

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

FINANCIAL STATEMENT AND  
FEDERAL SINGLE AUDIT REPORT  
OF

CLARKSVILLE COMMUNITY SCHOOL CORPORATION  
CLARK COUNTY, INDIANA

July 1, 2016 to June 30, 2018



**FILED**  
05/10/2019



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SCHEDULE OF OFFICIALS

<u>Office</u>	<u>Official</u>	<u>Term</u>
Treasurer	Christi Pruitt (Vacant) Dianne Lacy	07-01-16 to 12-21-18 12-22-18 to 02-03-19 02-04-19 to 06-30-19
Superintendent of Schools	Dr. Kimberly Knott Tina Bennett	07-01-16 to 04-02-17 04-03-17 to 06-30-21
President of the School Board	William P. Wilson	01-01-16 to 12-31-19



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INDEPENDENT AUDITOR'S REPORT

TO: THE OFFICIALS OF THE CLARKSVILLE COMMUNITY SCHOOL  
CORPORATION, CLARK COUNTY, INDIANA

**Report on the Financial Statement**

We have audited the accompanying financial statement of the Clarksville Community School Corporation (School Corporation), which comprises the financial position and results of operations for the period of July 1, 2016 to June 30, 2018, and the related notes to the financial statement as listed in the Table of Contents.

***Management's Responsibility for the Financial Statement***

Management is responsible for the preparation and fair presentation of this financial statement in accordance with the financial reporting provisions of the Indiana State Board of Accounts as allowed by state statute (IC 5-11-1-6). Management is responsible for and has determined that the regulatory basis of accounting, as established by the Indiana State Board of Accounts, is an acceptable basis of presentation. Management is also responsible for the design, implementation, and maintenance of internal control relevant to the preparation and fair presentation of a financial statement that is free from material misstatement, whether due to fraud or error.

***Auditor's Responsibility***

Our responsibility is to express an opinion on this financial statement based on our audit. We conducted our audit in accordance with auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statement is free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial statement. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the financial statement, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the School Corporation's preparation and fair presentation of the financial statement in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the School Corporation's internal control. Accordingly, we express no such opinion. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of significant accounting estimates made by management, as well as evaluating the overall presentation of the financial statement.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion.

INDEPENDENT AUDITOR'S REPORT  
(Continued)

***Basis for Adverse Opinion on U.S. Generally Accepted Accounting Principles***

As discussed in Note 1 to the financial statement, the School Corporation prepares its financial statement on the prescribed basis of accounting that demonstrates compliance with the reporting requirements established by the Indiana State Board of Accounts as allowed by state statute (IC 5-11-1-6), which is a basis of accounting other than accounting principles generally accepted in the United States of America.

The effects on the financial statement of the variances between the regulatory basis of accounting described in Note 1 and accounting principles generally accepted in the United States of America, although not reasonably determinable, are presumed to be material.

***Adverse Opinion on U.S. Generally Accepted Accounting Principles***

In our opinion, because of the significance of the matter discussed in the *Basis for Adverse Opinion on U.S. Generally Accepted Accounting Principles* paragraph, the financial statement referred to above does not present fairly, in accordance with accounting principles generally accepted in the United States of America, the financial position and results of operations of the School Corporation for the period of July 1, 2016 to June 30, 2018.

***Opinion on Regulatory Basis of Accounting***

In our opinion, the financial statement referred to above presents fairly, in all material respects, the financial position and results of operations of the School Corporation for the period of July 1, 2016 to June 30, 2018, in accordance with the financial reporting provisions of the Indiana State Board of Accounts described in Note 1.

***Other Matters***

*Supplementary Information*

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

*Other Information*

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

INDEPENDENT AUDITOR'S REPORT  
(Continued)

**Other Reporting Required by *Government Auditing Standards***

In accordance with *Government Auditing Standards*, we have also issued a report dated April 23, 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 23, 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 CLARKSVILLE COMMUNITY SCHOOL  
CORPORATION, CLARK 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 Clarksville Community School Corporation (School Corporation), which comprises the financial position and results of operations for the period of July 1, 2016 to June 30, 2018, and the related notes to the financial statement, and have issued our report thereon dated April 23, 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 23, 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.

CLARKSVILLE COMMUNITY SCHOOL CORPORATION  
STATEMENT OF RECEIPTS, DISBURSEMENTS,  
OTHER FINANCING SOURCES (USES), AND CASH AND  
INVESTMENT BALANCES - REGULATORY BASIS  
For the Years Ended June 30, 2017 and 2018

Fund	Cash and Investments 07-01-16	Receipts	Disbursements	Other Financing Sources (Uses)	Cash and Investments 06-30-17	Receipts	Disbursements	Other Financing Sources (Uses)	Cash and Investments 06-30-18
General	\$ 3,005,362	\$ 9,983,378	\$ 10,691,428	\$ 9,118	\$ 2,306,430	\$ 10,085,275	\$ 9,800,973	\$ (76,365)	\$ 2,514,367
Debt Service	1,179,454	2,614,533	3,051,058	-	742,929	2,611,771	2,346,696	-	1,008,004
Retirement/Severance Bond Debt Service	129,831	212,692	323,770	-	18,753	64,763	162,614	79,098	-
Capital Projects	963,466	1,205,905	1,238,175	(76,000)	855,196	1,172,724	1,141,730	-	886,190
School Transportation	262,924	545,199	662,521	-	145,602	529,985	558,597	-	116,990
School Bus Replacement	183,373	53,038	110,000	-	126,411	126,349	56,145	-	196,615
Rainy Day	460,040	-	158,237	76,000	377,803	6,000	102,024	-	281,779
Retirement/Severance Bond	26,384	-	-	-	26,384	-	-	-	26,384
CMS 2013 Construction	500,946	-	500,946	-	-	-	-	-	-
CES 2013 Construction	764,694	-	805,274	73,985	33,405	-	32,175	-	1,230
2016 Construction - GO Bonds	-	-	699,377	1,998,346	1,298,969	451	1,073,363	-	226,057
2016 Construction - Renaissance Academy	-	-	829,843	1,995,655	1,165,812	451	835,807	-	330,456
2018 Construction - MS HVAC	-	-	-	-	-	-	114,921	-	(114,921)
School Lunch	140,483	763,504	747,103	-	156,884	777,169	742,392	-	191,661
Textbook Rental	509,191	342,128	172,358	-	678,961	125,371	289,076	-	515,256
Educational License Plates	1,369	169	-	-	1,538	113	-	-	1,651
Alternative Education	1,628	-	-	(1,628)	-	-	-	-	-
Comprehensive Counseling Initi	-	30,000	1,272	-	28,728	-	27,547	-	1,181
Showcase Donations	12	1,000	860	-	152	-	-	-	152
Donations - Sponsorships	-	-	-	-	-	4,750	2,490	-	2,260
Donations - Sister Cities	-	-	-	-	-	21,992	20,785	-	1,207
WHAS Crusade for Children Grant 9 1 15 to 10 10 16	-	169	169	-	-	-	-	-	-
2017-18 WHAS Crusade for Children Grant	-	-	-	-	-	7,920	7,920	-	-
2017 Education Block Grant	-	10,000	4,000	-	6,000	-	6,000	-	-
Community Foundation Grant	-	1,000	1,000	-	-	-	-	-	-
Duke Energy Foundation Grant	-	-	-	-	-	16,000	443	-	15,557
Miscellaneous Programs	1,622	-	496	-	1,126	4,523	82	-	5,567
Formative Assessment	-	15,194	15,194	-	-	16,738	16,738	-	-
2016-17 Early Intervention Grant	-	7,350	4,707	-	2,643	-	2,643	-	-
2017-18 Early Intervention Grant	-	-	-	-	-	6,966	6,307	-	659
Medicaid Reimbursement	3,357	4,619	-	(7,489)	487	6,397	-	(2,733)	4,151
Secured Schools Safety Grant	(49,672)	49,515	19,843	-	(20,000)	20,000	19,290	-	(19,290)

CLARKSVILLE COMMUNITY SCHOOL CORPORATION  
STATEMENT OF RECEIPTS, DISBURSEMENTS,  
OTHER FINANCING SOURCES (USES), AND CASH AND  
INVESTMENT BALANCES - REGULATORY BASIS  
For the Years Ended June 30, 2017 and 2018

Fund	Cash and Investments 07-01-16	Receipts	Disbursements	Other Financing Sources (Uses)	Cash and Investments 06-30-17	Receipts	Disbursements	Other Financing Sources (Uses)	Cash and Investments 06-30-18
2016-17 NESP Grant	-	12,200	12,200	-	-	-	-	-	-
NESP Grant 2017-18SY	-	-	-	-	-	14,793	14,793	-	-
Connectivity Grant 2015-16	504	-	504	-	-	-	-	-	-
Connectivity Grant 2016-17 SY	-	6,308	3,240	-	3,068	-	3,068	-	-
Connectivity Grant 2017-18SY	-	-	-	-	-	7,770	5,480	-	2,290
Career and Technical Performance Grant	-	8,922	8,922	-	-	5,686	3,521	-	2,165
2016 Teacher Performance Grant	-	19,958	19,958	-	-	-	-	-	-
17-18 SY Teacher Appreciation	-	-	-	-	-	40,864	40,864	-	-
Title I 2015/16	(28,860)	74,639	45,779	-	-	-	-	-	-
Title I 2016/17	-	189,947	213,097	-	(23,150)	106,109	82,959	-	-
Title I 2017/18	-	-	-	-	-	180,538	199,152	-	(18,614)
FY 2015 McKinney-Vento Grant	-	9,472	9,472	-	-	-	-	-	-
Spec Ed FY 2015 611 Carryover	(527)	5,636	5,109	-	-	-	-	-	-
Spec Ed FY 2016 611 Pass-Thru	-	109,502	116,614	-	(7,112)	12,270	5,158	-	-
FY 2015 Sec 619 Spec Ed Presch	(1,847)	2,511	664	-	-	-	-	-	-
FY 2016 Sec 619 Spec Ed Presch	-	1,132	1,132	-	-	-	-	-	-
Medicaid Reimbursement - Federal	114,309	9,261	12,872	-	110,698	16,132	20,784	-	106,046
Title II/A FFY 2014	(5,786)	44,167	38,381	-	-	-	-	-	-
Title II/A FFY 2015	-	54,896	55,969	-	(1,073)	19,746	18,673	-	-
Title II/A FFY 2016	-	-	-	-	-	39,149	42,339	-	(3,190)
Title II/A FFY 2017	-	-	-	-	-	7,687	7,687	-	-
Title III Grant 2015-2017	-	2,324	2,324	-	-	8,747	8,747	-	-
Title III Grant 2016-2018	-	2,000	2,000	-	-	6,916	7,773	-	(857)
FFY 17 Title III Grant	-	-	-	-	-	2,405	2,405	-	-
Prepaid Food	1,698	190,366	190,939	-	1,125	170,265	169,112	-	2,278
Payroll Withholdings	50,990	2,364,137	2,366,496	-	48,631	2,213,732	2,213,207	-	49,156
Totals	<u>\$ 8,214,945</u>	<u>\$ 18,946,771</u>	<u>\$ 23,143,303</u>	<u>\$ 4,067,987</u>	<u>\$ 8,086,400</u>	<u>\$ 18,458,517</u>	<u>\$ 20,212,480</u>	<u>\$ -</u>	<u>\$ 6,332,437</u>

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

CLARKSVILLE COMMUNITY SCHOOL CORPORATION  
NOTES TO FINANCIAL STATEMENT

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

**A. Reporting Entity**

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

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

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

**B. Basis of Accounting**

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

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

**C. Cash and Investments**

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

**D. Receipts**

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

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

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

CLARKSVILLE COMMUNITY SCHOOL CORPORATION  
NOTES TO FINANCIAL STATEMENT  
(Continued)

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

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

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

**E. Disbursements**

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

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

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

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

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

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

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

**F. Other Financing Sources and Uses**

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

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

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

CLARKSVILLE COMMUNITY SCHOOL CORPORATION  
NOTES TO FINANCIAL STATEMENT  
(Continued)

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

**G. Fund Accounting**

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

**Note 2. Budgets**

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

**Note 3. Property Taxes**

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

**Note 4. Deposits and Investments**

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

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

CLARKSVILLE COMMUNITY SCHOOL CORPORATION  
NOTES TO FINANCIAL STATEMENT  
(Continued)

**Note 5. Risk Management**

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

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

**Note 6. Pension Plans**

*A. Public Employees' Retirement Fund*

*Plan Description*

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

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

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

*Funding Policy and Annual Pension Cost*

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

*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

CLARKSVILLE COMMUNITY SCHOOL CORPORATION  
NOTES TO FINANCIAL STATEMENT  
(Continued)

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

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

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

*Funding Policy and Annual Pension Cost*

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

**Note 7. Cash Balance Deficits**

The financial statement contains some funds with deficits in cash. This is a result of the funds being set up for reimbursable grants. The reimbursements for expenditures made by the School Corporation were not received by June 30, 2017 and 2018. Expenditures were in excess of receipts for the 2018 Construction - MS HVAC fund in fiscal year 2018, but were reimbursed with bond proceeds in July 2018.

**Note 8. Holding Corporations**

The School Corporation has entered into capital leases with the Clarksville High 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 fiscal years 2017 and 2018 totaled \$2,725,000 and \$2,660,000, respectively.

The School Corporation has entered into a capital lease with the Renaissance Academy 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 fiscal years 2017 and 2018 totaled \$34,000 and \$63,500, respectively.

CLARKSVILLE COMMUNITY SCHOOL CORPORATION  
NOTES TO FINANCIAL STATEMENT  
(Continued)

**Note 9. Subsequent Events**

The School Corporation entered into a lease agreement with the Clarksville High School Building Corporation (the lessor). The debt is for \$3,295,000 and will be used for purchasing HVAC and general school facility improvements. The lease was approved on May 8, 2018, and will be paid from July 15, 2020 to January 15, 2025. Interest through January 15, 2020, will be capitalized and paid with 2018 bond proceeds. Semi-annual lease payments range from \$149,500 to \$499,000.

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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.

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

	General	Debt Service	Retirement/ Severance Bond Debt Service	Capital Projects	School Transportation	School Bus Replacement	Rainy Day	Retirement/ Severance Bond	CMS 2013 Construction	CES 2013 Construction
Cash and investments - beginning	\$ 3,005,362	\$ 1,179,454	\$ 129,831	\$ 963,466	\$ 262,924	\$ 183,373	\$ 460,040	\$ 26,384	\$ 500,946	\$ 764,694
Receipts:										
Local sources	354,388	2,614,533	212,692	1,205,430	545,199	53,038	-	-	-	-
Intermediate sources	4	-	-	-	-	-	-	-	-	-
State sources	9,628,986	-	-	-	-	-	-	-	-	-
Federal sources	-	-	-	-	-	-	-	-	-	-
Other receipts	-	-	-	475	-	-	-	-	-	-
Total receipts	9,983,378	2,614,533	212,692	1,205,905	545,199	53,038	-	-	-	-
Disbursements:										
Instruction	6,778,591	-	-	-	-	-	-	-	-	-
Support services	3,728,939	228,246	-	881,874	662,521	110,000	158,237	-	-	-
Noninstructional services	65,148	-	-	-	-	-	-	-	-	-
Facilities acquisition and construction	118,750	-	-	374,294	-	-	-	-	500,946	805,274
Debt service	-	2,822,812	323,770	(17,993)	-	-	-	-	-	-
Nonprogrammed charges	-	-	-	-	-	-	-	-	-	-
Total disbursements	10,691,428	3,051,058	323,770	1,238,175	662,521	110,000	158,237	-	500,946	805,274
Excess (deficiency) of receipts over disbursements	(708,050)	(436,525)	(111,078)	(32,270)	(117,322)	(56,962)	(158,237)	-	(500,946)	(805,274)
Other financing sources (uses):										
Sale of capital assets	-	-	-	-	-	-	-	-	-	73,985
Transfers in	40,872	-	31,754	-	-	-	76,000	-	-	-
Transfers out	(31,754)	-	(31,754)	(76,000)	-	-	-	-	-	-
Total other financing sources (uses)	9,118	-	-	(76,000)	-	-	76,000	-	-	73,985
Excess (deficiency) of receipts and other financing sources over disbursements and other financing uses	(698,932)	(436,525)	(111,078)	(108,270)	(117,322)	(56,962)	(82,237)	-	(500,946)	(731,289)
Cash and investments - ending	\$ 2,306,430	\$ 742,929	\$ 18,753	\$ 855,196	\$ 145,602	\$ 126,411	\$ 377,803	\$ 26,384	\$ -	\$ 33,405

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

	2016 Construction - GO Bonds	2016 Construction - Renaissance Academy	2018 Construction - MS HVAC	School Lunch	Textbook Rental	Educational License Plates	Alternative Education	Comprehensive Counseling Initi	Showcase Donations
Cash and investments - beginning	\$ -	\$ -	\$ -	\$ 140,483	\$ 509,191	\$ 1,369	\$ 1,628	\$ -	\$ 12
Receipts:									
Local sources	-	-	-	206,509	43,040	-	-	30,000	1,000
Intermediate sources	-	-	-	-	-	169	-	-	-
State sources	-	-	-	4,729	298,847	-	-	-	-
Federal sources	-	-	-	552,266	-	-	-	-	-
Other receipts	-	-	-	-	241	-	-	-	-
Total receipts	-	-	-	763,504	342,128	169	-	30,000	1,000
Disbursements:									
Instruction	-	-	-	-	-	-	-	-	-
Support services	-	-	-	6,171	172,358	-	-	1,272	860
Noninstructional services	-	-	-	740,932	-	-	-	-	-
Facilities acquisition and construction	699,377	829,843	-	-	-	-	-	-	-
Debt service	-	-	-	-	-	-	-	-	-
Nonprogrammed charges	-	-	-	-	-	-	-	-	-
Total disbursements	699,377	829,843	-	747,103	172,358	-	-	1,272	860
Excess (deficiency) of receipts over disbursements	(699,377)	(829,843)	-	16,401	169,770	169	-	28,728	140
Other financing sources (uses):									
Sale of capital assets	1,998,346	1,995,655	-	-	-	-	-	-	-
Transfers in	-	-	-	-	-	-	-	-	-
Transfers out	-	-	-	-	-	-	(1,628)	-	-
Total other financing sources (uses)	1,998,346	1,995,655	-	-	-	-	(1,628)	-	-
Excess (deficiency) of receipts and other financing sources over disbursements and other financing uses	1,298,969	1,165,812	-	16,401	169,770	169	(1,628)	28,728	140
Cash and investments - ending	\$ 1,298,969	\$ 1,165,812	\$ -	\$ 156,884	\$ 678,961	\$ 1,538	\$ -	\$ 28,728	\$ 152

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

	Donations - Sponsorships	Donations - Sister Cities	WHAS Crusade for Children Grant 9 1 15 to 10 10 16	2017-18 WHAS Crusade for Children Grant	2017 Education Block Grant	Community Foundation Grant	Duke Energy Foundation Grant	Miscellaneous Programs
Cash and investments - beginning	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 1,622
Receipts:								
Local sources	-	-	-	-	-	-	-	-
Intermediate sources	-	-	169	-	10,000	1,000	-	-
State sources	-	-	-	-	-	-	-	-
Federal sources	-	-	-	-	-	-	-	-
Other receipts	-	-	-	-	-	-	-	-
Total receipts	-	-	169	-	10,000	1,000	-	-
Disbursements:								
Instruction	-	-	169	-	-	-	-	496
Support services	-	-	-	-	4,000	-	-	-
Noninstructional services	-	-	-	-	-	1,000	-	-
Facilities acquisition and construction	-	-	-	-	-	-	-	-
Debt service	-	-	-	-	-	-	-	-
Nonprogrammed charges	-	-	-	-	-	-	-	-
Total disbursements	-	-	169	-	4,000	1,000	-	496
Excess (deficiency) of receipts over disbursements	-	-	-	-	6,000	-	-	(496)
Other financing sources (uses):								
Sale of capital assets	-	-	-	-	-	-	-	-
Transfers in	-	-	-	-	-	-	-	-
Transfers out	-	-	-	-	-	-	-	-
Total other financing sources (uses)	-	-	-	-	-	-	-	-
Excess (deficiency) of receipts and other financing sources over disbursements and other financing uses	-	-	-	-	6,000	-	-	(496)
Cash and investments - ending	\$ -	\$ -	\$ -	\$ -	\$ 6,000	\$ -	\$ -	\$ 1,126

CLARKSVILLE COMMUNITY SCHOOL CORPORATION  
 COMBINING SCHEDULE OF RECEIPTS, DISBURSEMENTS,  
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	Formative Assessment	2016-17 Early Intervention Grant	2017-18 Early Intervention Grant	Medicaid Reimbursement	Secured Schools Safety Grant	2016-17 NESP Grant	NESP Grant 2017-18SY	Connectivity Grant 2015-16
Cash and investments - beginning	\$ -	\$ -	\$ -	\$ 3,357	\$ (49,672)	\$ -	\$ -	\$ 504
Receipts:								
Local sources	-	-	-	-	-	-	-	-
Intermediate sources	-	-	-	-	-	-	-	-
State sources	15,194	7,350	-	4,619	49,515	12,200	-	-
Federal sources	-	-	-	-	-	-	-	-
Other receipts	-	-	-	-	-	-	-	-
Total receipts	15,194	7,350	-	4,619	49,515	12,200	-	-
Disbursements:								
Instruction	-	4,707	-	-	-	12,200	-	-
Support services	15,194	-	-	-	19,843	-	-	504
Noninstructional services	-	-	-	-	-	-	-	-
Facilities acquisition and construction	-	-	-	-	-	-	-	-
Debt service	-	-	-	-	-	-	-	-
Nonprogrammed charges	-	-	-	-	-	-	-	-
Total disbursements	15,194	4,707	-	-	19,843	12,200	-	504
Excess (deficiency) of receipts over disbursements	-	2,643	-	4,619	29,672	-	-	(504)
Other financing sources (uses):								
Sale of capital assets	-	-	-	-	-	-	-	-
Transfers in	-	-	-	-	-	-	-	-
Transfers out	-	-	-	(7,489)	-	-	-	-
Total other financing sources (uses)	-	-	-	(7,489)	-	-	-	-
Excess (deficiency) of receipts and other financing sources over disbursements and other financing uses	-	2,643	-	(2,870)	29,672	-	-	(504)
Cash and investments - ending	\$ -	\$ 2,643	\$ -	\$ 487	\$ (20,000)	\$ -	\$ -	\$ -

CLARKSVILLE COMMUNITY SCHOOL CORPORATION  
 COMBINING SCHEDULE OF RECEIPTS, DISBURSEMENTS,  
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	Connectivity Grant 2016-17SY	Connectivity Grant 2017-18SY	Career and Technical Performance Grant	2016 Teacher Performance Grant	17-18 SY Teacher Appreciation	Title I 2015/16	Title I 2016/17	Title I 2017/18
Cash and investments - beginning	\$ -	\$ -	\$ -	\$ -	\$ -	\$ (28,860)	\$ -	\$ -
Receipts:								
Local sources	-	-	-	-	-	-	-	-
Intermediate sources	-	-	-	-	-	-	-	-
State sources	6,308	-	3,369	19,958	-	-	-	-
Federal sources	-	-	5,553	-	-	74,639	189,947	-
Other receipts	-	-	-	-	-	-	-	-
Total receipts	6,308	-	8,922	19,958	-	74,639	189,947	-
Disbursements:								
Instruction	-	-	8,922	19,958	-	33,568	65,303	-
Support services	3,240	-	-	-	-	11,509	139,275	-
Noninstructional services	-	-	-	-	-	702	8,519	-
Facilities acquisition and construction	-	-	-	-	-	-	-	-
Debt service	-	-	-	-	-	-	-	-
Nonprogrammed charges	-	-	-	-	-	-	-	-
Total disbursements	3,240	-	8,922	19,958	-	45,779	213,097	-
Excess (deficiency) of receipts over disbursements	3,068	-	-	-	-	28,860	(23,150)	-
Other financing sources (uses):								
Sale of capital assets	-	-	-	-	-	-	-	-
Transfers in	-	-	-	-	-	-	-	-
Transfers out	-	-	-	-	-	-	-	-
Total other financing sources (uses)	-	-	-	-	-	-	-	-
Excess (deficiency) of receipts and other financing sources over disbursements and other financing uses	3,068	-	-	-	-	28,860	(23,150)	-
Cash and investments - ending	\$ 3,068	\$ -	\$ -	\$ -	\$ -	\$ -	\$ (23,150)	\$ -

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

	FY 2015 McKinney-Vento Grant	Spec Ed FY 2015 611 Carryover	Spec Ed FY 2016 611 Pass-Thru	FY 2015 Sec 619 Spec Ed Presch	FY 2016 Sec 619 Spec Ed Presch	Medicaid Reimbursement - Federal	Title II/A FFY 2014	Title II/A FFY 2015
Cash and investments - beginning	\$ -	\$ (527)	\$ -	\$ (1,847)	\$ -	\$ 114,309	\$ (5,786)	\$ -
Receipts:								
Local sources	-	-	-	-	-	-	-	-
Intermediate sources	-	-	-	-	-	-	-	-
State sources	-	-	-	-	-	-	-	-
Federal sources	9,472	5,636	109,502	2,511	1,132	9,261	44,167	54,896
Other receipts	-	-	-	-	-	-	-	-
Total receipts	9,472	5,636	109,502	2,511	1,132	9,261	44,167	54,896
Disbursements:								
Instruction	9,472	787	107,823	664	1,132	11,078	-	-
Support services	-	-	-	-	-	1,794	38,381	55,969
Noninstructional services	-	4,322	8,791	-	-	-	-	-
Facilities acquisition and construction	-	-	-	-	-	-	-	-
Debt service	-	-	-	-	-	-	-	-
Nonprogrammed charges	-	-	-	-	-	-	-	-
Total disbursements	9,472	5,109	116,614	664	1,132	12,872	38,381	55,969
Excess (deficiency) of receipts over disbursements	-	527	(7,112)	1,847	-	(3,611)	5,786	(1,073)
Other financing sources (uses):								
Sale of capital assets	-	-	-	-	-	-	-	-
Transfers in	-	-	-	-	-	-	-	-
Transfers out	-	-	-	-	-	-	-	-
Total other financing sources (uses)	-	-	-	-	-	-	-	-
Excess (deficiency) of receipts and other financing sources over disbursements and other financing uses	-	527	(7,112)	1,847	-	(3,611)	5,786	(1,073)
Cash and investments - ending	\$ -	\$ -	\$ (7,112)	\$ -	\$ -	\$ 110,698	\$ -	\$ (1,073)

CLARKSVILLE COMMUNITY SCHOOL CORPORATION  
 COMBINING SCHEDULE OF RECEIPTS, DISBURSEMENTS,  
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	Title II/A FFY 2016	Title II/A FFY 2017	Title III Grant 2015- 2017	Title III Grant 2016- 2018	FFY 17 Title III Grant	Prepaid Food	Payroll Withholdings	Totals
Cash and investments - beginning	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 1,698	\$ 50,990	\$ 8,214,945
Receipts:								
Local sources	-	-	-	-	-	-	-	5,265,829
Intermediate sources	-	-	-	-	-	-	-	11,342
State sources	-	-	-	-	-	-	-	10,051,075
Federal sources	-	-	2,324	2,000	-	-	-	1,063,306
Other receipts	-	-	-	-	-	190,366	2,364,137	2,555,219
Total receipts	-	-	2,324	2,000	-	190,366	2,364,137	18,946,771
Disbursements:								
Instruction	-	-	2,324	2,000	-	-	-	7,059,194
Support services	-	-	-	-	-	-	-	6,240,187
Noninstructional services	-	-	-	-	-	-	-	829,414
Facilities acquisition and construction	-	-	-	-	-	-	-	3,328,484
Debt service	-	-	-	-	-	-	-	3,128,589
Nonprogrammed charges	-	-	-	-	-	190,939	2,366,496	2,557,435
Total disbursements	-	-	2,324	2,000	-	190,939	2,366,496	23,143,303
Excess (deficiency) of receipts over disbursements	-	-	-	-	-	(573)	(2,359)	(4,196,532)
Other financing sources (uses):								
Sale of capital assets	-	-	-	-	-	-	-	4,067,986
Transfers in	-	-	-	-	-	-	-	148,626
Transfers out	-	-	-	-	-	-	-	(148,625)
Total other financing sources (uses)	-	-	-	-	-	-	-	4,067,987
Excess (deficiency) of receipts and other financing sources over disbursements and other financing uses	-	-	-	-	-	(573)	(2,359)	(128,545)
Cash and investments - ending	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 1,125	\$ 48,631	\$ 8,086,400

CLARKSVILLE COMMUNITY SCHOOL CORPORATION  
 COMBINING SCHEDULE OF RECEIPTS, DISBURSEMENTS,  
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	General	Debt Service	Retirement/ Severance Bond Debt Service	Capital Projects	School Transportation	School Bus Replacement	Rainy Day	Retirement/ Severance Bond	CMS 2013 Construction
Cash and investments - beginning	\$ 2,306,430	\$ 742,929	\$ 18,753	\$ 855,196	\$ 145,602	\$ 126,411	\$ 377,803	\$ 26,384	\$ -
Receipts:									
Local sources	657,764	2,611,771	64,763	1,172,299	524,377	126,349	6,000	-	-
Intermediate sources	4	-	-	-	-	-	-	-	-
State sources	9,427,507	-	-	-	-	-	-	-	-
Federal sources	-	-	-	-	-	-	-	-	-
Other receipts	-	-	-	425	5,608	-	-	-	-
Total receipts	10,085,275	2,611,771	64,763	1,172,724	529,985	126,349	6,000	-	-
Disbursements:									
Instruction	6,216,387	-	-	-	-	-	-	-	-
Support services	3,401,692	13,321	-	885,230	558,597	56,145	102,024	-	-
Noninstructional services	85,276	-	-	-	-	-	-	-	-
Facilities acquisition and construction	97,618	-	-	256,500	-	-	-	-	-
Debt service	-	2,333,375	162,614	-	-	-	-	-	-
Nonprogrammed charges	-	-	-	-	-	-	-	-	-
Total disbursements	9,800,973	2,346,696	162,614	1,141,730	558,597	56,145	102,024	-	-
Excess (deficiency) of receipts over disbursements	284,302	265,075	(97,851)	30,994	(28,612)	70,204	(96,024)	-	-
Other financing sources (uses):									
Transfers in	2,733	-	79,098	-	-	-	-	-	-
Transfers out	(79,098)	-	-	-	-	-	-	-	-
Total other financing sources (uses)	(76,365)	-	79,098	-	-	-	-	-	-
Excess (deficiency) of receipts and other financing sources over disbursements and other financing uses	207,937	265,075	(18,753)	30,994	(28,612)	70,204	(96,024)	-	-
Cash and investments - ending	\$ 2,514,367	\$ 1,008,004	\$ -	\$ 886,190	\$ 116,990	\$ 196,615	\$ 281,779	\$ 26,384	\$ -

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	2016 Construction - GO Bonds	2016 Construction - Renaissance Academy	2018 Construction - MS HVAC	School Lunch	Textbook Rental	Educational License Plates	Alternative Education	Comprehensive Counseling Initi	
CES 2013 Construction									
Cash and investments - beginning	\$ 33,405	\$ 1,298,969	\$ 1,165,812	\$ -	\$ 156,884	\$ 678,961	\$ 1,538	\$ -	\$ 28,728
Receipts:									
Local sources	-	451	451	-	183,798	44,844	-	-	-
Intermediate sources	-	-	-	-	-	-	113	-	-
State sources	-	-	-	-	4,560	80,527	-	-	-
Federal sources	-	-	-	-	588,811	-	-	-	-
Other receipts	-	-	-	-	-	-	-	-	-
Total receipts	-	451	451	-	777,169	125,371	113	-	-
Disbursements:									
Instruction	-	-	-	-	-	-	-	-	-
Support services	5,575	-	-	-	16,393	289,076	-	-	27,547
Noninstructional services	-	-	-	-	725,999	-	-	-	-
Facilities acquisition and construction	24,050	1,073,363	835,807	114,921	-	-	-	-	-
Debt service	2,550	-	-	-	-	-	-	-	-
Nonprogrammed charges	-	-	-	-	-	-	-	-	-
Total disbursements	32,175	1,073,363	835,807	114,921	742,392	289,076	-	-	27,547
Excess (deficiency) of receipts over disbursements	(32,175)	(1,072,912)	(835,356)	(114,921)	34,777	(163,705)	113	-	(27,547)
Other financing sources (uses):									
Transfers in	-	-	-	-	-	-	-	-	-
Transfers out	-	-	-	-	-	-	-	-	-
Total other financing sources (uses)	-	-	-	-	-	-	-	-	-
Excess (deficiency) of receipts and other financing sources over disbursements and other financing uses	(32,175)	(1,072,912)	(835,356)	(114,921)	34,777	(163,705)	113	-	(27,547)
Cash and investments - ending	\$ 1,230	\$ 226,057	\$ 330,456	\$ (114,921)	\$ 191,661	\$ 515,256	\$ 1,651	\$ -	\$ 1,181

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

	Showcase Donations	Donations - Sponsorships	Donations - Sister Cities	WHAS Crusade for Children Grant 9 1 15 to 10 10 16	2017-18 WHAS Crusade for Children Grant	2017 Education Block Grant	Community Foundation Grant	Duke Energy Foundation Grant	Miscellaneous Programs
Cash and investments - beginning	\$ 152	\$ -	\$ -	\$ -	\$ -	\$ 6,000	\$ -	\$ -	\$ 1,126
Receipts:									
Local sources	-	4,750	21,992	-	-	-	-	-	4,523
Intermediate sources	-	-	-	-	7,920	-	-	16,000	-
State sources	-	-	-	-	-	-	-	-	-
Federal sources	-	-	-	-	-	-	-	-	-
Other receipts	-	-	-	-	-	-	-	-	-
Total receipts	-	4,750	21,992	-	7,920	-	-	16,000	4,523
Disbursements:									
Instruction	-	2,240	20,785	-	7,920	5,000	-	443	82
Support services	-	250	-	-	-	1,000	-	-	-
Noninstructional services	-	-	-	-	-	-	-	-	-
Facilities acquisition and construction	-	-	-	-	-	-	-	-	-
Debt service	-	-	-	-	-	-	-	-	-
Nonprogrammed charges	-	-	-	-	-	-	-	-	-
Total disbursements	-	2,490	20,785	-	7,920	6,000	-	443	82
Excess (deficiency) of receipts over disbursements	-	2,260	1,207	-	-	(6,000)	-	15,557	4,441
Other financing sources (uses):									
Transfers in	-	-	-	-	-	-	-	-	-
Transfers out	-	-	-	-	-	-	-	-	-
Total other financing sources (uses)	-	-	-	-	-	-	-	-	-
Excess (deficiency) of receipts and other financing sources over disbursements and other financing uses	-	2,260	1,207	-	-	(6,000)	-	15,557	4,441
Cash and investments - ending	\$ 152	\$ 2,260	\$ 1,207	\$ -	\$ -	\$ -	\$ -	\$ 15,557	\$ 5,567

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

	Formative Assessment	2016-17 Early Intervention Grant	2017-18 Early Intervention Grant	Medicaid Reimbursement	Secured Schools Safety Grant	2016-17 NESP Grant	NESP Grant 2017-18SY	Connectivity Grant 2015-16
Cash and investments - beginning	\$ -	\$ 2,643	\$ -	\$ 487	\$ (20,000)	\$ -	\$ -	\$ -
Receipts:								
Local sources	-	-	-	-	-	-	-	-
Intermediate sources	-	-	-	-	-	-	-	-
State sources	16,738	-	6,966	6,397	20,000	-	14,793	-
Federal sources	-	-	-	-	-	-	-	-
Other receipts	-	-	-	-	-	-	-	-
Total receipts	16,738	-	6,966	6,397	20,000	-	14,793	-
Disbursements:								
Instruction	-	2,643	6,307	-	-	-	14,793	-
Support services	16,738	-	-	-	19,290	-	-	-
Noninstructional services	-	-	-	-	-	-	-	-
Facilities acquisition and construction	-	-	-	-	-	-	-	-
Debt service	-	-	-	-	-	-	-	-
Nonprogrammed charges	-	-	-	-	-	-	-	-
Total disbursements	16,738	2,643	6,307	-	19,290	-	14,793	-
Excess (deficiency) of receipts over disbursements	-	(2,643)	659	6,397	710	-	-	-
Other financing sources (uses):								
Transfers in	-	-	-	-	-	-	-	-
Transfers out	-	-	-	(2,733)	-	-	-	-
Total other financing sources (uses)	-	-	-	(2,733)	-	-	-	-
Excess (deficiency) of receipts and other financing sources over disbursements and other financing uses	-	(2,643)	659	3,664	710	-	-	-
Cash and investments - ending	\$ -	\$ -	\$ 659	\$ 4,151	\$ (19,290)	\$ -	\$ -	\$ -

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

	Connectivity Grant 2016-17SY	Connectivity Grant 2017-18SY	Career and Technical Performance Grant	2016 Teacher Performance Grant	17-18 SY Teacher Appreciation	Title I 2015/16	Title I 2016/17	Title I 2017/18
Cash and investments - beginning	\$ 3,068	\$ -	\$ -	\$ -	\$ -	\$ -	\$ (23,150)	\$ -
Receipts:								
Local sources	-	-	-	-	-	-	-	-
Intermediate sources	-	-	-	-	-	-	-	-
State sources	-	7,770	5,686	-	40,864	-	-	-
Federal sources	-	-	-	-	-	-	106,109	180,538
Other receipts	-	-	-	-	-	-	-	-
Total receipts	-	7,770	5,686	-	40,864	-	106,109	180,538
Disbursements:								
Instruction	-	-	3,521	-	40,736	-	43,624	84,383
Support services	3,068	5,480	-	-	128	-	31,906	106,873
Noninstructional services	-	-	-	-	-	-	7,429	7,896
Facilities acquisition and construction	-	-	-	-	-	-	-	-
Debt service	-	-	-	-	-	-	-	-
Nonprogrammed charges	-	-	-	-	-	-	-	-
Total disbursements	3,068	5,480	3,521	-	40,864	-	82,959	199,152
Excess (deficiency) of receipts over disbursements	(3,068)	2,290	2,165	-	-	-	23,150	(18,614)
Other financing sources (uses):								
Transfers in	-	-	-	-	-	-	-	-
Transfers out	-	-	-	-	-	-	-	-
Total other financing sources (uses)	-	-	-	-	-	-	-	-
Excess (deficiency) of receipts and other financing sources over disbursements and other financing uses	(3,068)	2,290	2,165	-	-	-	23,150	(18,614)
Cash and investments - ending	\$ -	\$ 2,290	\$ 2,165	\$ -	\$ -	\$ -	\$ -	\$ (18,614)

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

	FY 2015 McKinney-Vento Grant	Spec Ed FY 2015 611 Carryover	Spec Ed FY 2016 611 Pass-Thru	FY 2015 Sec 619 Spec Ed Presch	FY 2016 Sec 619 Spec Ed Presch	Medicaid Reimbursement - Federal	Title II/A FFY 2014	Title II/A FFY 2015
Cash and investments - beginning	\$ -	\$ -	\$ (7,112)	\$ -	\$ -	\$ 110,698	\$ -	\$ (1,073)
Receipts:								
Local sources	-	-	-	-	-	3,775	-	-
Intermediate sources	-	-	-	-	-	-	-	-
State sources	-	-	-	-	-	-	-	-
Federal sources	-	-	12,270	-	-	12,357	-	19,746
Other receipts	-	-	-	-	-	-	-	-
Total receipts	-	-	12,270	-	-	16,132	-	19,746
Disbursements:								
Instruction	-	-	5,158	-	-	6,233	-	-
Support services	-	-	-	-	-	14,551	-	18,673
Noninstructional services	-	-	-	-	-	-	-	-
Facilities acquisition and construction	-	-	-	-	-	-	-	-
Debt service	-	-	-	-	-	-	-	-
Nonprogrammed charges	-	-	-	-	-	-	-	-
Total disbursements	-	-	5,158	-	-	20,784	-	18,673
Excess (deficiency) of receipts over disbursements	-	-	7,112	-	-	(4,652)	-	1,073
Other financing sources (uses):								
Transfers in	-	-	-	-	-	-	-	-
Transfers out	-	-	-	-	-	-	-	-
Total other financing sources (uses)	-	-	-	-	-	-	-	-
Excess (deficiency) of receipts and other financing sources over disbursements and other financing uses	-	-	7,112	-	-	(4,652)	-	1,073
Cash and investments - ending	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 106,046	\$ -	\$ -

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

	Title II/A FFY 2016	Title II/A FFY 2017	Title III Grant 2015- 2017	Title III Grant 2016- 2018	FFY 17 Title III Grant	Prepaid Food	Payroll Withholdings	Totals
Cash and investments - beginning	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 1,125	\$ 48,631	\$ 8,086,400
Receipts:								
Local sources	-	-	-	-	-	-	-	5,427,907
Intermediate sources	-	-	-	-	-	-	-	24,037
State sources	-	-	-	-	-	-	-	9,631,808
Federal sources	39,149	7,687	8,747	6,916	2,405	-	-	984,735
Other receipts	-	-	-	-	-	170,265	2,213,732	2,390,030
Total receipts	39,149	7,687	8,747	6,916	2,405	170,265	2,213,732	18,458,517
Disbursements:								
Instruction	-	-	8,747	7,773	2,405	-	-	6,479,180
Support services	42,339	7,687	-	-	-	-	-	5,623,583
Noninstructional services	-	-	-	-	-	-	-	826,600
Facilities acquisition and construction	-	-	-	-	-	-	-	2,402,259
Debt service	-	-	-	-	-	-	-	2,498,539
Nonprogrammed charges	-	-	-	-	-	169,112	2,213,207	2,382,319
Total disbursements	42,339	7,687	8,747	7,773	2,405	169,112	2,213,207	20,212,480
Excess (deficiency) of receipts over disbursements	(3,190)	-	-	(857)	-	1,153	525	(1,753,963)
Other financing sources (uses):								
Transfers in	-	-	-	-	-	-	-	81,831
Transfers out	-	-	-	-	-	-	-	(81,831)
Total other financing sources (uses)	-	-	-	-	-	-	-	-
Excess (deficiency) of receipts and other financing sources over disbursements and other financing uses	(3,190)	-	-	(857)	-	1,153	525	(1,753,963)
Cash and investments - ending	\$ (3,190)	\$ -	\$ -	\$ (857)	\$ -	\$ 2,278	\$ 49,156	\$ 6,332,437

CLARKSVILLE COMMUNITY SCHOOL CORPORATION  
SCHEDULE OF PAYABLES AND RECEIVABLES  
June 30, 2018

<u>Government or Enterprise</u>	<u>Accounts Payable</u>	<u>Accounts Receivable</u>
Governmental activities	<u>\$ 120,342</u>	<u>\$ 156,872</u>

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

Lessor	Purpose	Annual Lease Payment	Lease Beginning Date	Lease Ending Date
Governmental activities:				
Clarksville High School Building Corporation	First Mortgage Bonds Series 2014A	\$ 362,000	7/15/2015	1/15/2021
Renaissance Academy Building Corporation	First Mortgage Bonds Series 2016	63,000	7/15/2017	1/15/2027
Clarksville High School Building Corporation	First Mortgage Refunding Bonds Series 2011	841,000	1/15/2012	1/15/2024
Clarksville High School Building Corporation	First Mortgage Bonds Series 2013A	556,500	7/15/2014	1/15/2021
Clarksville High School Building Corporation	First Mortgage Bonds Series 2013C	441,500	7/15/2014	1/15/2021
Clarksville High School Building Corporation	First Mortgage Bonds Series 2013B	457,500	7/15/2014	1/15/2021
Providence Capital Network LLC	Laptop Lease	7,732	2/1/2018	2/1/2021
Providence Capital Network LLC	Laptop Lease	4,286	7/15/2016	6/30/2019
Providence Capital Network LLC	Laptop Lease	10,976	5/15/2017	12/31/2019
Providence Capital Network LLC	Computer Lease	<u>93,712</u>	7/15/2015	1/15/2019
Total governmental activities		<u>2,838,206</u>		
Total of annual lease payments		<u>\$ 2,838,206</u>		

Type	Description of Debt Purpose	Ending Principal Balance	Principal and Interest Due Within One Year
Governmental activities:			
General obligation bonds	General Obligation Bonds Series 2016	<u>\$ 1,890,000</u>	<u>\$ 123,000</u>
Total governmental activities		<u>1,890,000</u>	<u>123,000</u>
Totals		<u>\$ 1,890,000</u>	<u>\$ 123,000</u>

CLARKSVILLE COMMUNITY SCHOOL CORPORATION  
 SCHEDULE OF CAPITAL ASSETS  
 June 30, 2018

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

	<u>Ending Balance</u>
Governmental activities:	
Land	\$ 536,003
Infrastructure	1,000,000
Buildings	47,376,575
Improvements other than buildings	608,221
Machinery, equipment, and vehicles	1,437,675
Construction in progress	2,408,100
Books and other	<u>1,077,717</u>
Total governmental activities	<u>54,444,291</u>
Total capital assets	<u><u>\$ 54,444,291</u></u>

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SUPPLEMENTAL AUDIT OF  
FEDERAL AWARDS



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

TO: THE OFFICIALS OF THE CLARKSVILLE COMMUNITY SCHOOL  
CORPORATION, CLARK COUNTY, INDIANA

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

We have audited the Clarksville Community School Corporation's (School Corporation) compliance with the types of compliance requirements described in the *OMB Compliance Supplement* that could have a direct and material effect on each of its major federal programs for the period of July 1, 2016 to June 30, 2018. The School Corporation's major federal programs are identified in the Summary of Auditor's Results section of the accompanying Schedule of Findings and Questioned Costs.

***Management's Responsibility***

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

***Auditor's Responsibility***

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

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

***Opinion on Each Major Federal Program***

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

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

***Other Matters***

The results of our auditing procedures disclosed instances of noncompliance, which are required to be reported in accordance with the Uniform Guidance and which are described in the accompanying Schedule of Findings and Questioned Costs as items 2018-002 and 2018-003. 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, and 2018-003, 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 23, 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.

CLARKSVILLE COMMUNITY SCHOOL CORPORATION  
SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS  
For the Years Ended June 30, 2017 and 2018

Federal Grantor Agency Cluster Title/Program Title/Project Title	Pass-Through Entity or Direct Grant	Federal CFDA Number	Pass-Through Entity (or Other) Identifying Number	Passed Through to Subrecipient 06-30-17	Total Federal Awards Expended 06-30-17	Passed Through to Subrecipient 06-30-18	Total Federal Awards Expended 06-30-18
<u>Department of Agriculture</u>							
Child Nutrition Cluster							
School Breakfast Program	Indiana Department of Education	10.553					
FY 2016-17 National School Breakfast Program			FY17	\$ -	\$ 120,653	\$ -	\$ -
FY 2017-18 National School Breakfast Program			FY18	-	-	-	125,858
Total - School Breakfast Program				-	120,653	-	125,858
National School Lunch Program							
National School Lunch Program	Indiana Department of Education	10.555					
FY 2016-17 National School Lunch Program			FY17	-	431,614	-	-
FY 2016-17 National School Lunch Program - Commodities			FY17	-	60,977	-	-
FY 2017-18 National School Lunch Program			FY18	-	-	-	462,953
FY 2017-18 National School Lunch Program - Commodities			FY18	-	-	-	51,290
Total - National School Lunch Program				-	492,591	-	514,243
Total - Child Nutrition Cluster				-	613,244	-	640,101
Total - Department of Agriculture				-	613,244	-	640,101
<u>Department of Education</u>							
Title I Grants to Local Educational Agencies	Indiana Department of Education	84.010					
FY 2016 Title I			16-1000	-	74,639	-	-
FY 2017 Title I			17-1000	-	189,947	-	106,109
FY 2018 Title I			18-1000	-	-	-	180,538
Total - Title I Grants to Local Educational Agencies				-	264,586	-	286,647
Special Education Cluster (IDEA)							
Special Education Grants to States	Indiana Department of Education	84.027					
FY 2015 Fed Part B 611 Grant			14215-022-PN01	-	20,898	-	-
FY 2016 Fed Part B 611 Grant			14216-022-PN01	-	244,488	-	-
FY 2017 Federal Part B 611 Grant			14217-022-PN01	-	79,667	-	-
FY 2016 Fed Part B 611 Grant			14216-138-PN01	-	-	-	48,450
FY 2017 Federal Part B 611 Grant			14217-140-PN01	-	-	-	325,605
FY 2018 Federal Part B 611 Grant			18611-036-PN01	-	-	-	7,079
Total - Special Education Grants to States				-	345,053	-	381,134

CLARKSVILLE COMMUNITY SCHOOL CORPORATION  
 SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS  
 For the Years Ended June 30, 2017 and 2018

Federal Grantor Agency Cluster Title/Program Title/Project Title	Pass-Through Entity or Direct Grant	Federal CFDA Number	Pass-Through Entity (or Other) Identifying Number	Passed Through to Subrecipient 06-30-17	Total Federal Awards Expended 06-30-17	Passed Through to Subrecipient 06-30-18	Total Federal Awards Expended 06-30-18
Special Education Preschool Grants	Indiana Department of Education	84.173					
FY 2015 Federal Preschool 619 Grant			45715-022-PN01	-	2,511	-	-
FY 2016 Federal Preschool 619 Grant			45716-022-PN01	-	1,132	-	-
FY 2016 Federal Preschool 619 Grant			45716-136-PN01	-	-	-	9,996
FY 2017 Federal Preschool 619 Grant			45717-140-PN01	-	-	-	10,468
				-	-	-	-
Total - Special Education Preschool Grants				-	3,643	-	20,464
				-	-	-	-
Total - Special Education Cluster (IDEA)				-	348,696	-	401,598
Education for Homeless Children and Youth	Indiana Department of Education	84.196					
FY 2015 McKinney-Vento Grant			A58-5-15SS-2302	-	9,472	-	-
English Language Acquisition State Grants	Indiana Department of Education	84.365					
English Language Acquisition Grants			01116-011-PN01	-	2,324	-	8,747
English Language Acquisition Grants			01117-009-PN01	-	2,000	-	6,916
English Language Acquisition Grants			01118-009-PN01	-	-	-	2,405
				-	-	-	-
Total - English Language Acquisition State Grants				-	4,324	-	18,068
Supporting Effective Instruction State Grants	Indiana Department of Education	84.367					
FY 2014 Title II/Part A Grant			S367A140013	-	44,167	-	-
FY 2015 Title II/Part A Grant			S367A150013	-	54,896	-	19,746
FY 2016 Title II/Part A Grant			S367A160013	-	-	-	39,149
FY 2017 Title II/Part A Grant			S367A170013	-	-	-	7,687
				-	-	-	-
Total - Supporting Effective Instruction State Grants				-	99,063	-	66,582
				-	-	-	-
Total - Department of Education				-	726,141	-	772,895
				-	-	-	-
Total federal awards expended				\$ -	\$ 1,339,385	\$ -	\$ 1,412,996

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

CLARKSVILLE COMMUNITY SCHOOL CORPORATION  
NOTES TO SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS

**Note 1. Basis of Presentation**

The accompanying Schedule of Expenditures of Federal Awards (SEFA) includes the federal grant activity of the School Corporation under programs of the federal government for the years ended June 30, 2017 and 2018. The information in the SEFA is presented in accordance with the requirements of Title 2 U.S. *Code of Federal Regulations* Part 200, *Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards* (Uniform Guidance). Because the SEFA presents only a select portion of the operations of the School Corporation, it is not intended to and does not present the financial position of the School Corporation.

The Uniform Guidance requires an annual audit of nonfederal entities expending a total amount of federal awards equal to or in excess of \$750,000 in any fiscal year unless by constitution or statute a less frequent audit is required. In accordance with Indiana Code (IC 5-11-1-25), audits of school corporations shall be conducted biennially. Such audits shall include both years within the biennial period.

**Note 2. Summary of Significant Accounting Policies**

Expenditures reported on the SEFA are reported on the cash basis of accounting. Such expenditures are recognized following, as applicable, either the cost principles in OMB Circular A-87, *Cost Principles for State, Local, and Indian Tribal Governments*, or the cost principles contained in the Uniform Guidance, wherein certain types of expenditures are not allowed or are limited as to reimbursement. When federal grants are received on a reimbursement basis, the federal awards are considered expended when the reimbursement is received. The School Corporation has elected not to use the 10 percent de minimis indirect cost rate allowed under the Uniform Guidance.

**Note 3. Special Education Cooperatives**

The School Corporation was a member of the Clark County Special Education Co-Op, a special education cooperative, for the period July 1, 2016 to June 30, 2017, and is a member of Madison Area Education Special Services Unit, a special education cooperative, for the period July 1, 2017 to June 30, 2018. The special education cooperatives operate the special education programs for the School Corporation. As a result, some activity for the Special Education Cluster (IDEA) that is presented on the Schedule of Expenditures of Federal Awards is not presented as receipts and disbursements in the financial statement.

CLARKSVILLE COMMUNITY SCHOOL CORPORATION  
SCHEDULE OF FINDINGS AND QUESTIONED COSTS

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

Financial Statement:

Type of auditor's report issued:	Adverse as to GAAP; Unmodified as to Regulatory Basis
Internal control over financial reporting:	
Material 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 deficiencies 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 - Internal Controls  
 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): FY17, FY18  
 Pass-Through Entity: Indiana Department of Education  
 Compliance Requirements: Cash Management, Eligibility, Program Income, Reporting  
 Audit Finding: Material Weakness

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

*Repeat Finding*

This is a repeat finding from the immediately prior audit report related to the Cash Management, Program Income, and Reporting compliance requirements. The prior audit finding number was 2016-002.

*Condition*

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

*Cash Management*

The School Corporation had not developed procedures whereby the School Lunch fund balance was monitored to ensure the net cash resources in the fund did not exceed the three months average expenditures.

*Eligibility*

If paper applications were received, the Food Service Director was solely responsible for inputting applicant information into the school lunch software program. The school lunch software program automatically calculated eligibility based upon the data that was entered into the program by the Food Service Director. There was no evidence of an independent review to ensure that the Food Service Director was correctly entering applicant data into the program. Additionally, there was no process to verify that the correct income guidelines were entered into the school lunch software program.

*Program Income*

An effective internal control system was not in place to ensure that transfers between the Prepaid Food fund and the School Lunch fund were correct. The Food Service Director prepared a transfer worksheet documenting the amount to be transferred from the Prepaid Food fund into the School Lunch fund. The Treasurer reviewed the supporting documentation and made the journal entries; however, there was no evidence of the School Corporation Treasurer's review of the transfer worksheet.

*Reporting*

No evidence was presented for audit indicating that someone other than the preparer of the Annual Financial Report was reviewing the report prior to submission in fiscal year 2016-2017. Also, an effective internal control system was not in place to ensure the Monthly Sponsor Claims for Reimbursement were complete and correct prior to their submission.

*Context*

The lack of controls was a systemic problem throughout the audit period, except for the Annual Financial Report, which was isolated to fiscal year 2016-2017.

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

*Criteria*

2 CFR 200.303 states in part:

"The non-Federal entity must:

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

*Cause*

Management had not developed a system of internal controls that included proper oversight, review, and approval over the activities of the Child Nutrition Cluster.

*Effect*

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

*Questioned Costs*

There were no questioned costs identified.

*Recommendation*

We recommended that the School Corporation's management establish a system of internal controls related to the grant agreement and the compliance requirements listed above.

*Views of Responsible Officials*

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

**FINDING 2018-002**

Subject: National School Lunch Program - Special Tests and Provisions - Paid Lunch Equity  
Federal Agency: Department of Agriculture  
Federal Program: National School Lunch Program  
CFDA Number: 10.555  
Federal Award Numbers and Years (or Other Identifying Numbers): FY 17, FY 18  
Pass-Through Entity: Indiana Department of Education  
Compliance Requirement: Special Tests and Provisions - Paid Lunch Equity  
Audit Findings: Material Weakness, Other Matters

*Repeat Finding*

This is a repeat finding from the immediately prior audit report. The prior audit finding number was 2016-004.

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

*Condition*

An effective internal control system, which would have included segregation of duties, was not in place at the School Corporation in order to ensure compliance with requirements related to the grant agreement and the Special Tests and Provisions - Paid Lunch Equity compliance requirement. The School Corporation had not designed or implemented adequate policies and procedures to ensure the required paid lunch equity calculations were accurate or that the paid lunch prices were adjusted according to the weighted-average paid lunch price calculations.

Per the Paid Lunch Equity Calculator, the School Corporation needed a minimum weighted average school lunch price of \$2.75 for fiscal year 2016-2017; however, because they are only required to increase it by a maximum of \$0.10 in a given year, the School Corporation was only required to increase the weighted average school lunch price to \$2.67. The School Corporation increased lunch prices for the high schools by \$0.10, but only increased the lunch price by \$0.05 for the elementary and middle schools, resulting in a weighted average of \$2.65. Additionally, per the fiscal year 2017-2018 Paid Lunch Equity Calculator, the School Corporation still needed a minimum weighted average school lunch price of \$2.75. The School Corporation only increased the paid lunch price by \$0.05 for each grade level, but due to changes in enrollment, this resulted in a weighted average price of \$2.69 instead of the required \$2.75.

*Context*

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

*Criteria*

2 CFR 200.303 states in part:

"The non-Federal entity must:

(a) Establish and maintain effective internal control over Federal award that provides reasonable assurance that the non-Federal entity is managing the Federal awards 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(e) states in part:

"Pricing paid lunches. For each school year beginning July 1, 2011, school food authorities shall establish prices for paid lunches in accordance with this paragraph.

(1) Calculation procedures. Each school food authority shall:

(i) Determine the average price of paid lunches. The average shall be determined based on the total number of paid lunches claimed for the month of October in the previous school year, at each different price charged by the school food authority.

(ii) Calculate the difference between the per meal Federal reimbursement for paid and free lunches received by the school food authority in the previous school year (i.e., the reimbursement difference);

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

(iii) Compare the average price of a paid lunch under paragraph (e)(1)(i) of this section to the difference between reimbursement rates under paragraph (e)(1)(ii) of this section. . . .

(3) Average lunch price is lower than the reimbursement difference. When the average price from the prior school year is lower than the difference in reimbursement rates as determined in paragraph (e)(1)(iii) of this section, the school food authority shall establish an average price for the current school year that is not less than the average price charged in the previous school year as adjusted by a percentage equal to the sum obtained by adding:

(i) 2 percent; and

(ii) The percentage change in the Consumers Price Index for All Urban Consumers used to increase the Federal reimbursement rate under section 11 of the Act for the most recent school year for which data are available. The percentage to be used is found in the annual notice published in the FEDERAL REGISTER announcing the national average payment rates, from the prior year.

(4) Price Adjustments.

(i) Maximum required price increase. The maximum annual average price increase required under this paragraph shall not exceed ten cents.

(ii) Rounding of paid lunch prices. Any school food authority may round the adjusted price of the paid lunches down to the nearest five cents.

(iii) Optional price increases. A school food authority may increase the average price by more than ten cents. . . ."

*Cause*

Management had not developed a system of internal controls to ensure compliance with the grant agreement and the Special Tests and Provisions - Paid Lunch Equity compliance requirement.

*Effect*

The failure to establish an effective internal control system enabled noncompliance with the grant agreement and the Special Tests and Provisions - Paid Lunch Equity compliance requirement.

*Questioned Costs*

There were no questioned costs identified.

*Recommendation*

We recommended that the School Corporation's management establish controls and ensure compliance related to the grant agreement and the Special Tests and Provisions - Paid Lunch Equity compliance requirement.

*Views of Responsible Officials*

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

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

***FINDING 2018-003***

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

Federal Agency: Department of Education

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

CFDA Numbers: 84.027, 84.173

Federal Award Numbers and Years (or Other Identifying Numbers): 14215-022-PN01, 45715-022-PN01,  
14216-022-PN01, 45716-022-PN01,  
14217-022-PN01, 14216-138-PN01,  
45716-136-PN01, 14217-140-PN01,  
45717-140-PN01, 18611-036-PN01

Pass-Through Entity: Indiana Department of Education

Compliance Requirement: Procurement and Suspension and Debarment

Audit Findings: Material Weakness, Other Matters

*Repeat Finding*

This is a repeat finding from the immediate prior audit report. The prior audit finding number was 2016-005.

*Condition*

The School Corporation was a member of the Greater Clark County Schools Special Education Cooperative, a special education cooperative, during fiscal year 2016-2017, and a member of the Madison Area Educational Special Services Unit, a special education cooperative, during fiscal year 2017-2018. The special education cooperatives operated the Special Education programs on behalf of the School Corporation.

An effective internal control system was not in place at either special education cooperative, whereby there was no evidence of oversight by the School Corporation during fiscal year 2016-2017 and fiscal year 2017-2018 in order to ensure compliance with requirements related to the grant agreement and the Procurement and Suspension and Debarment compliance requirement.

The Greater Clark County Schools Special Education Cooperative failed to ensure that small purchase procurements were made in compliance with their locally adopted policy, as well as state laws and procedures. Small purchase procedures were not followed, which required price or rate quotations to be obtained from qualified sources. No price or rate quotations obtained for any small purchases during fiscal year 2016-2017.

In addition, the Greater Clark County Schools Special Education Cooperative did not perform any procedures to verify that vendors were not suspended or debarred from participation in federal programs before entering into a contract during fiscal year 2016-2017.

The Madison Area Educational Special Services Unit had not established a procurement policy that reflected the federal guidelines established under Uniform Guidance during fiscal year 2017-2018.

*Context*

The lack of controls and noncompliance, due to a lack of oversight, were systemic issues that occurred throughout the audit period.

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

*Criteria*

2 CFR 200.303 states in part:

"The non-Federal entity must:

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

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

2 CFR 200.320 states in part:

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

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

2 CFR 180.300 states:

"When you enter into a covered transaction with another person at the next lower tier, you must verify that the person with whom you intend to do business is not excluded or disqualified.

You do this by:

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

*Cause*

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

*Effect*

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

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

*Questioned Costs*

There were no questioned costs identified.

*Recommendation*

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

*Views of Responsible Officials*

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

#### AUDITEE-PREPARED DOCUMENTS

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



# CLARKSVILLE COMMUNITY SCHOOLS

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## SUMMARY SCHEDULE OF PRIOR AUDIT FINDINGS

### ***FINDING 2016-001***

Fiscal year in which the finding initially occurred: FY 2007

Pass-Through Entity, is pass-through or Federal Grantor Agency, if direct: NA

Contact Person Responsible for Corrective Action: Dianne Lacy

Contact Phone Number: 812-282-7753

#### Status of Audit Finding:

The Corporation has made procedural changes to accounting practices that include, but are not limited to the following areas:

#### Receipts:

- Accounts Payable/Receivable Clerk receipts all monies on hand-written receipts presented to the Corporation Treasurer.
- Corporation Treasurer receives money, issues official receipts and posts, prepares and reviews bank deposits.
- Corporation Treasurer and Deputy Treasurer sign *Receipt Posting Journal* generated after posting indicating that posting agrees with logged deposit.
- Accounts Payable/Receivable Clerk electronically submits or hand delivers deposit to the bank.
- Electronic Submission – Notification of such deposits are sent via email from the bank to the Corporation Treasurer for verification.
- Hand Delivered – Accounts Payable/Receivable Clerk brings deposit slip printed by bank to the Corporation Treasurer.
- Monitoring of Controls – Financial Consultant provides monitoring as well as the Board of School Trustees

Corrective Action Plan was implemented in July 2016.

First hand-written receipt was written on September 1, 2016.

SUMMARY SCHEDULE OF PRIOR AUDIT FINDINGS  
*FINDING 2016-001*  
Page 2

*Dianne Lacy*

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(Signature)

Corporation Treasurer

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(Title)

March 26, 2019

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(Date)



# CLARKSVILLE COMMUNITY SCHOOLS

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## SUMMARY SCHEDULE OF PRIOR AUDIT FINDINGS

### **FINDING 2016-002**

Fiscal year in which the finding initially occurred: FY 2015  
Pass-Through Entity, is pass-through or Federal Grantor Agency, if direct: IDOE  
Contact Person Responsible for Corrective Action: Dianne Lacy  
Contact Phone Number: 812-282-7753

#### Status of Audit Finding:

The Corporation has made procedural changes as it related to internal controls:

- The Food Service Director reviews on a quarterly basis the prior quarter's monthly budget and revenue reports provided by the Corporation Treasurer.
- The Food Service Director takes each month's budget figures, totals them and divides them by three to get the average. That process is also completed for the revenue figures. The averaged quarterly figures for budget and revenue are then placed into the following formula: *Quarterly Revenue totals - Quarterly Budget totals = 3 month average food service account balance*
- The calculation is recorded on the quarterly reports as record of action being taken and is filed together in a folder marked "Quarterly Review of Food Service Acct Balance."
  - If the account balance exceeds three months' expenditures, then purchases are made for the Food Service Program (i.e. kitchen equipment, small wares, etc.)
  - If the balance doesn't exceed three months' expenditures, expenditures will be adjusted accordingly.
- The Food Service Director properly identifies financial activity related to program income and sends to the Corporation Treasurer for reconciling to the correct financial account in the financial ledger. Any discrepancies are identified and corrected appropriately with the Food Service Director and Corporation Treasurer signing off on the correction.
- Prior to submission of the Annual Financial Reports, the Food Service Director presents to the Corporation Treasurer for a review of accuracy. The Corporation Treasurer also signs off after reviewing.
- Prior to becoming a CEP District, the Food Service Director presented the Verification Collection Reports to the CCSC food service managers for review of accuracy and sign off.

SUMMARY SCHEDULE OF PRIOR AUDIT FINDINGS

*FINDING 2016-002*

Page 2

Corrective Action Plan was implemented in September 2018.

*Dianne Lacey*

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(Signature)

Corporation Treasurer

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(Title)

March 26, 2019

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(Date)



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## SUMMARY SCHEDULE OF PRIOR AUDIT FINDINGS

### ***FINDING 2016-003***

Fiscal year in which the finding initially occurred: FY 2015

Pass-Through Entity, is pass-through or Federal Grantor Agency, if direct: IDOE

Contact Person Responsible for Corrective Action: Dianne Lacy

Contact Phone Number: 812-282-7753

#### Status of Audit Finding:

The Corporation has made procedural changes as it relates to procurement:

- The Food Service Director requests a quote from at least three different vendors for services/goods and maintains those responses on file for audit purposes according to small purchase procedures.
- These quotes address goods/services, deliveries, Buy American, Suspension & Debarment and other items as required by the Food Service Department to satisfy Federal procurement requirements. Duration dates of the Agreement with the vendor have also been provided.
- An evaluation meeting was held, per internal control policy, for food service managers to evaluate the procurement process prior to vendor approval.
- Starting with the 2016-2017 school year, the school corporation began using the SICC purchasing coop. Bids and quotes are received from the coop and they provide necessary documentation to the school corporation.
- The Food Service Director attended IDOE Procurement Records Management Training on September 11, 2018.

The process to request bids was actually initiated in April 2018, before the Corrective Action plan was written. The evaluation meeting was held on June 6, and the Food Service Director attended training on September 11.

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**Our Mission - Maximize each student's achievement!**

SUMMARY SCHEDULE OF PRIOR AUDIT FINDINGS

FINDING 2016-003

Page 2

*Dianne Lacy*

(Signature)

Corporation Treasurer

(Title)

March 26, 2019

(Date)



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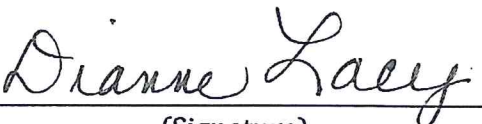
## SUMMARY SCHEDULE OF PRIOR AUDIT FINDINGS

### ***FINDING 2016-004***

Fiscal year in which the finding initially occurred: FY 2015  
Pass-Through Entity, is pass-through or Federal Grantor Agency, if direct: IDOE  
Contact Person Responsible for Corrective Action: Dianne Lacy  
Contact Phone Number: 812-282-7753

#### Status of Audit Finding:

Procedural changes, as they relate to special tests and provisions-paid lunch equity were not implemented. The Clarksville Community School Corporation, beginning with the school year 2018-2019 (August 8, 2018), became a Community Eligibility Provision (CEP) district. Therefore, the PLE tool has not been used as we do not charge students for meals.

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

Corporation Treasurer

\_\_\_\_\_  
(Title)

March 26, 2019

\_\_\_\_\_  
(Date)



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## SUMMARY SCHEDULE OF PRIOR AUDIT FINDINGS

### ***FINDING 2016-005***

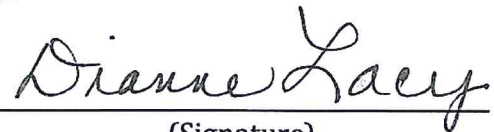
Fiscal year in which the finding initially occurred: FY 2015  
Pass-Through Entity, is pass-through or Federal Grantor Agency, if direct: IDOE  
Contact Person Responsible for Corrective Action: Dianne Lacy  
Contact Phone Number: 812-282-7753

#### Status of Audit Finding:

The Corporation has made procedural changes as it relates to grant agreements and the compliance with procurement and suspension and debarment:

- Clarksville Community School Corporation designated Madison Area Special Services (MAESSU) as the fiscal agent to receive and manage the funding of the Special Education programs starting July 1, 2017.
- MAESSU reviews vendors using the following: [http: OIG.HHS.GOV](http://OIG.HHS.GOV). Documentation for this requirement is kept at the MAESSU business office.
- MAESSU maintains internal control over Federal program that provide reasonable assurance that the auditee is managing Federal awards in compliance with laws, regulations, and the provisions of contracts or grant agreement that could have a material effect on the Federal program as stated in OMB Circular A-0133, subpart C, section 300.
- The Clarksville Community School Corporation Treasurer is in contact with the MAESSU Business Manager to ensure that this procedure is being followed.

Corrective Action Plan was implemented in September 2018.



(Signature)

Corporation Treasurer

(Title)

March 26, 2019

(Date)



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## SUMMARY SCHEDULE OF PRIOR AUDIT FINDINGS

### ***FINDING 2016-006***

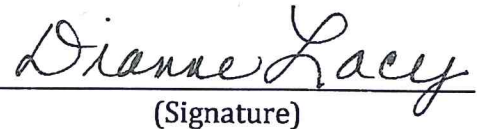
Fiscal year in which the finding initially occurred: FY 2013  
Pass-Through Entity, is pass-through or Federal Grantor Agency, if direct: IDOE  
Contact Person Responsible for Corrective Action: Dianne Lacy  
Contact Phone Number: 812-282-7753

#### Status of Audit Finding:

The Corporation has made procedural changes as it relates to allowable costs/cost principles:

- Time & Effort Reporting are maintained and kept in the applicable grant file.
- Semi-Annual Certifications are maintained and kept in the applicable grant file.

Corrective Action Plan was implemented on August 21, 2018.

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

Corporation Treasurer

\_\_\_\_\_  
(Title)

March 26, 2019

\_\_\_\_\_  
(Date)



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## SUMMARY SCHEDULE OF PRIOR AUDIT FINDINGS

### ***FINDING 2016-007***

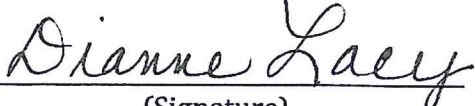
Fiscal year in which the finding initially occurred: FY 2015  
Pass-Through Entity, is pass-through or Federal Grantor Agency, if direct: IDOE  
Contact Person Responsible for Corrective Action: Dianne Lacy  
Contact Phone Number: 812-282-7753

Status of Audit Finding:

The Corporation has made procedural changes as it relates to eligibility:

- The LEA principal and non-public principal communicate via email beginning on June 7, 2018, to document student eligibility for service. The non-public principal was out of town and not available to meet in person.
- Documentation for the eligibility summary to support the non-public enrollment and poverty data to support the funding distributed to the non-public school were collected and retained in the grant file.

Corrective Action Plan was implemented on June 7, 2018.

  
\_\_\_\_\_

(Signature)

Corporation Treasurer

\_\_\_\_\_  
(Title)

March 26, 2019

\_\_\_\_\_  
(Date)



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## SUMMARY SCHEDULE OF PRIOR AUDIT FINDINGS

### ***FINDING 2016-008***

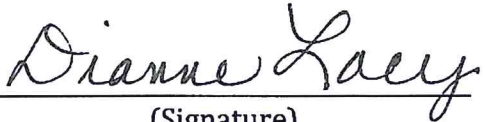
Fiscal year in which the finding initially occurred: FY 2015  
Pass-Through Entity, is pass-through or Federal Grantor Agency, if direct: IDOE  
Contact Person Responsible for Corrective Action: Dianne Lacy  
Contact Phone Number: 812-282-7753

#### Status of Audit Finding:

The Corporation has made procedural changes as it relates to internal controls:

- Internal controls have been established to ensure that the reports are reviewed for accuracy by additional personnel.
- Corporation Treasurer and Superintendent review for accuracy and sign the reports prior to submission.

Corrective Action Plan was implemented on October 1, 2018.



(Signature)

Corporation Treasurer

(Title)

March 26, 2019

(Date)



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## SUMMARY SCHEDULE OF PRIOR AUDIT FINDINGS

### ***FINDING 2016-009***

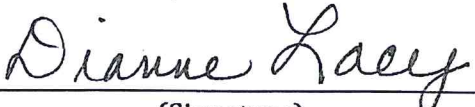
Fiscal year in which the finding initially occurred: FY 2015  
Pass-Through Entity, is pass-through or Federal Grantor Agency, if direct: IDOE  
Contact Person Responsible for Corrective Action: Dianne Lacy  
Contact Phone Number: 812-282-7753

#### Status of Audit Finding:

The Corporation has made procedural changes as it relates to special tests and provisions – Assessment System Security:

- Clarksville Community School Corporation maintains Indiana Testing Security and Integrity Agreements for all individuals who administer, handle, or have access to secure test materials at the district. In-service meetings were held in each building on September 19, 20, and 27, 2018.
- Original Indiana Testing Security and Integrity Agreements are kept on file at each school in the corporation.
- Copies of the Indiana Testing Security and Integrity Agreement are kept on file by the Director of Assessment.

Corrective Action Plan was implemented on September 19, 2018.

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

Corporation Treasurer

\_\_\_\_\_  
(Title)

March 26, 2019

\_\_\_\_\_  
(Date)



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## SUMMARY SCHEDULE OF PRIOR AUDIT FINDINGS

### ***FINDING 2016-010***

Fiscal year in which the finding initially occurred: FY 2015  
Pass-Through Entity, is pass-through or Federal Grantor Agency, if direct: IDOE  
Contact Person Responsible for Corrective Action: Dianne Lacy  
Contact Phone Number: 812-282-7753

#### Status of Audit Finding:

No procedural changes for the TAP Grant were made as the grant is no longer active. The Corporation has made procedural changes as it relates to other federal grants regarding compliance with the period of availability requirements:

- Direct contact by email to the Indiana Department of Education for confirmation of expenditures within period of availability for the grant.
- Copies of all supporting documents are retained in the grant files and referenced throughout the grant periods.
- Clarksville Community School Corporation will work toward maintaining internal control over Federal programs that provides reasonable assurance that the auditee is managing Federal awards in compliance with laws, regulations, and the provisions of contracts or grant agreements that could have a material effect on the Federal program as stated in OMB Circular A-133, Subpart C, Section 300.

Corrective Action Plan was implemented on August 30, 2018.

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

Corporation Treasurer

\_\_\_\_\_  
(Title)

March 26, 2019

\_\_\_\_\_  
(Date)



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## CORRECTIVE ACTION PLAN

### ***FINDING 2018-001***

Contact Person Responsible for Corrective Action: Dianne Lacy  
Contact Phone Number: 812-282-7753

We concur with the finding, but would like to note that when the initial finding was presented in August 2018, immediate measures were taken to correct those internal controls deficiencies.

The Corporation has made procedural changes as it relates to Cash Management, Eligibility, Program Income, and Reporting compliance requirements:

#### Cash Management

- The Food Service Director will review on a quarterly basis the prior quarter's monthly budget and revenue reports provided by the Corporation Treasurer.
- The Food Service Director will take each month's budget figures, total them and divide them by three to get an average. That process will also be completed for the revenue figures. The averaged quarterly figures for the budget and revenue will then be placed into the following formula: *Quarterly Revenue totals - Quarterly Budget totals = 3 month average food service account balance*
- The calculation will be recorded on the quarterly reports as record of action being taken and will be filed together in a folder marked "Quarterly Review of Food Service Acct Balance."
  - If the account balance exceeds three months' expenditures, then purchases will be made for the Food Service Program (i.e. kitchen equipment, small wares, etc.)
  - If the balance doesn't exceed three months' expenditures, expenditures will be adjusted accordingly.

#### Eligibility

- When paper applications for Benefits Assistance are received, they will be processed by the Food Service Director and reviewed by no less than one additional Food Service Manager for accuracy prior to inputting the information into the school lunch software program for eligibility determination and vice versa. Both parties will sign off on the application in the appropriate places as listed on the application. One as Determining Official; one as a Reviewer. This procedure was put into place on April 15, 2019.

CORRECTIVE ACTION PLAN

FINDING 2018-001

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- State issued income guidelines for the current school year will be printed by the Food Service Director. These figures will then be entered into the school lunch software program and verified for accuracy by one of the Food Service Managers prior to saving the information in the program. Both parties will then sign off on the printed guidelines and that document will be kept in a folder marked "Signed Income Guidelines."


Program Income

- The Food Service Director and Corporation Treasurer will sign off on the Monthly Reconciliation Spreadsheet (transfer worksheet) upon completion and verification of supporting documents for transfer of funds from the Prepaid Lunch Fund to the School Lunch Fund. This procedure was put into place in April 2019.

Reporting

- The Food Service Director will properly identify financial activity related to program income and will send to the Corporation Treasurer for reconciling to the correct financial account in the financial ledger. Any discrepancies will be identified and corrected appropriately with the Food Service Director and Corporation Treasurer signing off on the correction.
- Prior to submission of the Annual Financial Reports, the Food Service Director will present the reports to the Corporation Treasurer for a review of accuracy. The Corporation Treasurer will sign off after reviewing.
- The Food Service Director will print off the appropriate reports from the school lunch software program for Reimbursement Claim Reporting on a monthly basis. Prior to the Food Service Director submitting this information on the Child Nutrition Program web, no less than one of the Food Service Managers will verify the accuracy of the report and both parties will sign off on it. This procedure was put into place in April 2019.
- Prior to becoming a CEP District, the Food Service Director presented the Verification Collection Reports to the CCSC food service managers for review of accuracy and sign off.

Anticipated Completion Date: The Corrective Action Plan was implemented in September 2018. Additional procedures were put into place in April 2019 and marked accordingly.

  
\_\_\_\_\_

(Signature)

Corporation Treasurer

\_\_\_\_\_  
(Title)

April 18, 2019

\_\_\_\_\_  
(Date)



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## CORRECTIVE ACTION PLAN

### ***FINDING 2018-002***

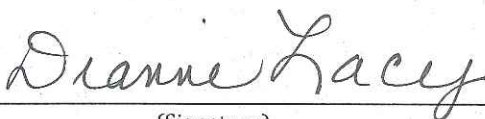
Contact Person Responsible for Corrective Action: Dianne Lacy  
Contact Phone Number: 812-282-7753

We concur with the finding.

The Corporation has made procedural changes and developed a system of internal controls as it relates to the grant agreement and the Special Tests and Provisions – Paid Lunch Equity compliance requirement.

- Upon filling out the appropriate information into the PLE Tool the Food Service Director will then forward the information and the completed PLE Tool to the Superintendent for evaluation prior to submission to the appropriate agency. This usually occurs in April or May for the upcoming school year. After evaluation is complete, the Superintendent will issue an approval (sign off) to the Food Service Director for PLE Tool submission to the INDOE Nutrition Department and both will make determinations as to the amount of increase to cover the actual weighted average meal price per guidance by the criteria 2CFR section 200.303 and 7CFR 210.14(e). The Food Service Director will then submit the PLE Tool and updated meal pricing as already required by the INDOE Nutrition Department for their approval.
- As of July 2018, Clarksville Community School Corporation is now a Community Eligibility Provision (CEP) district-wide and does not charge students for breakfasts or lunches.

Anticipated Completion Date: April 2019

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

Corporation Treasurer

\_\_\_\_\_  
(Title)

April 18, 2019

\_\_\_\_\_  
(Date)



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## CORRECTIVE ACTION PLAN

### ***FINDING 2018-003***

Contact Person Responsible for Corrective Action: Dianne Lacy  
Contact Phone Number: 812-282-7753

We concur with the finding, but would like to note that once the finding was presented in August 2018, immediate measures were taken to correct the internal controls deficiencies.

The Corporation has made procedural changes as it relates to the grant agreement and the Procurement and Suspension and Debarment compliance requirement:

- Clarksville Community School Corporation designated Madison Area Special Services (MAESSU) as the fiscal agent to receive and manage the funding of the Special Education programs starting July 1, 2017.
- MAESSU will review vendors using the following: <http://OIG.HHS.GOV>. Documentation for this requirement will be kept at the MAESSU business office.
- MAESSU will maintain internal control over Federal programs that provide reasonable assurance that the auditee is managing Federal awards in compliance with laws, regulations, and the provisions of contracts or grant agreements that could have a material effect on the Federal program as stated in OMB Circular A-0133, subpart C, section 300.
- MAESSU will update their policies for purchasing for the current law. MAESSU has contracted for policy management with NEOLA beginning in April 2019.
- The Clarksville Community School Corporation Treasurer will be in contact with the MAESSU Business Manager to ensure that these procedures are being followed.

Anticipated Completion Date: Corrective Action Plan was originally implemented in September 2018. Policy management with NEOLA was implemented in April 2019.

*Dianne Lacy*

(Signature)

Corporation Treasurer

(Title)

April 18, 2019

(Date)

#### OTHER REPORTS

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