

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

FINANCIAL STATEMENT AND  
FEDERAL SINGLE AUDIT REPORT  
OF

WESTVIEW SCHOOL CORPORATION  
LAGRANGE COUNTY, INDIANA

July 1, 2016 to June 30, 2018



**FILED**  
05/14/2019



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SCHEDULE OF OFFICIALS

<u>Office</u>	<u>Official</u>	<u>Term</u>
Treasurer	Brian L. Christner	01-01-16 to 12-31-19
Superintendent of Schools	Dr. Randall J. Zimmerly Dr. Randy Miller	07-01-16 to 06-30-18 07-01-18 to 06-30-19
President of the School Board	Gerald Lee Keith Lambright	01-01-16 to 12-31-18 01-01-19 to 12-31-19



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AN EQUAL OPPORTUNITY EMPLOYER

STATE BOARD OF ACCOUNTS  
302 WEST WASHINGTON STREET  
ROOM E418  
INDIANAPOLIS, INDIANA 46204-2769

Telephone: (317) 232-2513  
Fax: (317) 232-4711  
Web Site: [www.in.gov/sboa](http://www.in.gov/sboa)

INDEPENDENT AUDITOR'S REPORT

TO: THE OFFICIALS OF THE WESTVIEW SCHOOL CORPORATION, LAGRANGE COUNTY, INDIANA

**Report on the Financial Statement**

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

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

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

***Auditor's Responsibility***

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

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

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

INDEPENDENT AUDITOR'S REPORT  
(Continued)

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

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

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

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

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

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

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

***Other Matters***

*Supplementary Information*

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


*Other Information*

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

INDEPENDENT AUDITOR'S REPORT  
(Continued)

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

In accordance with *Government Auditing Standards*, we have also issued a report dated April 22, 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 22, 2019



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ROOM E418  
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Web Site: [www.in.gov/sboa](http://www.in.gov/sboa)

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 WESTVIEW SCHOOL CORPORATION, LAGRANGE 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 Westview 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 22, 2019, wherein we noted the School Corporation followed accounting practices the Indiana State Board of Accounts prescribes rather than accounting principles generally accepted in the United States of America.

**Internal Control over Financial Reporting**

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

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

Our consideration of internal control was for the limited purpose described in the first paragraph of this section and was not designed to identify all deficiencies in internal control that might be material weaknesses or significant deficiencies and, therefore, material weaknesses or significant deficiencies may exist that were not identified. We did identify certain deficiencies in internal control, described in the accompanying Schedule of Findings and Questioned Costs as item 2018-001, that we consider to be a material weakness.

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*.

**Westview School Corporation's Response to Findings**

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

**Purpose of This Report**

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

  
Paul D. Joyce, CPA  
State Examiner

April 22, 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.

WESTVIEW 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	Receipts	Disbursements	Other	Cash and	Receipts	Disbursements	Other	Cash and
	Investments			Financing	Investments			Financing	Investments
	07-01-16			Sources (Uses)	06-30-17			Sources (Uses)	06-30-18
General	\$ 2,525,392	\$ 14,015,242	\$ 14,526,400	\$ -	\$ 2,014,234	\$ 14,141,981	\$ 14,980,651	\$ -	\$ 1,175,564
Referendum Tax Levy	-	-	-	-	-	1,288,525	729,372	-	559,153
Debt Service	2,112,310	3,507,749	3,575,020	(11,652)	2,033,387	2,254,599	3,713,170	57,469	632,285
Retirement/Severance Bond Debt Service	34,858	93,379	54,577	-	73,660	212,052	284,233	-	1,479
Capital Projects	1,668,464	2,793,371	2,431,394	(596,448)	1,433,993	2,837,128	2,760,401	830	1,511,550
School Transportation	538,921	1,598,682	1,454,055	-	683,548	1,643,313	1,602,133	-	724,728
School Bus Replacement	372,711	429,275	290,040	(100,000)	411,946	466,654	538,676	(150,000)	189,924
Rainy Day	1,422,216	75	841,362	700,000	1,280,929	200,065	407,380	(61,181)	1,012,433
Retirement/Severance Bond	105,568	852	38,759	-	67,661	1,238	131,481	105,270	42,688
Post-Retirement/Severance Future Benefits	232,258	-	17,093	-	215,165	-	8,811	105,911	312,265
Construction 2018	-	-	-	-	-	-	384,759	3,600,000	3,215,241
School Lunch	640,973	1,027,216	1,257,798	-	410,391	1,022,622	1,204,028	-	228,985
Textbook Rental	136,192	227,325	129,164	11,652	246,005	221,714	345,770	9,678	131,627
Self-Insurance	2,037,487	2,931,000	3,049,374	-	1,919,113	3,125,679	3,830,442	-	1,214,350
Educational License Plates	3,813	131	-	-	3,944	169	-	-	4,113
Dekko Arts Partnership Grant 2014	4	-	4	-	-	-	-	-	-
Arts Dekko Grant - 2015-2016	6	-	6	-	-	-	-	-	-
Dekko Grant - TES 2016-2017	4,933	-	4,933	-	-	-	-	-	-
Dekko Grant - WES 2016-2017	4,600	-	4,600	-	-	-	-	-	-
Dekko Grant - WHS 2016-2017	1,200	-	1,200	-	-	-	-	-	-
Dekko Grant 2017 - WES	-	650	-	-	650	-	628	-	22
Dekko Grant 2017 - WHS	-	1,400	-	-	1,400	-	1,400	-	-
Dekko Grant 2017 H. EASH - WHS	-	1,438	-	-	1,438	-	1,438	-	-
Dekko Grant - E Wilson 2018-2019	-	-	-	-	-	1,454	-	-	1,454
Dekko Grant - A Cunningham 2018	-	-	-	-	-	2,165	-	-	2,165
SES Donation Fund	1,276	-	312	-	964	-	-	-	964
MES Donation Fund	6	-	-	-	6	-	-	-	6
Westview Amish Pathways Program	-	54,000	52,794	-	1,206	50,000	51,206	-	-
Adult and Continuing Education	9,644	-	-	-	9,644	-	-	-	9,644
Lilly Counseling Grant	-	29,948	11,981	-	17,967	-	21,817	-	(3,850)
Lions Grant	523	-	337	-	186	-	-	-	186
Formative Assessment	-	29,161	29,161	-	-	29,120	29,120	-	-
Governor's Work Ethic	-	-	2,096	-	(2,096)	25,000	22,904	-	-
IN Literacy Early Intervention	-	14,150	722	-	13,428	-	26,798	-	(13,370)

WESTVIEW 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
High Ability 2015-2016	(6,002)	-	(6,002)	-	-	-	-	-	-
High Ability 2016-2017	-	34,160	28,988	-	5,172	-	5,172	-	-
High Ability 2017-2018	-	-	-	-	-	34,306	34,306	-	-
Computer Consortium/Ed Tech Advance	-	192,886	192,885	-	1	27,114	27,115	-	-
Health and Education Program	3	-	-	-	3	-	-	-	3
Secured Schools Safety Grant	-	14,494	14,494	-	-	-	-	-	-
NESP 2015-2016	(4,527)	-	(4,527)	-	-	-	-	-	-
NESP 2016-2017	-	102,258	115,213	-	(12,955)	-	(12,955)	-	-
NESP 2017-2018	-	-	-	-	-	190,240	199,141	-	(8,901)
School Technology	7,454	52,864	53,223	-	7,095	173,333	99,260	-	81,168
Technology Grants [IC 20-40-15]	(11,766)	29,038	16,773	-	499	-	499	-	-
Career and Technical Performance Grant	-	4,863	-	-	4,863	5,532	-	-	10,395
School Performance 2015-2016	-	62,752	62,752	-	-	-	-	-	-
Teacher Appreciation Grant	-	-	-	-	-	65,784	65,784	-	-
Title I 2015-2016	(122,408)	229,572	191,092	83,928	-	-	-	-	-
Title I 2016-2017	-	862,654	991,409	82,935	(45,820)	111,807	65,987	-	-
Title I 2017-2018	-	-	-	-	-	758,252	820,628	-	(62,376)
Drug Free Schools	-	-	-	-	-	12,291	13,742	-	(1,451)
Title IIA 2014-2015	(1,091)	1,091	-	-	-	-	-	-	-
Title IIA 2015-2017	(13,012)	183,028	86,088	(83,928)	-	-	-	-	-
Title IIA 2016-2018	-	152,456	86,824	(82,935)	(17,303)	29,646	12,343	-	-
Title IIA 2017-2019	-	-	-	-	-	109,543	114,452	-	(4,909)
Title III - 2015-2016	(13,983)	20,334	6,351	-	-	-	-	-	-
Title III - 2016-2017	-	71,620	80,802	-	(9,182)	13,962	4,780	-	-
Title III - 2017-2018	-	-	-	-	-	65,197	70,307	-	(5,110)
Payroll Withholding	163,951	4,215,093	4,215,054	-	163,990	4,212,461	4,222,824	-	153,627
Cafeteria Money on Account	24,769	68,462	68,375	-	24,856	74,546	73,300	-	26,102
Totals	\$ 11,876,743	\$ 33,052,669	\$ 33,972,976	\$ 3,552	\$ 10,959,988	\$ 33,407,492	\$ 36,893,303	\$ 3,667,977	\$ 11,142,154

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

WESTVIEW 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.

WESTVIEW SCHOOL CORPORATION  
NOTES TO FINANCIAL STATEMENT  
(Continued)

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

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

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

**E. Disbursements**

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

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

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

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

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

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

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

**F. Other Financing Sources and Uses**

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

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

WESTVIEW SCHOOL CORPORATION  
NOTES TO FINANCIAL STATEMENT  
(Continued)

*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.

*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.

WESTVIEW SCHOOL CORPORATION  
NOTES TO FINANCIAL STATEMENT  
(Continued)

**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.

**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:

WESTVIEW SCHOOL CORPORATION  
NOTES TO FINANCIAL STATEMENT  
(Continued)

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 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. Negative Disbursements**

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

WESTVIEW SCHOOL CORPORATION  
NOTES TO FINANCIAL STATEMENT  
(Continued)

**Note 8. 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 reimbursement for expenditures made by the School Corporation were not received by June 30, 2018.

**Note 9. Holding Corporation**

The School Corporation has entered into a capital lease with Westview Elementary 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 \$3,545,000 and \$3,675,000, respectively.

**Note 10. Other Postemployment Benefits**

Classified employees who have completed 10 years of service at the School Corporation are eligible for postemployment benefits. The postemployment benefit is a payment of \$100 per year of service and \$50 per unused sick day. Part-time employees receive \$50 per year of service and \$25 per unused sick day. Retiring classified employees 55 years of age and having 15 years of experience may continue to participate in the corporation's health insurance program, until Medicare eligible, if they pay the full premium.

Certified teachers are eligible for the severance plan and early retirement benefits outlined in the collective bargaining agreement. In addition, the retiring certified teacher may elect to remain on the Corporation Health Insurance plan until Medicare eligible. The teacher receives an annual \$2,500 credit against the insurance premium.

These benefits pose a liability to the School Corporation for this year and in future years. Information regarding the benefits can be obtained by contacting the School Corporation.

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#### OTHER INFORMATION - UNAUDITED

The School Corporation's Financial Reports can be found on the Indiana Department of Education website: <http://www.doe.in.gov/finance/school-financial-reports>. This website is maintained by the Indiana Department of Education. More current financial information is available from the School Corporation Treasurer's office. Additionally, some financial information of the School Corporation can be found on the Indiana Gateway for Government Units website: <https://gateway.ifionline.org/>.

Differences may be noted between the financial information presented in the financial statement contained in this report and the financial information presented in the School Corporation's Financial Reports referenced above. These differences, if any, are due to adjustments made to the financial information during the course of the audit. This is a common occurrence in any financial statement audit. The financial information presented in this report is audited information, and the accuracy of such information can be determined by reading the opinion given in the Independent Auditor's Report.

The other information presented was approved by management of the School Corporation. It is presented as intended by the School Corporation.

WESTVIEW SCHOOL CORPORATION  
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	General	Referendum Tax Levy	Debt Service	Retirement/ Severance Bond Debt Service	Capital Projects	School Transportation	School Bus Replacement	Rainy Day	Retirement/ Severance Bond
Cash and investments - beginning	\$ 2,525,392	\$ -	\$ 2,112,310	\$ 34,858	\$ 1,668,464	\$ 538,921	\$ 372,711	\$ 1,422,216	\$ 105,568
Receipts:									
Local sources	284,909	-	3,507,749	93,379	2,768,127	1,593,710	429,275	75	852
Intermediate sources	8,754	-	-	-	-	-	-	-	-
State sources	13,717,581	-	-	-	-	-	-	-	-
Federal sources	-	-	-	-	-	264	-	-	-
Other receipts	3,998	-	-	-	25,244	4,708	-	-	-
Total receipts	14,015,242	-	3,507,749	93,379	2,793,371	1,598,682	429,275	75	852
Disbursements:									
Instruction	10,530,457	-	-	-	-	-	-	276,153	-
Support services	3,832,245	-	-	-	1,133,712	1,454,055	290,040	475,052	38,759
Noninstructional services	163,698	-	-	-	-	-	-	70,157	-
Facilities acquisition and construction	-	-	-	-	1,297,682	-	-	20,000	-
Debt service	-	-	3,575,020	54,577	-	-	-	-	-
Nonprogrammed charges	-	-	-	-	-	-	-	-	-
Total disbursements	14,526,400	-	3,575,020	54,577	2,431,394	1,454,055	290,040	841,362	38,759
Excess (deficiency) of receipts over disbursements	(511,158)	-	(67,271)	38,802	361,977	144,627	139,235	(841,287)	(37,907)
Other financing sources (uses):									
Sale of capital assets	-	-	-	-	3,552	-	-	-	-
Transfers in	-	-	-	-	-	-	-	700,000	-
Transfers out	-	-	(11,652)	-	(600,000)	-	(100,000)	-	-
Total other financing sources (uses)	-	-	(11,652)	-	(596,448)	-	(100,000)	700,000	-
Excess (deficiency) of receipts and other financing sources over disbursements and other financing uses	(511,158)	-	(78,923)	38,802	(234,471)	144,627	39,235	(141,287)	(37,907)
Cash and investments - ending	\$ 2,014,234	\$ -	\$ 2,033,387	\$ 73,660	\$ 1,433,993	\$ 683,548	\$ 411,946	\$ 1,280,929	\$ 67,661

WESTVIEW SCHOOL CORPORATION  
 COMBINING SCHEDULE OF RECEIPTS, DISBURSEMENTS,  
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	Post- Retirement/ Severance Future Benefits	Construction 2018	School Lunch	Textbook Rental	Self- Insurance	Educational License Plates	Dekko Arts Partnership Grant 2014	Arts Dekko Grant - 2015-2016	Dekko Grant - TES 2016-2017
Cash and investments - beginning	\$ 232,258	\$ -	\$ 640,973	\$ 136,192	\$ 2,037,487	\$ 3,813	\$ 4	\$ 6	\$ 4,933
Receipts:									
Local sources	-	-	549,327	173,012	2,931,000	-	-	-	-
Intermediate sources	-	-	-	-	-	131	-	-	-
State sources	-	-	17,523	52,645	-	-	-	-	-
Federal sources	-	-	460,239	-	-	-	-	-	-
Other receipts	-	-	127	1,668	-	-	-	-	-
Total receipts	-	-	1,027,216	227,325	2,931,000	131	-	-	-
Disbursements:									
Instruction	-	-	-	-	-	-	4	6	4,933
Support services	17,093	-	117,702	125,158	68,627	-	-	-	-
Noninstructional services	-	-	1,140,096	-	-	-	-	-	-
Facilities acquisition and construction	-	-	-	4,006	-	-	-	-	-
Debt service	-	-	-	-	-	-	-	-	-
Nonprogrammed charges	-	-	-	-	2,980,747	-	-	-	-
Total disbursements	17,093	-	1,257,798	129,164	3,049,374	-	4	6	4,933
Excess (deficiency) of receipts over disbursements	(17,093)	-	(230,582)	98,161	(118,374)	131	(4)	(6)	(4,933)
Other financing sources (uses):									
Sale of capital assets	-	-	-	-	-	-	-	-	-
Transfers in	-	-	-	11,652	-	-	-	-	-
Transfers out	-	-	-	-	-	-	-	-	-
Total other financing sources (uses)	-	-	-	11,652	-	-	-	-	-
Excess (deficiency) of receipts and other financing sources over disbursements and other financing uses	(17,093)	-	(230,582)	109,813	(118,374)	131	(4)	(6)	(4,933)
Cash and investments - ending	\$ 215,165	\$ -	\$ 410,391	\$ 246,005	\$ 1,919,113	\$ 3,944	\$ -	\$ -	\$ -

WESTVIEW SCHOOL CORPORATION  
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	Dekko Grant - WES 2016-2017	Dekko Grant - WHS 2016-2017	Dekko Grant 2017 - WES	Dekko Grant 2017 - WHS	Dekko Grant 2017 H. EASH - WHS	Dekko Grant - E Wilson 2018-2019	Dekko Grant - A Cunningham 2018	SES Donation Fund
Cash and investments - beginning	\$ 4,600	\$ 1,200	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 1,276
Receipts:								
Local sources	-	-	650	1,400	1,438	-	-	-
Intermediate sources	-	-	-	-	-	-	-	-
State sources	-	-	-	-	-	-	-	-
Federal sources	-	-	-	-	-	-	-	-
Other receipts	-	-	-	-	-	-	-	-
Total receipts	-	-	650	1,400	1,438	-	-	-
Disbursements:								
Instruction	4,600	1,200	-	-	-	-	-	-
Support services	-	-	-	-	-	-	-	-
Noninstructional services	-	-	-	-	-	-	-	-
Facilities acquisition and construction	-	-	-	-	-	-	-	312
Debt service	-	-	-	-	-	-	-	-
Nonprogrammed charges	-	-	-	-	-	-	-	-
Total disbursements	4,600	1,200	-	-	-	-	-	312
Excess (deficiency) of receipts over disbursements	(4,600)	(1,200)	650	1,400	1,438	-	-	(312)
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	(4,600)	(1,200)	650	1,400	1,438	-	-	(312)
Cash and investments - ending	\$ -	\$ -	\$ 650	\$ 1,400	\$ 1,438	\$ -	\$ -	\$ 964

WESTVIEW SCHOOL CORPORATION  
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	MES Donation Fund	Westview Amish Pathways Program	Adult and Continuing Education	Lilly Counseling Grant	Lions Grant	Formative Assessment	Governor's Work Ethic	IN Literacy Early Intervention	High Ability 2015-2016
Cash and investments - beginning	\$ 6	\$ -	\$ 9,644	\$ -	\$ 523	\$ -	\$ -	\$ -	\$ (6,002)
Receipts:									
Local sources	-	54,000	-	29,948	-	-	-	-	-
Intermediate sources	-	-	-	-	-	-	-	-	-
State sources	-	-	-	-	-	29,161	-	14,150	-
Federal sources	-	-	-	-	-	-	-	-	-
Other receipts	-	-	-	-	-	-	-	-	-
Total receipts	-	54,000	-	29,948	-	29,161	-	14,150	-
Disbursements:									
Instruction	-	-	-	-	-	-	729	722	(6,002)
Support services	-	-	-	11,981	337	-	1,367	-	-
Noninstructional services	-	-	-	-	-	-	-	-	-
Facilities acquisition and construction	-	52,794	-	-	-	29,161	-	-	-
Debt service	-	-	-	-	-	-	-	-	-
Nonprogrammed charges	-	-	-	-	-	-	-	-	-
Total disbursements	-	52,794	-	11,981	337	29,161	2,096	722	(6,002)
Excess (deficiency) of receipts over disbursements	-	1,206	-	17,967	(337)	-	(2,096)	13,428	6,002
Other financing sources (uses):									
Sale of capital assets	-	-	-	-	-	-	-	-	-
Transfers in	-	-	-	-	-	-	-	-	-
Transfers out	-	-	-	-	-	-	-	-	-
Total other financing sources (uses)	-	-	-	-	-	-	-	-	-
Excess (deficiency) of receipts and other financing sources over disbursements and other financing uses	-	1,206	-	17,967	(337)	-	(2,096)	13,428	6,002
Cash and investments - ending	\$ 6	\$ 1,206	\$ 9,644	\$ 17,967	\$ 186	\$ -	\$ (2,096)	\$ 13,428	\$ -

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	High Ability 2016-2017	High Ability 2017-2018	Computer Consortium/ Ed Tech Advance	Health and Education Program	Secured Schools Safety Grant	NESP 2015-2016	NESP 2016-2017	NESP 2017-2018	School Technology
Cash and investments - beginning	\$ -	\$ -	\$ -	\$ 3	\$ -	\$ (4,527)	\$ -	\$ -	\$ 7,454
Receipts:									
Local sources	-	-	-	-	-	-	-	-	44,396
Intermediate sources	-	-	-	-	-	-	-	-	-
State sources	34,160	-	192,886	-	14,494	-	102,258	-	8,468
Federal sources	-	-	-	-	-	-	-	-	-
Other receipts	-	-	-	-	-	-	-	-	-
Total receipts	34,160	-	192,886	-	14,494	-	102,258	-	52,864
Disbursements:									
Instruction	28,988	-	-	-	-	(4,527)	110,205	-	-
Support services	-	-	192,885	-	-	-	5,008	-	6,920
Noninstructional services	-	-	-	-	-	-	-	-	-
Facilities acquisition and construction	-	-	-	-	14,494	-	-	-	46,303
Debt service	-	-	-	-	-	-	-	-	-
Nonprogrammed charges	-	-	-	-	-	-	-	-	-
Total disbursements	28,988	-	192,885	-	14,494	(4,527)	115,213	-	53,223
Excess (deficiency) of receipts over disbursements	5,172	-	1	-	-	4,527	(12,955)	-	(359)
Other financing sources (uses):									
Sale of capital assets	-	-	-	-	-	-	-	-	-
Transfers in	-	-	-	-	-	-	-	-	-
Transfers out	-	-	-	-	-	-	-	-	-
Total other financing sources (uses)	-	-	-	-	-	-	-	-	-
Excess (deficiency) of receipts and other financing sources over disbursements and other financing uses	5,172	-	1	-	-	4,527	(12,955)	-	(359)
Cash and investments - ending	\$ 5,172	\$ -	\$ 1	\$ 3	\$ -	\$ -	\$ (12,955)	\$ -	\$ 7,095

WESTVIEW SCHOOL CORPORATION  
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	Technology Grants [IC 20-40-15]	Career and Technical Performance Grant	School Performance 2015-2016	Teacher Appreciation Grant	Title I 2015-2016	Title I 2016-2017	Title I 2017-2018	Drug Free Schools	Title IIA 2014-2015
Cash and investments - beginning	\$ (11,766)	\$ -	\$ -	\$ -	\$ (122,408)	\$ -	\$ -	\$ -	\$ (1,091)
Receipts:									
Local sources	-	-	-	-	-	-	-	-	-
Intermediate sources	-	-	-	-	-	-	-	-	-
State sources	29,038	4,863	62,752	-	-	-	-	-	-
Federal sources	-	-	-	-	229,572	862,654	-	-	1,091
Other receipts	-	-	-	-	-	-	-	-	-
Total receipts	<u>29,038</u>	<u>4,863</u>	<u>62,752</u>	<u>-</u>	<u>229,572</u>	<u>862,654</u>	<u>-</u>	<u>-</u>	<u>1,091</u>
Disbursements:									
Instruction	3,203	-	62,752	-	147,299	989,039	-	-	-
Support services	13,570	-	-	-	-	-	-	-	-
Noninstructional services	-	-	-	-	-	2,370	-	-	-
Facilities acquisition and construction	-	-	-	-	-	-	-	-	-
Debt service	-	-	-	-	-	-	-	-	-
Nonprogrammed charges	-	-	-	-	43,793	-	-	-	-
Total disbursements	<u>16,773</u>	<u>-</u>	<u>62,752</u>	<u>-</u>	<u>191,092</u>	<u>991,409</u>	<u>-</u>	<u>-</u>	<u>-</u>
Excess (deficiency) of receipts over disbursements	<u>12,265</u>	<u>4,863</u>	<u>-</u>	<u>-</u>	<u>38,480</u>	<u>(128,755)</u>	<u>-</u>	<u>-</u>	<u>1,091</u>
Other financing sources (uses):									
Sale of capital assets	-	-	-	-	-	-	-	-	-
Transfers in	-	-	-	-	83,928	82,935	-	-	-
Transfers out	-	-	-	-	-	-	-	-	-
Total other financing sources (uses)	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>83,928</u>	<u>82,935</u>	<u>-</u>	<u>-</u>	<u>-</u>
Excess (deficiency) of receipts and other financing sources over disbursements and other financing uses	<u>12,265</u>	<u>4,863</u>	<u>-</u>	<u>-</u>	<u>122,408</u>	<u>(45,820)</u>	<u>-</u>	<u>-</u>	<u>1,091</u>
Cash and investments - ending	<u>\$ 499</u>	<u>\$ 4,863</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ (45,820)</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>

WESTVIEW SCHOOL CORPORATION  
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	Title IIA 2015-2017	Title IIA 2016-2018	Title IIA 2017-2019	Title III 2015-2016	Title III 2016-2017	Title III 2017-2018	Payroll Withholding	Cafeteria Money on Account	Totals
Cash and investments - beginning	\$ (13,012)	\$ -	\$ -	\$ (13,983)	\$ -	\$ -	\$ 163,951	\$ 24,769	\$ 11,876,743
Receipts:									
Local sources	-	-	-	-	-	-	-	-	12,463,247
Intermediate sources	-	-	-	-	-	-	-	-	8,885
State sources	-	-	-	-	-	-	-	-	14,279,979
Federal sources	183,028	152,456	-	20,334	71,620	-	-	-	1,981,258
Other receipts	-	-	-	-	-	-	4,215,093	68,462	4,319,300
Total receipts	183,028	152,456	-	20,334	71,620	-	4,215,093	68,462	33,052,669
Disbursements:									
Instruction	86,088	86,824	-	(1,940)	79,571	-	-	-	12,400,304
Support services	-	-	-	8,291	1,231	-	-	-	7,794,033
Noninstructional services	-	-	-	-	-	-	-	-	1,376,321
Facilities acquisition and construction	-	-	-	-	-	-	-	-	1,464,752
Debt service	-	-	-	-	-	-	-	-	3,629,597
Nonprogrammed charges	-	-	-	-	-	-	4,215,054	68,375	7,307,969
Total disbursements	86,088	86,824	-	6,351	80,802	-	4,215,054	68,375	33,972,976
Excess (deficiency) of receipts over disbursements	96,940	65,632	-	13,983	(9,182)	-	39	87	(920,307)
Other financing sources (uses):									
Sale of capital assets	-	-	-	-	-	-	-	-	3,552
Transfers in	-	-	-	-	-	-	-	-	878,515
Transfers out	(83,928)	(82,935)	-	-	-	-	-	-	(878,515)
Total other financing sources (uses)	(83,928)	(82,935)	-	-	-	-	-	-	3,552
Excess (deficiency) of receipts and other financing sources over disbursements and other financing uses	13,012	(17,303)	-	13,983	(9,182)	-	39	87	(916,755)
Cash and investments - ending	\$ -	\$ (17,303)	\$ -	\$ -	\$ (9,182)	\$ -	\$ 163,990	\$ 24,856	\$ 10,959,988

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	General	Referendum Tax Levy	Debt Service	Retirement/ Severance Bond Debt Service	Capital Projects	School Transportation	School Bus Replacement	Rainy Day	Retirement/ Severance Bond
Cash and investments - beginning	\$ 2,014,234	\$ -	\$ 2,033,387	\$ 73,660	\$ 1,433,993	\$ 683,548	\$ 411,946	\$ 1,280,929	\$ 67,661
Receipts:									
Local sources	472,383	1,288,525	2,254,599	212,052	2,835,930	1,631,734	466,654	200,065	1,238
Intermediate sources	9,353	-	-	-	-	-	-	-	-
State sources	13,657,350	-	-	-	-	-	-	-	-
Federal sources	-	-	-	-	-	346	-	-	-
Other receipts	2,895	-	-	-	1,198	11,233	-	-	-
Total receipts	14,141,981	1,288,525	2,254,599	212,052	2,837,128	1,643,313	466,654	200,065	1,238
Disbursements:									
Instruction	10,579,485	729,372	-	-	-	-	-	59,366	55,535
Support services	4,177,905	-	-	-	1,357,567	1,602,133	538,676	238,589	75,946
Noninstructional services	191,056	-	-	-	-	-	-	18,742	-
Facilities acquisition and construction	32,205	-	-	-	1,402,834	-	-	90,683	-
Debt service	-	-	3,713,170	284,233	-	-	-	-	-
Nonprogrammed charges	-	-	-	-	-	-	-	-	-
Total disbursements	14,980,651	729,372	3,713,170	284,233	2,760,401	1,602,133	538,676	407,380	131,481
Excess (deficiency) of receipts over disbursements	(838,670)	559,153	(1,458,571)	(72,181)	76,727	41,180	(72,022)	(207,315)	(130,243)
Other financing sources (uses):									
Proceeds of long-term debt	-	-	67,147	-	-	-	-	-	-
Sale of capital assets	-	-	-	-	830	-	-	-	-
Transfers in	-	-	-	-	-	-	-	-	105,270
Transfers out	-	-	(9,678)	-	-	-	(150,000)	(61,181)	-
Total other financing sources (uses)	-	-	57,469	-	830	-	(150,000)	(61,181)	105,270
Excess (deficiency) of receipts and other financing sources over disbursements and other financing uses	(838,670)	559,153	(1,401,102)	(72,181)	77,557	41,180	(222,022)	(268,496)	(24,973)
Cash and investments - ending	\$ 1,175,564	\$ 559,153	\$ 632,285	\$ 1,479	\$ 1,511,550	\$ 724,728	\$ 189,924	\$ 1,012,433	\$ 42,688

WESTVIEW 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

	Post- Retirement/ Severance Future Benefits	Construction 2018	School Lunch	Textbook Rental	Self- Insurance	Educational License Plates	Dekko Arts Partnership Grant 2014	Arts Dekko Grant - 2015-2016	Dekko Grant - TES 2016-2017
Cash and investments - beginning	\$ 215,165	\$ -	\$ 410,391	\$ 246,005	\$ 1,919,113	\$ 3,944	\$ -	\$ -	\$ -
Receipts:									
Local sources	-	-	586,354	175,467	3,125,679	-	-	-	-
Intermediate sources	-	-	-	-	-	169	-	-	-
State sources	-	-	19,195	44,620	-	-	-	-	-
Federal sources	-	-	416,877	-	-	-	-	-	-
Other receipts	-	-	196	1,627	-	-	-	-	-
Total receipts	-	-	1,022,622	221,714	3,125,679	169	-	-	-
Disbursements:									
Instruction	-	-	-	-	-	-	-	-	-
Support services	8,811	-	17,544	344,804	45,962	-	-	-	-
Noninstructional services	-	-	1,186,484	-	-	-	-	-	-
Facilities acquisition and construction	-	384,759	-	966	-	-	-	-	-
Debt service	-	-	-	-	-	-	-	-	-
Nonprogrammed charges	-	-	-	-	3,784,480	-	-	-	-
Total disbursements	8,811	384,759	1,204,028	345,770	3,830,442	-	-	-	-
Excess (deficiency) of receipts over disbursements	(8,811)	(384,759)	(181,406)	(124,056)	(704,763)	169	-	-	-
Other financing sources (uses):									
Proceeds of long-term debt	-	3,600,000	-	-	-	-	-	-	-
Sale of capital assets	-	-	-	-	-	-	-	-	-
Transfers in	211,181	-	-	9,678	-	-	-	-	-
Transfers out	(105,270)	-	-	-	-	-	-	-	-
Total other financing sources (uses)	105,911	3,600,000	-	9,678	-	-	-	-	-
Excess (deficiency) of receipts and other financing sources over disbursements and other financing uses	97,100	3,215,241	(181,406)	(114,378)	(704,763)	169	-	-	-
Cash and investments - ending	\$ 312,265	\$ 3,215,241	\$ 228,985	\$ 131,627	\$ 1,214,350	\$ 4,113	\$ -	\$ -	\$ -

WESTVIEW 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

	Dekko Grant - WES 2016-2017	Dekko Grant - WHS 2016-2017	Dekko Grant 2017 - WES	Dekko Grant 2017 - WHS	Dekko Grant 2018 H. EASH - WHS	Dekko Grant - E Wilson 2018-2019	Dekko Grant - A Cunningham 2018	SES Donation Fund	MES Donation Fund
Cash and investments - beginning	\$ -	\$ -	\$ 650	\$ 1,400	\$ 1,438	\$ -	\$ -	\$ 964	\$ 6
Receipts:									
Local sources	-	-	-	-	-	1,454	2,165	-	-
Intermediate sources	-	-	-	-	-	-	-	-	-
State sources	-	-	-	-	-	-	-	-	-
Federal sources	-	-	-	-	-	-	-	-	-
Other receipts	-	-	-	-	-	-	-	-	-
Total receipts	-	-	-	-	-	1,454	2,165	-	-
Disbursements:									
Instruction	-	-	628	1,400	1,438	-	-	-	-
Support services	-	-	-	-	-	-	-	-	-
Noninstructional services	-	-	-	-	-	-	-	-	-
Facilities acquisition and construction	-	-	-	-	-	-	-	-	-
Debt service	-	-	-	-	-	-	-	-	-
Nonprogrammed charges	-	-	-	-	-	-	-	-	-
Total disbursements	-	-	628	1,400	1,438	-	-	-	-
Excess (deficiency) of receipts over disbursements	-	-	(628)	(1,400)	(1,438)	1,454	2,165	-	-
Other financing sources (uses):									
Proceeds of long-term debt	-	-	-	-	-	-	-	-	-
Sale of capital assets	-	-	-	-	-	-	-	-	-
Transfers in	-	-	-	-	-	-	-	-	-
Transfers out	-	-	-	-	-	-	-	-	-
Total other financing sources (uses)	-	-	-	-	-	-	-	-	-
Excess (deficiency) of receipts and other financing sources over disbursements and other financing uses	-	-	(628)	(1,400)	(1,438)	1,454	2,165	-	-
Cash and investments - ending	\$ -	\$ -	\$ 22	\$ -	\$ -	\$ 1,454	\$ 2,165	\$ 964	\$ 6

WESTVIEW 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

	Westview Amish Pathways Program	Adult and Continuing Education	Lilly Counseling Grant	Lions Grant	Formative Assessment	Governor's Work Ethic	IN Literacy Early Intervention	High Ability 2015-2016	High Ability 2016-2017
Cash and investments - beginning	\$ 1,206	\$ 9,644	\$ 17,967	\$ 186	\$ -	\$ (2,096)	\$ 13,428	\$ -	\$ 5,172
Receipts:									
Local sources	50,000	-	-	-	-	-	-	-	-
Intermediate sources	-	-	-	-	-	-	-	-	-
State sources	-	-	-	-	29,120	25,000	-	-	-
Federal sources	-	-	-	-	-	-	-	-	-
Other receipts	-	-	-	-	-	-	-	-	-
Total receipts	50,000	-	-	-	29,120	25,000	-	-	-
Disbursements:									
Instruction	-	-	12,617	-	-	22,159	26,798	-	5,172
Support services	-	-	9,200	-	-	745	-	-	-
Noninstructional services	-	-	-	-	-	-	-	-	-
Facilities acquisition and construction	51,206	-	-	-	29,120	-	-	-	-
Debt service	-	-	-	-	-	-	-	-	-
Nonprogrammed charges	-	-	-	-	-	-	-	-	-
Total disbursements	51,206	-	21,817	-	29,120	22,904	26,798	-	5,172
Excess (deficiency) of receipts over disbursements	(1,206)	-	(21,817)	-	-	2,096	(26,798)	-	(5,172)
Other financing sources (uses):									
Proceeds of long-term debt	-	-	-	-	-	-	-	-	-
Sale of capital assets	-	-	-	-	-	-	-	-	-
Transfers in	-	-	-	-	-	-	-	-	-
Transfers out	-	-	-	-	-	-	-	-	-
Total other financing sources (uses)	-	-	-	-	-	-	-	-	-
Excess (deficiency) of receipts and other financing sources over disbursements and other financing uses	(1,206)	-	(21,817)	-	-	2,096	(26,798)	-	(5,172)
Cash and investments - ending	\$ -	\$ 9,644	\$ (3,850)	\$ 186	\$ -	\$ -	\$ (13,370)	\$ -	\$ -

WESTVIEW 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

	High Ability 2017-2018	Computer Consortium/ Ed Tech Advance	Health and Education Program	Secured Schools Safety Grant	NESP 2015-2016	NESP 2016-2017	NESP 2017-2018	School Technology	Technology Grants [IC 20-40-15]
Cash and investments - beginning	\$ -	\$ 1	\$ 3	\$ -	\$ -	\$ (12,955)	\$ -	\$ 7,095	\$ 499
Receipts:									
Local sources	-	-	-	-	-	-	-	162,323	-
Intermediate sources	-	-	-	-	-	-	-	-	-
State sources	34,306	27,114	-	-	-	-	190,240	11,010	-
Federal sources	-	-	-	-	-	-	-	-	-
Other receipts	-	-	-	-	-	-	-	-	-
Total receipts	<u>34,306</u>	<u>27,114</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>190,240</u>	<u>173,333</u>	<u>-</u>
Disbursements:									
Instruction	34,306	-	-	-	-	(12,955)	199,141	-	500
Support services	-	27,115	-	-	-	-	-	7,120	(1)
Noninstructional services	-	-	-	-	-	-	-	-	-
Facilities acquisition and construction	-	-	-	-	-	-	-	92,140	-
Debt service	-	-	-	-	-	-	-	-	-
Nonprogrammed charges	-	-	-	-	-	-	-	-	-
Total disbursements	<u>34,306</u>	<u>27,115</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>(12,955)</u>	<u>199,141</u>	<u>99,260</u>	<u>499</u>
Excess (deficiency) of receipts over disbursements	<u>-</u>	<u>(1)</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>12,955</u>	<u>(8,901)</u>	<u>74,073</u>	<u>(499)</u>
Other financing sources (uses):									
Proceeds of long-term debt	-	-	-	-	-	-	-	-	-
Sale of capital assets	-	-	-	-	-	-	-	-	-
Transfers in	-	-	-	-	-	-	-	-	-
Transfers out	-	-	-	-	-	-	-	-	-
Total other financing sources (uses)	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Excess (deficiency) of receipts and other financing sources over disbursements and other financing uses	<u>-</u>	<u>(1)</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>12,955</u>	<u>(8,901)</u>	<u>74,073</u>	<u>(499)</u>
Cash and investments - ending	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 3</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ (8,901)</u>	<u>\$ 81,168</u>	<u>\$ -</u>

WESTVIEW 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

	Career and Technical Performance Grant	School Performance 2015-2016	Teacher Appreciation Grant	Title I 2015-2016	Title I 2016-2017	Title I 2017-2018	Drug Free Schools	Title IIA 2014-2015	Title IIA 2015-2017
Cash and investments - beginning	\$ 4,863	\$ -	\$ -	\$ -	\$ (45,820)	\$ -	\$ -	\$ -	\$ -
Receipts:									
Local sources	-	-	-	-	-	-	-	-	-
Intermediate sources	-	-	-	-	-	-	-	-	-
State sources	5,532	-	65,784	-	-	-	-	-	-
Federal sources	-	-	-	-	111,807	758,252	12,291	-	-
Other receipts	-	-	-	-	-	-	-	-	-
Total receipts	5,532	-	65,784	-	111,807	758,252	12,291	-	-
Disbursements:									
Instruction	-	-	65,784	-	65,986	818,276	1,385	-	-
Support services	-	-	-	-	-	-	12,357	-	-
Noninstructional services	-	-	-	-	1	2,352	-	-	-
Facilities acquisition and construction	-	-	-	-	-	-	-	-	-
Debt service	-	-	-	-	-	-	-	-	-
Nonprogrammed charges	-	-	-	-	-	-	-	-	-
Total disbursements	-	-	65,784	-	65,987	820,628	13,742	-	-
Excess (deficiency) of receipts over disbursements	5,532	-	-	-	45,820	(62,376)	(1,451)	-	-
Other financing sources (uses):									
Proceeds of long-term debt	-	-	-	-	-	-	-	-	-
Sale of capital assets	-	-	-	-	-	-	-	-	-
Transfers in	-	-	-	-	-	-	-	-	-
Transfers out	-	-	-	-	-	-	-	-	-
Total other financing sources (uses)	-	-	-	-	-	-	-	-	-
Excess (deficiency) of receipts and other financing sources over disbursements and other financing uses	5,532	-	-	-	45,820	(62,376)	(1,451)	-	-
Cash and investments - ending	\$ 10,395	\$ -	\$ -	\$ -	\$ -	\$ (62,376)	\$ (1,451)	\$ -	\$ -

WESTVIEW 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 IIA 2016-2018	Title IIA 2017-2019	Title III 2015-2016	Title III 2016-2017	Title III 2017-2018	Payroll Withholding	Cafeteria Money on Account	Totals
Cash and investments - beginning	\$ (17,303)	\$ -	\$ -	\$ (9,182)	\$ -	\$ 163,990	\$ 24,856	\$ 10,959,988
Receipts:								
Local sources	-	-	-	-	-	-	-	13,466,622
Intermediate sources	-	-	-	-	-	-	-	9,522
State sources	-	-	-	-	-	-	-	14,109,271
Federal sources	29,646	109,543	-	13,962	65,197	-	-	1,517,921
Other receipts	-	-	-	-	-	4,212,461	74,546	4,304,156
Total receipts	29,646	109,543	-	13,962	65,197	4,212,461	74,546	33,407,492
Disbursements:								
Instruction	12,343	108,905	-	4,780	52,894	-	-	12,845,315
Support services	-	5,547	-	-	17,413	-	-	8,487,433
Noninstructional services	-	-	-	-	-	-	-	1,398,635
Facilities acquisition and construction	-	-	-	-	-	-	-	2,083,913
Debt service	-	-	-	-	-	-	-	3,997,403
Nonprogrammed charges	-	-	-	-	-	4,222,824	73,300	8,080,604
Total disbursements	12,343	114,452	-	4,780	70,307	4,222,824	73,300	36,893,303
Excess (deficiency) of receipts over disbursements	17,303	(4,909)	-	9,182	(5,110)	(10,363)	1,246	(3,485,811)
Other financing sources (uses):								
Proceeds of long-term debt	-	-	-	-	-	-	-	3,667,147
Sale of capital assets	-	-	-	-	-	-	-	830
Transfers in	-	-	-	-	-	-	-	326,129
Transfers out	-	-	-	-	-	-	-	(326,129)
Total other financing sources (uses)	-	-	-	-	-	-	-	3,667,977
Excess (deficiency) of receipts and other financing sources over disbursements and other financing uses	17,303	(4,909)	-	9,182	(5,110)	(10,363)	1,246	182,166
Cash and investments - ending	\$ -	\$ (4,909)	\$ -	\$ -	\$ (5,110)	\$ 153,627	\$ 26,102	\$ 11,142,154

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WESTVIEW SCHOOL CORPORATION  
 SCHEDULE OF LEASES AND DEBT  
 June 30, 2018

Lessor	Purpose	Annual Lease Payment	Lease Beginning Date	Lease Ending Date
Governmental activities:				
Westview Elementary School Building Corporation	Elementary School Building	<u>\$ 1,002,000</u>	1/1/2008	12/31/2018

Type	Description of Debt Purpose	Ending Principal Balance	Principal and Interest Due Within One Year
Governmental activities:			
General obligation bonds	Purchase of Energy Saving Equipment and Roof Replacement	\$ 3,600,000	\$ 180,500
General obligation bonds	Qualified School Construction Bond	1,575,000	27,720
General obligation bonds	School Pension-Severance Taxable Program	<u>1,845,000</u>	<u>284,093</u>
Totals		<u>\$ 7,020,000</u>	<u>\$ 492,313</u>

WESTVIEW 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	\$ 444,817
Buildings	34,939,676
Improvements other than buildings	222,106
Machinery, equipment, and vehicles	<u>7,039,106</u>
Total capital assets	<u>\$ 42,645,705</u>

SUPPLEMENTAL AUDIT OF  
FEDERAL AWARDS



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

TO: THE OFFICIALS OF THE WESTVIEW SCHOOL CORPORATION, LAGRANGE COUNTY, INDIANA

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

We have audited the Westview 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.

***Basis for Qualified Opinion on Child Nutrition Cluster***

As described in item 2018-003 in the accompanying Schedule of Findings and Questioned Costs, the School Corporation did not comply with requirements regarding Allowable Costs/Cost Principles that are applicable to its Child Nutrition Cluster. Compliance with such requirements is necessary, in our opinion, for the School Corporation to comply with requirements applicable to that program.

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

***Qualified Opinion on Child Nutrition Cluster***

In our opinion, except for the noncompliance described in the *Basis for Qualified Opinion on Child Nutrition Cluster* paragraph, 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 its Child Nutrition Cluster for the period of July 1, 2016 to June 30, 2018.

***Unmodified Opinion on Each of the Other Major Federal Programs***

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 other major federal programs identified in the Summary of Auditor's Results section of the accompanying Schedule of Findings and Questioned Costs for the period of July 1, 2016 to June 30, 2018.

**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 2018-002 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*  
Paul D. Joyce, CPA  
State Examiner

April 22, 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.

WESTVIEW 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
<b>Department of Agriculture</b>							
Child Nutrition Cluster							
School Breakfast Program	Indiana Department of Education	10.553	FY 2017 FY 2018	\$ - -	\$ 52,320 -	\$ - -	\$ - 49,319
Total - School Breakfast Program				-	52,320	-	49,319
National School Lunch Program	Indiana Department of Education	10.555	FY 2017 FY 2018	- -	407,919 -	- -	- 367,558
Commodities			FY 2017 FY 2018	- -	108,333 -	- -	- 110,132
Total - National School Lunch Program				-	516,252	-	477,690
Total - Child Nutrition Cluster				-	568,572	-	527,009
Total - Department of Agriculture				-	568,572	-	527,009
<b>Department of Labor</b>							
WIOA Cluster							
WIOA Dislocated Worker Formula Grants	Indiana Department of Workforce Development	17.278	AA-28315-16-55-A-18	-	-	-	25,000
Total - Department of Labor				-	-	-	25,000
<b>Department of Education</b>							
Special Education Cluster (IDEA)							
Special Education Grants to States	Indiana Department of Education	84.027	14216-044-PN01 14217-044-PN01 18611-044-PN01	- - -	80,260 391,962 -	- - -	- 66,233 647,902
Total - Special Education Grants to States				-	472,222	-	714,135
Special Education Preschool Grants	Indiana Department of Education	84.173	45717-044-PN01 18619-044-PN01	- -	9,585 -	- -	- 13,215
Total - Special Education Preschool Grants				-	9,585	-	13,215
Total - Special Education Cluster (IDEA)				-	481,807	-	727,350

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

Federal Grantor Agency Cluster Title/Program Title/Project Title	Pass-Through Entity or Direct Grant	Federal CFDA Number	Pass-Through Entity (or Other) Identifying Number	Passed Through to Subrecipient 06-30-17	Total Federal Awards Expended 06-30-17	Passed Through to Subrecipient 06-30-18	Total Federal Awards Expended 06-30-18
Title I Grants to Local Educational Agencies	Indiana Department of Education	84.010	15-0014	-	300,000	-	-
			16-0014	-	792,226	-	249,215
			17-0014	-	-	-	620,844
Total - Title I Grants to Local Educational Agencies				-	1,092,226	-	870,059
English Language Acquisition State Grants	Indiana Department of Education	84.365	15-0014	-	20,335	-	-
			16-0014	-	71,620	-	13,962
			17-0014	-	-	-	65,198
Total - English Language Acquisition State Grants				-	91,955	-	79,160
Supporting Effective Instruction State Grants	Indiana Department of Education	84.367	14-0013	-	1,091	-	-
			15-0013	-	183,028	-	-
			16-0013	-	152,456	-	29,646
			17-0013	-	-	-	109,543
Total - Supporting Effective Instruction State Grants				-	336,575	-	139,189
Student Support and Academic Enrichment Program	Indiana Department of Education	84.424	17-0015	-	-	-	12,291
Total - Student Support Academic Enrichment Program				-	-	-	12,291
Total - Department of Education				-	2,002,563	-	1,828,049
Total federal awards expended				\$ -	\$ 2,571,135	\$ -	\$ 2,380,058

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

WESTVIEW SCHOOL CORPORATION  
NOTES TO SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS

**Note 1. Basis of Presentation**

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

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

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

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

**Note 3. Special Education Cooperative**

The School Corporation is a member of the Northeast Indiana Special Education Cooperative (Cooperative) which operates the special education program for the School Corporation. As a result, some activity for the Special Education Cluster (IDEA) that is presented on the SEFA is not presented as receipts and disbursements in the financial statement for the School Corporation. This activity is reported on the financial statements of the Cooperative.

WESTVIEW 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?	yes
Significant deficiency identified?	none reported
Noncompliance material to financial statement noted?	no

Federal Awards:

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

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

<u>Name of Federal Program or Cluster</u>	<u>Opinion Issued</u>
Child Nutrition Cluster	Qualified
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
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**Section II - Financial Statement Findings**

**FINDING 2018-001**

Subject: Preparation of the Schedule of Expenditures of Federal Awards  
Audit Finding: Material Weakness

*Condition*

The School Corporation did not have a proper system of internal control in place to prevent, or detect and correct, errors on the Schedule of Expenditures of Federal Awards (SEFA).

The School Corporation had not established effective internal controls over the financial information entered into the Indiana Gateway for Government Units (Gateway) financial reporting system, which was the source of the School Corporation's SEFA. One employee prepared the federal award information that was entered into Gateway without a control in place to prevent, or detect and correct, errors prior to submission.

WESTVIEW SCHOOL CORPORATION  
SCHEDULE OF FINDINGS AND QUESTIONED COSTS  
(Continued)

*Context*

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

*Criteria*

The Indiana State Board of Accounts (SBOA) is required under Indiana Code 5-11-1-27(e) to define the acceptable minimum level of internal control standards. To provide clarifying guidance, the State Examiner compiled the standards contained in the manual, *Uniform Internal Control Standards for Indiana Political Subdivisions*. All political subdivisions subject to audit by SBOA are expected to adhere to these standards. The standards include adequate control activities. According to this manual:

"Control activities are the actions and tools established through policies and procedures that help to detect, prevent, or reduce the identified risks that interfere with the achievement of objectives. Detection activities are designed to identify unfavorable events in a timely manner whereas prevention activities are designed to deter the occurrence of an unfavorable event. Examples of these activities include reconciliations, authorizations, approval processes, performance reviews, and verification processes.

An integral part of the control activity component is segregation of duties. . . .

There is an expectation of segregation of duties. If compensating controls are necessary, documentation should exist to identify both the areas where segregation of duties are not feasible or practical and the compensating controls implemented to mitigate the risk. . . ."

*Cause*

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

*Effect*

Without a proper system of internal control in place that operated effectively, material misstatements of the SEFA could have gone undetected.

*Recommendation*

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

*Views of Responsible Officials*

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

WESTVIEW SCHOOL CORPORATION  
SCHEDULE OF FINDINGS AND QUESTIONED COSTS  
(Continued)

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

***FINDING 2018-002***

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): FY 2017, FY 2018

Pass-Through Entity: Indiana Department of Education

Compliance Requirements: Procurement and Suspension and Debarment, Reporting, and Special Tests and Provisions - Verification of Free and Reduced Price Applications (NSLP)

Audit Finding: Material Weakness

*Condition*

An effective internal control system was not in place at the School Corporation in order to ensure compliance with requirements related to the grant agreement and the Procurement and Suspension and Debarment, Reporting, and Special Tests and Provisions - Verification of Free and Reduced Price Applications (NSLP) compliance requirements.

*Procurement*

The School Corporation utilized an educational service center for food service bids. The educational service center administered the bidding process as well as verified that the vendors were not suspended or debarred. The educational service center made a recommendation to the School Corporation for the winning bids. However, there were no controls in place to ensure that the School Corporation and School Board formally approved the bids or awarded the contracts to the successful bidders for fiscal year 2017-2018.

*Reporting*

No evidence existed to indicate the School Food Authority (SFA) Verification Collection Reports were reviewed by someone other than the preparer.

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

The School Corporation had not designed or implemented adequate controls to ensure that the verifications of eligibility determinations for free and reduced priced meals were accurate. One employee prepared the School Food Authority (SFA) Verification Collection Reports to be submitted and performed the verifications. There was no documentation of a control in place, such as an oversight, review, or approval process, or other compensating control.

*Context*

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

WESTVIEW 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 to ensure compliance with the compliance requirements listed above.

*Effect*

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

*Questioned Costs*

There were no questioned costs identified.

*Recommendation*

We recommended that the School Corporation's management establish controls 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 2018-003**

Subject: Child Nutrition Cluster - Allowable Costs/Cost Principles  
Federal Agency: Department of Agriculture  
Federal Programs: School Breakfast Program, National School Lunch Program  
CFDA Numbers: 10.553, 10.555  
Federal Award Numbers and Years (or Other Identifying Numbers): FY 2017, FY 2018  
Pass-Through Entity: Indiana Department of Education  
Compliance Requirement: Allowable Costs/Cost Principles  
Audit Findings: Material Weakness, Modified Opinion

WESTVIEW SCHOOL CORPORATION  
SCHEDULE OF FINDINGS AND QUESTIONED COSTS  
(Continued)

*Condition*

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

The School Corporation did not maintain proper time and effort documentation for all employees paid from the Child Nutrition Cluster. During the audit period, a portion of two employee's salaries were paid from Child Nutrition Cluster funds. The School Corporation paid \$66,084 in payroll related expenses based on fixed percentages and not actual time spent. There was no supporting documentation to indicate how these amounts were determined.

*Context*

The lack of controls and noncompliance with the two employees was a systemic issue, occurring throughout the audit period.

*Criteria*

2 CFR 200.303 states in part:

"The non-Federal entity must:

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

2 CFR 200.403 states in part:

"Except where otherwise authorized by statute, costs must meet the following general criteria in order to be allowable under Federal awards: . . .

- (g) Be adequately documented. . . ."

2 CFR 200.430(i) states in part:

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

- (i) Be supported by a system of internal control which provides reasonable assurance that the charges are accurate, allowable, and properly allocated;
- (ii) Be incorporated into the official records of the non-Federal entity;
- (iii) Reasonably reflect the total activity for which the employee is compensated by the non-Federal entity, not exceeding 100% of compensated activities (for IHE, this per the IHE's definition of IBS); . . .

WESTVIEW SCHOOL CORPORATION  
SCHEDULE OF FINDINGS AND QUESTIONED COSTS  
(Continued)

- (vii) Support the distribution of the employee's salary or wages among specific activities or cost objectives if the employee works on more than one Federal award; a Federal award and non-Federal award; an indirect cost activity and a direct cost activity; two or more indirect activities which are allocated using different allocation bases; or an unallowable activity and a direct or indirect cost activity. . . ."

*Cause*

Management had not developed an effective system of internal controls that would have ensured compliance with the Allowable Costs/Cost Principles compliance requirement.

*Effect*

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

*Questioned Costs*

Known questioned cost of \$66,084 were identified in the *Condition*.

*Recommendation*

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

*Views of Responsible Officials*

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

AUDITEE-PREPARED DOCUMENT

The subsequent document was provided by management of the School Corporation. The document is presented as intended by the School Corporation.

# WESTVIEW SCHOOL CORPORATION



## CORRECTIVE ACTION PLAN

Page 1 of 3

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

Subject: Preparation of the Schedule of Expenditures of Federal Awards  
Audit Finding: Material Weakness

One employee prepared the federal award information that was entered into Gateway without a control in place to prevent, or detect and correct, error prior to submission.

Contact Person Responsible for Corrective Action: Brian L Christner, Director of Finance  
Contact Phone Number: 260-768-4404

Views of Responsible Official: I concur with the finding. In the past, one person, the director of finance, has prepared and uploaded the Schedule of Expenditures of Federal Awards into Gateway.

Description of Corrective Action Plan:

In the future the director of finance will continue to prepare the SEFA and either the Deputy Treasurer or the Superintendent will review and sign-off on the SEFA in order to reduce the chance of any misstatement.

Anticipated Completion Date: April 22, 2019

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

Subject: Child Nutrition Cluster – Internal Controls  
Audit Finding: Material Weakness

There were no controls in place to ensure that the School Corporation and School Board formally approved the bids or awarded the contracts to the successful bidders for the 2017-2018 school year.

No evidence existed to indicate the School Food Authority (SFA) Verification Collection Reports were reviewed by someone other than the preparer.

Contact Person Responsible for Corrective Action: Brian L Christner, Director of Finance  
Contact Phone Number: 260-768-4404

Views of Responsible Official: I concur with the finding that for the 2017-18 school year there is no evidence that the Board of Education approved the food bids. As in the past the school food bids were administered by the Northern Indiana Educational Service Center (NIESC). Normally after the NEISC accepts and approves the winning bids they are presented to the Westview Board for approval. The



formal approval process did not occur at the beginning of 2017-2018 school year. Subsequent claims by the winning bidders were approved by the board.

I also concur there is no written evidence that the verification process was reviewed by someone other than the preparer.

**Description of Corrective Action Plan:**

In the future as soon as the NIESC board accepts and approves winning bids for the Region 7 group food purchases, which usually happens in May, those recommendations will be taken to the Westview Board of Education for approval. This year, for the 2019-20 school the bids will be submitted for the Westview Board's approval in June, 2019

In the past the Westview Clerk who processes the free and reduced applications has also verified the applications, selected randomly for verification. Currently the Director of Finance reviews 100% of the Free and Reduced applications but only verbally participates in the verification process. In the future the Clerk will continue to process all Free and Reduced applications and the Director of Finance will review and sign all applications. The when the small percentage of applications are selected for verification the actual verification work will be completed by the Director of Finance.

Anticipated Completion Date: April 22, 2019

***FINDING 2018-003***

Subject: Child Nutrition Cluster - Allowable Costs/Cost Principles  
Audit Finding(s): Material Weakness, Other Matters

The School Corporation did not maintain proper time and effort documentation for all employees paid from the Child Nutrition Cluster. During the audit period, a portion of two employees' salaries were paid from Child Nutrition Cluster funds. The amounts paid were based on fixed percentages and not actual time spent. There was no supporting documentation to indicate how these amounts were determined.

Contact Person Responsible for Corrective Action: Brian L Christner, Director of Finance  
Contact Phone Number: 260-768-4404

Views of Responsible Official: I concur that time and effort documentation for (2) employees paid from the Child Nutrition Cluster.

**Description of Corrective Action Plan:**

One of Westview's technical assistant's has been the person tasked with processing Free and Reduced Lunch applications. Since 30% of her time was allocated to this process only that part of her salary was charged to the Food Services Fund. No formal time records were maintained. Currently all applications

# WESTVIEW SCHOOL CORPORATION




are processed by a person who is employed full time in the Food Services are and so no corrective action is required for this employee.

Over the past 10 years 30% of the Director of Finance time has been paid for through the Lunch Fund because of the tasks required to be performed within food service by the director of Finance. In the recent past no formal time study with logs has been maintained. The time study listed below was prepared on April 20<sup>th</sup>. In the future proper time and effort documentation will be maintained.

	<u>Hours/Year</u>
School Visits per week - (2) per school per week	180.00
Review of claim billing to DOE - 1.25 hours per building for each of 10 months--	62.50
Planning and holding Quarterly Food Service Mgr. Meetings--	40.00
Annual On-Site Review of Breakfast and Lunch Clerking Procedures and collections	18.00
Review and Verify Free and Reduced Lunch Applications that are prepared by the clerk...	136.00
Menu Planning with help from Kaylyn McPillop - As needed -	12.00
Planning and Holding Annual Food Service Training Day: August 12, 2019	20.00
Required Annual Training for Food Service Director	16.00
Meetings at NIESC -- Region 7 for Food Procurement Process Implementation--	16.00
Prepare and Submit Annual Financial Report to the Department of Education...	18.00
Attend Wellness Committee Meetings	6.00
Cost out Lunches once per year	7.50
Use paid lunch equity tool to recommend lunch prices to the Board of Education	5.00
Keep up documentation all training for all food service personnel	2.00
Work with State Board of Accounts on Audit of Food Service Program -	5.00
A-133 Audit Preparation and Support	10.00
<b>Total Hours for Director of Finance on Food Service Director Activities (30% of contracted time)</b>	<b><u>554.00</u></b>

Anticipated Completion Date: April 22, 2019

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

*Director of Finance*  
 \_\_\_\_\_  
 (Title)

4/20/19  
 \_\_\_\_\_  
 (Date)

#### OTHER REPORTS

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