

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

FINANCIAL STATEMENT AND
FEDERAL SINGLE AUDIT REPORT
OF

CRAWFORD COUNTY COMMUNITY
SCHOOL CORPORATION
CRAWFORD COUNTY, INDIANA

July 1, 2016 to June 30, 2018



FILED
05/02/2019

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SCHEDULE OF OFFICIALS

<u>Office</u>	<u>Official</u>	<u>Term</u>
Treasurer	Tina L. Key	07-01-16 to 12-31-19
Superintendent of Schools	W. Garry DeRossett (Vacant) Michael Key (interim) Michael Key	01-01-16 to 01-05-18 01-06-18 to 01-07-18 01-08-18 to 06-30-18 07-01-18 to 06-30-21
President of the School Board	Traci Kerns Lance Stroud Dennis Talley	01-01-16 to 12-31-16 01-01-17 to 12-31-18 01-01-19 to 12-31-19



STATE OF INDIANA
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INDEPENDENT AUDITOR'S REPORT

TO: THE OFFICIALS OF THE CRAWFORD COUNTY COMMUNITY
SCHOOL CORPORATION, CRAWFORD COUNTY, INDIANA

Report on the Financial Statement

We have audited the accompanying financial statement of the Crawford County Community School Corporation (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 Leases and Debt, and Schedule of Capital Assets, as listed in the Table of Contents, are presented for additional analysis and are not required parts of the financial statement. They have not been subjected to the auditing procedures applied by us in the audit of the financial statement and, accordingly, we express no opinion on them.

INDEPENDENT AUDITOR'S REPORT
(Continued)

Other Reporting Required by *Government Auditing Standards*

In accordance with *Government Auditing Standards*, we have also issued a report dated April 2, 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

April 2, 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 CRAWFORD COUNTY COMMUNITY
SCHOOL CORPORATION, CRAWFORD 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 Crawford County Community School Corporation (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 April 2, 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 items 2018-001 and 2018-002, that we consider to be material weaknesses.

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

Compliance and Other Matters


As part of obtaining reasonable assurance about whether the School Corporation's financial statement is free of material misstatement, we performed tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements, noncompliance with which could have a direct and material effect on the determination of financial statement amounts. However, providing an opinion on compliance with those provisions was not an objective of our audit and, accordingly, we do not express such an opinion. The results of our tests disclosed instances of noncompliance or other matters that are required to be reported under *Government Auditing Standards* and which are described in the accompanying Schedule of Findings and Questioned Costs as items 2018-001 and 2018-002.

Crawford County Community School Corporation's Response to Findings

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

Purpose of This Report

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


Paul D. Joyce, CPA
State Examiner

April 2, 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.

CRAWFORD COUNTY COMMUNITY SCHOOL CORPORATION
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	\$ 96,008	\$ 10,191,496	\$ 10,335,845	\$ -	\$ (48,341)	\$ 10,357,164	\$ 9,866,856	\$ 604	\$ 442,571
Debt Service	974,897	1,588,349	1,465,008	-	1,098,238	1,409,156	1,456,487	-	1,050,907
Retirement/Severance Bond Debt Service	229,782	462,304	411,627	-	280,459	399,668	412,259	-	267,868
Capital Projects	335,967	910,472	795,974	-	450,465	865,074	890,015	-	425,524
School Transportation	568,572	1,167,273	1,307,447	-	428,398	1,308,071	1,292,457	530	444,542
School Bus Replacement	72,760	-	40,201	-	32,559	-	12,403	3,100	23,256
Rainy Day	465,120	12,072	-	-	477,192	12,435	-	-	489,627
School Lunch	285,135	886,317	946,792	-	224,660	931,864	932,261	-	224,263
Textbook Rental	189,520	202,625	202,513	-	189,632	195,709	187,758	-	197,583
Levy Excess	194	-	-	-	194	-	-	(194)	-
Educational License Plates	38	-	-	-	38	-	38	-	-
SAFE School Haven 15/16	(1,605)	4,799	3,194	-	-	-	-	-	-
SAFE School Haven 16/17	-	6,250	10,709	-	(4,459)	9,679	5,220	-	-
SAFE School Haven 17/18	-	-	-	-	-	3,994	6,743	-	(2,749)
15/16 Early Intervention Grant	-	43,435	43,765	-	(330)	-	(330)	-	-
16/17 Early Intervention Grant	-	6,637	-	-	6,637	-	6,637	-	-
17/18 Early Intervention Grant	-	-	-	-	-	6,515	6,080	-	435
Lilly Counseling Initiative GR	-	30,000	18,031	-	11,969	-	11,662	-	307
Dennie Oxley Memorial Fund	750	750	750	-	750	1,000	1,000	-	750
Pam Goldman Special Needs Fund	395	-	-	-	395	-	-	-	395
Larry Eastridge Memorial Fund	5,170	150	3,000	-	2,320	450	-	-	2,770
FY 16 Community Foundation Grant	-	1,000	1,000	-	-	-	-	-	-
FY 17 Community Foundation Grant	-	9,000	-	-	9,000	-	9,000	-	-
FY 18 Community Foundation Grant	-	-	-	-	-	1,300	900	-	400
Mental Health of America Grant	-	-	-	-	-	3,000	3,000	-	-
Star Tree Fund	-	-	-	-	-	1,318	-	-	1,318
Gear Up Grant	-	-	-	-	-	1,049	909	-	140
CFCC Jasper Engines	-	-	-	-	-	1,229	-	-	1,229
CFCC Mulzer Education	-	-	-	-	-	10,069	10,069	-	-
Duke Energy Summer School Grant 16-17	-	19,150	650	-	18,500	-	17,432	-	1,068
Duke Energy Summer School Grant 17-18	-	-	-	-	-	19,500	15,195	-	4,305
County Riverboat Support	45,024	184,353	41,920	-	187,457	61,893	40,375	-	208,975
Insurance (Claims for Losses)	410	-	-	-	410	-	-	(410)	-

CRAWFORD COUNTY COMMUNITY SCHOOL CORPORATION
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
Child Services Fund	-	200	-	-	200	200	-	-	400
Scholarships and Awards	-	-	-	-	-	3,400	3,400	-	-
Special Funds	310	-	-	-	310	-	-	-	310
C.A.R.E.S.	(224)	58,032	65,089	-	(7,281)	80,493	96,393	-	(23,181)
Formative Assessment	-	19,789	19,789	-	-	17,759	17,759	-	-
15/16 High Ability	5,390	-	5,390	-	-	-	-	-	-
16/17 High Ability	-	31,691	30,798	-	893	-	893	-	-
17/18 High Ability	-	-	-	-	-	31,442	26,493	-	4,949
School Technology	46,244	29,525	13,932	(7,324)	54,513	28,319	8,800	-	74,032
Career and Technical Performance Grant	-	8,973	-	-	8,973	6,947	-	-	15,920
15/16 Secured School Safety	-	-	8,800	-	(8,800)	-	(8,800)	-	-
Technology Insurance Fund	-	60	163	7,324	7,221	6,025	-	-	13,246
Title I FY16	(52,552)	87,342	34,821	-	(31)	-	(31)	-	-
Title I FY17	-	370,395	391,853	-	(21,458)	154,415	132,957	-	-
Title I FY18	-	-	-	-	-	339,991	354,768	-	(14,777)
Title I School Improvement	-	-	-	-	-	27,852	32,620	-	(4,768)
IDEA	-	-	-	-	-	130,007	158,484	-	(28,477)
15/16 21st Century Boys and Girls	(21,237)	21,237	-	-	-	-	-	-	-
16/17 21st Century Boys and Girls	(15,404)	237,809	259,622	-	(37,217)	57,124	19,907	-	-
17/18 21st Century Boys and Girls	-	-	31,952	-	(31,952)	309,843	283,447	-	(5,556)
Improving Teacher Quality, No Child Left, Title II, Part A	-	-	9,783	-	(9,783)	103,558	93,775	-	-
Improving Teacher Quality NCLB, Title II, Part A 14	(16,602)	8,184	(8,418)	-	-	-	-	-	-
Improving Teacher Quality, Title II, Part A 15	-	105,502	105,502	-	-	-	-	-	-
Rural Schools & Low Income Program 16/17	(28,726)	33,228	4,502	-	-	-	-	-	-
Rural Schools & Low Income Program 17/18	-	35,505	35,505	-	-	-	-	-	-
Rural Schools & Low Income Program 18/19	-	-	-	-	-	-	27,878	-	(27,878)
Prepaid Food	9,750	261,906	261,233	-	10,423	260,084	259,151	-	11,356
Payroll Withholdings	62,157	2,261,346	2,303,941	-	19,562	2,355,315	2,347,386	-	27,491
Employee Benefit Trust	2,078,016	1,982,834	1,681,032	-	2,379,818	1,912,725	2,094,501	-	2,198,042
Totals	\$ 5,335,259	\$ 21,279,990	\$ 20,883,715	\$ -	\$ 5,731,534	\$ 21,425,636	\$ 21,134,207	\$ 3,630	\$ 6,026,593

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

CRAWFORD COUNTY COMMUNITY SCHOOL CORPORATION
NOTES TO FINANCIAL STATEMENT

Note 1. Summary of Significant Accounting Policies

A. Reporting Entity

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

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

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

B. Basis of Accounting

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

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

C. Cash and Investments

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

D. Receipts

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

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

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

CRAWFORD COUNTY COMMUNITY SCHOOL CORPORATION
NOTES TO FINANCIAL STATEMENT
(Continued)

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

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

Temporary loans. Amounts received from a loan obtained to pay current expenses prior to the receipt of revenue from taxes levied for that purpose. These loans, sometimes designated tax anticipation warrants, must be repaid from the next semiannual distribution of local property taxes levied for such fund.

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.

CRAWFORD COUNTY COMMUNITY SCHOOL CORPORATION
NOTES TO FINANCIAL STATEMENT
(Continued)

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

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

G. Fund Accounting

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

Note 2. Budgets

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

Note 3. Property Taxes

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

Note 4. Deposits and Investments

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

CRAWFORD COUNTY COMMUNITY SCHOOL CORPORATION
NOTES TO FINANCIAL STATEMENT
(Continued)

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

Note 5. Risk Management

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

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

Note 6. Pension Plans

A. Public Employees' Retirement Fund

Plan Description

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

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

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

Funding Policy and Annual Pension Cost

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

CRAWFORD COUNTY COMMUNITY SCHOOL CORPORATION
NOTES TO FINANCIAL STATEMENT
(Continued)

B. Teachers' Retirement Fund

Plan Description

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

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

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

Funding Policy and Annual Pension Cost

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

C. Additional Pension Plans

The School Corporation also contributes to additional pension plans unique to the School Corporation. Information regarding these plans may be obtained from the School Corporation.

Note 7. Negative Disbursements

The financial statement contains some disbursements which appear as negative entries. This is a result of the correction of errors from prior periods. The errors made in the prior period were corrected by reversing the original entry. Since the original entry and the correction were made in separate periods, a negative disbursement was shown in the current period.

CRAWFORD COUNTY COMMUNITY SCHOOL CORPORATION
NOTES TO FINANCIAL STATEMENT
(Continued)

Note 8. Cash Balance Deficits

The financial statement contains some funds with deficits in cash. In certain instances, this is a result of the funds being set up for reimbursable grants. The reimbursements for expenditures made by the School Corporation were not received by June 30, 2017 and 2018. In other instances, this is a result of expenditures exceeding receipts in those funds.

Note 9. Holding Corporation

The School Corporation has entered into several capital leases with Crawford County School Building Corporation (the lessor). The lessor was organized as a not-for-profit corporation pursuant to state statute for the purpose of financing and constructing or reconstructing facilities for lease to the School Corporation. The lessor has been determined to be a related-party of the School Corporation. Lease payments during the years 2017 and 2018 totaled \$1,066,999 and \$1,071,797, respectively.

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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.

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

	General	Debt Service	Retirement/ Severance Bond Debt Service	Capital Projects	School Transportation	School Bus Replacement	Rainy Day	School Lunch	Textbook Rental
Cash and investments - beginning	\$ 96,008	\$ 974,897	\$ 229,782	\$ 335,967	\$ 568,572	\$ 72,760	\$ 465,120	\$ 285,135	\$ 189,520
Receipts:									
Local sources	35,863	1,588,349	462,304	910,472	1,167,273	-	12,072	268,333	-
Intermediate sources	2	-	-	-	-	-	-	-	-
State sources	9,757,623	-	-	-	-	-	-	-	202,625
Federal sources	-	-	-	-	-	-	-	617,984	-
Temporary loans	398,008	-	-	-	-	-	-	-	-
Other receipts	-	-	-	-	-	-	-	-	-
Total receipts	10,191,496	1,588,349	462,304	910,472	1,167,273	-	12,072	886,317	202,625
Disbursements:									
Instruction	7,368,551	-	-	-	-	-	-	-	-
Support services	2,806,486	-	-	511,684	1,307,447	40,201	-	-	202,513
Noninstructional services	160,808	-	-	-	-	-	-	946,792	-
Facilities acquisition and construction	-	-	-	284,290	-	-	-	-	-
Debt service	-	1,465,008	411,627	-	-	-	-	-	-
Nonprogrammed charges	-	-	-	-	-	-	-	-	-
Total disbursements	10,335,845	1,465,008	411,627	795,974	1,307,447	40,201	-	946,792	202,513
Excess (deficiency) of receipts over disbursements	(144,349)	123,341	50,677	114,498	(140,174)	(40,201)	12,072	(60,475)	112
Other financing sources (uses):									
Transfers in	-	-	-	-	-	-	-	-	-
Transfers out	-	-	-	-	-	-	-	-	-
Total other financing sources (uses)	-	-	-	-	-	-	-	-	-
Excess (deficiency) of receipts and other financing sources over disbursements and other financing uses	(144,349)	123,341	50,677	114,498	(140,174)	(40,201)	12,072	(60,475)	112
Cash and investments - ending	\$ (48,341)	\$ 1,098,238	\$ 280,459	\$ 450,465	\$ 428,398	\$ 32,559	\$ 477,192	\$ 224,660	\$ 189,632

CRAWFORD COUNTY COMMUNITY SCHOOL CORPORATION
 COMBINING SCHEDULE OF RECEIPTS, DISBURSEMENTS,
 OTHER FINANCING SOURCES (USES), AND CASH AND
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 For the Year Ended June 30, 2017

	Levy Excess	Educational License Plates	SAFE School Haven 15/16	SAFE School Haven 16/17	SAFE School Haven 17/18	15/16 Early Intervention Grant	16/17 Early Intervention Grant	17/18 Early Intervention Grant	Lilly Counseling Initiative GR
Cash and investments - beginning	\$ 194	\$ 38	\$ (1,605)	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Receipts:									
Local sources	-	-	-	-	-	-	-	-	30,000
Intermediate sources	-	-	-	-	-	-	-	-	-
State sources	-	-	4,799	6,250	-	43,435	6,637	-	-
Federal sources	-	-	-	-	-	-	-	-	-
Temporary loans	-	-	-	-	-	-	-	-	-
Other receipts	-	-	-	-	-	-	-	-	-
Total receipts	-	-	4,799	6,250	-	43,435	6,637	-	30,000
Disbursements:									
Instruction	-	-	3,194	10,709	-	43,765	-	-	-
Support services	-	-	-	-	-	-	-	-	18,031
Noninstructional services	-	-	-	-	-	-	-	-	-
Facilities acquisition and construction	-	-	-	-	-	-	-	-	-
Debt service	-	-	-	-	-	-	-	-	-
Nonprogrammed charges	-	-	-	-	-	-	-	-	-
Total disbursements	-	-	3,194	10,709	-	43,765	-	-	18,031
Excess (deficiency) of receipts over disbursements	-	-	1,605	(4,459)	-	(330)	6,637	-	11,969
Other financing sources (uses):									
Transfers in	-	-	-	-	-	-	-	-	-
Transfers out	-	-	-	-	-	-	-	-	-
Total other financing sources (uses)	-	-	-	-	-	-	-	-	-
Excess (deficiency) of receipts and other financing sources over disbursements and other financing uses	-	-	1,605	(4,459)	-	(330)	6,637	-	11,969
Cash and investments - ending	\$ 194	\$ 38	\$ -	\$ (4,459)	\$ -	\$ (330)	\$ 6,637	\$ -	\$ 11,969

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

	Dennie Oxley Memorial Fund	Pam Goldman Special Needs Fund	Larry Eastridge Memorial Fund	FY 16 Community Foundation Grant	FY 17 Community Foundation Grant	FY 18 Community Foundation Grant	Mental Health of America Grant	Star Tree Fund	Gear Up Grant
Cash and investments - beginning	\$ 750	\$ 395	\$ 5,170	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Receipts:									
Local sources	750	-	150	1,000	-	-	-	-	-
Intermediate sources	-	-	-	-	9,000	-	-	-	-
State sources	-	-	-	-	-	-	-	-	-
Federal sources	-	-	-	-	-	-	-	-	-
Temporary loans	-	-	-	-	-	-	-	-	-
Other receipts	-	-	-	-	-	-	-	-	-
Total receipts	750	-	150	1,000	9,000	-	-	-	-
Disbursements:									
Instruction	-	-	-	-	-	-	-	-	-
Support services	-	-	-	-	-	-	-	-	-
Noninstructional services	-	-	-	-	-	-	-	-	-
Facilities acquisition and construction	-	-	-	1,000	-	-	-	-	-
Debt service	-	-	-	-	-	-	-	-	-
Nonprogrammed charges	750	-	3,000	-	-	-	-	-	-
Total disbursements	750	-	3,000	1,000	-	-	-	-	-
Excess (deficiency) of receipts over disbursements	-	-	(2,850)	-	9,000	-	-	-	-
Other financing sources (uses):									
Transfers in	-	-	-	-	-	-	-	-	-
Transfers out	-	-	-	-	-	-	-	-	-
Total other financing sources (uses)	-	-	-	-	-	-	-	-	-
Excess (deficiency) of receipts and other financing sources over disbursements and other financing uses	-	-	(2,850)	-	9,000	-	-	-	-
Cash and investments - ending	\$ 750	\$ 395	\$ 2,320	\$ -	\$ 9,000	\$ -	\$ -	\$ -	\$ -

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

	CFCC Jasper Engines	CFCC Mulzer Education	Duke Energy Summer School Grant 16-17	Duke Energy Summer School Grant 17-18	County Riverboat Support	Insurance (Claims for Losses)	Child Services Fund	Scholarships and Awards	Special Funds
Cash and investments - beginning	\$ -	\$ -	\$ -	\$ -	\$ 45,024	\$ 410	\$ -	\$ -	\$ 310
Receipts:									
Local sources	-	-	-	-	184,353	-	-	-	-
Intermediate sources	-	-	19,150	-	-	-	-	-	-
State sources	-	-	-	-	-	-	-	-	-
Federal sources	-	-	-	-	-	-	200	-	-
Temporary loans	-	-	-	-	-	-	-	-	-
Other receipts	-	-	-	-	-	-	-	-	-
Total receipts	-	-	19,150	-	184,353	-	200	-	-
Disbursements:									
Instruction	-	-	-	-	-	-	-	-	-
Support services	-	-	650	-	-	-	-	-	-
Noninstructional services	-	-	-	-	-	-	-	-	-
Facilities acquisition and construction	-	-	-	-	41,920	-	-	-	-
Debt service	-	-	-	-	-	-	-	-	-
Nonprogrammed charges	-	-	-	-	-	-	-	-	-
Total disbursements	-	-	650	-	41,920	-	-	-	-
Excess (deficiency) of receipts over disbursements	-	-	18,500	-	142,433	-	200	-	-
Other financing sources (uses):									
Transfers in	-	-	-	-	-	-	-	-	-
Transfers out	-	-	-	-	-	-	-	-	-
Total other financing sources (uses)	-	-	-	-	-	-	-	-	-
Excess (deficiency) of receipts and other financing sources over disbursements and other financing uses	-	-	18,500	-	142,433	-	200	-	-
Cash and investments - ending	\$ -	\$ -	\$ 18,500	\$ -	\$ 187,457	\$ 410	\$ 200	\$ -	\$ 310

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

	C.A.R.E.S.	Formative Assessment	15/16 High Ability	16/17 High Ability	17/18 High Ability	School Technology	Career and Technical Performance Grant	15/16 Secured School Safety	Technology Insurance Fund
Cash and investments - beginning	\$ (224)	\$ -	\$ 5,390	\$ -	\$ -	\$ 46,244	\$ -	\$ -	\$ -
Receipts:									
Local sources	1,800	-	-	-	-	23,217	-	-	60
Intermediate sources	-	-	-	-	-	-	-	-	-
State sources	-	19,789	-	31,691	-	6,308	8,973	-	-
Federal sources	56,232	-	-	-	-	-	-	-	-
Temporary loans	-	-	-	-	-	-	-	-	-
Other receipts	-	-	-	-	-	-	-	-	-
Total receipts	58,032	19,789	-	31,691	-	29,525	8,973	-	60
Disbursements:									
Instruction	65,089	-	5,390	30,798	-	13,932	-	-	-
Support services	-	19,789	-	-	-	-	-	-	163
Noninstructional services	-	-	-	-	-	-	-	-	-
Facilities acquisition and construction	-	-	-	-	-	-	-	8,800	-
Debt service	-	-	-	-	-	-	-	-	-
Nonprogrammed charges	-	-	-	-	-	-	-	-	-
Total disbursements	65,089	19,789	5,390	30,798	-	13,932	-	8,800	163
Excess (deficiency) of receipts over disbursements	(7,057)	-	(5,390)	893	-	15,593	8,973	(8,800)	(103)
Other financing sources (uses):									
Transfers in	-	-	-	-	-	-	-	-	7,324
Transfers out	-	-	-	-	-	(7,324)	-	-	-
Total other financing sources (uses)	-	-	-	-	-	(7,324)	-	-	7,324
Excess (deficiency) of receipts and other financing sources over disbursements and other financing uses	(7,057)	-	(5,390)	893	-	8,269	8,973	(8,800)	7,221
Cash and investments - ending	\$ (7,281)	\$ -	\$ -	\$ 893	\$ -	\$ 54,513	\$ 8,973	\$ (8,800)	\$ 7,221

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

	Title I FY16	Title I FY17	Title I FY18	Title I School Improvement	IDEA	15/16 21st Century Boys and Girls	16/17 21st Century Boys and Girls	17/18 21st Century Boys and Girls	Improving Teacher Quality, No Child Left, Title II, Part A
Cash and investments - beginning	\$ (52,552)	\$ -	\$ -	\$ -	\$ -	\$ (21,237)	\$ (15,404)	\$ -	\$ -
Receipts:									
Local sources	-	-	-	-	-	-	-	-	-
Intermediate sources	-	-	-	-	-	-	-	-	-
State sources	-	-	-	-	-	-	-	-	-
Federal sources	87,342	370,395	-	-	-	21,237	237,809	-	-
Temporary loans	-	-	-	-	-	-	-	-	-
Other receipts	-	-	-	-	-	-	-	-	-
Total receipts	87,342	370,395	-	-	-	21,237	237,809	-	-
Disbursements:									
Instruction	12,410	302,977	-	-	-	-	259,622	31,952	9,783
Support services	22,411	86,240	-	-	-	-	-	-	-
Noninstructional services	-	2,636	-	-	-	-	-	-	-
Facilities acquisition and construction	-	-	-	-	-	-	-	-	-
Debt service	-	-	-	-	-	-	-	-	-
Nonprogrammed charges	-	-	-	-	-	-	-	-	-
Total disbursements	34,821	391,853	-	-	-	-	259,622	31,952	9,783
Excess (deficiency) of receipts over disbursements	52,521	(21,458)	-	-	-	21,237	(21,813)	(31,952)	(9,783)
Other financing sources (uses):									
Transfers in	-	-	-	-	-	-	-	-	-
Transfers out	-	-	-	-	-	-	-	-	-
Total other financing sources (uses)	-	-	-	-	-	-	-	-	-
Excess (deficiency) of receipts and other financing sources over disbursements and other financing uses	52,521	(21,458)	-	-	-	21,237	(21,813)	(31,952)	(9,783)
Cash and investments - ending	\$ (31)	\$ (21,458)	\$ -	\$ -	\$ -	\$ -	\$ (37,217)	\$ (31,952)	\$ (9,783)

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

	Improving Teacher Quality NCLB, Title II, Part A 14	Improving Teacher Quality, Title II, Part A 15	Rural Schools & Low Income Program 16/17	Rural Schools & Low Income Program 17/18	Rural Schools & Low Income Program 18/19	Prepaid Food	Payroll Withholdings	Employee Benefit Trust	Totals
Cash and investments - beginning	\$ (16,602)	\$ -	\$ (28,726)	\$ -	\$ -	\$ 9,750	\$ 62,157	\$ 2,078,016	\$ 5,335,259
Receipts:									
Local sources	-	-	-	-	-	-	-	-	4,685,996
Intermediate sources	-	-	-	-	-	-	-	-	28,152
State sources	-	-	-	-	-	-	-	-	10,088,130
Federal sources	8,184	105,502	33,228	35,505	-	-	-	-	1,573,618
Temporary loans	-	-	-	-	-	-	-	-	398,008
Other receipts	-	-	-	-	-	261,906	2,261,346	1,982,834	4,506,086
Total receipts	8,184	105,502	33,228	35,505	-	261,906	2,261,346	1,982,834	21,279,990
Disbursements:									
Instruction	(8,418)	105,502	4,502	6,988	-	-	-	-	8,266,746
Support services	-	-	-	28,517	-	-	-	-	5,044,132
Noninstructional services	-	-	-	-	-	-	-	-	1,110,236
Facilities acquisition and construction	-	-	-	-	-	-	-	-	336,010
Debt service	-	-	-	-	-	-	-	-	1,876,635
Nonprogrammed charges	-	-	-	-	-	261,233	2,303,941	1,681,032	4,249,956
Total disbursements	(8,418)	105,502	4,502	35,505	-	261,233	2,303,941	1,681,032	20,883,715
Excess (deficiency) of receipts over disbursements	16,602	-	28,726	-	-	673	(42,595)	301,802	396,275
Other financing sources (uses):									
Transfers in	-	-	-	-	-	-	-	-	7,324
Transfers out	-	-	-	-	-	-	-	-	(7,324)
Total other financing sources (uses)	-	-	-	-	-	-	-	-	-
Excess (deficiency) of receipts and other financing sources over disbursements and other financing uses	16,602	-	28,726	-	-	673	(42,595)	301,802	396,275
Cash and investments - ending	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 10,423	\$ 19,562	\$ 2,379,818	\$ 5,731,534

CRAWFORD COUNTY COMMUNITY SCHOOL CORPORATION
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	General	Debt Service	Retirement/ Severance/ Bond Debt Service	Capital Projects	School Transportation	School Bus Replacement	Rainy Day	School Lunch	Textbook Rental
Cash and investments - beginning	\$ (48,341)	\$ 1,098,238	\$ 280,459	\$ 450,465	\$ 428,398	\$ 32,559	\$ 477,192	\$ 224,660	\$ 189,632
Receipts:									
Local sources	34,590	1,409,156	399,668	865,074	1,302,985	-	12,435	262,669	-
Intermediate sources	1,352	-	-	-	-	-	-	-	-
State sources	9,936,532	-	-	-	-	-	-	54,156	195,709
Federal sources	-	-	-	-	-	-	-	615,039	-
Temporary loans	384,690	-	-	-	-	-	-	-	-
Other receipts	-	-	-	-	5,086	-	-	-	-
Total receipts	10,357,164	1,409,156	399,668	865,074	1,308,071	-	12,435	931,864	195,709
Disbursements:									
Instruction	6,908,096	-	-	-	-	-	-	-	-
Support services	2,789,105	-	-	628,938	1,292,457	12,403	-	-	187,758
Noninstructional services	169,655	-	-	-	-	-	-	932,261	-
Facilities acquisition and construction	-	-	-	261,077	-	-	-	-	-
Debt service	-	1,456,487	412,259	-	-	-	-	-	-
Nonprogrammed charges	-	-	-	-	-	-	-	-	-
Total disbursements	9,866,856	1,456,487	412,259	890,015	1,292,457	12,403	-	932,261	187,758
Excess (deficiency) of receipts over disbursements	490,308	(47,331)	(12,591)	(24,941)	15,614	(12,403)	12,435	(397)	7,951
Other financing sources (uses):									
Sale of capital assets	-	-	-	-	530	3,100	-	-	-
Transfers in	604	-	-	-	-	-	-	-	-
Transfers out	-	-	-	-	-	-	-	-	-
Total other financing sources (uses)	604	-	-	-	530	3,100	-	-	-
Excess (deficiency) of receipts and other financing sources over disbursements and other financing uses	490,912	(47,331)	(12,591)	(24,941)	16,144	(9,303)	12,435	(397)	7,951
Cash and investments - ending	\$ 442,571	\$ 1,050,907	\$ 267,868	\$ 425,524	\$ 444,542	\$ 23,256	\$ 489,627	\$ 224,263	\$ 197,583

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	Levy Excess	Educational License Plates	SAFE School Haven 15/16	SAFE School Haven 16/17	SAFE School Haven 17/18	15/16 Early Intervention Grant	16/17 Early Intervention Grant	17/18 Early Intervention Grant	Lilly Counseling Initiative GR
Cash and investments - beginning	\$ 194	\$ 38	\$ -	\$ (4,459)	\$ -	\$ (330)	\$ 6,637	\$ -	\$ 11,969
Receipts:									
Local sources	-	-	-	-	-	-	-	-	-
Intermediate sources	-	-	-	-	-	-	-	-	-
State sources	-	-	-	9,679	3,994	-	-	6,515	-
Federal sources	-	-	-	-	-	-	-	-	-
Temporary loans	-	-	-	-	-	-	-	-	-
Other receipts	-	-	-	-	-	-	-	-	-
Total receipts	-	-	-	9,679	3,994	-	-	6,515	-
Disbursements:									
Instruction	-	-	-	5,220	6,743	(330)	6,637	6,080	-
Support services	-	38	-	-	-	-	-	-	11,662
Noninstructional services	-	-	-	-	-	-	-	-	-
Facilities acquisition and construction	-	-	-	-	-	-	-	-	-
Debt service	-	-	-	-	-	-	-	-	-
Nonprogrammed charges	-	-	-	-	-	-	-	-	-
Total disbursements	-	38	-	5,220	6,743	(330)	6,637	6,080	11,662
Excess (deficiency) of receipts over disbursements	-	(38)	-	4,459	(2,749)	330	(6,637)	435	(11,662)
Other financing sources (uses):									
Sale of capital assets	-	-	-	-	-	-	-	-	-
Transfers in	-	-	-	-	-	-	-	-	-
Transfers out	(194)	-	-	-	-	-	-	-	-
Total other financing sources (uses)	(194)	-	-	-	-	-	-	-	-
Excess (deficiency) of receipts and other financing sources over disbursements and other financing uses	(194)	(38)	-	4,459	(2,749)	330	(6,637)	435	(11,662)
Cash and investments - ending	\$ -	\$ -	\$ -	\$ -	\$ (2,749)	\$ -	\$ -	\$ 435	\$ 307

CRAWFORD COUNTY COMMUNITY SCHOOL CORPORATION
 COMBINING SCHEDULE OF RECEIPTS, DISBURSEMENTS,
 OTHER FINANCING SOURCES (USES), AND CASH AND
 INVESTMENT BALANCES - REGULATORY BASIS
 For the Year Ended June 30, 2018

	Dennie Oxley Memorial Fund	Pam Goldman Special Needs Fund	Larry Eastridge Memorial Fund	FY 16 Community Foundation Grant	FY 17 Community Foundation Grant	FY 18 Community Foundation Grant	Mental Health of America Grant	Star Tree Fund	Gear Up Grant
Cash and investments - beginning	\$ 750	\$ 395	\$ 2,320	\$ -	\$ 9,000	\$ -	\$ -	\$ -	\$ -
Receipts:									
Local sources	1,000	-	450	-	-	1,300	-	1,318	-
Intermediate sources	-	-	-	-	-	-	-	-	1,049
State sources	-	-	-	-	-	-	3,000	-	-
Federal sources	-	-	-	-	-	-	-	-	-
Temporary loans	-	-	-	-	-	-	-	-	-
Other receipts	-	-	-	-	-	-	-	-	-
Total receipts	1,000	-	450	-	-	1,300	3,000	1,318	1,049
Disbursements:									
Instruction	-	-	-	-	9,000	-	-	-	909
Support services	-	-	-	-	-	900	3,000	-	-
Noninstructional services	-	-	-	-	-	-	-	-	-
Facilities acquisition and construction	-	-	-	-	-	-	-	-	-
Debt service	-	-	-	-	-	-	-	-	-
Nonprogrammed charges	1,000	-	-	-	-	-	-	-	-
Total disbursements	1,000	-	-	-	9,000	900	3,000	-	909
Excess (deficiency) of receipts over disbursements	-	-	450	-	(9,000)	400	-	1,318	140
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	-	-	450	-	(9,000)	400	-	1,318	140
Cash and investments - ending	\$ 750	\$ 395	\$ 2,770	\$ -	\$ -	\$ 400	\$ -	\$ 1,318	\$ 140

CRAWFORD COUNTY COMMUNITY SCHOOL CORPORATION
 COMBINING SCHEDULE OF RECEIPTS, DISBURSEMENTS,
 OTHER FINANCING SOURCES (USES), AND CASH AND
 INVESTMENT BALANCES - REGULATORY BASIS
 For the Year Ended June 30, 2018

	CFCC Jasper Engines	CFCC Mulzer Education	Duke Energy Summer School Grant 16-17	Duke Energy Summer School Grant 17-18	County Riverboat Support	Insurance (Claims for Losses)	Child Services Fund	Scholarships and Awards	Special Funds
Cash and investments - beginning	\$ -	\$ -	\$ 18,500	\$ -	\$ 187,457	\$ 410	\$ 200	\$ -	\$ 310
Receipts:									
Local sources	1,229	10,069	-	-	61,893	-	-	3,400	-
Intermediate sources	-	-	-	19,500	-	-	-	-	-
State sources	-	-	-	-	-	-	-	-	-
Federal sources	-	-	-	-	-	-	200	-	-
Temporary loans	-	-	-	-	-	-	-	-	-
Other receipts	-	-	-	-	-	-	-	-	-
Total receipts	1,229	10,069	-	19,500	61,893	-	200	3,400	-
Disbursements:									
Instruction	-	10,069	15,387	13,042	-	-	-	-	-
Support services	-	-	2,045	2,153	-	-	-	-	-
Noninstructional services	-	-	-	-	-	-	-	-	-
Facilities acquisition and construction	-	-	-	-	40,375	-	-	-	-
Debt service	-	-	-	-	-	-	-	-	-
Nonprogrammed charges	-	-	-	-	-	-	-	3,400	-
Total disbursements	-	10,069	17,432	15,195	40,375	-	-	3,400	-
Excess (deficiency) of receipts over disbursements	1,229	-	(17,432)	4,305	21,518	-	200	-	-
Other financing sources (uses):									
Sale of capital assets	-	-	-	-	-	-	-	-	-
Transfers in	-	-	-	-	-	-	-	-	-
Transfers out	-	-	-	-	-	(410)	-	-	-
Total other financing sources (uses)	-	-	-	-	-	(410)	-	-	-
Excess (deficiency) of receipts and other financing sources over disbursements and other financing uses	1,229	-	(17,432)	4,305	21,518	(410)	200	-	-
Cash and investments - ending	\$ 1,229	\$ -	\$ 1,068	\$ 4,305	\$ 208,975	\$ -	\$ 400	\$ -	\$ 310

CRAWFORD COUNTY COMMUNITY SCHOOL CORPORATION
 COMBINING SCHEDULE OF RECEIPTS, DISBURSEMENTS,
 OTHER FINANCING SOURCES (USES), AND CASH AND
 INVESTMENT BALANCES - REGULATORY BASIS
 For the Year Ended June 30, 2018

	C.A.R.E.S.	Formative Assessment	15/16 High Ability	16/17 High Ability	17/18 High Ability	School Technology	Career and Technical Performance Grant	15/16 Secured School Safety	Technology Insurance Fund
Cash and investments - beginning	\$ (7,281)	\$ -	\$ -	\$ 893	\$ -	\$ 54,513	\$ 8,973	\$ (8,800)	\$ 7,221
Receipts:									
Local sources	1,950	-	-	-	-	20,549	-	-	6,025
Intermediate sources	-	-	-	-	-	-	-	-	-
State sources	-	17,759	-	-	31,442	7,770	6,947	-	-
Federal sources	78,543	-	-	-	-	-	-	-	-
Temporary loans	-	-	-	-	-	-	-	-	-
Other receipts	-	-	-	-	-	-	-	-	-
Total receipts	80,493	17,759	-	-	31,442	28,319	6,947	-	6,025
Disbursements:									
Instruction	96,393	-	-	893	26,493	8,800	-	-	-
Support services	-	17,759	-	-	-	-	-	-	-
Noninstructional services	-	-	-	-	-	-	-	-	-
Facilities acquisition and construction	-	-	-	-	-	-	-	(8,800)	-
Debt service	-	-	-	-	-	-	-	-	-
Nonprogrammed charges	-	-	-	-	-	-	-	-	-
Total disbursements	96,393	17,759	-	893	26,493	8,800	-	(8,800)	-
Excess (deficiency) of receipts over disbursements	(15,900)	-	-	(893)	4,949	19,519	6,947	8,800	6,025
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	(15,900)	-	-	(893)	4,949	19,519	6,947	8,800	6,025
Cash and investments - ending	\$ (23,181)	\$ -	\$ -	\$ -	\$ 4,949	\$ 74,032	\$ 15,920	\$ -	\$ 13,246

CRAWFORD COUNTY COMMUNITY SCHOOL CORPORATION
 COMBINING SCHEDULE OF RECEIPTS, DISBURSEMENTS,
 OTHER FINANCING SOURCES (USES), AND CASH AND
 INVESTMENT BALANCES - REGULATORY BASIS
 For the Year Ended June 30, 2018

	Title I FY16	Title I FY17	Title I FY18	Title I School Improvement	IDEA	15/16 21st Century Boys and Girls	16/17 21st Century Boys and Girls	17/18 21st Century Boys and Girls	Improving Teacher Quality, No Child Left, Title II, Part A
Cash and investments - beginning	\$ (31)	\$ (21,458)	\$ -	\$ -	\$ -	\$ -	\$ (37,217)	\$ (31,952)	\$ (9,783)
Receipts:									
Local sources	-	-	-	-	-	-	-	-	-
Intermediate sources	-	-	-	-	-	-	-	-	-
State sources	-	-	-	-	-	-	-	-	-
Federal sources	-	154,415	339,991	27,852	130,007	-	57,124	309,843	103,558
Temporary loans	-	-	-	-	-	-	-	-	-
Other receipts	-	-	-	-	-	-	-	-	-
Total receipts	-	154,415	339,991	27,852	130,007	-	57,124	309,843	103,558
Disbursements:									
Instruction	(15)	106,722	243,860	27,044	158,484	-	19,907	283,447	93,775
Support services	(16)	25,212	108,894	5,576	-	-	-	-	-
Noninstructional services	-	1,023	2,014	-	-	-	-	-	-
Facilities acquisition and construction	-	-	-	-	-	-	-	-	-
Debt service	-	-	-	-	-	-	-	-	-
Nonprogrammed charges	-	-	-	-	-	-	-	-	-
Total disbursements	(31)	132,957	354,768	32,620	158,484	-	19,907	283,447	93,775
Excess (deficiency) of receipts over disbursements	31	21,458	(14,777)	(4,768)	(28,477)	-	37,217	26,396	9,783
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	31	21,458	(14,777)	(4,768)	(28,477)	-	37,217	26,396	9,783
Cash and investments - ending	\$ -	\$ -	\$ (14,777)	\$ (4,768)	\$ (28,477)	\$ -	\$ -	\$ (5,556)	\$ -

CRAWFORD COUNTY COMMUNITY SCHOOL CORPORATION
 COMBINING SCHEDULE OF RECEIPTS, DISBURSEMENTS,
 OTHER FINANCING SOURCES (USES), AND CASH AND
 INVESTMENT BALANCES - REGULATORY BASIS
 For the Year Ended June 30, 2018

	Improving Teacher Quality NCLB, Title II, Part A 14	Improving Teacher Quality, Title II, Part A 15	Rural Schools & Low Income Program 16/17	Rural Schools & Low Income Program 17/18	Rural Schools & Low Income Program 18/19	Prepaid Food	Payroll Withholdings	Employee Benefit Trust	Totals
Cash and investments - beginning	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 10,423	\$ 19,562	\$ 2,379,818	\$ 5,731,534
Receipts:									
Local sources	-	-	-	-	-	-	-	-	4,395,760
Intermediate sources	-	-	-	-	-	-	-	-	21,901
State sources	-	-	-	-	-	-	-	-	10,273,503
Federal sources	-	-	-	-	-	-	-	-	1,816,572
Temporary loans	-	-	-	-	-	-	-	-	384,690
Other receipts	-	-	-	-	-	260,084	2,355,315	1,912,725	4,533,210
Total receipts	-	-	-	-	-	260,084	2,355,315	1,912,725	21,425,636
Disbursements:									
Instruction	-	-	-	-	-	-	-	-	8,046,656
Support services	-	-	-	-	27,878	-	-	-	5,115,762
Noninstructional services	-	-	-	-	-	-	-	-	1,104,953
Facilities acquisition and construction	-	-	-	-	-	-	-	-	292,652
Debt service	-	-	-	-	-	-	-	-	1,868,746
Nonprogrammed charges	-	-	-	-	-	259,151	2,347,386	2,094,501	4,705,438
Total disbursements	-	-	-	-	27,878	259,151	2,347,386	2,094,501	21,134,207
Excess (deficiency) of receipts over disbursements	-	-	-	-	(27,878)	933	7,929	(181,776)	291,429
Other financing sources (uses):									
Sale of capital assets	-	-	-	-	-	-	-	-	3,630
Transfers in	-	-	-	-	-	-	-	-	604
Transfers out	-	-	-	-	-	-	-	-	(604)
Total other financing sources (uses)	-	-	-	-	-	-	-	-	3,630
Excess (deficiency) of receipts and other financing sources over disbursements and other financing uses	-	-	-	-	(27,878)	933	7,929	(181,776)	295,059
Cash and investments - ending	\$ -	\$ -	\$ -	\$ -	\$ (27,878)	\$ 11,356	\$ 27,491	\$ 2,198,042	\$ 6,026,593

CRAWFORD COUNTY COMMUNITY SCHOOL CORPORATION
SCHEDULE OF LEASES AND DEBT
June 30, 2018

Lessor	Purpose	Annual Lease Payment	Lease Beginning Date	Lease Ending Date
Governmental activities:				
Crawford County School Building Corporation	Lease Rental Elementary Schools	\$ 955,500	6/1/2006	12/1/2021
Crawford County School Building Corporation	Roofing Masonary Doors and Windows	114,854	6/30/2007	6/30/2020
Crawford County School Building Corporation	Media Center and Science Labs	<u>71,676</u>	7/15/2011	7/15/2023
Total governmental activities		<u>1,142,030</u>		
Total of annual lease payments		<u>\$ 1,142,030</u>		

Type	Description of Debt Purpose	Ending Principal Balance	Principal and Interest Due Within One Year
Governmental activities:			
General obligation bonds	Pension Bonds	\$ 1,370,000	\$ 411,225
Notes and loans payable	Common School Loans	<u>1,664,121</u>	<u>371,370</u>
Total governmental activities		<u>3,034,121</u>	<u>782,595</u>
Totals		<u>\$ 3,034,121</u>	<u>\$ 782,595</u>

CRAWFORD COUNTY COMMUNITY SCHOOL CORPORATION
 SCHEDULE OF CAPITAL ASSETS
 June 30, 2018

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

	<u>Ending Balance</u>
Governmental activities:	
Land	\$ 270,000
Buildings	35,346,498
Improvements other than buildings	253,894
Machinery, equipment, and vehicles	<u>1,584,140</u>
Total governmental activities	<u>37,454,532</u>
Total capital assets	<u><u>\$ 37,454,532</u></u>

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SUPPLEMENTAL AUDIT OF
FEDERAL AWARDS



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

TO: THE OFFICIALS OF THE CRAWFORD COUNTY COMMUNITY SCHOOL CORPORATION, CRAWFORD COUNTY, INDIANA

Report on Compliance for Each Major Federal Program

We have audited the Crawford County Community School Corporation's (School Corporation) compliance with the types of compliance requirements described in the *OMB Compliance Supplement* that could have a direct and material effect on each of its major federal programs for the period of July 1, 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 items 2018-004, 2018-005, 2018-007, 2018-008, and 2018-009. Our opinion on each major federal program is not modified with respect to these matters.

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

Report on Internal Control over Compliance

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


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

Our consideration of internal control over compliance was for the limited purpose described in the first paragraph of this section and was not designed to identify all deficiencies in internal control over compliance that might be material weaknesses or significant deficiencies and, therefore, material weaknesses or significant deficiencies may exist that were not identified. We identified certain deficiencies in internal control over compliance, as described in the accompanying Schedule of Findings and Questioned Costs as items 2018-003, 2018-004, 2018-005, 2018-006, 2018-007, 2018-008, and 2018-009, that we consider to be material weaknesses.

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

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

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


Paul D. Joyce, CPA
State Examiner

April 2, 2019

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.

CRAWFORD COUNTY COMMUNITY SCHOOL CORPORATION
 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	FY 16-17 FY 17-18	\$ - -	\$ 171,130 -	\$ - -	\$ - 172,717
Total - School Breakfast Program				-	171,130	-	172,717
National School Lunch Program National School Lunch Fund	Indiana Department of Education	10.555	FY 16-17 FY 17-18	- -	440,573 -	- -	- 442,322
Commodities			FY 16-17 FY 17-18	- -	65,667 -	- -	- 67,998
Total - National School Lunch Program				-	506,240	-	510,320
Summer Food Service Program for Children Summer Food Service Program for Children	Indiana Department of Education	10.559	FY 16-17 FY 17-18	- -	16,637 -	- -	- 23,549
Total - Summer Food Service Program for Children				-	16,637	-	23,549
Total - Child Nutrition Cluster				-	694,007	-	706,586
Child and Adult Care Food Program After School Supplement (Snack)	Indiana Department of Education	10.558	FY 16-17 FY 17-18	- -	14,978 -	- -	- 11,133
Total - Child and Adult Care Food Program				-	14,978	-	11,133
Child Nutrition Discretionary Grants Limited Availability Child Nutrition School Meals Equipment Grant	Indiana Department of Education	10.579	FY 17-18	-	-	-	48,614
Total - Child Nutrition Discretionary Grants Limited Availability				-	-	-	48,614
Total - Department of Agriculture				-	708,985	-	766,333
<u>Department of Education</u>							
Special Education Cluster (IDEA)							
Special Education Grants to States	Indiana Department of Education	84.027	14215-056-PN01 14216-054-PN01 14217-054-PN01 18611-054-PN01	- - - -	4,231 136,158 255,591 -	- - - -	- 237 166,568 234,606
Total - Special Education Grants to States				-	395,980	-	401,411

CRAWFORD COUNTY COMMUNITY SCHOOL CORPORATION
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
Special Education Preschool Grants	Indiana Department of Education	84.173	45715-056-PN01	-	468	-	-
			45716-054-PN01	-	7,954	-	476
			45717-054-PN01	-	9,766	-	6,707
			18619-054-PN01	-	-	-	11,499
Total - Special Education Preschool Grants				-	18,188	-	18,682
Total - Special Education Cluster (IDEA)				-	414,168	-	420,093
Title I Grants to Local Educational Agencies	Indiana Department of Education	84.010					
			FY 16-17	-	457,736	-	-
			FY 17-18	-	-	-	494,406
			FY 18 SIG	-	-	-	27,852
Total - Title I Grants to Local Educational Agencies				-	457,736	-	522,258
Twenty-First Century Community Learning Centers After School Learning Center Award	Indiana Department of Education	84.287					
			FY 16-17	-	259,047	-	-
			FY 17-18	-	-	-	366,967
Total - Twenty-First Century Community Learning Centers				-	259,047	-	366,967
Rural Education Rural & Low Income Schools Grant	Indiana Department of Education	84.358					
			FY 16-17	-	68,732	-	-
Total - Rural Education				-	68,732	-	-
Supporting Effective Instruction State Grants	Indiana Department of Education	84.367					
			FY 16-17	-	113,686	-	-
			FY 17-18	-	-	-	103,558
Total - Supporting Effective Instruction State Grants				-	113,686	-	103,558
Total - Department of Education				-	1,313,369	-	1,412,876
Total federal awards expended				\$ -	\$ 2,022,354	\$ -	\$ 2,179,209

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

CRAWFORD COUNTY COMMUNITY SCHOOL CORPORATION
NOTES TO SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS

Note 1. *Basis of Presentation*

The accompanying Schedule of Expenditures of Federal Awards (SEFA) includes the federal grant activity of the School Corporation under programs of the federal government for the years ended June 30, 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 the South Central Area Special Education Cooperative (Cooperative). The Cooperative operates the special education program for the School Corporation. As a result, some activity for the Special Education Cluster (IDEA) that is presented on the SEFA is not presented as receipts and disbursements in the financial statement of the School Corporation.

CRAWFORD COUNTY COMMUNITY SCHOOL CORPORATION
SCHEDULE OF FINDINGS AND QUESTIONED COSTS

Section I - Summary of Auditor's Results

Financial Statement:

Type of auditor's report issued:	Adverse as to GAAP; Unmodified as to Regulatory Basis
Internal control over financial reporting:	
Material weaknesses identified?	yes
Significant deficiency identified?	none reported
Noncompliance material to financial statement noted?	yes

Federal Awards:

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

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

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

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

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

FINDING 2018-001

Subject: Preparation of the Schedule of Expenditures of Federal Awards
Audit Findings: Material Weakness, Noncompliance

Repeat Finding

This is a repeat of Finding 2016-001 from the immediately prior audit report.

Condition

The School Corporation did not have a proper system of internal control in place to prevent, or detect and correct, errors in the financial information entered into the Indiana Gateway for Government Units financial reporting system, which was the source for the Schedule of Expenditures of Federal Awards (SEFA).

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

Context

The SEFA contained the following errors:

1. The National School Lunch Program Commodities were understated by \$40,889 and \$6,608 for fiscal year 2016-2017 and fiscal year 2017-2018, respectively.
2. The Child Nutrition Discretionary Grants Limited Availability program was excluded from fiscal year 2017-2018, resulting in an understatement in the amount of \$48,614.
3. The Title I Grants to Local Educational Agencies School Improvement program was excluded from fiscal year 2017-2018, resulting in an understatement in the amount of \$27,852.
4. The Supporting Effective Instruction State Grants program was understated by \$105,502 for fiscal year 2016-2017.

Audit adjustments were proposed, accepted by the School Corporation, and made to the SEFA.

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. . . ."

2 CFR 200.508 states in part: "The auditee must: . . . (b) Prepare appropriate financial statements, including the schedule of expenditures of Federal awards in accordance with § 200.510 Financial statements. . . ."

2 CFR 200.510(b) states:

"*Schedule of expenditures of Federal awards*. The auditee must also prepare a schedule of expenditures of Federal awards for the period covered by the auditee's financial statements which must include the total Federal awards expended as determined in accordance with § 200.502 Basis for determining Federal awards expended. While not required, the auditee may choose to provide information requested by Federal awarding agencies and pass-through entities to make the schedule easier to use. For example, when a Federal program has multiple Federal award years, the auditee may list the amount of Federal awards expended for each Federal award year separately. At a minimum, the schedule must:

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

- (1) List individual Federal programs by Federal agency. For a cluster of programs, provide the cluster name, list individual Federal programs within the cluster of programs, and provide the applicable Federal agency name. For R&D, total Federal awards expended must be shown either by individual Federal award or by Federal agency and major subdivision within the Federal agency. For example, the National Institutes of Health is a major subdivision in the Department of Health and Human Services.
- (2) For Federal awards received as a subrecipient, the name of the pass-through entity and identifying number assigned by the pass-through entity must be included.
- (3) Provide total Federal awards expended for each individual Federal program and the CFDA number or other identifying number when the CFDA information is not available. For a cluster of programs also provide the total for the cluster.
- (4) Include the total amount provided to subrecipients from each Federal program.
- (5) For loan or loan guarantee programs described in § 200.502 Basis for determining Federal awards expended, paragraph (b), identify in the notes to the schedule the balances outstanding at the end of the audit period. This is in addition to including the total Federal awards expended for loan or loan guarantee programs in the schedule.
- (6) Include notes that describe that significant accounting policies used in preparing the schedule, and note whether or not the auditee elected to use the 10% de minimis cost rate as covered in § 200.414 Indirect (F&A) costs."

Cause

Management had not established a system of internal control that would have ensured proper reporting of the SEFA.

Effect

Without a proper system of internal control in place that operated effectively, material misstatements of the SEFA remained undetected. The SEFA contained the errors identified in the *Context*.

Recommendation

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

Views of Responsible Officials

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

FINDING 2018-002

Subject: Financial Transactions and Reporting - Employee Benefit Trust
Audit Findings: Material Weakness, Noncompliance

Repeat Finding

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

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

Condition

Management of the School Corporation had not established an adequate internal control system related to financial transactions and reporting of its Employee Benefit Trust fund. There was no evidence of a review, oversight, or approval process to ensure the accuracy of the transactions and balances within the fund. The lack of controls enabled material misstatements to the financial statement and noncompliance to occur and remain undetected.

The School Corporation created the Employee Benefit Trust fund to account for costs incurred for insurance premiums and other medical expenses. The School Corporation created a separate bank account to transfer funds into each month to cover these expenditures. However, the School Corporation did not include the receipts, disbursements, or cash balances of the Employee Benefit Trust fund in its financial records. As a result, receipts, disbursements, and cash and investments on the financial statement were understated in the amounts of \$1,982,834, \$1,681,032, and \$2,379,818, respectively, for the period ending June 30, 2017, and \$1,912,725, \$2,094,502, and \$2,198,041, respectively, for the period ending June 30, 2018.

The majority of disbursements in the Employee Benefit Trust fund were electronic fund transfers generated by third-party vendors, which were set up to automatically draft payments from the bank account. The remaining disbursements were made by check, which were prepared by the Assistant Treasurer. The disbursements out of the Employee Benefit Trust fund were reviewed and approved each month by the fiscal officer as part of the reconciliation of the bank statement, but circumvented the School Corporation's standard claims process during the audit period, as none were approved by the School Board.

Audit adjustments were proposed, accepted by the School Corporation, and made to the financial statement.

Context

The lack of internal controls and noncompliance were systemic issues, 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. . . ."

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

All financial transactions pertaining to the unit must be recorded in the records of the unit at the time of the transaction. (Accounting and Uniform Compliance Guidelines Manual for Indiana Public School Corporations, Chapter 1)

Indiana Code 5-11-10-1.6(c) states in part:

"The fiscal officer of a governmental entity may not draw a warrant or check for payment of a claim unless: . . .

(5) payment of the claim is allowed by the governmental entity's legislative body or the board or official having jurisdiction over allowance of payment of the claim. . . ."

Cause

Management of the School Corporation had not established a proper system of internal controls that would have ensured compliance and proper reporting of the receipts, disbursements, and cash balances of the Employee Benefit Trust fund.

Effect

The failure to establish a proper system of internal controls enabled noncompliance to occur and material misstatements of the financial statement related to the Employee Benefit Trust fund to remain undetected.

Recommendation

We recommended that the School Corporation's management establish a system of internal controls related to financial transactions and reporting of the Employee Benefit Trust fund. Additionally, we recommended that the School Corporation account for the Employee Benefit Trust fund transactions in its financial records and ensure that Employee Benefit Trust fund disbursements go through the proper approval process prior to payment.

Views of Responsible Officials

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

Section III - Federal Award Findings and Questioned Costs

FINDING 2018-003

Subject: Child Nutrition Cluster - Internal Controls

Federal Agency: Department of Agriculture

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

CFDA Numbers: 10.553, 10.555, 10.559

Federal Award Numbers and Years (or Other Identifying Numbers): FY 16-17, FY 17-18

Pass-Through Entity: Indiana Department of Education

Compliance Requirements: Reporting, Special Tests and Provisions - Verification of Free
and Reduced Price Applications (NSLP), Special Tests and
Provisions - Paid Lunch Equity

Audit Finding: Material Weakness

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

Condition

An effective internal control system was not in place at the School Corporation in order to ensure compliance with requirements related to the grant agreement and the following compliance requirements:

Reporting

The School Corporation had not designed or implemented adequate policies and procedures to ensure the accuracy of the Annual Financial Reports, the Monthly Sponsor Claims, and the School Food Authority (SFA) Verification Collection Reports that were filed. The reports were completed by the Food Service Director without any evidence of segregation of duties, such as an oversight, review, or approval process to verify the accuracy of the reports prior to submission.

Special Tests and Provisions - Verification of Free and Reduced Price Applications (NSLP)

The School Corporation had not designed or implemented adequate policies and procedures to ensure the accuracy of the School Food Authority (SFA) Verification Collection Reports filed. The verifications were performed by the Food Service Director, who had also prepared and submitted the reports. There was no evidence of segregation of duties, such as an oversight, review, or approval process to verify the accuracy of the verifications performed.

Special Tests and Provisions - Paid Lunch Equity

The School Corporation had not designed or implemented adequate policies and procedures to ensure the accuracy of the paid lunch equity calculations. The Food Service Director performed the calculations without any evidence of segregation of duties, such as an oversight, review, or approval process to verify the accuracy of the calculations performed.

Context

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

Criteria

2 CFR 200.303 states in part:

"The non-Federal entity must:

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

Cause

The management of the School Corporation had not developed or implemented a system of internal controls to ensure compliance with the grant agreement and the compliance requirements listed above.

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

Effect

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

Questioned Costs

There were no questioned costs identified.

Recommendation

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

Views of Responsible Officials

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

FINDING 2018-004

Subject: School Breakfast Program, National School Lunch Program - Allowable Costs/Cost Principles
Federal Agency: Department of Agriculture
Federal Programs: School Breakfast Program, National School Lunch Program
CFDA Numbers: 10.553, 10.555
Federal Award Numbers and Years (or Other Identifying Numbers): FY 16-17, FY 17-18
Pass-Through Entity: Indiana Department of Education
Compliance Requirement: Allowable Costs/Cost Principles
Audit Findings: Material Weakness, Other Matters

Condition

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

The School Corporation did not maintain the appropriate time and effort reporting for all employees who worked on the federal award. The School Corporation was allocating a portion of the Treasurer and Assistant Treasurer's salaries to the federal award for administrative functions related to the processing of vendor and payroll claims. Adequate time records were not maintained to support the time charged to the federal award.

Context

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

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

Criteria

2 CFR 200.303 states in part:

"The non-Federal entity must:

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

2 CFR 200.430(i) states in part:

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

These records must:

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

Cause

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

Effect

The failure to establish an effective internal control system enabled noncompliance with the grant agreement and the Allowable Costs/Cost Principles compliance requirement.

Questioned Costs

There were no questioned costs identified.

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

Recommendation

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

Views of Responsible Officials

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

FINDING 2018-005

Subject: Child Nutrition Cluster - Procurement

Federal Agency: Department of Agriculture

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

CFDA Numbers: 10.553, 10.555, 10.559

Federal Award Numbers and Years (or Other Identifying Numbers): FY 16-17, FY 17-18

Pass-Through Entity: Indiana Department of Education

Compliance Requirement: Procurement and Suspension and Debarment

Audit Findings: Material Weakness, Other Matters

Condition

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

The School Corporation did not have formalized procedures in place to adequately document procurement selections. The School Corporation did not present evidence that price or rate quotations were obtained from an adequate number of qualified sources in order to provide full and open competition or support the rationale to limit competition in cases where competition was limited and that the limitation was justified for small purchase procurements.

Context

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

Criteria

2 CFR 200.303 states in part:

"The non-Federal entity must:

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

CRAWFORD COUNTY COMMUNITY SCHOOL CORPORATION
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. . . .

(f) Procurement by noncompetitive proposals. Procurement by noncompetitive proposals is procurement through solicitation of a proposal from only one source and may be used only when one or more of the following circumstances apply:

- (1) The item is available only from a single source;
- (2) The public exigency or emergency for the requirement will not permit a delay resulting from competitive solicitation;
- (3) The Federal awarding agency or pass-through entity expressly authorizes non-competitive proposals in response to a written request from the non-Federal entity; or
- (4) After solicitation of a number of sources, competition is determined inadequate."

Cause

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

Effect

The failure to establish an effective internal control system enabled noncompliance with the grant agreement and the Procurement and Suspension and Debarment compliance requirement.

Questioned Costs

There were no questioned costs identified.

Recommendation

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

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

Views of Responsible Officials

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

FINDING 2018-006

Subject: Title I Grants to Local Educational Agencies - Procurement
Federal Agency: Department of Education
Federal Program: Title I Grants to Local Educational Agencies
CFDA Number: 84.010
Federal Award Numbers and Years (or Other Identifying Numbers): FY 16-17, FY 17-18
Pass-Through Entity: Indiana Department of Education
Compliance Requirement: Procurement and Suspension and Debarment
Audit Finding: Material Weakness

Condition

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

The Title I Director was responsible for making purchases for the program. The Superintendent of Schools signed the purchase orders and approved the items purchased during the audit period; however, independent reviews of the procurement methods used were not conducted to ensure that they were appropriate or that documentation was available to support the rationale to limit competition in instances where there was not full and open competition.

Context

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

Criteria

2 CFR 200.303 states in part:

"The non-Federal entity must:

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

Cause

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

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

Effect

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

Questioned Costs

There were no questioned costs identified.

Recommendation

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

FINDING 2018-007

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

Federal Agency: Department of Education

Federal Programs: Special Education Grants to States, Special Education Preschool Grants

CFDA Numbers: 84.027, 84.173

Federal Award Numbers and Years (or Other Identifying Numbers): 14215-056-PN01, 14216-054-PN01,
14217-054-PN01, 18611-054-PN01,
45715-056-PN01, 45716-054-PN01,
45717-054-PN01, 18619-054-PN01

Pass-Through Entity: Indiana Department of Education

Compliance Requirement: Allowable Costs/Cost Principles

Audit Findings: Material Weakness, Other Matters

Repeat Finding

This is a repeat of Finding 2016-005 from the immediately prior audit.

Condition

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

During fiscal year 2016-2017, the School Corporation was a participating member of the South Central Area Special Education Cooperative (Cooperative). The Cooperative operated the special education program on behalf of the School Corporation and managed the special education grant funds. Because the grant agreements were between the Indiana Department of Education and each member of the Cooperative, the School Corporation was ultimately responsible for ensuring compliance with the requirements. The School Corporation relied on the Cooperative for compliance with requirements pertaining to Allowable Costs/Cost Principles.

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

No evidence was presented by the Cooperative that Semi-Annual Certifications were completed and certified during the audit period for any employees who were paid solely from special education funds. No evidence was presented that Personnel Activity Reports were prepared and signed during the audit period for any employees who were paid from multiple cost objectives. Additionally, no records of activity were presented for audit for any employees paid either solely or partially from special education funds.

During fiscal year 2017-2018, the School Corporation assumed payroll responsibilities for the special education teachers and aides. The School Corporation did not maintain the required time and effort documentation. Eleven time cards tested for hourly employees paid from the special education program did not specify that the employee worked on the special education program. Additionally, Semi-Annual Certifications or similar documentation were not maintained for the certified teaching staff working solely on the special education cost objective.

Context

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

Criteria

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

"The auditee shall: . . .

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

2 CFR 200.303 states in part:

"The non-Federal entity must:

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

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

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

(4) Where employees work on multiple activities or cost objectives, a distribution of their salaries or wages will be supported by personnel activity reports or equivalent documentation which meets the standards in subsection (5) unless a statistical sampling system (See subsection(6)) or other substitute system has been approved by the cognizant Federal agency. . . ."

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

2 CFR 200.430(i) states in part:

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

These records must:

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

Cause

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

Effect

The failure to establish an effective internal control system enabled noncompliance with the grant agreement and the Allowable Costs/Cost Principles compliance requirement.

Questioned Costs

There were no questioned costs identified.

Recommendation

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

Views of Responsible Officials

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

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

FINDING 2018-008

Subject: Special Education Cluster (IDEA) - Procurement and Suspension and Debarment

Federal Agency: Department of Education

Federal Programs: Special Education Grants to States, Special Education Preschool Grants

CFDA Numbers: 84.027, 84.173

Federal Award Numbers and Years (or Other Identifying Numbers): 14215-056-PN01, 14216-054-PN01,
14217-054-PN01, 18611-054-PN01,
45715-056-PN01, 45716-054-PN01,
45717-054-PN01, 18619-054-PN01

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 2016-006 from the immediately prior audit.

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 was a participating member school of the South Central Area Special Education Cooperative (Cooperative). The Cooperative operated the special education program on behalf of the School Corporation and managed the special education grant funds. Because the grant agreements were between the Indiana Department of Education and each member of the Cooperative, the School Corporation was ultimately responsible for ensuring compliance with the requirements. The School Corporation was relying on the Cooperative for compliance with requirements pertaining to Procurement and Suspension and Debarment.

Procurement - General Procurement Standards

The Cooperative had a written procurement policy; however, it did not reflect the required state and federal laws and regulations.

The Cooperative did not maintain written standards of conduct covering conflicts of interest concerning employees engaged in the selection, award, and administration of contracts supported by federal awards.

Suspension and Debarment

The Cooperative's Director signed the Application and Assurance Plan as a condition of federal assistance, which stated that the Cooperative would verify that contractors were not presently debarred, suspended, proposed for debarment, declared ineligible or voluntarily excluded by any federal agency, or by any department, agency or political subdivision of the State of Indiana. However, the School Corporation did not have procedures in place to monitor that the Cooperative verified that the vendors were not suspended or debarred or otherwise excluded from or ineligible for participation in federal assistance programs prior to entering into a covered transaction with them.

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

Context

The lack of an adequate written procurement policy and the lack of a written conflict of interest policy were isolated to fiscal year 2017-2018.

There were three contracts during 2016-2017 and five contracts during 2017-2018 that exceeded \$25,000; however, the Cooperative could not provide documentation that a verification that the vendor was not suspended and debarred was performed prior to entering into covered transactions with these vendors.

Criteria

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

"The auditee shall: . . .

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

2 CFR 200.303 states in part:

"The non-Federal entity must:

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

2 CFR 200.318(a) states: "The non-Federal entity must use its own documented procurement procedures which reflect applicable State, local, and tribal laws and regulations, provided that the procurements conform to applicable Federal law and the standards identified in this part."

2 CFR 200.318(c)(1) states in part: "The non-Federal entity must maintain written standards of conduct covering conflicts of interest and governing the actions of its employees engaged in the selection, award and administration of contracts. . . ."

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

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

Cause

The management of the School Corporation had not developed a system of internal controls that would have ensured compliance with the grant agreement and the Procurement and Suspension and Debarment compliance requirement.

Effect

The failure to establish an effective internal control system enabled noncompliance with the grant agreement and the Procurement and Suspension and Debarment compliance requirement.

Questioned Costs

There were no questioned costs identified.

Recommendation

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

Views of Responsible Officials

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

FINDING 2018-009

Subject: Special Education Cluster (IDEA) - Reporting

Federal Agency: Department of Education

Federal Programs: Special Education Grants to States, Special Education Preschool Grants

CFDA Numbers: 84.027, 84.173

Federal Award Numbers and Years (or Other Identifying Numbers): 14215-056-PN01, 45715-056-PN01,
14216-054-PN01, 45716-054-PN01

Pass-Through Entity: Indiana Department of Education

Compliance Requirement: Reporting

Audit Findings: Material Weakness, Other Matters

Condition

An effective internal control system was not in place at the School Corporation in order to ensure compliance with requirements related to the grant agreement and the Reporting compliance requirement. The School Corporation was a participating member school of the South Central Area Special Education Cooperative (Cooperative). The Cooperative operated the special education program on behalf of the School Corporation and managed the grant funds. Because the grant agreements were between the Indiana Department of Education (IDOE) and each member of the Cooperative, the School Corporation was ultimately responsible for ensuring compliance with the requirements. The required final reports were not completed and submitted to the IDOE.

Context

The lack of controls and noncompliance were systemic issues throughout the audit period. The final reports were not prepared and submitted for any awards that concluded during the audit period.

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

Criteria

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

"The auditee shall: . . .

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

2 CFR 200.303 states in part:

"The non-Federal entity must:

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

34 CFR 80.20(b) states in part:

"The financial management systems of other grantees and subgrantees must meet the following standards:

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

2 CFR 200.302(b) states in part:

"The financial management system of each non-Federal entity must provide for the following:
. . .

(2) Accurate, current, and complete disclosure of the financial results of each Federal award or program in accordance with the reporting requirements set forth in §§ 200.327 Financial reporting . . ."

Cause

Management of the School Corporation had not developed a system of internal controls related to the grant agreement and the Reporting compliance requirement.

Effect

The failure to establish an effective internal control system enabled noncompliance with the grant agreement and the Reporting compliance requirement.

Questioned Costs

There were no questioned costs identified.

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

Recommendation

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

Views of Responsible Officials

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

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AUDITEE-PREPARED DOCUMENTS

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

SUMMARY SCHEDULE OF PRIOR AUDIT FINDINGS

SUMMARY SCHEDULE OF PRIOR AUDIT FINDINGS

FINDING 2016-001

Fiscal year in which the finding initially occurred: 2014
Contact Person Responsible for Corrective Action: Assistant Superintendent
Contact Phone Number: 812-365-2135

Status of Audit Finding:

Since the fiscal year 2016 audit finding, we believed that the errors in reporting of the Schedule of Expenditures for Federal Awards had been retroactively corrected. However, it was determined that commodities and the Improving Teacher Quality Grant were both understated. These issues have been corrected moving forward. It was also determined that for the 2017-2018 grant year, the Child Nutrition Equipment Grant and the Title I School Improvement Grants were omitted for the report. This omission has also been corrected moving forward. The Assistant Superintendent now has a complete understanding of the requested information and works with the Food Service Director, Title I Director and the Special Education Coop to ensure that information is accurate and complete before submission through Gateway.



(Signature)

Assistant Superintendent

(Title)

3/12/19

(Date)

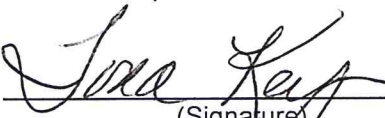
SUMMARY SCHEDULE OF PRIOR AUDIT FINDINGS

FINDING 2016-002


Fiscal year in which the finding initially occurred: 2016
Contact Person Responsible for Corrective Action: Treasurer
Contact Phone Number: 812-365-2135

Status of Audit Finding:

Since the fiscal year 2016 audit finding, the Assistant Treasurer provides the Treasurer with a monthly list of all expenses paid from the Employee Benefit Trust account and the Treasurer reconciles the bank statement on a monthly basis. The Treasurer and Assistant Superintendent both review and approve the bank reconciliation monthly. It was determined that the Employee Benefit Trust Account transactions were not approved by the School Board on a monthly basis. Moving forward, the School Board will approve the Employee Benefit Trust bank statement on a monthly basis. The Treasurer will provide the information for the trust in the Form 13 process.



(Signature)



(Title)



(Date)

FINDING 2016-003


Fiscal year in which the finding initially occurred: 2016
Contact Person Responsible for Corrective Action: Treasurer
Contact Phone Number: 812-365-2135

Status of Audit Finding:

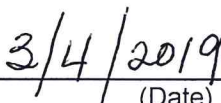
Since the fiscal year 2016 audit finding, we now require our Administrators to sign timesheets during summer months and the Treasurer ensures that all timesheets are signed before the payroll is processed.



(Signature)



(Title)



(Date)

FINDING 2016-004

Fiscal year in which the finding initially occurred: 2014
Pass-Through Entity: Indiana Department of Education
Contact Person Responsible for Corrective Action: Assistant Treasurer
Contact Phone Number: 812-365-2135

Status of Audit Finding:

Since the fiscal year 2016 audit finding, Crawford County School Corporation now require the South Central Special Education Cooperative to submit all reimbursement requests along with a detailed claims report to the school corporation for approval prior to submission. We also require the South Central Special Education Cooperative to also submit the Report of Children and Youth with Disabilities Receiving Special Education for approval prior to submission.

Kuisse Arabe
(Signature)

Assistant Treasurer
(Title)

3/4/19
(Date)

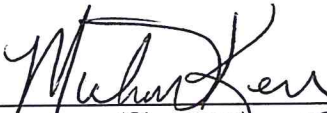
SUMMARY SCHEDULE OF PRIOR AUDIT FINDINGS


FINDING 2016-005

Fiscal year in which the finding initially occurred: 2016
Pass-Through Entity: Indiana Department of Education
Contact Person Responsible for Corrective Action: Superintendent
Contact Phone Number: 812-365-2135

Status of Audit Finding:

Since the fiscal year 2016 audit finding, the Coop Board/Superintendent require that all documentation of semi-annual certifications and personal activity reports be on file at the Special Education Cooperative office. They also require the Special Education Director to ensure that semi-annual certifications are completed and certified for all special education staff paid solely from Special Education Funds and that all personal activity reports are prepared and signed. However, it was determined that semi-annual certifications and personal activity reports must be maintained for special education certified staff within their school building. This issues has was corrected during the 2017-2018 school and will be maintained moving forward.



(Signature)


(Title)

3-12-19
(Date)

SUMMARY SCHEDULE OF PRIOR AUDIT FINDINGS

FINDING 2016-006

Fiscal year in which the finding initially occurred: 2016
Pass-Through Entity: Indiana Department of Education
Contact Person Responsible for Corrective Action: Superintendent
Contact Phone Number: 812-365-2135

Status of Audit Finding:

Since the fiscal year 2016 audit finding, it was believed that the Coop Board/Superintendent required that the Special Education Director would ensure that all subcontractors are not presently debarred, suspended, proposed for debarment, declared ineligible or voluntarily excluded by any federal agency or by any department, agency or political subdivision of the State Indiana. It was also believed that The Coop Board/Superintendent required that the Special Education Director maintain all documentation required for subcontractors on file at the Special Education Cooperative office. However, it was determined that these requirements were not completed by the Board or the Special Education Director. These issues will be addressed and corrected moving forward.



(Signature)

Superintendent

(Title)

3-12-19

(Date)

SUMMARY SCHEDULE OF PRIOR AUDIT FINDINGS

FINDING 2016-007

Fiscal year in which the finding initially occurred: 2014
Pass-Through Entity: Indiana Department of Education
Contact Person Responsible for Corrective Action: Assistant Treasurer
Contact Phone Number: 812-365-2135

Status of Audit Finding:

Since the fiscal year 2014 audit finding, the Assistant Treasurer now prints out the necessary supporting documentation from our financial software to determine the exact expenditures that may be requested for reimbursement for every cash request. The report, along with the completed reimbursement form, are given to the Assistant Superintendent for review. Once the Assistant Superintendent reviews and concurs that the funds were previously expended, the Assistant Superintendent then signs the reimbursement request form and return it to the Assistant Treasurer. The Assistant Treasurer then makes any necessary corrections, signs, and sends in the request. The requested amount is verified with the Treasurer once the payment is received. A monthly report is also be given to the Grant Director. All required mid-year and final expenditure reports are completed and supporting documentation is retained.

Khushi Gray
(Signature)

Assistant Treasurer
(Title)

3/4/19
(Date)


SUMMARY SCHEDULE OF PRIOR AUDIT FINDINGS

FINDING 2016-008

Fiscal year in which the finding initially occurred: 2014
Pass-Through Entity: Indiana Department of Education
Contact Person Responsible for Corrective Action: Title I Director
Contact Phone Number: 812-365-2135

Status of Audit Finding:

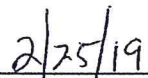
Since the fiscal year 2016 audit finding, the Title I Director now prepares the Comparability report and submits it to the Assistant Treasurer for review. Once approved by the Assistant Treasurer, the Title I Director submits the Comparability report.



(Signature)



(Title)



(Date)

SUMMARY SCHEDULE OF PRIOR AUDIT FINDINGS

FINDING 2016-009

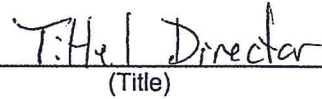
Fiscal year in which the finding initially occurred: 2016
Pass-Through Entity: Indiana Department of Education
Contact Person Responsible for Corrective Action: Title I Director
Contact Phone Number: 812-365-2135

Status of Audit Finding:

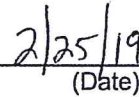
Since the fiscal year 2016 audit finding, the Title I Director ensures that semi-annual certifications are prepared for all certified Title I staff and prepares personal activity reports for substitutes for Title I Paraprofessionals who work on multiple activities/cost objectives.



(Signature)



(Title)



(Date)

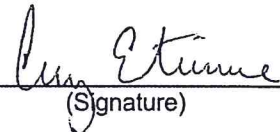
SUMMARY SCHEDULE OF PRIOR AUDIT FINDINGS

FINDING 2016-010

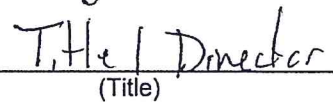
Fiscal year in which the finding initially occurred: 2016
Pass-Through Entity: Indiana Department of Education
Contact Person Responsible for Corrective Action: Title I Director
Contact Phone Number: 812-365-2135

Status of Audit Finding:

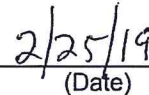
Since the fiscal year 2016 audit finding, the Title I Director ensures that all comprehensive need assessments and comprehensive plans are in compliance with the requirements related to the plan agreement. These plans now include a transition plan for assisting preschool children in the successful transition to the schoolwide program and address additional support to students experiencing difficulties. The Title I Director also ensures that all schoolwide annual evaluations are conducted.



(Signature)



(Title)



(Date)

SUMMARY SCHEDULE OF PRIOR AUDIT FINDINGS

FINDING 2016-011

Fiscal year in which the finding initially occurred: 2014
Pass-Through Entity: Indiana Department of Education
Contact Person Responsible for Corrective Action: Assistant Treasurer
Contact Phone Number: 812-365-2135

Status of Audit Finding:

Since the fiscal year 2014 audit finding, the Assistant Treasurer now prints out the necessary supporting documentation from our financial software to determine the exact expenditures that may be requested for reimbursement for every cash request. The report, along with the completed reimbursement form, are given to the Assistant Superintendent for review. Once the Assistant Superintendent reviews and concurs that the funds were previously expended, the Assistant Superintendent then signs the reimbursement request form and return it to the Assistant Treasurer. The Assistant Treasurer then makes any necessary corrections, signs, and sends in the request. The requested amount is verified with the Treasurer once the payment is received. A monthly report is also given to the Grant Director. All required mid-year and final expenditure reports are completed and supporting documentation is retained.

Kuisse Irazo
(Signature)

Assistant Treasurer
(Title)

3/4/19
(Date)



CORRECTIVE ACTION PLAN

FINDING 2018-001

Contact Person Responsible for Corrective Action: Assistant Superintendent
Contact Phone Number: 812-365-2135
Views of Responsible Official: We concur with the finding

Description of Corrective Action Plan: Each year, the Assistant Superintendent will prepare a list of all federal awards and will complete the Schedule of Expenditures for Federal Awards as required at the end of each fiscal year. The Assistant Treasurer will be provided with the list of all federal awards for the fiscal year and will review all documentation supporting the Schedule's content for accuracy and completeness prior to the Schedule's submission.

Anticipated Completion Date: June 30, 2018

FINDING 2018-002

Contact Person Responsible for Corrective Action: Treasurer
Contact Phone Number: 812-365-2135
Views of Responsible Official: We concur with the finding

Description of Corrective Action Plan: At the end of each month, the Assistant Treasurer will submit a copy of the Employee Benefit Trust bank statement that includes all fund receipts and disbursements to the Crawford County Board of Trustees for approval by the Allowance of Vouchers Form. The Treasurer will also provide to the SBOA in the form 13 process at the beginning of each audit the Employee Benefit Trust financial information.

Anticipated Completion Date: June 30, 2018

FINDING 2018-003

Contact Person Responsible for Corrective Action: Food Service Director
Contact Phone Number: 812-365-2125
Views of Responsible Official: We concur with the finding

Description of Corrective Action Plan: Verification of Free and Reduced Price Applications - The Food Service Director will continue to perform the verification process and will submit the information gathered and the report to the Assistant Superintendent for review and approval. Paid Lunch Equity - The Food Service Director will continue to evaluate and perform the calculations for the Paid Lunch Equity and will submit this information to the Assistant Superintendent for review and approval.

Anticipated Completion Date: June 30, 2018

FINDING 2018-004

Contact Person Responsible for Corrective Action: Treasurer
Contact Phone Number: 812-365-2135
Views of Responsible Official: We concur with the finding

Description of Corrective Action Plan: The Treasurer and the Assistant Treasurer will submit a Personal Activity Report monthly that comply with the Allowable Costs/Cost Principles Federal compliance requirement and reflect the total activity for which the Treasurer and the Assistant Treasurer are compensated by the Federal entity. Additionally, these Personal Activity Reports will be approved by the Assistant Superintendent and incorporated into official records.

Anticipated Completion Date: June 30, 2018



FINDING 2018-005

Contact Person Responsible for Corrective Action: Food Service Director
Contact Phone Number: 812-365-2125
Views of Responsible Official: We concur with the finding

Description of Corrective Action Plan: Procurement - The Food Service Director will continue to seek knowledge that will enable her to improve the Child Nutrition procurement process. The Food Service Director will continue to improve the micro purchase, small purchase, sealed bid, and documentation processes for procurement. Due to the fact that we are a very rural community and there are not many options when we need supplies immediately, the Food Service Director will look into adding an emergency clause into the food service departments' procurement plan. The Assistant Treasurer will review all purchases.

Anticipated Completion Date: June 30, 2018

FINDING 2018-006

Contact Person Responsible for Corrective Action: Title I Director
Contact Phone Number: 812-739-2210
Views of Responsible Official: We concur with the finding

Description of Corrective Action Plan: The IAESC Procurement Site is the first and primary source for purchase of supplies for Federal Grants. All requisitions will be reviewed by the Title I Director and Assistant Treasurer to ensure that they are made through the IAESC Procurement Site when possible. Occasionally items are not available on the Procurement Site, are only available through specific vendors, or are less expensive through other vendors. When items/services are purchased outside of the Procurement Site, the Title I Director and/or Assistant Treasurer will maintain documentation of the reason (specific vendors, lower prices, etc.). Crawford County Community Schools has limited resources for purchase of supplies and seeks the most economical purchase by comparing IAESC Procurement Site prices to outside source prices prior to purchase. Often resources, particularly curriculum and assessment resources are only available through specific vendors. Professional development and curricular and assessment materials are selected by program qualities.

Anticipated Completion Date: June 30, 2018

FINDING 2018-007

Contact Person Responsible for Corrective Action: Title I Director
Contact Phone Number: 812-739-2210
Views of Responsible Official: We concur with the finding

Description of Corrective Action Plan: Semi-Annual Certifications will be completed for any employees who were paid solely from Special Education Funds. Non-certified employees will complete bi-weekly timesheets (personal activity reports) which will specify that the employee works on the Special Education program for each cost objective when paid from multiple cost objectives. Semi-annual certifications will be completed on all employees (certified & non-certified) who are paid 100% from Special Education funds.

Anticipated Completion Date: June 30, 2018



FINDING 2018-008

Contact Person Responsible for Corrective Action: Superintendent
 Contact Phone Number: 812-365-2135
 Views of Responsible Official: We concur with the finding

Description of Corrective Action Plan: The Special Education Director will ensure that all subcontractors are not presently debarred, suspended, proposed for debarment, declared ineligible or voluntarily excluded by any federal agency or by any department, agency or political subdivision of the State Indiana. The Coop Board/Superintendent will ensure that all documentation required for subcontractors is on file at the Special Education Cooperative office.

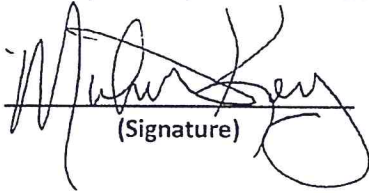
Anticipated Completion Date: June 30, 2018

FINDING 2018-009

Contact Person Responsible for Corrective Action: Superintendent
 Contact Phone Number: 812-365-2135
 Views of Responsible Official: We concur with the finding

Description of Corrective Action Plan: : The Special Education Director will ensure that all required federal grant reports are completed and submitted in a timely manner. The Coop Board/Superintendent will ensure that all reports and documentation required are submitted and on file at the Special Education Cooperative office.

Anticipated Completion Date: June 30, 2018


 (Signature)

Superintendent

(Title)

3-18-19

(Date)

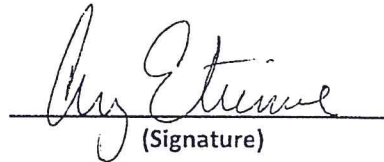

 (Signature)

Business Manager

(Title)

3/8/19

(Date)

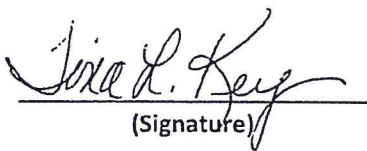

 (Signature)

Title I Director

(Title)

3/18/19

(Date)

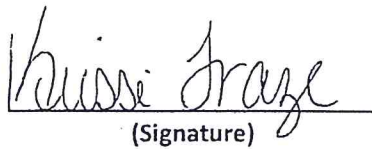

 (Signature)

Treasurer

(Title)

March 18, 2019

(Date)

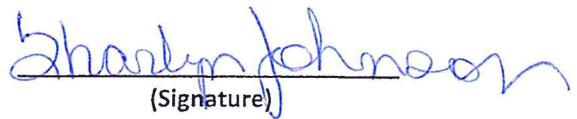

 (Signature)

Assistant Treasurer

(Title)

3/18/19

(Date)


 (Signature)

Food Service Director

(Title)

3/18/19

(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/>.