

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

FINANCIAL STATEMENT AND  
FEDERAL SINGLE AUDIT REPORT  
OF

EAST NOBLE SCHOOL CORPORATION  
NOBLE COUNTY, INDIANA

July 1, 2016 to June 30, 2018



**FILED**  
05/08/2019



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SCHEDULE OF OFFICIALS

<u>Office</u>	<u>Official</u>	<u>Term</u>
Business Manager/Treasurer	Brian A. Leitch	01-01-16 to 12-31-19
Superintendent of Schools	Ann W. Linson	07-01-16 to 06-30-19
President of the School Board	Barbara Babcock John Wicker David Desper Dan Beall	01-01-16 to 12-31-16 01-01-17 to 12-31-17 01-01-18 to 12-31-18 01-01-19 to 12-31-19



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INDEPENDENT AUDITOR'S REPORT

TO: THE OFFICIALS OF THE EAST NOBLE SCHOOL CORPORATION, NOBLE COUNTY, INDIANA

**Report on the Financial Statement**

We have audited the accompanying financial statement of the East Noble 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 10, 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 10, 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 EAST NOBLE SCHOOL CORPORATION, NOBLE 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 East Noble 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 10, 2019, wherein we noted the School Corporation followed accounting practices the Indiana State Board of Accounts prescribes rather than accounting principles generally accepted in the United States of America.

**Internal Control over Financial Reporting**

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

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

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


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

**Compliance and Other Matters**

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

**Purpose of This Report**

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

  
Paul D. Joyce, CPA  
State Examiner

April 10, 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.

EAST NOBLE 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	\$ 8,401,825	\$ 24,642,232	\$ 23,750,213	\$ 85	\$ 9,293,929	\$ 24,733,694	\$ 24,016,345	\$ (39,940)	\$ 9,971,338
Debt Service	2,982,157	4,829,711	5,558,325	-	2,253,543	4,302,157	5,305,215	26,537	1,277,022
Capital Projects	1,481,253	3,252,985	3,016,051	18,600	1,736,787	3,377,039	3,399,509	(57,000)	1,657,317
School Transportation	1,541,914	2,005,792	1,920,576	(38,000)	1,589,130	2,143,421	1,878,261	(73,000)	1,781,290
School Bus Replacement	388,795	609,061	511,147	-	486,709	650,263	480,094	(57,000)	599,878
Rainy Day	878,770	4,456	-	38,000	921,226	13,095	-	235,000	1,169,321
Construction	6,075	4	6,079	-	-	-	-	-	-
School Lunch	547,162	1,672,578	1,447,857	(8,832)	763,051	1,271,482	1,378,739	301,038	956,832
Textbook Rental	334,463	603,008	349,407	-	588,064	544,747	228,573	-	904,238
Self-Insurance	1,649,987	3,106,647	3,024,471	-	1,732,163	2,913,030	3,052,973	-	1,592,220
Educational License Plates	422	188	545	-	65	188	-	-	253
15/16 Alternative Education	17	-	17	-	-	-	-	-	-
16/17 Alternative Education	-	13,249	13,249	-	-	-	-	-	-
17/18 Alternative Education	-	-	-	-	-	15,118	12,287	-	2,831
15/16 Early Intervention Grant	35,157	14,000	44,582	-	4,575	-	4,575	-	-
16/17 Early Intervention Grant	-	16,643	14,865	-	1,778	-	1,778	-	-
17/18 Early Intervention Grant	-	-	-	-	-	16,770	16,193	-	577
2017 Lilly Counseling Grant	-	29,179	23,710	-	5,469	-	5,397	-	72
Gift/Donation	80,037	48,638	42,141	-	86,534	39,863	44,810	-	81,587
ENHS Beautification Project	14,709	-	176	-	14,533	600	817	-	14,316
Bosch Stem Grant	7,726	-	7,726	-	-	-	-	-	-
Bosch Foundation Grants	15,795	-	9,267	-	6,528	-	4,039	-	2,489
Ignite Kindergarten Grant	5,000	-	5,000	-	-	-	-	-	-
17/18 Bosch Foundation Grants	-	13,769	1,170	-	12,599	-	10,780	-	1,819
18/19 Bosch Foundation Grants	-	-	-	-	-	17,246	-	-	17,246
All Write Next Generation	-	100,000	-	-	100,000	-	100,000	-	-
Charter Counts Program	4,299	-	32	-	4,267	-	674	-	3,593
Sources of Strength Program	-	-	-	-	-	1,000	3,081	-	(2,081)
Dekko Community Preschool-NS	-	-	-	-	-	60,000	-	-	60,000
17/18 All Write Program	-	22,000	-	-	22,000	66,785	129,697	40,912	-
All Write Summer Institute	-	-	-	-	-	27,080	28,294	-	(1,214)
15/16 All Write Program	47,737	-	19,592	(28,145)	-	-	-	-	-
2016 All Write Summer Institute	6,648	15,525	9,200	(12,973)	-	-	-	-	-
16/17 All Write Program	38,000	53,090	92,991	41,118	39,217	-	17,956	(21,261)	-
2017 All Write Summer Institute	-	39,067	20,333	-	18,734	10,085	9,168	(19,651)	-
Student Computer Fund	317,023	176,393	47,353	-	446,063	222,508	33,270	-	635,301
Staff Computer Fund	-	-	-	-	-	20,165	-	-	20,165
Wayne Center G.O. Bonds	3,099	3	2,138	-	964	1	965	-	-
ENHS G.O. Bond of 2015	205,896	-	188,227	-	17,669	-	17,388	-	281
ENMS Project G.O. Bond of 2016	(43,284)	1,301,786	1,258,502	-	-	-	-	-	-
ENHS G.O. Bond of 2017	-	-	61	19,985	19,924	-	1,981,360	1,979,985	18,549
AV/SSSES G.O. Bond of 2018	-	-	-	-	-	-	506,305	-	(506,305)
In/Out Clearing	76,488	74,014	61,806	-	88,696	1,009,803	1,067,050	-	31,449

EAST NOBLE 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
School Lunch Trust	26,432	69	2,159	8,832	33,174	353,584	1,614	(301,038)	84,106
Miscellaneous Cafeteria	1,200	304	879	-	625	1,159	1	-	1,783
Miscellaneous Transportation	39,319	4,450	2,753	-	41,016	7,346	3,956	-	44,406
Formative Assessment	13,259	46,204	46,823	-	12,640	37,309	43,447	-	6,502
15/16 High Ability Grant	6,984	-	6,984	-	-	-	-	-	-
16/17 High Ability Grant	-	41,080	41,080	-	-	-	-	-	-
17/18 High Ability Grant	-	-	-	-	-	41,582	35,423	-	6,159
2014 Secured Schools Safety	(50,000)	100,000	50,000	-	-	50,000	50,000	-	-
16/17 Non-English Speaking Programs	-	25,241	16,984	-	8,257	-	8,257	-	-
17/18 Non-English Speaking Programs	-	-	-	-	-	30,250	16,449	-	13,801
15/16 Non-English Speaking Program	21,586	-	21,586	-	-	-	-	-	-
School Technology	40,636	15,489	24,444	-	31,681	23,256	37,760	-	17,177
Career and Technical Performance Grant	-	28,241	22,976	-	5,265	26,798	21,315	-	10,748
16/17 Excellence In Performance	-	-	-	-	-	59,191	59,191	-	-
Digital Learning Grant FY18	-	-	-	-	-	-	47,490	-	(47,490)
15/16 Title I Fund	(37,853)	188,545	150,692	-	-	-	-	-	-
16/17 Title I Fund	-	410,996	458,496	-	(47,500)	167,168	119,668	-	-
16/17 Title I School Improvement	-	3,280	3,280	-	-	41,720	41,720	-	-
17/18 Title I Fund	-	-	-	-	-	313,572	360,864	-	(47,292)
17/18 Title I School Improvement	-	-	-	-	-	10,172	10,172	-	-
15/16 IDEA Part B (611) Cooperative	(78,039)	133,630	55,591	-	-	-	-	-	-
16/17 IDEA Part B (611) Cooperative	-	871,458	871,458	-	-	-	-	-	-
17/18 IDEA Part B (611) Cooperative	-	-	-	-	-	880,373	880,373	-	-
16/17 Preschool (619) Cooperative	-	22,413	22,413	-	-	-	-	-	-
17/18 Preschool (619) Cooperative	-	-	-	-	-	22,109	22,109	-	-
18/19 Title IV-A	-	-	-	-	-	34,627	39,095	-	(4,468)
14/16 Title II -A Fund	(4,613)	21,405	16,792	-	-	-	-	-	-
15/17 Title II -A Fund	-	72,306	94,952	-	(22,646)	33,840	11,194	-	-
16/18 Title II -A Fund	-	-	-	-	-	61,228	67,005	-	(5,777)
14/16 Title III English Proficiency	(7,962)	10,646	2,684	-	-	-	-	-	-
15/17 Title III English Proficiency	(1,161)	4,072	2,911	-	-	-	-	-	-
16/18 Title III English Proficiency	-	12,852	13,998	-	(1,146)	8,610	7,464	-	-
17/19 Title III English Proficiency	-	-	-	-	-	14,106	15,414	-	(1,308)
Payroll Deductions	67,677	6,164,970	6,158,471	-	74,176	6,204,321	6,203,670	-	74,827
Payroll Clearing Fund	-	17,009	17,009	-	-	19,129	19,129	-	-
Flex Clearing Fund	510	53,974	53,932	-	552	52,861	52,715	-	698
Totals	<u>\$ 19,065,145</u>	<u>\$ 50,892,652</u>	<u>\$ 49,606,156</u>	<u>\$ 38,670</u>	<u>\$ 20,390,311</u>	<u>\$ 49,950,451</u>	<u>\$ 51,911,088</u>	<u>\$ 2,014,582</u>	<u>\$ 20,444,256</u>

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

EAST NOBLE 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.

EAST NOBLE SCHOOL CORPORATION  
NOTES TO FINANCIAL STATEMENT  
(Continued)

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

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

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

**E. Disbursements**

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

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

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

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

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

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

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

**F. Other Financing Sources and Uses**

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

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

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

EAST NOBLE 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.

EAST NOBLE 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.

EAST NOBLE SCHOOL CORPORATION  
NOTES TO FINANCIAL STATEMENT  
(Continued)

*B. Teachers' Retirement Fund*

*Plan Description*

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

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

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

*Funding Policy and Annual Pension Cost*

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

**Note 7. Cash Balance Deficits**

The financial statement contains some funds with deficits in cash. This is a result of reimbursement grants that the School Corporation did not receive reimbursement for expenditures by June 30, 2017 and 2018.

**Note 8. Holding Corporation**

The School Corporation has entered into capital leases with East Noble 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 June 30, 2017 and 2018, totaled \$4,404,000 and \$2,725,000, respectively.

EAST NOBLE SCHOOL CORPORATION  
NOTES TO FINANCIAL STATEMENT  
(Continued)

**Note 9. Subsequent Events**

On July 31, 2018, the School Corporation issued general obligation bonds in the amount of \$4,150,000 for Avilla and South Side Roof and Mechanical Renovations.

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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.

EAST NOBLE 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	Capital Projects	School Transportation	School Bus Replacement	Rainy Day	Construction	School Lunch	Textbook Rental	Self-Insurance
Cash and investments - beginning	\$ 8,401,825	\$ 2,982,157	\$ 1,481,253	\$ 1,541,914	\$ 388,795	\$ 878,770	\$ 6,075	\$ 547,162	\$ 334,463	\$ 1,649,987
Receipts:										
Local sources	92,952	4,829,711	3,249,958	1,998,335	609,061	4,456	4	677,426	467,355	2,971,172
Intermediate sources	79	-	-	-	-	-	-	-	-	-
State sources	24,544,665	-	-	-	-	-	-	20,326	135,653	-
Federal sources	-	-	-	-	-	-	-	974,826	-	-
Other receipts	4,536	-	3,027	7,457	-	-	-	-	-	135,475
Total receipts	24,642,232	4,829,711	3,252,985	2,005,792	609,061	4,456	4	1,672,578	603,008	3,106,647
Disbursements:										
Instruction	17,870,378	-	-	-	-	-	-	-	-	-
Support services	5,455,263	-	2,091,433	1,920,576	511,147	-	-	-	349,407	-
Noninstructional services	424,572	-	-	-	-	-	-	1,358,662	-	-
Facilities acquisition and construction	-	-	924,618	-	-	-	6,079	89,195	-	-
Debt service	-	5,558,325	-	-	-	-	-	-	-	-
Nonprogrammed charges	-	-	-	-	-	-	-	-	-	3,024,471
Total disbursements	23,750,213	5,558,325	3,016,051	1,920,576	511,147	-	6,079	1,447,857	349,407	3,024,471
Excess (deficiency) of receipts over disbursements	892,019	(728,614)	236,934	85,216	97,914	4,456	(6,075)	224,721	253,601	82,176
Other financing sources (uses):										
Proceeds of long-term debt	-	-	-	-	-	-	-	-	-	-
Sale of capital assets	85	-	18,600	-	-	-	-	-	-	-
Transfers in	-	-	-	-	-	38,000	-	40,787	-	-
Transfers out	-	-	-	(38,000)	-	-	-	(49,619)	-	-
Total other financing sources (uses)	85	-	18,600	(38,000)	-	38,000	-	(8,832)	-	-
Excess (deficiency) of receipts and other financing sources over disbursements and other financing uses	892,104	(728,614)	255,534	47,216	97,914	42,456	(6,075)	215,889	253,601	82,176
Cash and investments - ending	\$ 9,293,929	\$ 2,253,543	\$ 1,736,787	\$ 1,589,130	\$ 486,709	\$ 921,226	\$ -	\$ 763,051	\$ 588,064	\$ 1,732,163

EAST NOBLE 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

	Educational License Plates	15/16 Alternative Education	16/17 Alternative Education	17/18 Alternative Education	15/16 Early Intervention Grant	16/17 Early Intervention Grant	17/18 Early Intervention Grant	2017 Lilly Counseling Grant	Gift/ Donation	ENHS Beautification Project
Cash and investments - beginning	\$ 422	\$ 17	\$ -	\$ -	\$ 35,157	\$ -	\$ -	\$ -	\$ 80,037	\$ 14,709
Receipts:										
Local sources	-	-	-	-	-	-	-	29,179	47,138	-
Intermediate sources	188	-	-	-	-	-	-	-	-	-
State sources	-	-	13,249	-	14,000	16,643	-	-	-	-
Federal sources	-	-	-	-	-	-	-	-	-	-
Other receipts	-	-	-	-	-	-	-	-	1,500	-
Total receipts	188	-	13,249	-	14,000	16,643	-	29,179	48,638	-
Disbursements:										
Instruction	-	17	13,249	-	-	-	-	-	22,994	-
Support services	545	-	-	-	44,582	14,865	-	23,710	11,546	-
Noninstructional services	-	-	-	-	-	-	-	-	7,601	176
Facilities acquisition and construction	-	-	-	-	-	-	-	-	-	-
Debt service	-	-	-	-	-	-	-	-	-	-
Nonprogrammed charges	-	-	-	-	-	-	-	-	-	-
Total disbursements	545	17	13,249	-	44,582	14,865	-	23,710	42,141	176
Excess (deficiency) of receipts over disbursements	(357)	(17)	-	-	(30,582)	1,778	-	5,469	6,497	(176)
Other financing sources (uses):										
Proceeds of long-term debt	-	-	-	-	-	-	-	-	-	-
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	(357)	(17)	-	-	(30,582)	1,778	-	5,469	6,497	(176)
Cash and investments - ending	\$ 65	\$ -	\$ -	\$ -	\$ 4,575	\$ 1,778	\$ -	\$ 5,469	\$ 86,534	\$ 14,533

EAST NOBLE 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

	Bosch Stem Grant	Bosch Foundation Grants	Ignite Kindergarten Grant	17/18 Bosch Foundation Grants	18/19 Bosch Foundation Grants	All Write Next Generation	Charter Counts Program	Sources of Strength Program	Dekko Community Preschool-NS	17/18 All Write Program
Cash and investments - beginning	\$ 7,726	\$ 15,795	\$ 5,000	\$ -	\$ -	\$ -	\$ 4,299	\$ -	\$ -	\$ -
Receipts:										
Local sources	-	-	-	13,769	-	100,000	-	-	-	22,000
Intermediate sources	-	-	-	-	-	-	-	-	-	-
State sources	-	-	-	-	-	-	-	-	-	-
Federal sources	-	-	-	-	-	-	-	-	-	-
Other receipts	-	-	-	-	-	-	-	-	-	-
Total receipts	-	-	-	13,769	-	100,000	-	-	-	22,000
Disbursements:										
Instruction	-	-	-	-	-	-	-	-	-	-
Support services	7,726	9,267	5,000	1,170	-	-	32	-	-	-
Noninstructional services	-	-	-	-	-	-	-	-	-	-
Facilities acquisition and construction	-	-	-	-	-	-	-	-	-	-
Debt service	-	-	-	-	-	-	-	-	-	-
Nonprogrammed charges	-	-	-	-	-	-	-	-	-	-
Total disbursements	7,726	9,267	5,000	1,170	-	-	32	-	-	-
Excess (deficiency) of receipts over disbursements	(7,726)	(9,267)	(5,000)	12,599	-	100,000	(32)	-	-	22,000
Other financing sources (uses):										
Proceeds of long-term debt	-	-	-	-	-	-	-	-	-	-
Sale of capital assets	-	-	-	-	-	-	-	-	-	-
Transfers in	-	-	-	-	-	-	-	-	-	-
Transfers out	-	-	-	-	-	-	-	-	-	-
Total other financing sources (uses)	-	-	-	-	-	-	-	-	-	-
Excess (deficiency) of receipts and other financing sources over disbursements and other financing uses	(7,726)	(9,267)	(5,000)	12,599	-	100,000	(32)	-	-	22,000
Cash and investments - ending	\$ -	\$ 6,528	\$ -	\$ 12,599	\$ -	\$ 100,000	\$ 4,267	\$ -	\$ -	\$ 22,000

EAST NOBLE SCHOOL CORPORATION  
 COMBINING SCHEDULE OF RECEIPTS, DISBURSEMENTS,  
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 For the Year Ended June 30, 2017

	All Write Summer Institute	15/16 All Write Program	2016 All Write Summer Institute	16/17 All Write Program	2017 All Write Summer Institute	Student Computer Fund	Staff Computer Fund	Wayne Center G.O. Bonds	ENHS G.O. Bond of 2015	ENMS Project G.O. Bond of 2016
Cash and investments - beginning	\$ -	\$ 47,737	\$ 6,648	\$ 38,000	\$ -	\$ 317,023	\$ -	\$ 3,099	\$ 205,896	\$ (43,284)
Receipts:										
Local sources	-	-	15,525	53,090	39,067	176,393	-	3	-	1,301,786
Intermediate sources	-	-	-	-	-	-	-	-	-	-
State sources	-	-	-	-	-	-	-	-	-	-
Federal sources	-	-	-	-	-	-	-	-	-	-
Other receipts	-	-	-	-	-	-	-	-	-	-
Total receipts	-	-	15,525	53,090	39,067	176,393	-	3	-	1,301,786
Disbursements:										
Instruction	-	-	-	-	-	-	-	-	-	-
Support services	-	19,592	9,200	92,991	20,333	47,353	-	-	-	-
Noninstructional services	-	-	-	-	-	-	-	-	-	-
Facilities acquisition and construction	-	-	-	-	-	-	-	2,138	188,227	1,258,502
Debt service	-	-	-	-	-	-	-	-	-	-
Nonprogrammed charges	-	-	-	-	-	-	-	-	-	-
Total disbursements	-	19,592	9,200	92,991	20,333	47,353	-	2,138	188,227	1,258,502
Excess (deficiency) of receipts over disbursements	-	(19,592)	6,325	(39,901)	18,734	129,040	-	(2,135)	(188,227)	43,284
Other financing sources (uses):										
Proceeds of long-term debt	-	-	-	-	-	-	-	-	-	-
Sale of capital assets	-	-	-	-	-	-	-	-	-	-
Transfers in	-	-	-	41,118	-	-	-	-	-	-
Transfers out	-	(28,145)	(12,973)	-	-	-	-	-	-	-
Total other financing sources (uses)	-	(28,145)	(12,973)	41,118	-	-	-	-	-	-
Excess (deficiency) of receipts and other financing sources over disbursements and other financing uses	-	(47,737)	(6,648)	1,217	18,734	129,040	-	(2,135)	(188,227)	43,284
Cash and investments - ending	\$ -	\$ -	\$ -	\$ 39,217	\$ 18,734	\$ 446,063	\$ -	\$ 964	\$ 17,669	\$ -

EAST NOBLE SCHOOL CORPORATION  
 COMBINING SCHEDULE OF RECEIPTS, DISBURSEMENTS,  
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 For the Year Ended June 30, 2017

	ENHS G.O. Bond of 2017	AV/SSES G.O. Bond of 2018	In/Out Clearing	School Lunch Trust	Miscellaneous Cafeteria	Miscellaneous Transportation	Formative Assessment	15/16 High Ability Grant	16/17 High Ability Grant	17/18 High Ability Grant
Cash and investments - beginning	\$ -	\$ -	\$ 76,488	\$ 26,432	\$ 1,200	\$ 39,319	\$ 13,259	\$ 6,984	\$ -	\$ -
Receipts:										
Local sources	-	-	69,456	-	304	4,450	-	-	-	-
Intermediate sources	-	-	-	-	-	-	-	-	-	-
State sources	-	-	-	-	-	-	46,204	-	41,080	-
Federal sources	-	-	-	-	-	-	-	-	-	-
Other receipts	-	-	4,558	69	-	-	-	-	-	-
Total receipts	-	-	74,014	69	304	4,450	46,204	-	41,080	-
Disbursements:										
Instruction	-	-	8,531	-	-	-	46,823	6,984	41,080	-
Support services	-	-	53,275	2,159	879	2,753	-	-	-	-
Noninstructional services	-	-	-	-	-	-	-	-	-	-
Facilities acquisition and construction	61	-	-	-	-	-	-	-	-	-
Debt service	-	-	-	-	-	-	-	-	-	-
Nonprogrammed charges	-	-	-	-	-	-	-	-	-	-
Total disbursements	61	-	61,806	2,159	879	2,753	46,823	6,984	41,080	-
Excess (deficiency) of receipts over disbursements	(61)	-	12,208	(2,090)	(575)	1,697	(619)	(6,984)	-	-
Other financing sources (uses):										
Proceeds of long-term debt	19,985	-	-	-	-	-	-	-	-	-
Sale of capital assets	-	-	-	-	-	-	-	-	-	-
Transfers in	-	-	-	49,619	-	-	-	-	-	-
Transfers out	-	-	-	(40,787)	-	-	-	-	-	-
Total other financing sources (uses)	19,985	-	-	8,832	-	-	-	-	-	-
Excess (deficiency) of receipts and other financing sources over disbursements and other financing uses	19,924	-	12,208	6,742	(575)	1,697	(619)	(6,984)	-	-
Cash and investments - ending	\$ 19,924	\$ -	\$ 88,696	\$ 33,174	\$ 625	\$ 41,016	\$ 12,640	\$ -	\$ -	\$ -

EAST NOBLE SCHOOL CORPORATION  
 COMBINING SCHEDULE OF RECEIPTS, DISBURSEMENTS,  
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	2014 Secured Schools Safety	16/17 Non-English Speaking Programs	17/18 Non-English Speaking Programs	15/16 Non-English Speaking Program	School Technology	Career and Technical Performance Grant	16/17 Excellence In Performance	Digital Learning Grant FY18	15/16 Title I Fund	16/17 Title I Fund
Cash and investments - beginning	\$ (50,000)	\$ -	\$ -	\$ 21,586	\$ 40,636	\$ -	\$ -	\$ -	\$ (37,853)	\$ -
Receipts:										
Local sources	-	-	-	-	7,021	-	-	-	-	-
Intermediate sources	-	-	-	-	-	-	-	-	-	-
State sources	100,000	25,241	-	-	8,468	8,702	-	-	-	-
Federal sources	-	-	-	-	-	19,539	-	-	188,545	410,996
Other receipts	-	-	-	-	-	-	-	-	-	-
Total receipts	100,000	25,241	-	-	15,489	28,241	-	-	188,545	410,996
Disbursements:										
Instruction	-	16,984	-	21,586	-	22,976	-	-	105,215	344,899
Support services	50,000	-	-	-	24,444	-	-	-	38,800	109,098
Noninstructional services	-	-	-	-	-	-	-	-	6,677	4,499
Facilities acquisition and construction	-	-	-	-	-	-	-	-	-	-
Debt service	-	-	-	-	-	-	-	-	-	-
Nonprogrammed charges	-	-	-	-	-	-	-	-	-	-
Total disbursements	50,000	16,984	-	21,586	24,444	22,976	-	-	150,692	458,496
Excess (deficiency) of receipts over disbursements	50,000	8,257	-	(21,586)	(8,955)	5,265	-	-	37,853	(47,500)
Other financing sources (uses):										
Proceeds of long-term debt	-	-	-	-	-	-	-	-	-	-
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	50,000	8,257	-	(21,586)	(8,955)	5,265	-	-	37,853	(47,500)
Cash and investments - ending	\$ -	\$ 8,257	\$ -	\$ -	\$ 31,681	\$ 5,265	\$ -	\$ -	\$ -	\$ (47,500)

EAST NOBLE SCHOOL CORPORATION  
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	16/17 Title I School Improvement	17/18 Title I Fund	17/18 Title I School Improvement	15/16 IDEA Part B (611) Cooperative	16/17 IDEA Part B (611) Cooperative	17/18 IDEA Part B (611) Cooperative	16/17 Preschool (619) Cooperative	17/18 Preschool (619) Cooperative	18/19 Title IV-A	14/16 Title II -A Fund
Cash and investments - beginning	\$ -	\$ -	\$ -	\$ (78,039)	\$ -	\$ -	\$ -	\$ -	\$ -	\$ (4,613)
Receipts:										
Local sources	-	-	-	-	-	-	-	-	-	-
Intermediate sources	-	-	-	-	-	-	-	-	-	-
State sources	-	-	-	-	-	-	-	-	-	-
Federal sources	3,280	-	-	133,630	871,458	-	22,413	-	-	21,405
Other receipts	-	-	-	-	-	-	-	-	-	-
Total receipts	<u>3,280</u>	<u>-</u>	<u>-</u>	<u>133,630</u>	<u>871,458</u>	<u>-</u>	<u>22,413</u>	<u>-</u>	<u>-</u>	<u>21,405</u>
Disbursements:										
Instruction	3,280	-	-	55,591	871,458	-	22,413	-	-	-
Support services	-	-	-	-	-	-	-	-	-	16,792
Noninstructional services	-	-	-	-	-	-	-	-	-	-
Facilities acquisition and construction	-	-	-	-	-	-	-	-	-	-
Debt service	-	-	-	-	-	-	-	-	-	-
Nonprogrammed charges	-	-	-	-	-	-	-	-	-	-
Total disbursements	<u>3,280</u>	<u>-</u>	<u>-</u>	<u>55,591</u>	<u>871,458</u>	<u>-</u>	<u>22,413</u>	<u>-</u>	<u>-</u>	<u>16,792</u>
Excess (deficiency) of receipts over disbursements	-	-	-	78,039	-	-	-	-	-	4,613
Other financing sources (uses):										
Proceeds of long-term debt	-	-	-	-	-	-	-	-	-	-
Sale of capital assets	-	-	-	-	-	-	-	-	-	-
Transfers in	-	-	-	-	-	-	-	-	-	-
Transfers out	-	-	-	-	-	-	-	-	-	-
Total other financing sources (uses)	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Excess (deficiency) of receipts and other financing sources over disbursements and other financing uses	-	-	-	78,039	-	-	-	-	-	4,613
Cash and investments - ending	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -

EAST NOBLE SCHOOL CORPORATION  
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 OTHER FINANCING SOURCES (USES), AND CASH AND  
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	15/17 Title II -A Fund	16/18 Title II -A Fund	14/16 Title III English Proficiency	15/17 Title III English Proficiency	16/18 Title III English Proficiency	17/19 Title III English Proficiency	Payroll Deductions	Payroll Clearing Fund	Flex Clearing Fund	Totals
Cash and investments - beginning	\$ -	\$ -	\$ (7,962)	\$ (1,161)	\$ -	\$ -	\$ 67,677	\$ -	\$ 510	\$ 19,065,145
Receipts:										
Local sources	-	-	-	-	-	-	-	-	-	16,779,611
Intermediate sources	-	-	-	-	-	-	-	-	-	267
State sources	-	-	-	-	-	-	-	-	-	24,974,231
Federal sources	72,306	-	10,646	4,072	12,852	-	-	-	-	2,745,968
Other receipts	-	-	-	-	-	-	6,164,970	17,009	53,974	6,392,575
Total receipts	72,306	-	10,646	4,072	12,852	-	6,164,970	17,009	53,974	50,892,652
Disbursements:										
Instruction	-	-	2,684	2,911	13,998	-	-	-	-	19,494,051
Support services	94,952	-	-	-	-	-	-	-	-	11,028,890
Noninstructional services	-	-	-	-	-	-	-	-	-	1,802,187
Facilities acquisition and construction	-	-	-	-	-	-	-	-	-	2,468,820
Debt service	-	-	-	-	-	-	-	-	-	5,558,325
Nonprogrammed charges	-	-	-	-	-	-	6,158,471	17,009	53,932	9,253,883
Total disbursements	94,952	-	2,684	2,911	13,998	-	6,158,471	17,009	53,932	49,606,156
Excess (deficiency) of receipts over disbursements	(22,646)	-	7,962	1,161	(1,146)	-	6,499	-	42	1,286,496
Other financing sources (uses):										
Proceeds of long-term debt	-	-	-	-	-	-	-	-	-	19,985
Sale of capital assets	-	-	-	-	-	-	-	-	-	18,685
Transfers in	-	-	-	-	-	-	-	-	-	169,524
Transfers out	-	-	-	-	-	-	-	-	-	(169,524)
Total other financing sources (uses)	-	-	-	-	-	-	-	-	-	38,670
Excess (deficiency) of receipts and other financing sources over disbursements and other financing uses	(22,646)	-	7,962	1,161	(1,146)	-	6,499	-	42	1,325,166
Cash and investments - ending	\$ (22,646)	\$ -	\$ -	\$ -	\$ (1,146)	\$ -	\$ 74,176	\$ -	\$ 552	\$ 20,390,311

EAST NOBLE SCHOOL CORPORATION  
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	General	Debt Service	Capital Projects	School Transportation	School Bus Replacement	Rainy Day	Construction	School Lunch	Textbook Rental	Self-Insurance
Cash and investments - beginning	\$ 9,293,929	\$ 2,253,543	\$ 1,736,787	\$ 1,589,130	\$ 486,709	\$ 921,226	\$ -	\$ 763,051	\$ 588,064	\$ 1,732,163
Receipts:										
Local sources	165,112	4,302,157	3,372,837	2,140,653	650,263	13,095	-	281,775	412,775	2,812,524
Intermediate sources	85	-	-	-	-	-	-	-	-	-
State sources	24,565,971	-	-	-	-	-	-	20,381	131,972	-
Federal sources	-	-	-	-	-	-	-	969,326	-	-
Other receipts	2,526	-	4,202	2,768	-	-	-	-	-	100,506
Total receipts	24,733,694	4,302,157	3,377,039	2,143,421	650,263	13,095	-	1,271,482	544,747	2,913,030
Disbursements:										
Instruction	17,442,872	-	-	-	-	-	-	-	-	-
Support services	6,165,875	-	2,333,069	1,878,261	480,094	-	-	-	228,573	-
Noninstructional services	407,598	-	-	-	-	-	-	1,319,125	-	-
Facilities acquisition and construction	-	-	1,066,440	-	-	-	-	59,614	-	-
Debt service	-	5,305,215	-	-	-	-	-	-	-	-
Nonprogrammed charges	-	-	-	-	-	-	-	-	-	3,052,973
Total disbursements	24,016,345	5,305,215	3,399,509	1,878,261	480,094	-	-	1,378,739	228,573	3,052,973
Excess (deficiency) of receipts over disbursements	717,349	(1,003,058)	(22,470)	265,160	170,169	13,095	-	(107,257)	316,174	(139,943)
Other financing sources (uses):										
Proceeds of long-term debt	-	26,537	-	-	-	-	-	-	-	-
Sale of capital assets	60	-	8,000	-	-	-	-	-	-	-
Transfers in	-	-	-	-	-	235,000	-	334,418	-	-
Transfers out	(40,000)	-	(65,000)	(73,000)	(57,000)	-	-	(33,380)	-	-
Total other financing sources (uses)	(39,940)	26,537	(57,000)	(73,000)	(57,000)	235,000	-	301,038	-	-
Excess (deficiency) of receipts and other financing sources over disbursements and other financing uses	677,409	(976,521)	(79,470)	192,160	113,169	248,095	-	193,781	316,174	(139,943)
Cash and investments - ending	\$ 9,971,338	\$ 1,277,022	\$ 1,657,317	\$ 1,781,290	\$ 599,878	\$ 1,169,321	\$ -	\$ 956,832	\$ 904,238	\$ 1,592,220

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	Educational License Plates	15/16 Alternative Education	16/17 Alternative Education	17/18 Alternative Education	15/16 Early Intervention Grant	16/17 Early Intervention Grant	17/18 Early Intervention Grant	2017 Lilly Counseling Grant	Gift/ Donation	ENHS Beautification Project
Cash and investments - beginning	\$ 65	\$ -	\$ -	\$ -	\$ 4,575	\$ 1,778	\$ -	\$ 5,469	\$ 86,534	\$ 14,533
Receipts:										
Local sources	-	-	-	-	-	-	-	-	37,946	600
Intermediate sources	188	-	-	-	-	-	-	-	-	-
State sources	-	-	-	15,118	-	-	16,770	-	-	-
Federal sources	-	-	-	-	-	-	-	-	-	-
Other receipts	-	-	-	-	-	-	-	-	1,917	-
Total receipts	188	-	-	15,118	-	-	16,770	-	39,863	600
Disbursements:										
Instruction	-	-	-	12,287	-	-	-	-	21,645	-
Support services	-	-	-	-	4,575	1,778	16,193	5,397	11,503	-
Noninstructional services	-	-	-	-	-	-	-	-	3,900	817
Facilities acquisition and construction	-	-	-	-	-	-	-	-	7,762	-
Debt service	-	-	-	-	-	-	-	-	-	-
Nonprogrammed charges	-	-	-	-	-	-	-	-	-	-
Total disbursements	-	-	-	12,287	4,575	1,778	16,193	5,397	44,810	817
Excess (deficiency) of receipts over disbursements	188	-	-	2,831	(4,575)	(1,778)	577	(5,397)	(4,947)	(217)
Other financing sources (uses):										
Proceeds of long-term debt	-	-	-	-	-	-	-	-	-	-
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	188	-	-	2,831	(4,575)	(1,778)	577	(5,397)	(4,947)	(217)
Cash and investments - ending	\$ 253	\$ -	\$ -	\$ 2,831	\$ -	\$ -	\$ 577	\$ 72	\$ 81,587	\$ 14,316

EAST NOBLE SCHOOL CORPORATION  
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	Bosch Stem Grant	Bosch Foundation Grants	Ignite Kindergarten Grant	17/18 Bosch Foundation Grants	18/19 Bosch Foundation Grants	All Write Next Generation	Charter Counts Program	Sources of Strength Program	Dekko Community Preschool-NS	17/18 All Write Program
Cash and investments - beginning	\$ -	\$ 6,528	\$ -	\$ 12,599	\$ -	\$ 100,000	\$ 4,267	\$ -	\$ -	\$ 22,000
Receipts:										
Local sources	-	-	-	-	17,246	-	-	1,000	60,000	66,785
Intermediate sources	-	-	-	-	-	-	-	-	-	-
State sources	-	-	-	-	-	-	-	-	-	-
Federal sources	-	-	-	-	-	-	-	-	-	-
Other receipts	-	-	-	-	-	-	-	-	-	-
Total receipts	-	-	-	-	17,246	-	-	1,000	60,000	66,785
Disbursements:										
Instruction	-	3,056	-	-	-	-	-	-	-	-
Support services	-	983	-	10,780	-	100,000	674	3,081	-	129,697
Noninstructional services	-	-	-	-	-	-	-	-	-	-
Facilities acquisition and construction	-	-	-	-	-	-	-	-	-	-
Debt service	-	-	-	-	-	-	-	-	-	-
Nonprogrammed charges	-	-	-	-	-	-	-	-	-	-
Total disbursements	-	4,039	-	10,780	-	100,000	674	3,081	-	129,697
Excess (deficiency) of receipts over disbursements	-	(4,039)	-	(10,780)	17,246	(100,000)	(674)	(2,081)	60,000	(62,912)
Other financing sources (uses):										
Proceeds of long-term debt	-	-	-	-	-	-	-	-	-	-
Sale of capital assets	-	-	-	-	-	-	-	-	-	-
Transfers in	-	-	-	-	-	-	-	-	-	40,912
Transfers out	-	-	-	-	-	-	-	-	-	-
Total other financing sources (uses)	-	-	-	-	-	-	-	-	-	40,912
Excess (deficiency) of receipts and other financing sources over disbursements and other financing uses	-	(4,039)	-	(10,780)	17,246	(100,000)	(674)	(2,081)	60,000	(22,000)
Cash and investments - ending	\$ -	\$ 2,489	\$ -	\$ 1,819	\$ 17,246	\$ -	\$ 3,593	\$ (2,081)	\$ 60,000	\$ -

EAST NOBLE SCHOOL CORPORATION  
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	All Write Summer Institute	15/16 All Write Program	2016 All Write Summer Institute	16/17 All Write Program	2017 All Write Summer Institute	Student Computer Fund	Staff Computer Fund	Wayne Center G.O. Bonds	ENHS G.O. Bond of 2015	ENMS Project G.O. Bond of 2016
Cash and investments - beginning	\$ -	\$ -	\$ -	\$ 39,217	\$ 18,734	\$ 446,063	\$ -	\$ 964	\$ 17,669	\$ -
Receipts:										
Local sources	27,080	-	-	-	10,085	222,500	20,165	1	-	-
Intermediate sources	-	-	-	-	-	-	-	-	-	-
State sources	-	-	-	-	-	-	-	-	-	-
Federal sources	-	-	-	-	-	-	-	-	-	-
Other receipts	-	-	-	-	-	8	-	-	-	-
Total receipts	27,080	-	-	-	10,085	222,508	20,165	1	-	-
Disbursements:										
Instruction	-	-	-	-	-	-	-	-	-	-
Support services	28,294	-	-	17,956	9,168	33,270	-	-	-	-
Noninstructional services	-	-	-	-	-	-	-	-	-	-
Facilities acquisition and construction	-	-	-	-	-	-	-	965	17,388	-
Debt service	-	-	-	-	-	-	-	-	-	-
Nonprogrammed charges	-	-	-	-	-	-	-	-	-	-
Total disbursements	28,294	-	-	17,956	9,168	33,270	-	965	17,388	-
Excess (deficiency) of receipts over disbursements	(1,214)	-	-	(17,956)	917	189,238	20,165	(964)	(17,388)	-
Other financing sources (uses):										
Proceeds of long-term debt	-	-	-	-	-	-	-	-	-	-
Sale of capital assets	-	-	-	-	-	-	-	-	-	-
Transfers in	-	-	-	-	-	-	-	-	-	-
Transfers out	-	-	-	(21,261)	(19,651)	-	-	-	-	-
Total other financing sources (uses)	-	-	-	(21,261)	(19,651)	-	-	-	-	-
Excess (deficiency) of receipts and other financing sources over disbursements and other financing uses	(1,214)	-	-	(39,217)	(18,734)	189,238	20,165	(964)	(17,388)	-
Cash and investments - ending	\$ (1,214)	\$ -	\$ -	\$ -	\$ -	\$ 635,301	\$ 20,165	\$ -	\$ 281	\$ -

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	ENHS G.O. Bond of 2017	AV/SSES G.O. Bond of 2018	In/Out Clearing	School Lunch Trust	Miscellaneous Cafeteria	Miscellaneous Transportation	Formative Assessment	15/16 High Ability Grant	16/17 High Ability Grant	17/18 High Ability Grant
Cash and investments - beginning	\$ 19,924	\$ -	\$ 88,696	\$ 33,174	\$ 625	\$ 41,016	\$ 12,640	\$ -	\$ -	\$ -
Receipts:										
Local sources	-	-	1,003,599	353,584	1,159	7,346	-	-	-	-
Intermediate sources	-	-	-	-	-	-	-	-	-	-
State sources	-	-	-	-	-	-	37,309	-	-	41,582
Federal sources	-	-	-	-	-	-	-	-	-	-
Other receipts	-	-	6,204	-	-	-	-	-	-	-
Total receipts	-	-	1,009,803	353,584	1,159	7,346	37,309	-	-	41,582
Disbursements:										
Instruction	-	-	691,198	-	-	-	43,447	-	-	35,423
Support services	-	-	184,534	1,614	1	3,956	-	-	-	-
Noninstructional services	-	-	-	-	-	-	-	-	-	-
Facilities acquisition and construction	1,981,360	506,305	191,318	-	-	-	-	-	-	-
Debt service	-	-	-	-	-	-	-	-	-	-
Nonprogrammed charges	-	-	-	-	-	-	-	-	-	-
Total disbursements	1,981,360	506,305	1,067,050	1,614	1	3,956	43,447	-	-	35,423
Excess (deficiency) of receipts over disbursements	(1,981,360)	(506,305)	(57,247)	351,970	1,158	3,390	(6,138)	-	-	6,159
Other financing sources (uses):										
Proceeds of long-term debt	1,979,985	-	-	-	-	-	-	-	-	-
Sale of capital assets	-	-	-	-	-	-	-	-	-	-
Transfers in	-	-	-	33,380	-	-	-	-	-	-
Transfers out	-	-	-	(334,418)	-	-	-	-	-	-
Total other financing sources (uses)	1,979,985	-	-	(301,038)	-	-	-	-	-	-
Excess (deficiency) of receipts and other financing sources over disbursements and other financing uses	(1,375)	(506,305)	(57,247)	50,932	1,158	3,390	(6,138)	-	-	6,159
Cash and investments - ending	\$ 18,549	\$ (506,305)	\$ 31,449	\$ 84,106	\$ 1,783	\$ 44,406	\$ 6,502	\$ -	\$ -	\$ 6,159

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	2014 Secured Schools Safety	16/17 Non-English Speaking Programs	17/18 Non-English Speaking Programs	15/16 Non-English Speaking Program	School Technology	Career and Technical Performance Grant	16/17 Excellence In Performance	Digital Learning Grant FY18	15/16 Title I Fund	16/17 Title I Fund
Cash and investments - beginning	\$ -	\$ 8,257	\$ -	\$ -	\$ 31,681	\$ 5,265	\$ -	\$ -	\$ -	\$ (47,500)
Receipts:										
Local sources	-	-	-	-	12,246	-	-	-	-	-
Intermediate sources	-	-	-	-	-	-	-	-	-	-
State sources	50,000	-	30,250	-	11,010	26,798	59,191	-	-	-
Federal sources	-	-	-	-	-	-	-	-	-	167,168
Other receipts	-	-	-	-	-	-	-	-	-	-
Total receipts	50,000	-	30,250	-	23,256	26,798	59,191	-	-	167,168
Disbursements:										
Instruction	-	8,257	16,449	-	-	21,315	59,191	47,490	-	91,520
Support services	-	-	-	-	37,760	-	-	-	-	27,510
Noninstructional services	-	-	-	-	-	-	-	-	-	638
Facilities acquisition and construction	50,000	-	-	-	-	-	-	-	-	-
Debt service	-	-	-	-	-	-	-	-	-	-
Nonprogrammed charges	-	-	-	-	-	-	-	-	-	-
Total disbursements	50,000	8,257	16,449	-	37,760	21,315	59,191	47,490	-	119,668
Excess (deficiency) of receipts over disbursements	-	(8,257)	13,801	-	(14,504)	5,483	-	(47,490)	-	47,500
Other financing sources (uses):										
Proceeds of long-term debt	-	-	-	-	-	-	-	-	-	-
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	-	(8,257)	13,801	-	(14,504)	5,483	-	(47,490)	-	47,500
Cash and investments - ending	\$ -	\$ -	\$ 13,801	\$ -	\$ 17,177	\$ 10,748	\$ -	\$ (47,490)	\$ -	\$ -

EAST NOBLE SCHOOL CORPORATION  
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	16/17 Title I School Improvement	17/18 Title I Fund	17/18 Title I School Improvement	15/16 IDEA Part B (611) Cooperative	16/17 IDEA Part B (611) Cooperative	17/18 IDEA Part B (611) Cooperative	16/17 Preschool (619) Cooperative	17/18 Preschool (619) Cooperative	18/19 Title IV-A	14/16 Title II -A Fund
Cash and investments - beginning	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Receipts:										
Local sources	-	-	-	-	-	-	-	-	-	-
Intermediate sources	-	-	-	-	-	-	-	-	-	-
State sources	-	-	-	-	-	-	-	-	-	-
Federal sources	41,720	313,572	10,172	-	-	880,373	-	22,109	34,627	-
Other receipts	-	-	-	-	-	-	-	-	-	-
Total receipts	41,720	313,572	10,172	-	-	880,373	-	22,109	34,627	-
Disbursements:										
Instruction	-	252,608	10,172	-	-	880,373	-	22,109	-	-
Support services	41,720	108,256	-	-	-	-	-	-	39,095	-
Noninstructional services	-	-	-	-	-	-	-	-	-	-
Facilities acquisition and construction	-	-	-	-	-	-	-	-	-	-
Debt service	-	-	-	-	-	-	-	-	-	-
Nonprogrammed charges	-	-	-	-	-	-	-	-	-	-
Total disbursements	41,720	360,864	10,172	-	-	880,373	-	22,109	39,095	-
Excess (deficiency) of receipts over disbursements	-	(47,292)	-	-	-	-	-	-	(4,468)	-
Other financing sources (uses):										
Proceeds of long-term debt	-	-	-	-	-	-	-	-	-	-
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	-	(47,292)	-	-	-	-	-	-	(4,468)	-
Cash and investments - ending	\$ -	\$ (47,292)	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ (4,468)	\$ -

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 For the Year Ended June 30, 2018

	15/17 Title II -A Fund	16/18 Title II -A Fund	14/16 Title III English Proficiency	15/17 Title III English Proficiency	16/18 Title III English Proficiency	17/19 Title III English Proficiency	Payroll Deductions	Payroll Clearing Fund	Flex Clearing Fund	Totals
Cash and investments - beginning	\$ (22,646)	\$ -	\$ -	\$ -	\$ (1,146)	\$ -	\$ 74,176	\$ -	\$ 552	\$ 20,390,311
Receipts:										
Local sources	-	-	-	-	-	-	-	-	-	15,992,533
Intermediate sources	-	-	-	-	-	-	-	-	-	273
State sources	-	-	-	-	-	-	-	-	-	25,006,352
Federal sources	33,840	61,228	-	-	8,610	14,106	-	-	-	2,556,851
Other receipts	-	-	-	-	-	-	6,204,321	19,129	52,861	6,394,442
Total receipts	33,840	61,228	-	-	8,610	14,106	6,204,321	19,129	52,861	49,950,451
Disbursements:										
Instruction	-	-	-	-	7,464	15,414	-	-	-	19,682,290
Support services	11,194	67,005	-	-	-	-	-	-	-	11,981,866
Noninstructional services	-	-	-	-	-	-	-	-	-	1,732,078
Facilities acquisition and construction	-	-	-	-	-	-	-	-	-	3,881,152
Debt service	-	-	-	-	-	-	-	-	-	5,305,215
Nonprogrammed charges	-	-	-	-	-	-	6,203,670	19,129	52,715	9,328,487
Total disbursements	11,194	67,005	-	-	7,464	15,414	6,203,670	19,129	52,715	51,911,088
Excess (deficiency) of receipts over disbursements	22,646	(5,777)	-	-	1,146	(1,308)	651	-	146	(1,960,637)
Other financing sources (uses):										
Proceeds of long-term debt	-	-	-	-	-	-	-	-	-	2,006,522
Sale of capital assets	-	-	-	-	-	-	-	-	-	8,060
Transfers in	-	-	-	-	-	-	-	-	-	643,710
Transfers out	-	-	-	-	-	-	-	-	-	(643,710)
Total other financing sources (uses)	-	-	-	-	-	-	-	-	-	2,014,582
Excess (deficiency) of receipts and other financing sources over disbursements and other financing uses	22,646	(5,777)	-	-	1,146	(1,308)	651	-	146	53,945
Cash and investments - ending	\$ -	\$ (5,777)	\$ -	\$ -	\$ -	\$ (1,308)	\$ 74,827	\$ -	\$ 698	\$ 20,444,256

EAST NOBLE SCHOOL CORPORATION  
SCHEDULE OF LEASES AND DEBT  
June 30, 2018

Lessor	Purpose	Annual Lease Payment	Lease Beginning Date	Lease Ending Date
Governmental activities:				
East Noble School Building Corporation	East Noble Middle School, Series 2016	\$ 859,981	09/13/2016	01/15/2034
East Noble School Building Corporation	ENHS	404,000	07/15/2004	12/31/2018
East Noble School Building Corporation	North Side Elementary	527,500	01/15/2005	12/31/2018
Sun Trust #8	Laptops for 1-1	<u>17,700</u>	07/25/2014	07/25/2018
Total of annual lease payments		<u>\$ 1,809,181</u>		

Type	Description of Debt Purpose	Ending Principal Balance	Principal and Interest Due Within One Year
Governmental activities:			
General Obligation Bonds	AV/SS Roof and HVAC improvements 2018	\$ 4,150,000	\$ 583,217
General Obligation Bonds	ENHS Mechanical Upgrade 2015	1,390,000	944,836
General Obligation Bonds	ENHS Roof and other Improvements 2017	1,015,000	1,027,688
General Obligation Bonds	QZAB 2011 Rome City	<u>1,940,000</u>	<u>980,000</u>
Totals		<u>\$ 8,495,000</u>	<u>\$ 3,535,741</u>

EAST NOBLE 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	\$ 3,018,641
Buildings	78,861,308
Improvements other than buildings	4,530,413
Machinery, equipment, and vehicles	8,072,413
Construction in progress	<u>37,100,000</u>
Total capital assets	<u>\$ 131,582,775</u>

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SUPPLEMENTAL AUDIT OF  
FEDERAL AWARDS



**STATE OF INDIANA**  
AN EQUAL OPPORTUNITY EMPLOYER

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

TO: THE OFFICIALS OF THE EAST NOBLE SCHOOL CORPORATION, NOBLE COUNTY, INDIANA

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

We have audited the East Noble 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.

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

***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.

***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 2018-002, 2018,-003, and 2018-004. 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 2018-001, 2018-002, 2018-003, and 2018-004, 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 10, 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.

EAST NOBLE 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	\$ - -	\$ 139,954 -	\$ - -	\$ - 148,950
Total - School Breakfast Program				-	139,954	-	148,950
National School Lunch Program	Indiana Department of Education	10.555	FY 16-17 FY 17-18	- -	831,026 -	- -	- 816,455
Commodities			FY 16-17 FY 17-18	- -	165,333 -	- -	- 149,043
Total - National School Lunch Program				-	996,359	-	965,498
Summer Food Service Program for Children	Indiana Department of Education	10.559	FY 16-17 FY 17-18	- -	3,846 -	- -	- 3,921
Total - Summer Food Service Program for Children				-	3,846	-	3,921
Total - Child Nutrition Cluster				-	1,140,159	-	1,118,369
Total - Department of Agriculture				-	1,140,159	-	1,118,369
<u>Department of Education</u>							
Special Education Cluster (IDEA)							
Special Education Grants to States	Indiana Department of Education	84.027	14216-044-PN01 14217-044-PN01 18611-044-PN01	- - -	133,630 871,458 -	- - -	- - 880,373
Total - Special Education Grants to States				-	1,005,088	-	880,373
Special Education Preschool Grants	Indiana Department of Education	84.173	45717-044-PN01 18619-044-PN01	- -	22,413 -	- -	- 22,109
Total - Special Education Preschool Grants				-	22,413	-	22,109
Total - Special Education Cluster (IDEA)				-	1,027,501	-	902,482

EAST NOBLE 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
Title I Grants to Local Educational Agencies Basic Title I, Part A	Indiana Department of Education	84.010	16-6060	-	188,545	-	-
			17-6060	-	410,996	-	167,168
			18-6060	-	-	-	313,572
Title I 1003 (a) School Improvement Grant			S010A160014	-	3,280	-	41,720
			S010A170014	-	-	-	10,172
Total - Title I Grants to Local Educational Agencies				-	602,821	-	532,632
English Language Acquisition State Grants	Indiana Department of Education	84.365	01115-078-PNO1	-	10,646	-	-
			01116-078-PNO1	-	4,072	-	-
			01117-079-PNO1	-	12,852	-	8,610
			01118-074-PNO1	-	-	-	14,106
Total - English Language Acquisition State Grants				-	27,570	-	22,716
Supporting Effective Instruction State Grants	Indiana Department of Education	84.367	14-6060	-	21,405	-	-
			5367A150015	-	72,306	-	-
			5367A150015	-	-	-	33,839
			S367A160013	-	-	-	61,228
Total - Supporting Effective Instruction State Grants				-	93,711	-	95,067
Student Support and Academic Enrichment Program	Indiana Department of Education	84.424	S424A170015	-	-	-	34,627
Total - Department of Education				-	1,751,603	-	1,587,524
Total federal awards expended				\$ -	\$ 2,891,762	\$ -	\$ 2,705,893

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

EAST NOBLE 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 Northeast Indiana Special Education Cooperative (Cooperative). As a result, some activity for the Special Education Cluster (IDEA) that is presented on the SEFA is not presented as receipts and disbursements in the financial statement for the School Corporation. This activity is reported on the financial statement of the Cooperative.

EAST NOBLE 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 weakness identified?	no
Significant deficiency identified?	none reported
Noncompliance material to financial statement noted?	no

Federal Awards:

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

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

<u>Name of Federal Program or Cluster</u>	<u>Opinion Issued</u>
Child Nutrition Cluster	Unmodified
Special Education Cluster (IDEA)	Unmodified

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

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

**Section II - Financial Statement Findings**

No matters are reportable.

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

**FINDING 2018-001**

Subject: Child Nutrition Cluster - Reporting  
 Federal Agency: Department of Agriculture  
 Federal Programs: School Breakfast Program, National School Lunch Program, Summer Food Service Program for Children  
 CFDA Numbers: 10.553, 10.555, 10.559  
 Federal Award Numbers and Years (or Other Identifying Numbers): FY 16-17, FY 17-18  
 Pass-Through Entity: Indiana Department of Education  
 Compliance Requirement: Reporting  
 Audit Finding: Material Weakness

EAST NOBLE SCHOOL CORPORATION  
SCHEDULE OF FINDINGS AND QUESTIONED COSTS  
(Continued)

*Condition*

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

No evidence was presented for audit that indicated that someone other than the preparer of the Annual Financial Reports (AFR) and the School Food Authority Verification Summary Reports was reviewing these reports for accuracy prior to submission.

*Context*

The lack of internal controls was a systemic issue for the entire 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 had not developed a system of internal controls that would have ensured compliance with the grant agreement and the Reporting compliance requirement.

*Effect*

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

*Questioned Costs*

There were no questioned costs identified.

*Recommendation*

We recommended that the School Corporation's management establish an effective system of internal controls to ensure compliance with the grant agreement and the Reporting compliance requirement.

*Views of Responsible Officials*

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

EAST NOBLE SCHOOL CORPORATION  
SCHEDULE OF FINDINGS AND QUESTIONED COSTS  
(Continued)

***FINDING 2018-002***

Subject: School Breakfast Program, National School Lunch Program - Cash Management  
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: Cash Management  
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 Cash Management compliance requirement.

The School Corporation had not separated incompatible activities related to ensuring that the School Lunch fund's net cash resources were below the three months average expenditures threshold. The School Lunch fund's net cash resources exceeded three months average expenditures for 6 of the 24 months of the audit period. As of June 30, 2018, the School Lunch fund balance exceeded three months average expenditures by \$543,211. In addition, the School Corporation did not have an approved plan in place to spend down the excessive balance.

*Context*

The lack of 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). . . ."

7 CFR 210.14(b) states:

"*Net cash resources.* The school food authority shall limit its net cash resources to an amount that does not exceed 3 months average expenditures for its nonprofit school food service or such other amount as may be approved by the State agency in accordance with § 210.19(a)."

7 CFR 220.7(e) states in part:

". . . the School Food Authority shall, with respect to participating schools under its jurisdiction:  
. . .

EAST NOBLE SCHOOL CORPORATION  
SCHEDULE OF FINDINGS AND QUESTIONED COSTS  
(Continued)

- (iv) Limit its net cash resources to an amount that does not exceed three months average expenditure for its nonprofit school food service or such other amount as may be approved by the State agency; . . ."

*Cause*

Management of the School Corporation had not designed or implemented an effective internal control system that would have ensured compliance with the Cash Management compliance requirement.

*Effect*

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

*Questioned Costs*

There were no questioned costs identified.

*Recommendation*

We recommended that the School Corporation's management establish an effective system of internal controls to ensure compliance with the grant agreement and the Cash Management compliance requirement.

*Views of Responsible Officials*

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

**FINDING 2018-003**

Subject: Child Nutrition Cluster - Equipment

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: Equipment and Real Property Management

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 Equipment and Real Property Management compliance requirement.

The School Corporation maintained property records; however, they did not contain all the necessary information outlined in 2 CFR section 200.313 part (d) subpart (1), such as the percentage of Federal participation in the project costs for the Federal award under which the property was acquired, and the use and condition of the property. Additionally, a physical inventory was not taken during the audit period.

EAST NOBLE SCHOOL CORPORATION  
SCHEDULE OF FINDINGS AND QUESTIONED COSTS  
(Continued)

*Context*

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

*Criteria*

2 CFR 200.303 states in part:

"The non-Federal entity must:

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

2 CFR 200.313(d) states in part:

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

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

*Cause*

Management had not developed a system of internal controls that would have ensured compliance with the grant agreement and the Equipment and Real Property Management compliance requirement.

*Effect*

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

*Questioned Costs*

There were no questioned costs identified.

EAST NOBLE SCHOOL CORPORATION  
SCHEDULE OF FINDINGS AND QUESTIONED COSTS  
(Continued)

*Recommendation*

We recommended that the School Corporation's management establish an effective internal control system to ensure compliance with the grant agreement and the Equipment and Real Property Management compliance requirement.

*Views of Responsible Officials*

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

**FINDING 2018-004**

Subject: Child Nutrition Cluster - Program Income

Federal Agency: Department of Agriculture

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

CFDA Numbers: 10.553, 10.555, 10.559

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

Pass-Through Entity: Indiana Department of Education

Compliance Requirement: Program Income

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 the grant agreement and the Program Income compliance requirement.

Prior to December 2017, all funds collected for student meals were receipted into Fund 800 School Lunch. At the end of each month, a Student Balances report was generated by the Assistant Food Service Director. This report showed the student balances and was used to adjust Fund 2970 School Lunch Trust on a monthly basis.

This issue was corrected in December 2017. We determined prepayments were properly recorded in the Fund 2970 School Lunch Trust and meals charged were transferred to Fund 800 School Lunch.

*Context*

The lack of controls and the noncompliance were isolated to July 2017 to December 2017.

*Criteria*

2 CFR 200.303 states in part:

"The non-Federal entity must:

EAST NOBLE SCHOOL CORPORATION  
SCHEDULE OF FINDINGS AND QUESTIONED COSTS  
(Continued)

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

7 CFR 210.14(c) states:

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

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

7 CFR 220.7(e) states in part:

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

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

7 CFR 225.6(e) states in part:

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

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

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

*Cause*

Management had not developed a system of internal controls that that would have ensured compliance with the grant agreement and the Program Income compliance requirement.

*Effect*

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

EAST NOBLE SCHOOL CORPORATION  
SCHEDULE OF FINDINGS AND QUESTIONED COSTS  
(Continued)

*Questioned Costs*

There were no questioned costs identified.

*Recommendation*

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

*Views of Responsible Officials*

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

#### AUDITEE-PREPARED DOCUMENTS

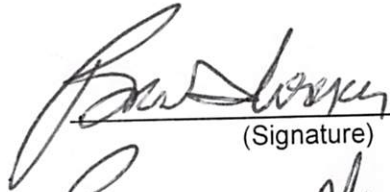
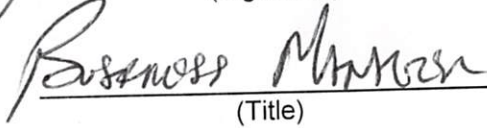
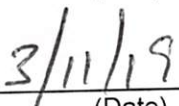
The subsequent documents were provided by management of the School Corporation. The documents are presented as intended by the School Corporation.

SUMMARY SCHEDULE OF PRIOR AUDIT FINDINGS

**FINDING 2016-001**

Fiscal year in which the finding initially occurred: FY 2015-16  
Pass-Through Entity, if pass-through or Federal Grantor Agency, if direct: Indiana Department of Education  
Contact Person Responsible for Corrective Action: Brian Leitch, Business Manager / Treasurer  
Contact Phone Number: 260-347-2502

Status of Audit Finding: The North East Indiana Special Education Cooperative Director prints off and signs all Semi-Annual Certifications as proof of review. Payroll records for individual employees show funding allocations from IDEA part B IDEA Preschool grants.

  
\_\_\_\_\_  
(Signature)  
  
\_\_\_\_\_  
(Title)  
  
\_\_\_\_\_  
(Date)

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

**CORRECTIVE ACTION PLAN**

***FINDING 2018- 001***

Contact Person Responsible for Corrective Action:

Brian Leitch, Business Manager/ Treasurer  
**260-347-2502 ext.: 10017**

Marcos Reyna, Dining Director  
**260-347-2502 ext.: 10011**

Views of Responsible Official: We concur with finding

Description of Corrective Action Plan:

I created a Financial Log/ Business Manager Log, that the Business Manager will sign off on monthly. This log will contain AFR, PLE, Monthly financial reports, Equipment log, Free/ Reduced applications, Verification/ DC applications, etc.

This information will be submitted to Business Manager, Brian Leitch, Monthly, for review and signature.

Anticipated Completion Date: 8/10/2019



\_\_\_\_\_  
Marcos Reyna, Dining Director

\_\_\_\_\_  
4/10/2019

**CORRECTIVE ACTION PLAN**

***FINDING 2018- 002***

Contact Person Responsible for Corrective Action:

Brian Leitch, Business Manager/ Treasurer  
**260-347-2502 ext.: 10017**

Marcos Reyna, Dining Director  
**260-347-2502 ext.: 10011**

Views of Responsible Official: We concur with finding

Description of Corrective Action Plan:

Created a monthly budgetary financial report. I will use financial date, to represent accurate representation of all NSLP, NSLB, and Summer program expenses and revenues. This report will also track any revenues that exceed the three-month, expense, threshold.

This information will be submitted to Business Manager, Brian Leitch, Monthly, for review and signature.

Anticipated Completion Date: 8/10/2019

  
\_\_\_\_\_  
Marcos Reyna, Dining Director

\_\_\_\_\_  
4/10/2019

**CORRECTIVE ACTION PLAN**

***FINDING 2018- 003***

Contact Person Responsible for Corrective Action:

Brian Leitch, Business Manager/ Treasurer  
**260-347-2502 ext.: 10017**

Marcos Reyna, Dining Director  
**260-347-2502 ext.: 10011**

Views of Responsible Official: We concur with finding

Description of Corrective Action Plan:


Created an Equipment and Property Log for all sites. This log will have a legend, that shows what and where the equipment is located, and its value.

This will be reviewed every two years by Food Service Manager.

Each manager will sign off if log is accurate and current.

This information will be submitted to Business Manager, Brian Leitch, Yearly, for review and signature.

Anticipated Completion Date: 8/10/2019

  
\_\_\_\_\_  
Marcos Reyna, Dining Director

\_\_\_\_\_  
4/10/2019

**CORRECTIVE ACTION PLAN**

***FINDING 2018-004***

Contact Person Responsible for Corrective Action:

Brian Leitch, Business Manager/ Treasurer  
**260-347-2502 ext.: 10017**

Marcos Reyna, Dining Director  
**260-347-2502 ext.: 10011**

Views of Responsible Official: We concur with finding


Description of Corrective Action Plan:

Meal Magic software was installed 4/1/2019. This software archives all student and adult, information, related to the NSLP, for five years, also the Financial Activity Report, as well as, the Z-Report will give an accurate representation of all funds collected for student/ adult meals. At the end of each month, a Student Balances report will be generated by the Food Service Director. This report shows the student/ adult balances and will be used to adjust Fund 2970 School Lunch Trust on a monthly basis.

Prepayments will be properly recorded in the Fund 2970 School Lunch Trust and meals charged will be transferred out to Fund 800 School Lunch.

This information will be submitted to Business Manager, Brian Leitch, Monthly, for review and signature.

Anticipated Completion Date: 8/10/2019

  
\_\_\_\_\_  
Marcos Reyna, Dining Director

\_\_\_\_\_  
4/10/2019

## 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/>.