,412	\$ 4,751,902
Debt Service	2,328,091	4,212,821	4,261,680	-	2,279,232	4,215,459	4,302,779	-	2,191,912
Retirement/Severance Bond Debt Service	162,961	637,304	799,842	-	423	822,610	801,380	-	21,653
Capital Projects	1,457,178	3,269,484	3,043,081	(497,500)	1,186,081	3,249,266	2,393,496	(750,000)	1,291,851
School Transportation	2,569,065	3,996,855	2,877,236	(1,000,000)	2,688,684	4,145,424	2,961,160	(1,250,000)	2,622,948
School Bus Replacement	287,204	-	270,973	-	16,231	34,978	33,340	-	17,869
Rainy Day	3,367,655	-	1,001,195	1,845,000	4,211,460	-	431,360	2,200,000	5,980,100
Retirement/Severance Bond	513,520	768	-	-	514,288	1,390	-	-	515,678
Construction Series 2015	1,315,346	-	1,315,346	-	-	-	-	-	-
School Lunch	710,010	2,573,693	2,390,506	22	893,219	2,516,219	2,496,288	-	913,150
Textbook Rental	1,235,401	702,372	495,710	-	1,442,063	727,845	1,138,864	-	1,031,044
Self-Insurance	319,639	4,981,433	5,260,642	500,000	540,430	5,021,695	4,697,357	-	864,768
Joint Services and Supply - Special Education Cooperative	12,657	1,674,864	1,402,424	-	285,097	1,651,159	1,532,709	-	403,547
Joint Services and Supply - Area Vocational School	32,895	1,757,892	1,419,305	(345,000)	26,482	1,821,012	1,487,428	(200,000)	160,066
Alternative Education	51,404	2,975	-	-	54,379	4,569	-	-	58,948
SAFE School Haven 15/16	(3,504)	2,918	(586)	-	-	-	-	-	-
SAFE Haven 16/17	-	27,079	29,405	-	(2,326)	2,326	-	-	-
SAFE Haven 2017-18	-	-	-	-	-	19,781	25,126	-	(5,345)
Early Intervention Grant 15-16	(19,860)	35,771	15,911	-	-	-	-	-	-
Early Intervention Grant 16-17	-	23,347	23,347	-	-	-	-	-	-
Early Intervention Grant 17-18	-	-	-	-	-	22,833	9,514	-	13,319
Lilly Planning Counseling Grant	-	50,000	42,625	-	7,375	-	7,336	-	39
HE - Outdoor Lab	4,234	1,350	1,166	-	4,418	1,080	977	-	4,521
Energy Safe Kids	-	65	64	-	1	80	50	-	31
Duke Energy Grant	17,537	15,952	19,889	-	13,600	14,777	16,836	-	11,541
Transcanada	980,000	-	-	-	980,000	-	38,713	-	941,287
IU Health	5	-	-	-	5	-	-	-	5
Raymond Foundation	4,500	4,500	8,500	-	500	-	-	-	500
Knights of Columbus	2,058	16,000	17,605	-	453	14,000	14,000	-	453
Music	10	-	-	-	10	-	10	-	-
Englewood PTO	4,739	-	2,302	-	2,437	-	2,295	-	142
JS Donations	100	500	500	-	100	500	-	-	600
Heltonville Donations	-	50	50	-	-	-	-	-	-
IU Health Strong Schools	-	1,500	1,321	-	179	-	-	-	179
Stalker Donations	-	100	100	-	-	-	-	-	-
Protection Plans	-	33,250	1,950	-	31,300	62,002	22,911	-	70,391
IU Grant BNL	-	300	266	-	34	300	150	-	184
National Energy Foundation	-	152	152	-	-	100	95	-	5
Fanue Robotics Program	-	5,000	5,000	-	-	-	-	-	-
Lincoln Donations	-	2,404	843	-	1,561	2,000	547	-	3,014
Hoosier Uplands NLCC Eco Dev	-	40,000	-	-	40,000	30,000	70,000	-	-
GM Stem Challenge PT Grant	-	-	-	-	-	3,500	3,402	-	98
NLCC 3D Design for Child Therp	-	-	-	-	-	1,995	1,729	-	266
NLCC 3D Printer Camp	-	-	-	-	-	1,350	1,350	-	-
NLCC Stem Discover Drone Prog	-	-	-	-	-	2,995	3,038	-	(43)
VEX Robotics Grant	-	-	-	-	-	1,534	1,448	-	86
ROI Grant	-	-	-	-	-	-	375	-	(375)
Instructional Support	3,454	-	-	-	3,454	-	-	-	3,454
Community Reading Project	2,660	300	-	-	2,960	300	-	-	3,260
Hutton Library Books	593	-	-	-	593	-	-	-	593
Extra-Curricular Activities	2,907	-	1,583	-	1,324	-	-	-	1,324
Cultural Arts	6,562	4,499	3,258	-	7,803	3,978	9,352	-	2,429
Bloomington Arts Council	135	-	-	-	135	-	135	-	-

NORTH LAWRENCE COMMUNITY SCHOOLS  
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
Scholarships and Awards	65,837	728	32,000	-	34,565	-	34,565	-	-
Special Track and Field	8,385	12,313	8,025	-	12,673	18,849	11,028	-	20,494
Pritchett Donation NLCC	2,685	-	2,685	-	-	-	-	-	-
Pritchett Donation Building	2	-	-	-	2	-	-	-	2
Formative Assessment	-	51,420	51,420	-	-	47,281	47,281	-	-
Gifted & Talented 15/16	3,565	-	3,565	-	-	-	-	-	-
High Ability 16/17	-	46,409	42,679	-	3,730	-	3,730	-	-
High Ability 17/18	-	-	-	-	-	46,112	22,510	-	23,602
Medicaid Reimbursement	-	74,685	1,669	-	73,016	35,642	2,005	-	106,653
Secured Schools Safety Grant	-	-	-	-	-	41,115	41,115	-	-
School Technology	35,174	229,310	70,420	131	194,195	312,978	197,347	238	310,064
Career and Technical Performance Grant	-	27,122	13,992	-	13,130	20,959	27,323	-	6,766
Performance Based Awards	-	22,399	22,399	-	-	-	-	-	-
Performance Award 15-16 Pay 17	-	94,233	94,233	-	-	144,305	144,301	-	4
Miscellaneous Programs	(1,750)	1,661	1,815	-	(1,904)	1,031	1,433	-	(2,306)
ECIA Title I P.L. 107-110 FY 12/13	2,233	-	-	-	2,233	-	-	-	2,233
ECIA Title I P.L. 107-110 FY 13/14	(1,363)	-	-	-	(1,363)	-	-	-	(1,363)
ECIA Title I P.L. 107-110 FY 15/16	(82,101)	324,729	242,628	-	-	-	-	-	-
Title I 16/17	-	632,390	687,871	-	(55,481)	276,116	220,635	-	-
Title I 17/18	-	-	-	-	-	606,355	781,030	-	(174,675)
School Improvement Grant	-	1,336	1,336	-	-	-	-	-	-
School Improvement Grant 2017	-	1,782	3,352	-	(1,570)	128,723	127,153	-	-
School Improvement Grant 2018	-	-	-	-	-	104,660	108,271	-	(3,611)
IDEA, Part B P.L. 105-117 FY 14/15	(21,775)	476,734	454,959	-	-	-	-	-	-
IDEA, Part B P.L. 105-117 FY 15/16	(152,265)	765,346	613,081	-	-	438,183	438,183	-	-
Spec Ed Part B FY 2017	-	1,372,079	1,524,531	-	(152,452)	830,828	1,126,941	-	(448,565)
Spec Ed Part B FY 2018	-	-	-	-	-	1,643,338	1,836,090	-	(192,752)
Part B, IDEA Pass-Through 18/19	-	-	-	-	-	-	136	-	(136)
Early Child/Preschool 14/15	-	993	993	-	-	-	-	-	-
Preschool Handicap P.L. 99-457 FY 15/16	(6,936)	49,630	42,694	-	-	1,283	1,283	-	-
Preschool 16/17	-	44,240	51,268	-	(7,028)	61,585	54,557	-	-
Preschool 17/18	-	-	-	-	-	45,215	56,692	-	(11,477)
Vocational & Technology Board Grants FY 15/16	(9,702)	33,237	23,535	-	-	-	-	-	-
Carl Perkins 16/17	-	97,203	117,535	-	(20,332)	37,952	17,620	-	-
Carl Perkins 17/18	-	-	-	-	-	132,498	134,439	-	(1,941)
Rural Perkins 15/16	-	8,834	8,834	-	-	-	-	-	-
Rural Perkins 16/17	-	87,058	100,000	-	(12,942)	12,942	-	-	-
Rural Perkins Grant 17/18	-	-	-	-	-	71,016	78,947	-	(7,931)
Medicaid Reimbursement - Federal	-	148,923	57,338	-	91,585	71,070	93,538	-	69,117
Other Federal Programs	(1,710)	-	-	-	(1,710)	-	-	-	(1,710)
Improving Teacher Quality, No Child Left, Title II, Part A FY2014	(1,784)	28,203	26,423	-	(4)	-	-	-	(4)
Improving Teacher Quality, No Child Left, Title II, Part A FY2015	(10,163)	97,917	89,126	-	(1,372)	5,749	4,377	-	-
Title II 16-17, 17-18	-	36,521	44,235	-	(7,714)	85,064	82,898	-	(5,548)
Title II A17-18	-	-	-	-	-	70,810	79,051	-	(8,241)
ITQ, Enhanced Education Through Technology, Title II, Part D	308	-	-	-	308	-	-	-	308
Payroll Clearing Accounts	150,866	9,365,769	9,380,518	-	136,117	9,062,089	9,073,077	-	125,129
Prepaid Lunch Trust	6,370	-	11,988	-	(5,618)	-	20,178	-	(25,796)
Totals	<u>\$ 18,252,237</u>	<u>\$ 71,335,724</u>	<u>\$ 70,140,031</u>	<u>\$ 7,628</u>	<u>\$ 19,455,558</u>	<u>\$ 72,258,691</u>	<u>\$ 70,060,189</u>	<u>\$ 1,650</u>	<u>\$ 21,655,710</u>

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

NORTH LAWRENCE COMMUNITY SCHOOLS  
NOTES TO FINANCIAL STATEMENT

**Note 1. Summary of Significant Accounting Policies**

**A. Reporting Entity**

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

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

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

**B. Basis of Accounting**

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

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

**C. Cash and Investments**

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

**D. Receipts**

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

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

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

NORTH LAWRENCE COMMUNITY SCHOOLS  
NOTES TO FINANCIAL STATEMENT  
(Continued)

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

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

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

**E. Disbursements**

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

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

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

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

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

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

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

**F. Other Financing Sources and Uses**

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

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

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

NORTH LAWRENCE COMMUNITY SCHOOLS  
NOTES TO FINANCIAL STATEMENT  
(Continued)

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

**G. Fund Accounting**

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

**Note 2. Budgets**

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

**Note 3. Property Taxes**

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

**Note 4. Deposits and Investments**

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

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

NORTH LAWRENCE COMMUNITY SCHOOLS  
NOTES TO FINANCIAL STATEMENT  
(Continued)

**Note 5. Risk Management**

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

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

**Note 6. Pension Plans**

*A. Public Employees' Retirement Fund*

*Plan Description*

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

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

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

*Funding Policy and Annual Pension Cost*

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

NORTH LAWRENCE COMMUNITY SCHOOLS  
NOTES TO FINANCIAL STATEMENT  
(Continued)

*B. Teachers' Retirement Fund*

*Plan Description*

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

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

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

*Funding Policy and Annual Pension Cost*

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

**Note 7. Cash Balance Deficits**

The financial statement contains some funds with deficits in cash. This is a result of funds being set up for reimbursable grants and activities. The reimbursements for expenditures made by the School Corporation were not received by June 30, 2017 and 2018.

**Note 8. Holding Corporation**

The School Corporation has entered into a capital lease with the North Lawrence School Improvement Corporation (the lessor). The lessor was organized as a not-for-profit corporation pursuant to state statute for the purpose of financing and constructing or reconstructing facilities for lease to the School Corporation. The lessor has been determined to be a related-party of the School Corporation. Lease payments during the years ending June 30, 2017 and 2018, totaled \$4,237,950 and \$4,240,750, respectively.

NORTH LAWRENCE COMMUNITY SCHOOLS  
NOTES TO FINANCIAL STATEMENT  
(Continued)

**Note 9. *Other Postemployment Benefits***

The School Corporation provides to eligible retirees and their spouses the following benefits: medical, dental, vision, and life insurance. 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.

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

	General	Debt Service	Retirement/ Severance Bond Debt Service	Capital Projects	School Transportation	School Bus Replacement	Rainy Day	Retirement/ Severance Bond	Construction Series 2015	School Lunch	Textbook Rental
Cash and investments - beginning	\$ 2,897,205	\$ 2,328,091	\$ 162,961	\$ 1,457,178	\$ 2,569,065	\$ 287,204	\$ 3,367,655	\$ 513,520	\$ 1,315,346	\$ 710,010	\$ 1,235,401
Receipts:											
Local sources	426,192	4,212,821	637,304	3,266,381	3,958,850	-	-	768	-	1,100,570	490,501
Intermediate sources	50	-	-	-	-	-	-	-	-	-	-
State sources	32,696,985	-	-	-	-	-	-	-	-	24,531	211,871
Federal sources	-	-	-	-	-	-	-	-	-	1,430,465	-
Other receipts	3,795	-	-	3,103	38,005	-	-	-	-	18,127	-
Total receipts	33,127,022	4,212,821	637,304	3,269,484	3,996,855	-	-	768	-	2,573,693	702,372
Disbursements:											
Instruction	22,057,182	-	-	-	-	-	331,687	-	-	-	-
Support services	9,244,486	-	-	1,918,608	2,877,236	270,973	97,833	-	-	424	495,710
Noninstructional services	294,926	-	-	-	-	-	-	-	-	2,356,546	-
Facilities acquisition and construction	3,099	-	-	1,124,473	-	-	571,675	-	1,315,346	33,536	-
Debt service	-	4,261,680	799,842	-	-	-	-	-	-	-	-
Nonprogrammed charges	-	-	-	-	-	-	-	-	-	-	-
Total disbursements	31,599,693	4,261,680	799,842	3,043,081	2,877,236	270,973	1,001,195	-	1,315,346	2,390,506	495,710
Excess (deficiency) of receipts over disbursements	1,527,329	(48,859)	(162,538)	226,403	1,119,619	(270,973)	(1,001,195)	768	(1,315,346)	183,187	206,662
Other financing sources (uses):											
Sale of capital assets	4,975	-	-	2,500	-	-	-	-	-	22	-
Transfers in	250,000	-	-	-	-	-	2,045,000	-	-	-	-
Transfers out	(750,000)	-	-	(500,000)	(1,000,000)	-	(200,000)	-	-	-	-
Total other financing sources (uses)	(495,025)	-	-	(497,500)	(1,000,000)	-	1,845,000	-	-	22	-
Excess (deficiency) of receipts and other financing sources over disbursements and other financing uses	1,032,304	(48,859)	(162,538)	(271,097)	119,619	(270,973)	843,805	768	(1,315,346)	183,209	206,662
Cash and investments - ending	\$ 3,929,509	\$ 2,279,232	\$ 423	\$ 1,186,081	\$ 2,688,684	\$ 16,231	\$ 4,211,460	\$ 514,288	\$ -	\$ 893,219	\$ 1,442,063

NORTH LAWRENCE COMMUNITY SCHOOLS  
 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	Joint Services and Supply - Special Education Cooperative	Joint Services and Supply - Area Vocational School	Alternative Education	SAFE School Haven 15/16	SAFE Haven 16/17	SAFE Haven 2017-18	Early Intervention Grant 15-16	Early Intervention Grant 16-17	Early Intervention Grant 17-18
Cash and investments - beginning	\$ 319,639	\$ 12,657	\$ 32,895	\$ 51,404	\$ (3,504)	\$ -	\$ -	\$ (19,860)	\$ -	\$ -
Receipts:										
Local sources	3,322,609	1,674,262	1,757,892	-	-	-	-	-	-	-
Intermediate sources	-	-	-	-	-	-	-	-	-	-
State sources	-	-	-	2,975	2,918	27,079	-	35,771	23,347	-
Federal sources	-	-	-	-	-	-	-	-	-	-
Other receipts	1,658,824	602	-	-	-	-	-	-	-	-
Total receipts	4,981,433	1,674,864	1,757,892	2,975	2,918	27,079	-	35,771	23,347	-
Disbursements:										
Instruction	-	96,368	1,100,517	-	-	-	-	-	23,347	-
Support services	-	1,306,056	314,149	-	(586)	29,405	-	15,911	-	-
Noninstructional services	-	-	-	-	-	-	-	-	-	-
Facilities acquisition and construction	-	-	4,639	-	-	-	-	-	-	-
Debt service	-	-	-	-	-	-	-	-	-	-
Nonprogrammed charges	5,260,642	-	-	-	-	-	-	-	-	-
Total disbursements	5,260,642	1,402,424	1,419,305	-	(586)	29,405	-	15,911	23,347	-
Excess (deficiency) of receipts over disbursements	(279,209)	272,440	338,587	2,975	3,504	(2,326)	-	19,860	-	-
Other financing sources (uses):										
Sale of capital assets	-	-	-	-	-	-	-	-	-	-
Transfers in	750,000	-	200,000	-	-	-	-	-	-	-
Transfers out	(250,000)	-	(545,000)	-	-	-	-	-	-	-
Total other financing sources (uses)	500,000	-	(345,000)	-	-	-	-	-	-	-
Excess (deficiency) of receipts and other financing sources over disbursements and other financing uses	220,791	272,440	(6,413)	2,975	3,504	(2,326)	-	19,860	-	-
Cash and investments - ending	\$ 540,430	\$ 285,097	\$ 26,482	\$ 54,379	\$ -	\$ (2,326)	\$ -	\$ -	\$ -	\$ -

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

	Lilly Planning Counseling Grant	HE - Outdoor Lab	Energy Safe Kids	Duke Energy Grant	Transcanada	IU Health	Raymond Foundation	Knights of Columbus	Music	Englewood PTO
Cash and investments - beginning	\$ -	\$ 4,234	\$ -	\$ 17,537	\$ 980,000	\$ 5	\$ 4,500	\$ 2,058	\$ 10	\$ 4,739
Receipts:										
Local sources	50,000	1,350	65	15,952	-	-	4,500	16,000	-	-
Intermediate sources	-	-	-	-	-	-	-	-	-	-
State sources	-	-	-	-	-	-	-	-	-	-
Federal sources	-	-	-	-	-	-	-	-	-	-
Other receipts	-	-	-	-	-	-	-	-	-	-
Total receipts	50,000	1,350	65	15,952	-	-	4,500	16,000	-	-
Disbursements:										
Instruction	-	723	64	19,889	-	-	-	-	-	1,719
Support services	42,625	-	-	-	-	-	-	-	-	-
Noninstructional services	-	443	-	-	-	-	-	-	-	-
Facilities acquisition and construction	-	-	-	-	-	-	8,500	17,605	-	583
Debt service	-	-	-	-	-	-	-	-	-	-
Nonprogrammed charges	-	-	-	-	-	-	-	-	-	-
Total disbursements	42,625	1,166	64	19,889	-	-	8,500	17,605	-	2,302
Excess (deficiency) of receipts over disbursements	7,375	184	1	(3,937)	-	-	(4,000)	(1,605)	-	(2,302)
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	7,375	184	1	(3,937)	-	-	(4,000)	(1,605)	-	(2,302)
Cash and investments - ending	\$ 7,375	\$ 4,418	\$ 1	\$ 13,600	\$ 980,000	\$ 5	\$ 500	\$ 453	\$ 10	\$ 2,437

NORTH LAWRENCE COMMUNITY SCHOOLS  
 COMBINING SCHEDULE OF RECEIPTS, DISBURSEMENTS,  
 OTHER FINANCING SOURCES (USES), AND CASH AND  
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 For the Year Ended June 30, 2017

	JS Donations	Heltonville Donations	IU Health Strong Schools	Stalker Donations	Protection Plans	IU Grant BNL	National Energy Foundation	Fanue Robotics Programs	Lincoln Donations	Hoosier Uplands NLCC Eco Dev
Cash and investments - beginning	\$ 100	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Receipts:										
Local sources	500	50	1,500	100	33,250	300	152	5,000	2,404	40,000
Intermediate sources	-	-	-	-	-	-	-	-	-	-
State sources	-	-	-	-	-	-	-	-	-	-
Federal sources	-	-	-	-	-	-	-	-	-	-
Other receipts	-	-	-	-	-	-	-	-	-	-
Total receipts	500	50	1,500	100	33,250	300	152	5,000	2,404	40,000
Disbursements:										
Instruction	-	-	1,321	100	-	266	152	5,000	-	-
Support services	-	50	-	-	1,950	-	-	-	843	-
Noninstructional services	-	-	-	-	-	-	-	-	-	-
Facilities acquisition and construction	500	-	-	-	-	-	-	-	-	-
Debt service	-	-	-	-	-	-	-	-	-	-
Nonprogrammed charges	-	-	-	-	-	-	-	-	-	-
Total disbursements	500	50	1,321	100	1,950	266	152	5,000	843	-
Excess (deficiency) of receipts over disbursements	-	-	179	-	31,300	34	-	-	1,561	40,000
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	-	-	179	-	31,300	34	-	-	1,561	40,000
Cash and investments - ending	\$ 100	\$ -	\$ 179	\$ -	\$ 31,300	\$ 34	\$ -	\$ -	\$ 1,561	\$ 40,000

NORTH LAWRENCE COMMUNITY SCHOOLS  
 COMBINING SCHEDULE OF RECEIPTS, DISBURSEMENTS,  
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 For the Year Ended June 30, 2017

	GM Stem Challenge PT Grant	NLCC 3D Design for Child Therp	NLCC 3D Printer Camp	NLCC Stem Discover Drone Prog	VEX Robotics Grant	ROI Grant	Instructional Support	Community Reading Project	Hutton Library Books	Extra- Curricular Activities
Cash and investments - beginning	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 3,454	\$ 2,660	\$ 593	\$ 2,907
Receipts:										
Local sources	-	-	-	-	-	-	-	300	-	-
Intermediate sources	-	-	-	-	-	-	-	-	-	-
State sources	-	-	-	-	-	-	-	-	-	-
Federal sources	-	-	-	-	-	-	-	-	-	-
Other receipts	-	-	-	-	-	-	-	-	-	-
Total receipts	-	-	-	-	-	-	-	300	-	-
Disbursements:										
Instruction	-	-	-	-	-	-	-	-	-	-
Support services	-	-	-	-	-	-	-	-	-	-
Noninstructional services	-	-	-	-	-	-	-	-	-	1,583
Facilities acquisition and construction	-	-	-	-	-	-	-	-	-	-
Debt service	-	-	-	-	-	-	-	-	-	-
Nonprogrammed charges	-	-	-	-	-	-	-	-	-	-
Total disbursements	-	-	-	-	-	-	-	-	-	1,583
Excess (deficiency) of receipts over disbursements	-	-	-	-	-	-	-	300	-	(1,583)
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	-	(1,583)
Cash and investments - ending	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 3,454	\$ 2,960	\$ 593	\$ 1,324

NORTH LAWRENCE COMMUNITY SCHOOLS  
 COMBINING SCHEDULE OF RECEIPTS, DISBURSEMENTS,  
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 For the Year Ended June 30, 2017

	Cultural Arts	Bloomington Arts Council	Scholarships and Awards	Special Track and Field	Pritchett Donation NLCC	Pritchett Donation Building	Formative Assessment	Gifted & Talented 15/16	High Ability 16/17	High Ability 17/18
Cash and investments - beginning	\$ 6,562	\$ 135	\$ 65,837	\$ 8,385	\$ 2,685	\$ 2	\$ -	\$ 3,565	\$ -	\$ -
Receipts:										
Local sources	4,499	-	728	12,313	-	-	-	-	-	-
Intermediate sources	-	-	-	-	-	-	-	-	-	-
State sources	-	-	-	-	-	-	51,420	-	46,409	-
Federal sources	-	-	-	-	-	-	-	-	-	-
Other receipts	-	-	-	-	-	-	-	-	-	-
Total receipts	4,499	-	728	12,313	-	-	51,420	-	46,409	-
Disbursements:										
Instruction	-	-	-	8,025	-	-	38,690	3,565	42,679	-
Support services	3,258	-	-	-	-	-	12,730	-	-	-
Noninstructional services	-	-	-	-	-	-	-	-	-	-
Facilities acquisition and construction	-	-	-	-	2,685	-	-	-	-	-
Debt service	-	-	-	-	-	-	-	-	-	-
Nonprogrammed charges	-	-	32,000	-	-	-	-	-	-	-
Total disbursements	3,258	-	32,000	8,025	2,685	-	51,420	3,565	42,679	-
Excess (deficiency) of receipts over disbursements	1,241	-	(31,272)	4,288	(2,685)	-	-	(3,565)	3,730	-
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	1,241	-	(31,272)	4,288	(2,685)	-	-	(3,565)	3,730	-
Cash and investments - ending	\$ 7,803	\$ 135	\$ 34,565	\$ 12,673	\$ -	\$ 2	\$ -	\$ -	\$ 3,730	\$ -

NORTH LAWRENCE COMMUNITY SCHOOLS  
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 INVESTMENT BALANCES - REGULATORY BASIS  
 For the Year Ended June 30, 2017

	Medicaid Reimbursement	Secured Schools Safety Grant	School Technology	Career and Technical Performance Grant	Performance Based Awards	Performance Award 15-16 Pay 17	Miscellaneous Programs	ECIA Title I P.L. 107-110 FY 12/13	ECIA Title I P.L. 107-110 FY 13/14	ECIA Title I P.L. 107-110 FY 15/16
Cash and investments - beginning	\$ -	\$ -	\$ 35,174	\$ -	\$ -	\$ -	\$ (1,750)	\$ 2,233	\$ (1,363)	\$ (82,101)
Receipts:										
Local sources	-	-	223,002	-	-	-	-	-	-	-
Intermediate sources	-	-	-	-	-	-	-	-	-	-
State sources	74,685	-	6,308	27,122	22,399	94,233	-	-	-	-
Federal sources	-	-	-	-	-	-	-	-	-	324,729
Other receipts	-	-	-	-	-	-	1,661	-	-	-
Total receipts	74,685	-	229,310	27,122	22,399	94,233	1,661	-	-	324,729
Disbursements:										
Instruction	-	-	-	13,992	22,399	94,233	-	-	-	216,760
Support services	1,669	-	15,595	-	-	-	1,815	-	-	29,045
Noninstructional services	-	-	-	-	-	-	-	-	-	(3,177)
Facilities acquisition and construction	-	-	54,825	-	-	-	-	-	-	-
Debt service	-	-	-	-	-	-	-	-	-	-
Nonprogrammed charges	-	-	-	-	-	-	-	-	-	-
Total disbursements	1,669	-	70,420	13,992	22,399	94,233	1,815	-	-	242,628
Excess (deficiency) of receipts over disbursements	73,016	-	158,890	13,130	-	-	(154)	-	-	82,101
Other financing sources (uses):										
Sale of capital assets	-	-	131	-	-	-	-	-	-	-
Transfers in	-	-	-	-	-	-	-	-	-	-
Transfers out	-	-	-	-	-	-	-	-	-	-
Total other financing sources (uses)	-	-	131	-	-	-	-	-	-	-
Excess (deficiency) of receipts and other financing sources over disbursements and other financing uses	73,016	-	159,021	13,130	-	-	(154)	-	-	82,101
Cash and investments - ending	\$ 73,016	\$ -	\$ 194,195	\$ 13,130	\$ -	\$ -	\$ (1,904)	\$ 2,233	\$ (1,363)	\$ -

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

	Title I 16/17	Title I 17/18	School Improvement Grant	School Improvement Grant 2017	School Improvement Grant 2018	IDEA, Part B P.L. 105-117 FY 14/15	IDEA, Part B P.L. 105-117 FY 15/16	Spec Ed Part B FY 2017	Spec Ed Part B FY 2018	Part B, IDEA Pass- Through 18/19
Cash and investments - beginning	\$ -	\$ -	\$ -	\$ -	\$ -	\$ (21,775)	\$ (152,265)	\$ -	\$ -	\$ -
Receipts:										
Local sources	-	-	-	-	-	-	-	-	-	-
Intermediate sources	-	-	-	-	-	-	-	-	-	-
State sources	-	-	-	-	-	-	-	-	-	-
Federal sources	632,390	-	1,336	1,782	-	476,885	765,346	1,372,079	-	-
Other receipts	-	-	-	-	-	(151)	-	-	-	-
Total receipts	632,390	-	1,336	1,782	-	476,734	765,346	1,372,079	-	-
Disbursements:										
Instruction	634,620	-	-	1,782	-	434,497	497,026	1,220,186	-	-
Support services	50,714	-	1,336	1,570	-	20,462	116,055	304,345	-	-
Noninstructional services	2,537	-	-	-	-	-	-	-	-	-
Facilities acquisition and construction	-	-	-	-	-	-	-	-	-	-
Debt service	-	-	-	-	-	-	-	-	-	-
Nonprogrammed charges	-	-	-	-	-	-	-	-	-	-
Total disbursements	687,871	-	1,336	3,352	-	454,959	613,081	1,524,531	-	-
Excess (deficiency) of receipts over disbursements	(55,481)	-	-	(1,570)	-	21,775	152,265	(152,452)	-	-
Other financing sources (uses):										
Sale of capital assets	-	-	-	-	-	-	-	-	-	-
Transfers in	-	-	-	-	-	-	-	-	-	-
Transfers out	-	-	-	-	-	-	-	-	-	-
Total other financing sources (uses)	-	-	-	-	-	-	-	-	-	-
Excess (deficiency) of receipts and other financing sources over disbursements and other financing uses	(55,481)	-	-	(1,570)	-	21,775	152,265	(152,452)	-	-
Cash and investments - ending	\$ (55,481)	\$ -	\$ -	\$ (1,570)	\$ -	\$ -	\$ -	\$ (152,452)	\$ -	\$ -

NORTH LAWRENCE COMMUNITY SCHOOLS  
 COMBINING SCHEDULE OF RECEIPTS, DISBURSEMENTS,  
 OTHER FINANCING SOURCES (USES), AND CASH AND  
 INVESTMENT BALANCES - REGULATORY BASIS  
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	Early Child/Preschool 14/15	Preschool Handicap P.L. 99-457 FY 15/16	Preschool 16/17	Preschool 17/18	Vocational & Technology Board Grants FY 15/16	Carl Perkins 16/17	Carl Perkins 17/18	Rural Perkins 15/16	Rural Perkins 16/17	Rural Perkins Grant 17/18
Cash and investments - beginning	\$ -	\$ (6,936)	\$ -	\$ -	\$ (9,702)	\$ -	\$ -	\$ -	\$ -	\$ -
Receipts:										
Local sources	-	-	-	-	-	-	-	-	-	-
Intermediate sources	-	-	-	-	-	-	-	-	-	-
State sources	-	-	-	-	-	-	-	-	-	-
Federal sources	993	49,630	44,240	-	33,237	97,203	-	8,834	87,058	-
Other receipts	-	-	-	-	-	-	-	-	-	-
Total receipts	993	49,630	44,240	-	33,237	97,203	-	8,834	87,058	-
Disbursements:										
Instruction	993	32,607	39,863	-	3,620	29,722	-	8,834	100,000	-
Support services	-	10,087	11,405	-	19,915	87,813	-	-	-	-
Noninstructional services	-	-	-	-	-	-	-	-	-	-
Facilities acquisition and construction	-	-	-	-	-	-	-	-	-	-
Debt service	-	-	-	-	-	-	-	-	-	-
Nonprogrammed charges	-	-	-	-	-	-	-	-	-	-
Total disbursements	993	42,694	51,268	-	23,535	117,535	-	8,834	100,000	-
Excess (deficiency) of receipts over disbursements	-	6,936	(7,028)	-	9,702	(20,332)	-	-	(12,942)	-
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	-	6,936	(7,028)	-	9,702	(20,332)	-	-	(12,942)	-
Cash and investments - ending	\$ -	\$ -	\$ (7,028)	\$ -	\$ -	\$ (20,332)	\$ -	\$ -	\$ (12,942)	\$ -

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

	Medicaid Reimbursement - Federal	Other Federal Programs	Improving Teacher Quality, No Child Left, Title II, Part A FY2014	Improving Teacher Quality, No Child Left, Title II, Part A FY2015	Title II, 16-17, 17-18	Title II A 17-18	ITQ, Enhanced Education Through Technology, Title II, Part D	Payroll Clearing Accounts	Prepaid Lunch Trust	Totals
Cash and investments - beginning	\$ -	\$ (1,710)	\$ (1,784)	\$ (10,163)	\$ -	\$ -	\$ 308	\$ 150,866	\$ 6,370	\$ 18,252,237
Receipts:										
Local sources	-	-	-	-	-	-	-	-	-	21,260,115
Intermediate sources	-	-	-	-	-	-	-	-	-	50
State sources	-	-	-	-	-	-	-	-	-	33,348,053
Federal sources	148,923	-	28,203	97,917	36,521	-	-	-	-	5,637,771
Other receipts	-	-	-	-	-	-	-	9,365,769	-	11,089,735
Total receipts	148,923	-	28,203	97,917	36,521	-	-	9,365,769	-	71,335,724
Disbursements:										
Instruction	54,010	-	-	48,210	43,202	-	-	-	-	27,227,850
Support services	3,328	-	26,423	40,916	1,033	-	-	-	-	17,375,187
Noninstructional services	-	-	-	-	-	-	-	-	-	2,652,858
Facilities acquisition and construction	-	-	-	-	-	-	-	-	-	3,137,466
Debt service	-	-	-	-	-	-	-	-	-	5,061,522
Nonprogrammed charges	-	-	-	-	-	-	-	9,380,518	11,988	14,685,148
Total disbursements	57,338	-	26,423	89,126	44,235	-	-	9,380,518	11,988	70,140,031
Excess (deficiency) of receipts over disbursements	91,585	-	1,780	8,791	(7,714)	-	-	(14,749)	(11,988)	1,195,693
Other financing sources (uses):										
Sale of capital assets	-	-	-	-	-	-	-	-	-	7,628
Transfers in	-	-	-	-	-	-	-	-	-	3,245,000
Transfers out	-	-	-	-	-	-	-	-	-	(3,245,000)
Total other financing sources (uses)	-	-	-	-	-	-	-	-	-	7,628
Excess (deficiency) of receipts and other financing sources over disbursements and other financing uses	91,585	-	1,780	8,791	(7,714)	-	-	(14,749)	(11,988)	1,203,321
Cash and investments - ending	\$ 91,585	\$ (1,710)	\$ (4)	\$ (1,372)	\$ (7,714)	\$ -	\$ 308	\$ 136,117	\$ (5,618)	\$ 19,455,558

NORTH LAWRENCE COMMUNITY SCHOOLS  
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 OTHER FINANCING SOURCES (USES), AND CASH AND  
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 For the Year Ended June 30, 2018

	General	Debt Service	Retirement/ Severance Bond Debt Service	Capital Projects	School Transportation	School Bus Replacement	Rainy Day	Retirement/ Severance Bond	Construction Series 2015	School Lunch	Textbook Rental
Cash and investments - beginning	\$ 3,929,509	\$ 2,279,232	\$ 423	\$ 1,186,081	\$ 2,688,684	\$ 16,231	\$ 4,211,460	\$ 514,288	\$ -	\$ 893,219	\$ 1,442,063
Receipts:											
Local sources	548,786	4,215,459	822,610	3,249,266	4,131,734	14,492	-	1,390	-	1,010,540	474,297
Intermediate sources	54	-	-	-	-	-	-	-	-	-	-
State sources	32,953,221	-	-	-	-	-	-	-	-	22,504	253,548
Federal sources	-	-	-	-	-	-	-	-	-	1,464,584	-
Other receipts	5,825	-	-	-	13,690	20,486	-	-	-	18,591	-
Total receipts	33,507,886	4,215,459	822,610	3,249,266	4,145,424	34,978	-	1,390	-	2,516,219	727,845
Disbursements:											
Instruction	22,527,519	-	-	-	-	-	-	-	-	-	-
Support services	9,860,738	-	-	1,726,385	2,961,160	33,340	323,960	-	-	550	1,138,864
Noninstructional services	293,335	-	-	-	-	-	-	-	-	2,217,511	-
Facilities acquisition and construction	5,313	-	-	667,111	-	-	107,400	-	-	278,227	-
Debt service	-	4,302,779	801,380	-	-	-	-	-	-	-	-
Nonprogrammed charges	-	-	-	-	-	-	-	-	-	-	-
Total disbursements	32,686,905	4,302,779	801,380	2,393,496	2,961,160	33,340	431,360	-	-	2,496,288	1,138,864
Excess (deficiency) of receipts over disbursements	820,981	(87,320)	21,230	855,770	1,184,264	1,638	(431,360)	1,390	-	19,931	(411,019)
Other financing sources (uses):											
Sale of capital assets	1,412	-	-	-	-	-	-	-	-	-	-
Transfers in	-	-	-	-	-	-	2,200,000	-	-	-	-
Transfers out	-	-	-	(750,000)	(1,250,000)	-	-	-	-	-	-
Total other financing sources (uses)	1,412	-	-	(750,000)	(1,250,000)	-	2,200,000	-	-	-	-
Excess (deficiency) of receipts and other financing sources over disbursements and other financing uses	822,393	(87,320)	21,230	105,770	(65,736)	1,638	1,768,640	1,390	-	19,931	(411,019)
Cash and investments - ending	\$ 4,751,902	\$ 2,191,912	\$ 21,653	\$ 1,291,851	\$ 2,622,948	\$ 17,869	\$ 5,980,100	\$ 515,678	\$ -	\$ 913,150	\$ 1,031,044

NORTH LAWRENCE COMMUNITY SCHOOLS  
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	Self- Insurance	Joint Services and Supply - Special Education Cooperative	Joint Services and Supply - Area Vocational School	Alternative Education	SAFE School Haven 15/16	SAFE Haven 16/17	SAFE Haven 2017-18	Early Intervention Grant 15-16	Early Intervention Grant 16-17	Early Intervention Grant 17-18
Cash and investments - beginning	\$ 540,430	\$ 285,097	\$ 26,482	\$ 54,379	\$ -	\$ (2,326)	\$ -	\$ -	\$ -	\$ -
Receipts:										
Local sources	3,303,442	1,650,781	1,821,012	-	-	-	-	-	-	-
Intermediate sources	-	-	-	-	-	-	-	-	-	-
State sources	-	-	-	4,569	-	2,326	19,781	-	-	22,833
Federal sources	-	-	-	-	-	-	-	-	-	-
Other receipts	1,718,253	378	-	-	-	-	-	-	-	-
Total receipts	5,021,695	1,651,159	1,821,012	4,569	-	2,326	19,781	-	-	22,833
Disbursements:										
Instruction	-	178,000	1,144,283	-	-	-	-	-	-	5,049
Support services	-	1,332,709	343,145	-	-	-	25,126	-	-	4,465
Noninstructional services	-	-	-	-	-	-	-	-	-	-
Facilities acquisition and construction	-	22,000	-	-	-	-	-	-	-	-
Debt service	-	-	-	-	-	-	-	-	-	-
Nonprogrammed charges	4,697,357	-	-	-	-	-	-	-	-	-
Total disbursements	4,697,357	1,532,709	1,487,428	-	-	-	25,126	-	-	9,514
Excess (deficiency) of receipts over disbursements	324,338	118,450	333,584	4,569	-	2,326	(5,345)	-	-	13,319
Other financing sources (uses):										
Sale of capital assets	-	-	-	-	-	-	-	-	-	-
Transfers in	-	-	-	-	-	-	-	-	-	-
Transfers out	-	-	(200,000)	-	-	-	-	-	-	-
Total other financing sources (uses)	-	-	(200,000)	-	-	-	-	-	-	-
Excess (deficiency) of receipts and other financing sources over disbursements and other financing uses	324,338	118,450	133,584	4,569	-	2,326	(5,345)	-	-	13,319
Cash and investments - ending	\$ 864,768	\$ 403,547	\$ 160,066	\$ 58,948	\$ -	\$ -	\$ (5,345)	\$ -	\$ -	\$ 13,319

NORTH LAWRENCE COMMUNITY SCHOOLS  
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	Lilly Planning Counseling Grant	HE - Outdoor Lab	Energy Safe Kids	Duke Energy Grant	Transcanada	IU Health	Raymond Foundation	Knights of Columbus	Music	Englewood PTO
Cash and investments - beginning	\$ 7,375	\$ 4,418	\$ 1	\$ 13,600	\$ 980,000	\$ 5	\$ 500	\$ 453	\$ 10	\$ 2,437
Receipts:										
Local sources	-	1,080	80	14,777	-	-	-	14,000	-	-
Intermediate sources	-	-	-	-	-	-	-	-	-	-
State sources	-	-	-	-	-	-	-	-	-	-
Federal sources	-	-	-	-	-	-	-	-	-	-
Other receipts	-	-	-	-	-	-	-	-	-	-
Total receipts	-	1,080	80	14,777	-	-	-	14,000	-	-
Disbursements:										
Instruction	-	246	50	15,747	-	-	-	-	10	2,295
Support services	7,336	-	-	1,089	2,915	-	-	-	-	-
Noninstructional services	-	651	-	-	-	-	-	-	-	-
Facilities acquisition and construction	-	80	-	-	35,798	-	-	14,000	-	-
Debt service	-	-	-	-	-	-	-	-	-	-
Nonprogrammed charges	-	-	-	-	-	-	-	-	-	-
Total disbursements	7,336	977	50	16,836	38,713	-	-	14,000	10	2,295
Excess (deficiency) of receipts over disbursements	(7,336)	103	30	(2,059)	(38,713)	-	-	-	(10)	(2,295)
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	(7,336)	103	30	(2,059)	(38,713)	-	-	-	(10)	(2,295)
Cash and investments - ending	\$ 39	\$ 4,521	\$ 31	\$ 11,541	\$ 941,287	\$ 5	\$ 500	\$ 453	\$ -	\$ 142

NORTH LAWRENCE COMMUNITY SCHOOLS  
 COMBINING SCHEDULE OF RECEIPTS, DISBURSEMENTS,  
 OTHER FINANCING SOURCES (USES), AND CASH AND  
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	JS Donations	Heltonville Donations	IU Health Strong Schools	Stalker Donations	Protection Plans	IU Grant BNL	National Energy Foundation	Fanue Robotics Programs	Lincoln Donations	Hoosier Uplands NLCC Eco Dev
Cash and investments - beginning	\$ 100	\$ -	\$ 179	\$ -	\$ 31,300	\$ 34	\$ -	\$ -	\$ 1,561	\$ 40,000
Receipts:										
Local sources	500	-	-	-	62,002	300	100	-	2,000	30,000
Intermediate sources	-	-	-	-	-	-	-	-	-	-
State sources	-	-	-	-	-	-	-	-	-	-
Federal sources	-	-	-	-	-	-	-	-	-	-
Other receipts	-	-	-	-	-	-	-	-	-	-
Total receipts	500	-	-	-	62,002	300	100	-	2,000	30,000
Disbursements:										
Instruction	-	-	-	-	-	150	95	-	-	-
Support services	-	-	-	-	22,911	-	-	-	547	-
Noninstructional services	-	-	-	-	-	-	-	-	-	-
Facilities acquisition and construction	-	-	-	-	-	-	-	-	-	70,000
Debt service	-	-	-	-	-	-	-	-	-	-
Nonprogrammed charges	-	-	-	-	-	-	-	-	-	-
Total disbursements	-	-	-	-	22,911	150	95	-	547	70,000
Excess (deficiency) of receipts over disbursements	500	-	-	-	39,091	150	5	-	1,453	(40,000)
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	500	-	-	-	39,091	150	5	-	1,453	(40,000)
Cash and investments - ending	\$ 600	\$ -	\$ 179	\$ -	\$ 70,391	\$ 184	\$ 5	\$ -	\$ 3,014	\$ -

NORTH LAWRENCE COMMUNITY SCHOOLS  
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 INVESTMENT BALANCES - REGULATORY BASIS  
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	GM Stem Challenge PT Grant	NLCC 3D Design for Child Therp	NLCC 3D Printer Camp	NLCC Stem Discover Drone Prog	VEX Robotics Grant	ROI Grant	Instructional Support	Community Reading Project	Hutton Library Books	Extra- Curricular Activities
Cash and investments - beginning	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 3,454	\$ 2,960	\$ 593	\$ 1,324
Receipts:										
Local sources	3,500	1,995	1,350	2,995	1,534	-	-	300	-	-
Intermediate sources	-	-	-	-	-	-	-	-	-	-
State sources	-	-	-	-	-	-	-	-	-	-
Federal sources	-	-	-	-	-	-	-	-	-	-
Other receipts	-	-	-	-	-	-	-	-	-	-
Total receipts	<u>3,500</u>	<u>1,995</u>	<u>1,350</u>	<u>2,995</u>	<u>1,534</u>	<u>-</u>	<u>-</u>	<u>300</u>	<u>-</u>	<u>-</u>
Disbursements:										
Instruction	3,402	1,729	1,350	3,038	1,448	-	-	-	-	-
Support services	-	-	-	-	-	375	-	-	-	-
Noninstructional services	-	-	-	-	-	-	-	-	-	-
Facilities acquisition and construction	-	-	-	-	-	-	-	-	-	-
Debt service	-	-	-	-	-	-	-	-	-	-
Nonprogrammed charges	-	-	-	-	-	-	-	-	-	-
Total disbursements	<u>3,402</u>	<u>1,729</u>	<u>1,350</u>	<u>3,038</u>	<u>1,448</u>	<u>375</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Excess (deficiency) of receipts over disbursements	<u>98</u>	<u>266</u>	<u>-</u>	<u>(43)</u>	<u>86</u>	<u>(375)</u>	<u>-</u>	<u>300</u>	<u>-</u>	<u>-</u>
Other financing sources (uses):										
Sale of capital assets	-	-	-	-	-	-	-	-	-	-
Transfers in	-	-	-	-	-	-	-	-	-	-
Transfers out	-	-	-	-	-	-	-	-	-	-
Total other financing sources (uses)	<u>-</u>	<u>-</u>	<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>98</u>	<u>266</u>	<u>-</u>	<u>(43)</u>	<u>86</u>	<u>(375)</u>	<u>-</u>	<u>300</u>	<u>-</u>	<u>-</u>
Cash and investments - ending	<u>\$ 98</u>	<u>\$ 266</u>	<u>\$ -</u>	<u>\$ (43)</u>	<u>\$ 86</u>	<u>\$ (375)</u>	<u>\$ 3,454</u>	<u>\$ 3,260</u>	<u>\$ 593</u>	<u>\$ 1,324</u>

NORTH LAWRENCE COMMUNITY SCHOOLS  
 COMBINING SCHEDULE OF RECEIPTS, DISBURSEMENTS,  
 OTHER FINANCING SOURCES (USES), AND CASH AND  
 INVESTMENT BALANCES - REGULATORY BASIS  
 For the Year Ended June 30, 2018

	Cultural Arts	Bloomington Arts Council	Scholarships and Awards	Special Track and Field	Pritchett Donation NLCC	Pritchett Donation Building	Formative Assessment	Gifted & Talented 15/16	High Ability 16/17	High Ability 17/18
Cash and investments - beginning	\$ 7,803	\$ 135	\$ 34,565	\$ 12,673	\$ -	\$ 2	\$ -	\$ -	\$ 3,730	\$ -
Receipts:										
Local sources	3,978	-	-	18,849	-	-	-	-	-	-
Intermediate sources	-	-	-	-	-	-	-	-	-	-
State sources	-	-	-	-	-	-	47,281	-	-	46,112
Federal sources	-	-	-	-	-	-	-	-	-	-
Other receipts	-	-	-	-	-	-	-	-	-	-
Total receipts	3,978	-	-	18,849	-	-	47,281	-	-	46,112
Disbursements:										
Instruction	-	135	-	11,028	-	-	31,052	-	3,730	22,510
Support services	9,352	-	-	-	-	-	16,229	-	-	-
Noninstructional services	-	-	-	-	-	-	-	-	-	-
Facilities acquisition and construction	-	-	-	-	-	-	-	-	-	-
Debt service	-	-	-	-	-	-	-	-	-	-
Nonprogrammed charges	-	-	34,565	-	-	-	-	-	-	-
Total disbursements	9,352	135	34,565	11,028	-	-	47,281	-	3,730	22,510
Excess (deficiency) of receipts over disbursements	(5,374)	(135)	(34,565)	7,821	-	-	-	-	(3,730)	23,602
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	(5,374)	(135)	(34,565)	7,821	-	-	-	-	(3,730)	23,602
Cash and investments - ending	\$ 2,429	\$ -	\$ -	\$ 20,494	\$ -	\$ 2	\$ -	\$ -	\$ -	\$ 23,602

NORTH LAWRENCE COMMUNITY SCHOOLS  
 COMBINING SCHEDULE OF RECEIPTS, DISBURSEMENTS,  
 OTHER FINANCING SOURCES (USES), AND CASH AND  
 INVESTMENT BALANCES - REGULATORY BASIS  
 For the Year Ended June 30, 2018

	Medicaid Reimbursement	Secured Schools Safety Grant	School Technology	Career and Technical Performance Grant	Performance Based Awards	Performance Award 15-16 Pay 17	Miscellaneous Programs	ECIA Title I P.L. 107-110 FY 12/13	ECIA Title I P.L. 107-110 FY 13/14	ECIA Title I P.L. 107-110 FY 15/16
Cash and investments - beginning	\$ 73,016	\$ -	\$ 194,195	\$ 13,130	\$ -	\$ -	\$ (1,904)	\$ 2,233	\$ (1,363)	\$ -
Receipts:										
Local sources	-	-	305,208	-	-	-	-	-	-	-
Intermediate sources	-	-	-	-	-	-	-	-	-	-
State sources	35,642	41,115	7,770	20,959	-	144,305	-	-	-	-
Federal sources	-	-	-	-	-	-	-	-	-	-
Other receipts	-	-	-	-	-	-	1,031	-	-	-
Total receipts	35,642	41,115	312,978	20,959	-	144,305	1,031	-	-	-
Disbursements:										
Instruction	-	-	-	27,323	-	144,301	-	-	-	-
Support services	2,005	41,115	(29,700)	-	-	-	1,433	-	-	-
Noninstructional services	-	-	-	-	-	-	-	-	-	-
Facilities acquisition and construction	-	-	227,047	-	-	-	-	-	-	-
Debt service	-	-	-	-	-	-	-	-	-	-
Nonprogrammed charges	-	-	-	-	-	-	-	-	-	-
Total disbursements	2,005	41,115	197,347	27,323	-	144,301	1,433	-	-	-
Excess (deficiency) of receipts over disbursements	33,637	-	115,631	(6,364)	-	4	(402)	-	-	-
Other financing sources (uses):										
Sale of capital assets	-	-	238	-	-	-	-	-	-	-
Transfers in	-	-	-	-	-	-	-	-	-	-
Transfers out	-	-	-	-	-	-	-	-	-	-
Total other financing sources (uses)	-	-	238	-	-	-	-	-	-	-
Excess (deficiency) of receipts and other financing sources over disbursements and other financing uses	33,637	-	115,869	(6,364)	-	4	(402)	-	-	-
Cash and investments - ending	\$ 106,653	\$ -	\$ 310,064	\$ 6,766	\$ -	\$ 4	\$ (2,306)	\$ 2,233	\$ (1,363)	\$ -

NORTH LAWRENCE COMMUNITY SCHOOLS  
 COMBINING SCHEDULE OF RECEIPTS, DISBURSEMENTS,  
 OTHER FINANCING SOURCES (USES), AND CASH AND  
 INVESTMENT BALANCES - REGULATORY BASIS  
 For the Year Ended June 30, 2018

	Title I 16/17	Title I 17/18	School Improvement Grant	School Improvement Grant 2017	School Improvement Grant 2018	IDEA, Part B P.L. 105-117 FY 14/15	IDEA, Part B P.L. 105-117 FY 15/16	Spec Ed Part B FY 2017	Spec Ed Part B FY 2018	Part B, IDEA Pass- Through 18/19
Cash and investments - beginning	\$ (55,481)	\$ -	\$ -	\$ (1,570)	\$ -	\$ -	\$ -	\$ (152,452)	\$ -	\$ -
Receipts:										
Local sources	-	-	-	-	-	-	-	2,080	1,829	-
Intermediate sources	-	-	-	-	-	-	-	-	-	-
State sources	-	-	-	-	-	-	-	-	-	-
Federal sources	276,116	606,355	-	128,723	104,660	-	438,183	828,748	1,641,509	-
Other receipts	-	-	-	-	-	-	-	-	-	-
Total receipts	276,116	606,355	-	128,723	104,660	-	438,183	830,828	1,643,338	-
Disbursements:										
Instruction	168,601	723,291	-	118,817	64,214	-	438,183	1,003,945	1,498,462	136
Support services	44,933	53,843	-	8,336	44,057	-	-	122,996	337,628	-
Noninstructional services	7,101	3,896	-	-	-	-	-	-	-	-
Facilities acquisition and construction	-	-	-	-	-	-	-	-	-	-
Debt service	-	-	-	-	-	-	-	-	-	-
Nonprogrammed charges	-	-	-	-	-	-	-	-	-	-
Total disbursements	220,635	781,030	-	127,153	108,271	-	438,183	1,126,941	1,836,090	136
Excess (deficiency) of receipts over disbursements	55,481	(174,675)	-	1,570	(3,611)	-	-	(296,113)	(192,752)	(136)
Other financing sources (uses):										
Sale of capital assets	-	-	-	-	-	-	-	-	-	-
Transfers in	-	-	-	-	-	-	-	-	-	-
Transfers out	-	-	-	-	-	-	-	-	-	-
Total other financing sources (uses)	-	-	-	-	-	-	-	-	-	-
Excess (deficiency) of receipts and other financing sources over disbursements and other financing uses	55,481	(174,675)	-	1,570	(3,611)	-	-	(296,113)	(192,752)	(136)
Cash and investments - ending	\$ -	\$ (174,675)	\$ -	\$ -	\$ (3,611)	\$ -	\$ -	\$ (448,565)	\$ (192,752)	\$ (136)

NORTH LAWRENCE COMMUNITY SCHOOLS  
 COMBINING SCHEDULE OF RECEIPTS, DISBURSEMENTS,  
 OTHER FINANCING SOURCES (USES), AND CASH AND  
 INVESTMENT BALANCES - REGULATORY BASIS  
 For the Year Ended June 30, 2018

	Early Child/Preschool 14/15	Preschool Handicap P.L. 99-457 FY 15/16	Preschool 16/17	Preschool 17/18	Vocational & Technology Board Grants FY 15/16	Carl Perkins 16/17	Carl Perkins 17/18	Rural Perkins 15/16	Rural Perkins 16/17	Rural Perkins Grant 17/18
Cash and investments - beginning	\$ -	\$ -	\$ (7,028)	\$ -	\$ -	\$ (20,332)	\$ -	\$ -	\$ (12,942)	\$ -
Receipts:										
Local sources	-	-	-	-	-	-	1,616	-	-	-
Intermediate sources	-	-	-	-	-	-	-	-	-	-
State sources	-	-	-	-	-	-	-	-	-	-
Federal sources	-	1,283	61,585	45,215	-	37,952	130,882	-	12,942	71,016
Other receipts	-	-	-	-	-	-	-	-	-	-
Total receipts	-	1,283	61,585	45,215	-	37,952	132,498	-	12,942	71,016
Disbursements:										
Instruction	-	1,283	51,222	30,289	-	316	16,936	-	-	78,947
Support services	-	-	3,335	26,403	-	17,304	117,503	-	-	-
Noninstructional services	-	-	-	-	-	-	-	-	-	-
Facilities acquisition and construction	-	-	-	-	-	-	-	-	-	-
Debt service	-	-	-	-	-	-	-	-	-	-
Nonprogrammed charges	-	-	-	-	-	-	-	-	-	-
Total disbursements	-	1,283	54,557	56,692	-	17,620	134,439	-	-	78,947
Excess (deficiency) of receipts over disbursements	-	-	7,028	(11,477)	-	20,332	(1,941)	-	12,942	(7,931)
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	-	-	7,028	(11,477)	-	20,332	(1,941)	-	12,942	(7,931)
Cash and investments - ending	\$ -	\$ -	\$ -	\$ (11,477)	\$ -	\$ -	\$ (1,941)	\$ -	\$ -	\$ (7,931)

NORTH LAWRENCE COMMUNITY SCHOOLS  
 COMBINING SCHEDULE OF RECEIPTS, DISBURSEMENTS,  
 OTHER FINANCING SOURCES (USES), AND CASH AND  
 INVESTMENT BALANCES - REGULATORY BASIS  
 For the Year Ended June 30, 2018

	Medicaid Reimbursement - Federal	Other Federal Programs	Improving Teacher Quality, No Child Left, Title II, Part A FY2014	Improving Teacher Quality, No Child Left, Title II, Part A FY2015	Title II, 16-17, 17-18	Title II A 17-18	ITQ, Enhanced Education Through Technology, Title II, Part D	Payroll Clearing Accounts	Prepaid Lunch Trust	Totals
Cash and investments - beginning	\$ 91,585	\$ (1,710)	\$ (4)	\$ (1,372)	\$ (7,714)	\$ -	\$ 308	\$ 136,117	\$ (5,618)	\$ 19,455,558
Receipts:										
Local sources	-	-	-	-	-	-	-	-	-	21,713,882
Intermediate sources	-	-	-	-	-	-	-	-	-	54
State sources	-	-	-	-	-	-	-	-	-	33,621,966
Federal sources	71,070	-	-	5,749	85,064	70,810	-	-	-	6,082,446
Other receipts	-	-	-	-	-	-	-	9,062,089	-	10,840,343
Total receipts	71,070	-	-	5,749	85,064	70,810	-	9,062,089	-	72,258,691
Disbursements:										
Instruction	89,539	-	-	-	55,061	79,051	-	-	-	28,542,783
Support services	3,999	-	-	4,377	27,837	-	-	-	-	18,638,600
Noninstructional services	-	-	-	-	-	-	-	-	-	2,522,494
Facilities acquisition and construction	-	-	-	-	-	-	-	-	-	1,426,976
Debt service	-	-	-	-	-	-	-	-	-	5,104,159
Nonprogrammed charges	-	-	-	-	-	-	-	9,073,077	20,178	13,825,177
Total disbursements	93,538	-	-	4,377	82,898	79,051	-	9,073,077	20,178	70,060,189
Excess (deficiency) of receipts over disbursements	(22,468)	-	-	1,372	2,166	(8,241)	-	(10,988)	(20,178)	2,198,502
Other financing sources (uses):										
Sale of capital assets	-	-	-	-	-	-	-	-	-	1,650
Transfers in	-	-	-	-	-	-	-	-	-	2,200,000
Transfers out	-	-	-	-	-	-	-	-	-	(2,200,000)
Total other financing sources (uses)	-	-	-	-	-	-	-	-	-	1,650
Excess (deficiency) of receipts and other financing sources over disbursements and other financing uses	(22,468)	-	-	1,372	2,166	(8,241)	-	(10,988)	(20,178)	2,200,152
Cash and investments - ending	\$ 69,117	\$ (1,710)	\$ (4)	\$ -	\$ (5,548)	\$ (8,241)	\$ 308	\$ 125,129	\$ (25,796)	\$ 21,655,710

NORTH LAWRENCE COMMUNITY SCHOOLS  
SCHEDULE OF PAYABLES AND RECEIVABLES  
June 30, 2018

Government or Enterprise	Accounts Payable	Accounts Receivable
Governmental activities	<u>\$ 521,962</u>	<u>\$ 262,409</u>

NORTH LAWRENCE COMMUNITY SCHOOLS  
SCHEDULE OF LEASES AND DEBT  
June 30, 2018

Lessor	Purpose	Annual Lease Payment	Lease Beginning Date	Lease Ending Date
Governmental activities:				
North Lawrence School Improvement Corporation	refinance Series 2004 Bonds	\$ 1,839,000	7/15/2013	1/15/2026
North Lawrence School Improvement Corporation	refinance Series 2005 Bonds	1,650,450	7/15/2012	1/15/2028
North Lawrence School Improvement Corporation	finance renovating lease premises	173,500	7/15/2016	1/15/2019
North Lawrence School Improvement Corporation	finance renovating lease premises	<u>576,975</u>	1/15/2019	1/15/2022
Total governmental activities		<u>4,239,925</u>		
Total of annual lease payments		<u>\$ 4,239,925</u>		

Type	Description of Debt Purpose	Ending Principal Balance	Principal and Interest Due Within One Year
Governmental activities:			
General obligation bonds	Amended Taxable Retirement/Severance Liability Funding Bonds of 2004	\$ 5,245,000	\$ 800,741
Totals		<u>\$ 5,245,000</u>	<u>\$ 800,741</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 NORTH LAWRENCE COMMUNITY  
SCHOOLS, LAWRENCE COUNTY, INDIANA

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

We have audited the North Lawrence Community Schools' (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)

**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 item 2018-002. Our opinion on each major federal program is not modified with respect to these matters.

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

**Report on Internal Control over Compliance**


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

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

Our consideration of internal control over compliance was for the limited purpose described in the first paragraph of this section and was not designed to identify all deficiencies in internal control over compliance that might be material weaknesses or significant deficiencies and, therefore, material weaknesses or significant deficiencies may exist that were not identified. We identified certain deficiencies in internal control over compliance, as described in the accompanying Schedule of Findings and Questioned Costs as item 2018-002, that we consider to be a material weakness.

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

March 21, 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.

NORTH LAWRENCE COMMUNITY SCHOOLS  
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					
School Breakfast			2017	\$ -	\$ 294,585	\$ -	\$ -
School Breakfast			2018	-	-	-	279,612
Total - School Breakfast Program				-	294,585	-	279,612
National School Lunch Program							
School Lunch	Indiana Department of Education	10.555					
Commodities			2017	-	1,135,880	-	-
FS After School Program			2017	-	256,911	-	-
School Lunch			2017	-	12,029	-	-
Commodities			2018	-	-	-	1,158,223
FS After School Program			2018	-	-	-	218,884
			2018	-	-	-	9,774
Total - National School Lunch Program				-	1,404,820	-	1,386,881
Summer Food Service Program For Children							
Summer Food	Indiana Department of Education	10.559					
Summer Food			2017	-	24,993	-	-
			2018	-	-	-	26,747
Total - Summer Food Service Program For Children				-	24,993	-	26,747
Total - Child Nutrition Cluster				-	1,724,398	-	1,693,240
Total - Department of Agriculture				-	1,724,398	-	1,693,240
<u>Department of Education</u>							
Special Education Cluster (IDEA)							
Special Education Grants to States	Indiana Department of Education	84.027					
			14215-047-PN01	-	216,010	-	-
			14216-047-PN01	-	348,726	-	199,656
			14217-047-PN01	-	618,299	-	374,395
			18611-047-PN01	-	-	-	752,312
Total - Special Education Grants to States				-	1,183,035	-	1,326,363
Special Education Preschool Grants							
	Indiana Department of Education	84.173					
			18619-047-PN01	-	-	-	22,833
			45715-047-PN01	-	501	-	-
			45716-047-PN01	-	25,072	-	648
			45717-047-PN01	-	22,201	-	30,906
Total - Special Education Preschool Grants				-	47,774	-	54,387
Total - Special Education Cluster (IDEA)				-	1,230,809	-	1,380,750

NORTH LAWRENCE COMMUNITY SCHOOLS  
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					
			16-5075	-	324,729	-	-
			16-5075	-	1,336	-	-
			S010A150014	-	632,390	-	276,116
			S010A160014	-	1,782	-	128,723
			S010A170014	-	-	-	606,355
			S010A170014	-	-	-	104,660
School Improvement Grant							
Total - Title I Grants to Local Educational Agencies				-	960,237	-	1,115,854
Career and Technical Education -- Basic Grants to States	Indiana Department of Education	84.048					
			16-4700-5075	-	33,237	-	-
			17-4700-5075	-	97,203	-	37,952
			18-4700-5075	-	-	-	132,498
			A58-7-16CI-3986	-	8,834	-	-
			A58-7-17CI-3986	-	87,058	-	12,942
			A58-8-18CI-5069	-	-	-	71,016
Total - Career and Technical Education -- Basic Grants to States				-	226,332	-	254,408
Supporting Effective Instruction State Grants	Indiana Department of Education	84.367					
			14-5075	-	28,203	-	-
			S367A150015	-	97,917	-	5,749
			S367A160013	-	36,521	-	85,064
			S367A170013	-	-	-	53,762
Total - Supporting Effective Instruction State Grants				-	162,641	-	144,575
Total - Department of Education				-	2,580,019	-	2,895,587
<u>Department of Health and Human Services</u>							
Medicaid Cluster							
Medical Assistance Program	Indiana Family and Social Services Administration	93.778					
			FY2017	-	148,923	-	-
			FY2018	-	-	-	71,070
Total - Medical Assistance Program				-	148,923	-	71,070
Total - Medicaid Cluster				-	148,923	-	71,070
Total - Department of Health and Human Services				-	148,923	-	71,070
Total federal awards expended				\$ -	\$ 4,453,340	\$ -	\$ 4,659,897

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

NORTH LAWRENCE COMMUNITY SCHOOLS  
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.

**Note 3. Special Education Cooperative**

The School Corporation is a member of a Special Education Cooperative and serves as the fiscal agent. As a result, some activity for the Special Education Cluster (IDEA) that is presented as receipts and disbursements in the financial statement is not presented on the SEFA for the School Corporation. This activity is reported on the SEFAs of the member school corporations as appropriate.

NORTH LAWRENCE COMMUNITY SCHOOLS  
SCHEDULE OF FINDINGS AND QUESTIONED COSTS

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

Financial Statement:

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

Federal Awards:

Internal control over major programs:	
Material weakness 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:

CFDA Number	Name of Federal Program or Cluster	Opinion Issued
	Special Education Cluster (IDEA)	Unmodified
84.010	Title I Grants to Local Educational Agencies	Unmodified
84.048	Career and Technical Education -- Basic Grants to States	Unmodified

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

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

**Section II - Financial Statement Findings**

**FINDING 2018-001**

Subject: Financial Transactions and Reporting  
Audit Finding: Material Weakness

*Condition*

There were several deficiencies in the internal control system of the School Corporation related to financial transactions and reporting.

*Cash and Investments*

There is no documented evidence that the monthly bank reconciliations prepared by the Deputy Treasurer have been reviewed and approved by the Treasurer.

NORTH LAWRENCE COMMUNITY SCHOOLS  
SCHEDULE OF FINDINGS AND QUESTIONED COSTS  
(Continued)

*Food Service Vendor and Payroll Disbursements*

Vendor disbursements and payroll disbursements related to food services are not reviewed and approved by the School Board on the claim dockets. Approval is only documented by the Food Service Director and the Deputy Treasurer.

*Context*

The lack of controls was a systemic issue, which occurred 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 related to financial transactions and reporting.

*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.

*Views of Responsible Officials*

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

NORTH LAWRENCE COMMUNITY SCHOOLS  
SCHEDULE OF FINDINGS AND QUESTIONED COSTS  
(Continued)

**Section III - Federal Award Findings and Questioned Costs**

**FINDING 2018-002**

Subject: Career and Technical Education -- Basic Grants to States -  
Procurement and Suspension and Debarment

Federal Agency: Department of Education

Federal Program: Career and Technical Education -- Basic Grants to States

CFDA Number: 84.048

Federal Award Numbers and Years (or Other Identifying Numbers): 16-4700-5075, 17-4700-5075,  
18-4700-5075,  
A58-7-16CI-3986,  
A58-7-17CI-3986,  
A58-8-18CI-5069

Pass-Through Entity: Indiana Department of Education

Compliance Requirement: Procurement and Suspension and Debarment

Audit Findings: Material Weakness, Other Matters

*Repeat Finding*

This is a repeat of Finding 2016-002 from the immediately prior audit report.

*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.

The School Corporation did not have procedures in place to ensure compliance for small-purchase procurements between \$3,000 and \$150,000, nor did they document the rationale for the procurement method used.

The School Corporation did not have procedures in place to verify that vendors were not suspended or debarred, or otherwise excluded from or ineligible for participation in federal assistance programs, prior to entering into a contract with them.

*Context*

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

*Criteria*

2 CFR 200.303 states in part:

"The non-Federal entity must:

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

NORTH LAWRENCE COMMUNITY SCHOOLS  
SCHEDULE OF FINDINGS AND QUESTIONED COSTS  
(Continued)

2 CFR 200.318(i) states:

"The non-Federal entity must maintain records sufficient to detail the history of procurement. These records will include, but are not necessarily limited to the following: rationale for the method of procurement, selection of contract type, contractor selection or rejection, and the basis for the contract price."

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. . . ."

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 grant agreement and the Procurement and Suspension and Debarment requirements.

*Effect*

The failure to establish an effective internal control system enabled material noncompliance to remain undetected. Noncompliance with the grant agreement and the Procurement and Suspension and Debarment 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 and implement procedures to ensure compliance with the grant agreement and the Procurement and Suspension and Debarment compliance requirement.

*Views of Responsible Officials*

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

#### AUDITEE-PREPARED DOCUMENTS

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



# NORTH LAWRENCE COMMUNITY SCHOOLS

460 W Street • P.O. Box 729 • Bedford, IN 47421-0729

(812) 279-3521

## SCHOOLS

## SUMMARY SCHEDULE OF PRIOR AUDIT FINDINGS

**Bedford North Lawrence High School**

**Bedford Middle School**

**Dollens Elementary School**

**Englewood School**

**Fayetteville Elementary School**

**Heltonville Elementary School**

**Lincoln Elementary School**

**Needmore Elementary School**

**Oolitic Middle School**

**Parkview Primary Elementary School**

**Parkview Intermediate Elementary School**

**Shawswick Elementary/ Middle School**

**Springville Elementary School**

**Stalker Elementary School**

**North Lawrence Career Center**

### FINDING 2016-001

Fiscal year in which the finding initially occurred: 2016

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

Contact Person Responsible for Corrective Action: Corbin Dietrich, Treasurer

Contact Phone Number: 812-279-3521

### Status of Audit Finding:

These findings have been addressed and will continue to be monitored as we move forward. No additional concerns were identified in the 2017-2018 audit. A new Superintendent and Treasurer will be hired no later than July 1, 2019 for NLCS.

  
(Signature)

  
(Interim Supt)

  
(Date)

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



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**Springville Elementary School**

**Stalker Elementary School**

**North Lawrence Career Center**

### FINDING 2016-002

Fiscal year in which the finding initially occurred: 2016

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

Contact Person Responsible for Corrective Action: Corbin Dietrich, Treasurer

Contact Phone Number: 812-279-3521

### Status of Audit Finding:

This finding still continues to be a concern for NLCS.

Due to many personnel changes at NLCS it is hard to identify if any action has been taken to address the finding. Training will be provided so the appropriate procurement method will be used for future purchases. Quotations will be obtained from an adequate number of qualified resources for purchases that fall into the Small Purchases category (\$3,000 to \$150,000). If the purchase is specialized and multiple quotations cannot be obtained, then the purchaser will document why multiple quotations cannot be obtained. The Suspension and Debarment compliance requirements will be followed. For purchases over \$25,000, the purchaser will verify that the vendor has not been suspended or debarred before purchasing from said vendor.

NLCS hopes to hire a Superintendent, Treasurer and a CTE Director for the Career Center by no later than July 1, 2019.

  
\_\_\_\_\_  
(Signature)

Ty Mungle  
\_\_\_\_\_  
(Interim Supt.)

3/11/19  
\_\_\_\_\_  
(Date)

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



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North Lawrence Career Center

## CORRECTIVE ACTION PLAN

FINDING 2018-001

Contact Person Responsible for Corrective Action: Amanda Hoffman, Deputy Treasurer

Contact Phone Number: NLCS: 812-279-3521 Ext. 16221

Views of Responsible Official:

We concur with the finding however, the treasurer and deputy treasurer worked closely together in balancing the bank statement. If there was ever a situation where the bank was out of balance, it was fixed before moving on to the next month. This audit finding is a learning experience for our department.

Description of Corrective Action Plan:

We will add two lines to our bank reconciliation cover page that the corporation treasurer will sign off as approving the bank statement for that month. We will also have the deputy treasurer sign off as the preparer.

Anticipated Completion Date: 3/21/19

Amanda Hoffman  
(Signature)

Deputy Treasurer  
(Title)

3-21-19  
(Date)



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## CORRECTIVE ACTION PLAN

### FINDING 2018-001

Contact Person Responsible for Corrective Action: Amanda Hoffman, Deputy Treasurer

Contact Phone Number: NLCS: 812-279-3521 Ext. 16221

### Views of Responsible Official:

We concur with the finding however, the current treasurer and deputy treasurer were not aware that this was a policy regarding Food Services. Previous administration trained our staff to keep the two entities separate and not include as part of the board claims. We pulled board claims from 2012 – present to see if we could find Food Services. We could not locate and Food Services claims or payroll on the board vouchers. This is a learning experience for our office.

### Description of Corrective Action Plan:

We will add Food Service claims and payroll to the board vouchers going forward with our next board.

Anticipated Completion Date: 4/25/19

Amanda Hoffman  
(Signature)

Deputy Treasurer  
(Title)

3-21-19  
(Date)



**NORTH LAWRENCE CAREER CENTER**  
258 BNL Drive • Bedford, IN 47421  
PHONE (812) 279-3561 • FAX (812) 275-1578

**"Your Career Direction"**

**CORRECTIVE ACTION PLAN**

**FINDING 2018-002**

Contact Person Responsible for Corrective Action: Paul Sanders, NLCC Director

Contact Phone Number: NLCC: 812-279-3561, Ext. 48114

Views of Responsible Official: We will add the dimension of verifying vendors for suspension issues who are candidates for purchases that meet or exceed the applicable threshold beyond small purchases before making those purchases and housing records for same in terms of verifying vendors. I apologize for the confusion that was caused by the change in our building administration and the circumstances surrounding those changes. Also, I believe the changes we have made in our procurement processes have been applicable to alleviating that confusion.

Description of Corrective Action Plan:

*Small Purchase Methods/Procedures*

The following summary pertains to small procurement procedures for relatively simple and informal procurement methods to secure services, supplies, or other property from our Perkins Grant Budget Line items.

1. Staff members request a service, supply, or other property item from the CTE Director in the form of a written request that contains such information as price, description, and possible vendor to be used for the procurement.
2. The NLCC/CTE Director presents the request to the NLCC Treasurer and the Director works with the Treasurer to thoroughly and completely verify the purchase is in compliance with Perkins rules and standards for expenditures.
3. If found to be in Perkins compliance, the Treasurer informally secures prices from various vendors along with other considerations such as shipping costs and delivery timelines, and with


the CTE Director's approval, assigns a purchase order to the purchase with these considerations.

4. Upon delivery of purchased items and considering the size of the delivery, the Treasurer assigns delivery to the staff member who requested the item(s) and prepares the records that indicate the purchase is complete including respective inventory additions and labeling of the equipment for inventory control.

*Larger Purchases*

Larger purchases than those above are requested by instructors with the recommendation of the CTE Individual Program Advisory Committees (IPAC) that are required to operate within the DOE guidelines. Bids are considered and taken into account within the framework of those Advisory Committee recommendations. Once a vendor is selected, the procurement of the equipment follows the same procedure and work flow between the CTE Director and Treasurer as steps 1-4 above.

Anticipated Completion Date: March 19, 2019



\_\_\_\_\_  
(Signature)

NLCC DIRECTOR

(Title)

3-21-19

(Date)

#### OTHER REPORTS

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