

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

FINANCIAL STATEMENT AND
FEDERAL SINGLE AUDIT REPORT
OF

WES-DEL COMMUNITY SCHOOL CORPORATION
DELAWARE COUNTY, INDIANA

July 1, 2016 to June 30, 2018



FILED
06/03/2019

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SCHEDULE OF OFFICIALS

<u>Office</u>	<u>Official</u>	<u>Term</u>
Treasurer	Sharon Fowler	07-01-16 to 06-30-19
Superintendent of Schools	Michael Bush	07-01-16 to 06-30-18
	Kyle Mealy	07-01-18 to 06-30-19
President of the School Board	Julie Heron	01-01-16 to 12-31-16
	Dick Johnson	01-01-17 to 12-31-17
	Steve Dowling	01-01-18 to 12-31-18
	Dick Johnson	01-01-19 to 12-31-19



STATE OF INDIANA
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INDEPENDENT AUDITOR'S REPORT

TO: THE OFFICIALS OF THE WES-DEL COMMUNITY SCHOOL
CORPORATION, DELAWARE COUNTY, INDIANA

Report on the Financial Statement

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

Management's Responsibility for the Financial Statement

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

Auditor's Responsibility

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

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

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

INDEPENDENT AUDITOR'S REPORT
(Continued)

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

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

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

Adverse Opinion on U.S. Generally Accepted Accounting Principles

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

Opinion on Regulatory Basis of Accounting

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

Other Matters

Supplementary Information

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

Other Information

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

INDEPENDENT AUDITOR'S REPORT
(Continued)

Other Reporting Required by *Government Auditing Standards*

In accordance with *Government Auditing Standards*, we have also issued a report dated May 13, 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

May 13, 2019



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

TO: THE OFFICIALS OF THE WES-DEL COMMUNITY SCHOOL
CORPORATION, DELAWARE 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 Wes-Del Community School Corporation (School Corporation), which comprises the financial position and results of operations for the period of July 1, 2016 to June 30, 2018, and the related notes to the financial statement, and have issued our report thereon dated May 13, 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 instances of noncompliance or other matters that are required to be reported under *Government Auditing Standards* and which are described in the accompanying Schedule of Findings and Questioned Costs as item 2018-001.

Wes-Del Community School Corporation's Response to Findings

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

Purpose of This Report

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


Paul D. Joyce, CPA
State Examiner

May 13, 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.

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

Fund	Cash and Investments 07-01-16	Receipts	Disbursements	Other Financing Sources (Uses)	Cash and Investments 06-30-17	Receipts	Disbursements	Other Financing Sources (Uses)	Cash and Investments 06-30-18
General	\$ 1,370,095	\$ 5,463,344	\$ 5,616,870	\$ -	\$ 1,216,569	\$ 5,964,700	\$ 5,645,121	\$ -	\$ 1,536,148
Debt Service	438,798	817,591	744,845	(22,284)	489,260	752,208	737,340	-	504,128
Capital Projects	117,787	687,335	597,517	-	207,605	659,259	752,835	-	114,029
School Transportation	321,644	502,689	404,509	(100,000)	319,824	569,358	470,435	-	418,747
School Bus Replacement	145,628	217,889	150,033	(50,000)	163,484	151,372	150,033	(50,000)	114,823
Rainy Day	719,220	350	100,557	150,000	769,013	-	197,280	50,000	621,733
Construction	63,236	-	63,236	-	-	-	-	-	-
School Lunch	48,838	424,969	410,250	-	63,557	459,496	436,023	-	87,030
Textbook Rental	147,819	90,377	131,573	22,284	128,907	94,468	151,979	-	71,396
Levy Excess	26	-	-	-	26	-	-	-	26
Secured Security Safety	-	-	-	-	-	-	5,550	-	(5,550)
Lilly Endowment	-	30,000	17,214	-	12,786	-	12,786	-	-
Gaston Endowment	-	-	-	-	-	1,300	1,300	-	-
United Way	6,175	4,000	3,552	-	6,623	4,000	2,799	-	7,824
Scholarships and Awards	-	5,000	3,251	-	1,749	-	1,749	-	-
6th Grade Academy	-	-	-	-	-	50,000	-	-	50,000
Instructional Support	128	-	-	-	128	-	128	-	-
Medical Reimbursement	-	2,370	-	-	2,370	507	2,877	-	-
Formative Assessment	-	9,434	9,434	-	-	9,692	9,692	-	-
Early Childhood Intervention (First Steps)	-	-	-	-	-	1,500	2,239	-	(739)
Family Engagement	-	-	-	-	-	5,500	1,468	-	4,032
Medicaid Reimbursement	14	-	-	-	14	-	-	-	14
Scholarships and Awards	-	-	-	-	-	1,000	-	-	1,000
School Technology	32,759	38,004	59,844	-	10,919	49,694	11,283	-	49,330
Career and Technical Performance Grant	-	1,404	-	-	1,404	4,118	2,425	-	3,097
Extended Background Checks	32	125	151	-	6	25	25	-	6
Gifted and Talented 14-15	1,601	-	1,601	-	-	-	-	-	-
Models For Success	-	10,000	10,000	-	-	-	-	-	-
American Dairy Association	-	600	-	-	600	-	-	-	600
High Ability 16-17	-	28,190	22,239	-	5,951	-	5,951	-	-
High Ability 17-18	-	-	-	-	-	28,024	23,708	-	4,316
Project Lead the Way	-	2,169	2,169	-	-	2,572	2,572	-	-
Title I 15-16	(9,196)	25,867	16,671	-	-	-	-	-	-
Title I 16-17	-	105,542	113,087	-	(7,545)	63,630	56,085	-	-
Title I 17-18	-	-	-	-	-	122,257	132,767	-	(10,510)
Special Education 15-16	(31,695)	84,800	53,105	-	-	-	-	-	-
Special Education 16-17	-	118,845	160,473	-	(41,628)	98,291	56,663	-	-
Special Education 17-18	-	-	-	-	-	128,876	195,218	-	(66,342)
Too Good for Drugs	-	-	-	-	-	-	65	-	(65)
Improving Teacher Quality, Title II, Part A 16-17	-	29,288	29,288	-	-	689	689	-	-
Improving Teacher Quality, Title II, Part A 17-18	-	-	-	-	-	20,296	23,739	-	(3,443)
Rural Schools and Low Income Program FY 15	-	5,278	5,278	-	-	12,898	12,898	-	-
Rural Schools and Low Income Program FY 17	-	-	-	-	-	20,097	20,097	-	-
Payroll Clearing	40,086	1,392,444	1,390,345	-	42,185	1,392,253	1,393,732	-	40,706
Prepaid Lunch	2,209	174,785	172,007	-	4,987	179,734	178,944	-	5,777
Totals	\$ 3,415,204	\$ 10,272,689	\$ 10,289,099	\$ -	\$ 3,398,794	\$ 10,847,814	\$ 10,698,495	\$ -	\$ 3,548,113

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

WES-DEL COMMUNITY SCHOOL CORPORATION
NOTES TO FINANCIAL STATEMENT

Note 1. Summary of Significant Accounting Policies

A. Reporting Entity

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

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

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

B. Basis of Accounting

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

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

C. Cash and Investments

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

D. Receipts

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

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

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

WES-DEL COMMUNITY SCHOOL CORPORATION
NOTES TO FINANCIAL STATEMENT
(Continued)

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

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

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

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

E. Disbursements

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

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

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

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

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

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

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

F. Other Financing Sources and Uses

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

WES-DEL COMMUNITY SCHOOL CORPORATION
NOTES TO FINANCIAL STATEMENT
(Continued)

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

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

G. Fund Accounting

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

Note 2. Budgets

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

Note 3. Property Taxes

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

Note 4. Deposits and Investments

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

WES-DEL COMMUNITY SCHOOL CORPORATION
NOTES TO FINANCIAL STATEMENT
(Continued)

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

Note 5. Risk Management

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

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

Note 6. Pension Plans

A. Public Employees' Retirement Fund

Plan Description

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

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

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

Funding Policy and Annual Pension Cost

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

WES-DEL COMMUNITY SCHOOL CORPORATION
NOTES TO FINANCIAL STATEMENT
(Continued)

B. Teachers' Retirement Fund

Plan Description

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

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

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

Funding Policy and Annual Pension Cost

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

Note 7. Cash Balance Deficits

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

Note 8. Holding Corporation

The School Corporation has entered into a capital lease with Harrison-Washington School Building Corporation (the lessor). The lessor was organized as a not-for-profit corporation pursuant to state statute for the purpose of financing and constructing or reconstructing facilities for lease to the School Corporation. The lessor has been determined to be a related-party of the School Corporation. Lease payments during the years ended June 30, 2017 and 2018, totaled \$600,000 and \$593,999, respectively.

WES-DEL COMMUNITY SCHOOL CORPORATION
NOTES TO FINANCIAL STATEMENT
(Continued)

Note 9. Subsequent Event

The School Corporation has entered into a lease agreement with the Harrison-Washington School Building Corporation (the lessor). The lessor issued Ad Valorem Property Tax First Mortgage Bonds, Series 2018, with a principal amount of \$6,460,000 on September 13, 2018. The bond proceeds will be used to renovate and improve Wes-Del Elementary School. Construction started in July 2018 and is expected to be completed in July 2019. Lease payments for the bond principal and interest will be due semiannually, on January 15 and July 15 of each year, beginning in January 2020.

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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.

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

	General	Debt Service	Capital Projects	School Transportation	School Bus Replacement	Rainy Day	Construction	School Lunch	Textbook Rental	Levy Excess
Cash and investments - beginning	\$ 1,370,095	\$ 438,798	\$ 117,787	\$ 321,644	\$ 145,628	\$ 719,220	\$ 63,236	\$ 48,838	\$ 147,819	\$ 26
Receipts:										
Local sources	35,006	817,591	687,335	502,588	217,889	-	-	178,897	54,130	-
Intermediate sources	269	-	-	-	-	-	-	-	-	-
State sources	5,423,298	-	-	-	-	-	-	4,522	32,485	-
Federal sources	-	-	-	-	-	-	-	241,550	-	-
Temporary loans	-	-	-	-	-	-	-	-	3,762	-
Other receipts	4,771	-	-	101	-	350	-	-	-	-
Total receipts	5,463,344	817,591	687,335	502,689	217,889	350	-	424,969	90,377	-
Disbursements:										
Instruction	3,631,131	-	-	-	-	-	-	-	-	-
Support services	1,928,394	-	419,293	404,509	150,033	100,557	-	-	131,573	-
Noninstructional services	57,345	-	-	-	-	-	-	410,250	-	-
Facilities acquisition and construction	-	-	178,224	-	-	-	63,236	-	-	-
Debt service	-	744,845	-	-	-	-	-	-	-	-
Nonprogrammed charges	-	-	-	-	-	-	-	-	-	-
Total disbursements	5,616,870	744,845	597,517	404,509	150,033	100,557	63,236	410,250	131,573	-
Excess (deficiency) of receipts over disbursements	(153,526)	72,746	89,818	98,180	67,856	(100,207)	(63,236)	14,719	(41,196)	-
Other financing sources (uses):										
Transfers in	-	-	-	-	-	150,000	-	-	22,284	-
Transfers out	-	(22,284)	-	(100,000)	(50,000)	-	-	-	-	-
Total other financing sources (uses)	-	(22,284)	-	(100,000)	(50,000)	150,000	-	-	22,284	-
Excess (deficiency) of receipts and other financing sources over disbursements and other financing uses	(153,526)	50,462	89,818	(1,820)	17,856	49,793	(63,236)	14,719	(18,912)	-
Cash and investments - ending	\$ 1,216,569	\$ 489,260	\$ 207,605	\$ 319,824	\$ 163,484	\$ 769,013	\$ -	\$ 63,557	\$ 128,907	\$ 26

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

	Secured Security Safety	Lilly Endowment	Gaston Endowment	United Way	Scholarships and Awards	6th Grade Academy	Instructional Support	Medical Reimbursement	Formative Assessment
Cash and investments - beginning	\$ -	\$ -	\$ -	\$ 6,175	\$ -	\$ -	\$ 128	\$ -	\$ -
Receipts:									
Local sources	-	30,000	-	4,000	5,000	-	-	-	-
Intermediate sources	-	-	-	-	-	-	-	-	-
State sources	-	-	-	-	-	-	-	-	9,434
Federal sources	-	-	-	-	-	-	-	-	-
Temporary loans	-	-	-	-	-	-	-	-	-
Other receipts	-	-	-	-	-	-	-	2,370	-
Total receipts	-	30,000	-	4,000	5,000	-	-	2,370	9,434
Disbursements:									
Instruction	-	-	-	-	2,500	-	-	-	9,434
Support services	-	17,214	-	3,552	661	-	-	-	-
Noninstructional services	-	-	-	-	-	-	-	-	-
Facilities acquisition and construction	-	-	-	-	90	-	-	-	-
Debt service	-	-	-	-	-	-	-	-	-
Nonprogrammed charges	-	-	-	-	-	-	-	-	-
Total disbursements	-	17,214	-	3,552	3,251	-	-	-	9,434
Excess (deficiency) of receipts over disbursements	-	12,786	-	448	1,749	-	-	2,370	-
Other financing sources (uses):									
Transfers in	-	-	-	-	-	-	-	-	-
Transfers out	-	-	-	-	-	-	-	-	-
Total other financing sources (uses)	-	-	-	-	-	-	-	-	-
Excess (deficiency) of receipts and other financing sources over disbursements and other financing uses	-	12,786	-	448	1,749	-	-	2,370	-
Cash and investments - ending	\$ -	\$ 12,786	\$ -	\$ 6,623	\$ 1,749	\$ -	\$ 128	\$ 2,370	\$ -

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

	Early Childhood Intervention (First Steps)	Family Engagement	Medicaid Reimbursement	Scholarships and Awards	School Technology	Career and Technical Performance Grant	Extended Background Checks	Gifted and Talented 14-15	Models for Success
Cash and investments - beginning	\$ -	\$ -	\$ 14	\$ -	\$ 32,759	\$ -	\$ 32	\$ 1,601	\$ -
Receipts:									
Local sources	-	-	-	-	-	-	125	-	10,000
Intermediate sources	-	-	-	-	-	-	-	-	-
State sources	-	-	-	-	38,004	1,404	-	-	-
Federal sources	-	-	-	-	-	-	-	-	-
Temporary loans	-	-	-	-	-	-	-	-	-
Other receipts	-	-	-	-	-	-	-	-	-
Total receipts	-	-	-	-	38,004	1,404	125	-	10,000
Disbursements:									
Instruction	-	-	-	-	-	-	-	1,601	10,000
Support services	-	-	-	-	59,844	-	151	-	-
Noninstructional services	-	-	-	-	-	-	-	-	-
Facilities acquisition and construction	-	-	-	-	-	-	-	-	-
Debt service	-	-	-	-	-	-	-	-	-
Nonprogrammed charges	-	-	-	-	-	-	-	-	-
Total disbursements	-	-	-	-	59,844	-	151	1,601	10,000
Excess (deficiency) of receipts over disbursements	-	-	-	-	(21,840)	1,404	(26)	(1,601)	-
Other financing sources (uses):									
Transfers in	-	-	-	-	-	-	-	-	-
Transfers out	-	-	-	-	-	-	-	-	-
Total other financing sources (uses)	-	-	-	-	-	-	-	-	-
Excess (deficiency) of receipts and other financing sources over disbursements and other financing uses	-	-	-	-	(21,840)	1,404	(26)	(1,601)	-
Cash and investments - ending	\$ -	\$ -	\$ 14	\$ -	\$ 10,919	\$ 1,404	\$ 6	\$ -	\$ -

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

	American Dairy Association	High Ability 16-17	High Ability 17-18	Project Lead the Way	Title I 15-16	Title I 16-17	Title I 17-18	Special Education 15-16	Special Education 16-17
Cash and investments - beginning	\$ -	\$ -	\$ -	\$ -	\$ (9,196)	\$ -	\$ -	\$ (31,695)	\$ -
Receipts:									
Local sources	600	-	-	2,169	-	-	-	-	-
Intermediate sources	-	-	-	-	-	-	-	-	-
State sources	-	28,190	-	-	-	-	-	-	-
Federal sources	-	-	-	-	25,867	105,542	-	84,800	118,845
Temporary loans	-	-	-	-	-	-	-	-	-
Other receipts	-	-	-	-	-	-	-	-	-
Total receipts	600	28,190	-	2,169	25,867	105,542	-	84,800	118,845
Disbursements:									
Instruction	-	22,104	-	2,169	16,671	104,077	-	53,105	160,473
Support services	-	135	-	-	-	9,010	-	-	-
Noninstructional services	-	-	-	-	-	-	-	-	-
Facilities acquisition and construction	-	-	-	-	-	-	-	-	-
Debt service	-	-	-	-	-	-	-	-	-
Nonprogrammed charges	-	-	-	-	-	-	-	-	-
Total disbursements	-	22,239	-	2,169	16,671	113,087	-	53,105	160,473
Excess (deficiency) of receipts over disbursements	600	5,951	-	-	9,196	(7,545)	-	31,695	(41,628)
Other financing sources (uses):									
Transfers in	-	-	-	-	-	-	-	-	-
Transfers out	-	-	-	-	-	-	-	-	-
Total other financing sources (uses)	-	-	-	-	-	-	-	-	-
Excess (deficiency) of receipts and other financing sources over disbursements and other financing uses	600	5,951	-	-	9,196	(7,545)	-	31,695	(41,628)
Cash and investments - ending	\$ 600	\$ 5,951	\$ -	\$ -	\$ -	\$ (7,545)	\$ -	\$ -	\$ (41,628)

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

	Special Education 17-18	Too Good for Drugs	Improving Teacher Quality, Title II, Part A 16-17	Improving Teacher Quality, Title II, Part A 17-18	Rural Schools and Low Income Program FY 15	Rural Schools and Low Income Program FY 17	Payroll Clearing	Prepaid Lunch	Totals
Cash and investments - beginning	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 40,086	\$ 2,209	\$ 3,415,204
Receipts:									
Local sources	-	-	-	-	-	-	-	-	2,545,330
Intermediate sources	-	-	-	-	-	-	-	-	269
State sources	-	-	-	-	-	-	-	-	5,537,337
Federal sources	-	-	29,288	-	5,278	-	-	-	611,170
Temporary loans	-	-	-	-	-	-	-	-	3,762
Other receipts	-	-	-	-	-	-	1,392,444	174,785	1,574,821
Total receipts	-	-	29,288	-	5,278	-	1,392,444	174,785	10,272,689
Disbursements:									
Instruction	-	-	14,977	-	-	-	-	-	4,028,242
Support services	-	-	14,311	-	5,278	-	-	-	3,244,515
Noninstructional services	-	-	-	-	-	-	-	-	467,595
Facilities acquisition and construction	-	-	-	-	-	-	-	-	241,550
Debt service	-	-	-	-	-	-	-	-	744,845
Nonprogrammed charges	-	-	-	-	-	-	1,390,345	172,007	1,562,352
Total disbursements	-	-	29,288	-	5,278	-	1,390,345	172,007	10,289,099
Excess (deficiency) of receipts over disbursements	-	-	-	-	-	-	2,099	2,778	(16,410)
Other financing sources (uses):									
Transfers in	-	-	-	-	-	-	-	-	172,284
Transfers out	-	-	-	-	-	-	-	-	(172,284)
Total other financing sources (uses)	-	-	-	-	-	-	-	-	-
Excess (deficiency) of receipts and other financing sources over disbursements and other financing uses	-	-	-	-	-	-	2,099	2,778	(16,410)
Cash and investments - ending	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 42,185	\$ 4,987	\$ 3,398,794

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

	General	Debt Service	Capital Projects	School Transportation	School Bus Replacement	Rainy Day	Construction	School Lunch	Textbook Rental	Levy Excess
Cash and investments - beginning	\$ 1,216,569	\$ 489,260	\$ 207,605	\$ 319,824	\$ 163,484	\$ 769,013	\$ -	\$ 63,557	\$ 128,907	\$ 26
Receipts:										
Local sources	69,604	752,208	659,046	569,358	151,372	-	-	184,407	57,771	-
Intermediate sources	231	-	-	-	-	-	-	-	-	-
State sources	5,880,068	-	-	-	-	-	-	4,260	36,593	-
Federal sources	-	-	-	-	-	-	-	270,805	-	-
Temporary loans	-	-	-	-	-	-	-	-	-	-
Other receipts	14,797	-	213	-	-	-	-	24	104	-
Total receipts	5,964,700	752,208	659,259	569,358	151,372	-	-	459,496	94,468	-
Disbursements:										
Instruction	3,707,573	-	-	-	-	128,541	-	-	-	-
Support services	1,870,801	-	498,443	470,435	150,033	68,739	-	-	151,979	-
Noninstructional services	66,747	-	-	-	-	-	-	436,023	-	-
Facilities acquisition and construction	-	-	254,392	-	-	-	-	-	-	-
Debt service	-	737,340	-	-	-	-	-	-	-	-
Nonprogrammed charges	-	-	-	-	-	-	-	-	-	-
Total disbursements	5,645,121	737,340	752,835	470,435	150,033	197,280	-	436,023	151,979	-
Excess (deficiency) of receipts over disbursements	319,579	14,868	(93,576)	98,923	1,339	(197,280)	-	23,473	(57,511)	-
Other financing sources (uses):										
Transfers in	-	-	-	-	-	50,000	-	-	-	-
Transfers out	-	-	-	-	(50,000)	-	-	-	-	-
Total other financing sources (uses)	-	-	-	-	(50,000)	50,000	-	-	-	-
Excess (deficiency) of receipts and other financing sources over disbursements and other financing uses	319,579	14,868	(93,576)	98,923	(48,661)	(147,280)	-	23,473	(57,511)	-
Cash and investments - ending	\$ 1,536,148	\$ 504,128	\$ 114,029	\$ 418,747	\$ 114,823	\$ 621,733	\$ -	\$ 87,030	\$ 71,396	\$ 26

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

	Secured Security Safety	Lilly Endowment	Gaston Endowment	United Way	Scholarships and Awards	6th Grade Academy	Instructional Support	Medical Reimbursement	Formative Assessment
Cash and investments - beginning	\$ -	\$ 12,786	\$ -	\$ 6,623	\$ 1,749	\$ -	\$ 128	\$ 2,370	\$ -
Receipts:									
Local sources	-	-	1,300	4,000	-	50,000	-	-	-
Intermediate sources	-	-	-	-	-	-	-	-	-
State sources	-	-	-	-	-	-	-	-	9,692
Federal sources	-	-	-	-	-	-	-	-	-
Temporary loans	-	-	-	-	-	-	-	-	-
Other receipts	-	-	-	-	-	-	-	507	-
Total receipts	-	-	1,300	4,000	-	50,000	-	507	9,692
Disbursements:									
Instruction	-	-	-	-	-	-	-	-	9,692
Support services	5,550	12,786	1,300	2,799	339	-	128	2,877	-
Noninstructional services	-	-	-	-	-	-	-	-	-
Facilities acquisition and construction	-	-	-	-	1,410	-	-	-	-
Debt service	-	-	-	-	-	-	-	-	-
Nonprogrammed charges	-	-	-	-	-	-	-	-	-
Total disbursements	5,550	12,786	1,300	2,799	1,749	-	128	2,877	9,692
Excess (deficiency) of receipts over disbursements	(5,550)	(12,786)	-	1,201	(1,749)	50,000	(128)	(2,370)	-
Other financing sources (uses):									
Transfers in	-	-	-	-	-	-	-	-	-
Transfers out	-	-	-	-	-	-	-	-	-
Total other financing sources (uses)	-	-	-	-	-	-	-	-	-
Excess (deficiency) of receipts and other financing sources over disbursements and other financing uses	(5,550)	(12,786)	-	1,201	(1,749)	50,000	(128)	(2,370)	-
Cash and investments - ending	\$ (5,550)	\$ -	\$ -	\$ 7,824	\$ -	\$ 50,000	\$ -	\$ -	\$ -

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

	Early Childhood Intervention (First Steps)	Family Engagement	Medicaid Reimbursement	Scholarships and Awards	School Technology	Career and Technical Performance Grant	Extended Background Checks	Gifted and Talented 14-15	Models for Success
Cash and investments - beginning	\$ -	\$ -	\$ 14	\$ -	\$ 10,919	\$ 1,404	\$ 6	\$ -	\$ -
Receipts:									
Local sources	-	3,000	-	1,000	-	-	25	-	-
Intermediate sources	-	-	-	-	-	-	-	-	-
State sources	1,500	2,500	-	-	49,694	4,118	-	-	-
Federal sources	-	-	-	-	-	-	-	-	-
Temporary loans	-	-	-	-	-	-	-	-	-
Other receipts	-	-	-	-	-	-	-	-	-
Total receipts	1,500	5,500	-	1,000	49,694	4,118	25	-	-
Disbursements:									
Instruction	-	-	-	-	-	-	-	-	-
Support services	2,239	1,468	-	-	11,283	-	25	-	-
Noninstructional services	-	-	-	-	-	-	-	-	-
Facilities acquisition and construction	-	-	-	-	-	2,425	-	-	-
Debt service	-	-	-	-	-	-	-	-	-
Nonprogrammed charges	-	-	-	-	-	-	-	-	-
Total disbursements	2,239	1,468	-	-	11,283	2,425	25	-	-
Excess (deficiency) of receipts over disbursements	(739)	4,032	-	1,000	38,411	1,693	-	-	-
Other financing sources (uses):									
Transfers in	-	-	-	-	-	-	-	-	-
Transfers out	-	-	-	-	-	-	-	-	-
Total other financing sources (uses)	-	-	-	-	-	-	-	-	-
Excess (deficiency) of receipts and other financing sources over disbursements and other financing uses	(739)	4,032	-	1,000	38,411	1,693	-	-	-
Cash and investments - ending	\$ (739)	\$ 4,032	\$ 14	\$ 1,000	\$ 49,330	\$ 3,097	\$ 6	\$ -	\$ -

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

	American Dairy Association	High Ability 16-17	High Ability 17-18	Project Lead the Way	Title I 15-16	Title I 16-17	Title I 17-18	Special Education 15-16	Special Education 16-17
Cash and investments - beginning	\$ 600	\$ 5,951	\$ -	\$ -	\$ -	\$ (7,545)	\$ -	\$ -	\$ (41,628)
Receipts:									
Local sources	-	-	-	2,572	-	-	-	-	-
Intermediate sources	-	-	-	-	-	-	-	-	-
State sources	-	-	28,024	-	-	-	-	-	-
Federal sources	-	-	-	-	-	63,630	122,257	-	98,291
Temporary loans	-	-	-	-	-	-	-	-	-
Other receipts	-	-	-	-	-	-	-	-	-
Total receipts	-	-	28,024	2,572	-	63,630	122,257	-	98,291
Disbursements:									
Instruction	-	5,951	23,708	1,607	-	45,095	126,267	-	56,663
Support services	-	-	-	965	-	10,990	6,500	-	-
Noninstructional services	-	-	-	-	-	-	-	-	-
Facilities acquisition and construction	-	-	-	-	-	-	-	-	-
Debt service	-	-	-	-	-	-	-	-	-
Nonprogrammed charges	-	-	-	-	-	-	-	-	-
Total disbursements	-	5,951	23,708	2,572	-	56,085	132,767	-	56,663
Excess (deficiency) of receipts over disbursements	-	(5,951)	4,316	-	-	7,545	(10,510)	-	41,628
Other financing sources (uses):									
Transfers in	-	-	-	-	-	-	-	-	-
Transfers out	-	-	-	-	-	-	-	-	-
Total other financing sources (uses)	-	-	-	-	-	-	-	-	-
Excess (deficiency) of receipts and other financing sources over disbursements and other financing uses	-	(5,951)	4,316	-	-	7,545	(10,510)	-	41,628
Cash and investments - ending	\$ 600	\$ -	\$ 4,316	\$ -	\$ -	\$ -	\$ (10,510)	\$ -	\$ -

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

	Special Education 17-18	Too Good for Drugs	Improving Teacher Quality, Title II, Part A 16-17	Improving Teacher Quality, Title II, Part A 17-18	Rural Schools and Low Income Program FY 15	Rural Schools and Low Income Program FY 17	Payroll Clearing	Prepaid Lunch	Totals
Cash and investments - beginning	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 42,185	\$ 4,987	\$ 3,398,794
Receipts:									
Local sources	-	-	-	-	-	-	-	-	2,505,663
Intermediate sources	-	-	-	-	-	-	-	-	231
State sources	-	-	-	-	-	-	-	-	6,016,449
Federal sources	128,876	-	689	20,296	12,898	20,097	-	-	737,839
Temporary loans	-	-	-	-	-	-	-	-	-
Other receipts	-	-	-	-	-	-	1,392,253	179,734	1,587,632
Total receipts	128,876	-	689	20,296	12,898	20,097	1,392,253	179,734	10,847,814
Disbursements:									
Instruction	195,218	-	689	23,739	-	-	-	-	4,324,743
Support services	-	65	-	-	12,898	20,097	-	-	3,302,739
Noninstructional services	-	-	-	-	-	-	-	-	502,770
Facilities acquisition and construction	-	-	-	-	-	-	-	-	258,227
Debt service	-	-	-	-	-	-	-	-	737,340
Nonprogrammed charges	-	-	-	-	-	-	1,393,732	178,944	1,572,676
Total disbursements	195,218	65	689	23,739	12,898	20,097	1,393,732	178,944	10,698,495
Excess (deficiency) of receipts over disbursements	(66,342)	(65)	-	(3,443)	-	-	(1,479)	790	149,319
Other financing sources (uses):									
Transfers in	-	-	-	-	-	-	-	-	50,000
Transfers out	-	-	-	-	-	-	-	-	(50,000)
Total other financing sources (uses)	-	-	-	-	-	-	-	-	-
Excess (deficiency) of receipts and other financing sources over disbursements and other financing uses	(66,342)	(65)	-	(3,443)	-	-	(1,479)	790	149,319
Cash and investments - ending	\$ (66,342)	\$ (65)	\$ -	\$ (3,443)	\$ -	\$ -	\$ 40,706	\$ 5,777	\$ 3,548,113

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WES-DEL COMMUNITY SCHOOL CORPORATION
SCHEDULE OF PAYABLES AND RECEIVABLES
June 30, 2018

Government	Accounts Payable	Accounts Receivable
Governmental activities	<u>\$ 181,779</u>	<u>\$ 32,224</u>

WES-DEL COMMUNITY SCHOOL CORPORATION
SCHEDULE OF LEASES AND DEBT
June 30, 2018

Lessor	Purpose	Annual Lease Payment	Lease Beginning Date	Lease Ending Date
Governmental activities:				
RICOH	Copier Lease	\$ 12,576	08/01/2017	07/31/2022
Santander Bank N.A.	School Bus Lease	150,033	07/01/2015	07/01/2020
Harrison-Washington School Building Corporation	Renovations to the Elementary School	<u>510,000</u>	07/15/2013	01/15/2026
Total of annual lease payments		<u>\$ 672,609</u>		

Type	Description of Debt Purpose	Ending Principal Balance	Principal and Interest Due Within One Year
Governmental activities:			
General obligation bonds	Construction	<u>\$ 1,225,000</u>	<u>\$ 145,536</u>

WES-DEL COMMUNITY SCHOOL CORPORATION
 SCHEDULE OF CAPITAL ASSETS
 June 30, 2018

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

	<u>Ending Balance</u>
Governmental activities:	
Land	\$ 304,395
Infrastructure	132,800
Buildings	9,798,433
Improvements other than buildings	20,057,364
Machinery, equipment, and vehicles	4,287,145
Books and other	<u>552,315</u>
Total capital assets	<u>\$ 35,132,452</u>

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SUPPLEMENTAL AUDIT OF
FEDERAL AWARDS



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

TO: THE OFFICIALS OF THE WES-DEL COMMUNITY SCHOOL
CORPORATION, DELAWARE COUNTY, INDIANA

Report on Compliance for the Major Federal Program

We have audited the Wes-Del Community School Corporation's (School Corporation) compliance with the types of compliance requirements described in the *OMB Compliance Supplement* that could have a direct and material effect on its major federal program for the period of July 1, 2016 to June 30, 2018. The School Corporation's major federal program is 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 the School Corporation's major federal program 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 the major federal program. However, our audit does not provide a legal determination of the School Corporation's compliance.

Opinion on the Major Federal Program

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

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

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 the major federal program to determine the auditing procedures that are appropriate in the circumstances for the purpose of expressing our opinion on compliance for the major federal program and to test and report on internal control over compliance in accordance with the Uniform Guidance, but not for the purpose of expressing an opinion on the effectiveness of internal control over compliance. Accordingly, we do not express an opinion on the effectiveness of the School Corporation's internal control over compliance.

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

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

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

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


Paul D. Joyce, CPA
State Examiner

May 13, 2019

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SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS AND ACCOMPANYING NOTES

The Schedule of Expenditures of Federal Awards and accompanying notes presented were approved by management of the School Corporation. The schedule and notes are presented as intended by the School Corporation.

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

Federal Grantor Agency Cluster Title/Program Title/Project Title	Pass-Through Entity or Direct Grant	Federal CFDA Number	Pass-Through Entity (or Other) Identifying Number	Passed Through to Subrecipient 06-30-17	Total Federal Awards Expended 06-30-17	Passed Through to Subrecipient 06-30-18	Total Federal Awards Expended 06-30-18
<u>Department of Agriculture</u>							
Child Nutrition Cluster							
School Breakfast Program	Indiana Department of Education	10.553					
			FY 16-17	\$ -	\$ 35,853	\$ -	\$ -
			FY 17-18	-	-	-	44,053
				-	-	-	-
Total - School Breakfast Program				-	35,853	-	44,053
National School Lunch Program	Indiana Department of Education	10.555					
			FY 16-17	-	242,273	-	-
			FY 17-18	-	-	-	260,557
National School Lunch Program - Commodities			FY 16-17	-	36,576	-	-
			FY 17-18	-	-	-	33,806
				-	-	-	-
Total - National School Lunch Program				-	278,849	-	294,363
Summer Food Service Program for Children	Indiana Department of Education	10.559					
			FY 16-17	-	2,768	-	-
			FY 17-18	-	-	-	1,583
				-	-	-	-
Total - Summer Food Service Program for Children				-	2,768	-	1,583
Total - Child Nutrition Cluster				-	317,470	-	339,999
Total - Department of Agriculture				-	317,470	-	339,999
<u>Department of Education</u>							
Special Education Cluster (IDEA)							
Special Education Grants to States	Indiana Department of Education	84.027					
Special Education			14216-008-PN01	-	84,800	-	-
Special Education			14217-008-PN01	-	118,845	-	98,291
Special Education			18611-008-PN01	-	-	-	128,876
				-	-	-	-
Total - Special Education Grants to States				-	203,645	-	227,167

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

Federal Grantor Agency Cluster Title/Program Title/Project Title	Pass-Through Entity or Direct Grant	Federal CFDA Number	Pass-Through Entity (or Other) Identifying Number	Passed Through to Subrecipient 06-30-17	Total Federal Awards Expended 06-30-17	Passed Through to Subrecipient 06-30-18	Total Federal Awards Expended 06-30-18
Special Education Preschool Grants	Indiana Department of Education	84.173					
Special Education Preschool			45716-008-PN01	-	2,817	-	306
Special Education Preschool			45717-008-PN01	-	6,366	-	1,166
Special Education Preschool			18619-008-PN01	-	-	-	7,181
Total - Special Education Preschool Grants				-	9,183	-	8,653
Total - Special Education Cluster (IDEA)				-	212,828	-	235,820
Title I Grants to Local Educational Agencies	Indiana Department of Education	84.010					
Title I Part A			16-1885	-	25,867	-	5,068
Title I Part A			17-1885	-	105,542	-	58,562
Title I Part A			18-1885	-	-	-	122,257
Total - Title I Grants to Local Educational Agencies				-	131,409	-	185,887
Rural Education	Indiana Department of Education	84.358					
Title VI Part B Subpart 2			7000S358B150014	-	5,278	-	12,898
Title VI Part B Subpart 2			S358B160014	-	-	-	20,097
Total - Rural Education				-	5,278	-	32,995
Supporting Effective Instruction State Grants	Indiana Department of Education	84.367					
Title II Part A			16-1885	-	14,311	-	689
Title II Part A			17-1885	-	14,977	-	-
Title II Part A			18-1885	-	-	-	20,296
Total - Supporting Effective Instruction State Grants				-	29,288	-	20,985
Total - Department of Education				-	378,803	-	475,687
Total federal awards expended				\$ -	\$ 696,273	\$ -	\$ 815,686

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

WES-DEL COMMUNITY SCHOOL CORPORATION
NOTES TO SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS

Note 1. Basis of Presentation

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

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

Note 2. Summary of Significant Accounting Policies

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

Note 3. Special Education Cooperative

The School Corporation is a member of a Special Education Cooperative (Cooperative). As a result, some activity for the Special Education Cluster (IDEA) that is presented as federal awards expended in the SEFA is not presented as receipts and disbursements in the financial statement of the School Corporation. This activity is reported on the financial statement of the Cooperative.

WES-DEL COMMUNITY SCHOOL CORPORATION
SCHEDULE OF FINDINGS AND QUESTIONED COSTS

Section I - Summary of Auditor's Results

Financial Statement:

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

Federal Awards:

Internal control over major program:	
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 Program and type of auditor's report issued on compliance for it:

<u>Name of Federal Program or Cluster</u>	<u>Opinion Issued</u>
Child Nutrition Cluster	Unmodified

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

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

Section II - Financial Statement Findings

FINDING 2018-001

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

Repeat Finding

This is a repeat finding from the immediately prior audit report. The prior finding number was 2016-002.

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).

WES-DEL COMMUNITY SCHOOL CORPORATION
SCHEDULE OF FINDINGS AND QUESTIONED COSTS
(Continued)

The School Corporation had not established effective internal controls over the federal award information entered into the Indiana Gateway for Government Units (Gateway) financial reporting system, which was the source of the School Corporation's SEFA. The School Corporation did create an approval process involving the Superintendent of Schools' review of the SEFA to ensure that it was accurate. However, the approval process was not verifiable, nor did it detect the errors in the SEFA. The Treasurer prepared the federal award information entered into Gateway without an effective control in place to prevent, or detect and correct, errors prior to submission.

Context

The SEFA contained the following errors:

1. The Child Nutrition Cluster expenditures were understated by \$78,839 and \$37,202 for the periods ending June 30, 2017 and 2018, respectively. These amounts included the omission of commodities.
2. The Special Education Cluster (IDEA) expenditures were overstated by \$9,437 and understated by \$936 for the periods ending June 30, 2017 and 2018, respectively.
3. The Title I Grants to Local Educational Agencies expenditures were understated by \$1,650 for the period ending June 30, 2017.
4. The Rural Education expenditures were understated by \$12,898 for the period ending June 30, 2018.
5. Not all program names, grants and identifying numbers were correct or listed.

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

Criteria

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

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

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

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

WES-DEL COMMUNITY SCHOOL CORPORATION
SCHEDULE OF FINDINGS AND QUESTIONED COSTS
(Continued)

2 CFR 200.508 states in part:

"The auditee must: . . .

(b) Prepare appropriate financial statements, including the schedule of expenditures of Federal awards in accordance with § 200.510 Financial statements. . . ."

2 CFR 200.510(b) states:

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

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

Cause

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

Effect

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

WES-DEL COMMUNITY SCHOOL CORPORATION
SCHEDULE OF FINDINGS AND QUESTIONED COSTS
(Continued)

Recommendation

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

Views of Responsible Officials

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

Section III - Federal Award Findings and Questioned Costs

FINDING 2018-002

Subject: Child Nutrition Cluster - Eligibility, Reporting, Special Tests and Provisions -
Verification of Free and Reduced Price Applications (NSLP)

Federal Agency: Department of Agriculture

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

CFDA Numbers: 10.553, 10.555, 10.559

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

Pass-Through Entity: Indiana Department of Education

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

Audit Finding: Material Weakness

Repeat Finding

This is a repeat finding from the immediately prior audit report. The prior finding number was 2016-003.

Condition

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

Eligibility

Determination of eligibility was made by one individual without the oversight or review by another individual.

Reporting

Annual Financial Reports and School Food Authority (SFA) Verification Collection Reports were completed by one individual without any oversight or review.

*Special Tests and Provisions- Verification of Free and Reduced Price Applications (NSLP)
(School Breakfast Program and National School Lunch Program only)*

The School Corporation prepared and submitted the School Food Authority (SFA) Verification Collection Reports without evidence of a proper system of oversight or review.

WES-DEL COMMUNITY 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

2 CFR section 200.303 states in part:

"The non-Federal entity must:

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

Cause

Management had not developed a system of internal controls that would have ensured compliance with the compliance requirements listed above.

Effect

The failure to establish an effective internal control system, which would include segregation of duties, placed the School Corporation at risk of noncompliance with the grant agreement and the compliance requirements.

Questioned Costs

There were no questioned costs identified.

Recommendation

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

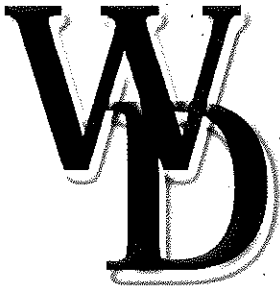
Views of Responsible Officials

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

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AUDITEE-PREPARED DOCUMENTS

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



SUMMARY SCHEDULE OF PRIOR AUDIT FINDINGS

FINDING 2016 - 001

Fiscal Year in which the finding initially occurred: 14-15 & 15-16
Contact Person Responsible for Corrective Action: Sharon Fowler
Contact Phone Number: (765) 358-4006

Subject of Audit Finding: Financial Transactions and Reporting

1. Cash and Investments: The computer generated reconciliation is now being printed and retained for audit. Additionally, the Superintendent is now reviewing and signing Bank Reconcilements.

2. Receipts: The Treasurer now signs a document stating the monthly Revenue is true and correct, which is forwarded to The Board of School Trustees. The Board of School Trustees signs that they have reviewed the monthly Revenue report. The temporary employee of Wes-Del Comm. Schools audits all bank statements, including monthly receipts. The results of this monthly audit are forwarded to the Superintendent, for his review.

FINDING 2016-002

Fiscal Year in which the finding initially occurred: 14-15 & 15-16
Contact Person Responsible for Corrective Action: Sharon Fowler
Contact Phone Number: (765) 358-4006

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

The Superintendent reviews the SEFA which is prepared by the Corporation Treasurer. The Superintendent will begin signing a document, verifying his review, with the 2019 SEFA.

FINDING 2016-003


Fiscal Year in which the finding initially occurred: 14-15 & 15-16
Contact Person Responsible for Corrective Action: Sharon Fowler
Contact Phone Number: (765) 358-4006

Subject of Audit Finding: Child Nutrition Cluster - Eligibility, Reporting, Special Tests and Provisions - Verification of Free and Reduced Price Applications (NSLP)

Eligibility - The Corporation Cafeteria Director now has another staff member to verify and review the Determination of Eligibility, as of October 2018.

Reporting - The Corporation Cafeteria Director now has another staff member to verify and review the Annual Financial Reports and School Food Authority Verification Collection Report, as of October 2018.

Special Tests and Provisions - Verification of Free and Reduced Price Applications - During preparation of the School Food Authority Verification Collection Report, the Corporation Cafeteria Director now has another staff member to verify and review, as of October 2018.


(Signature)

Corporation Treasurer
(Title)

April 17, 2019
(Date)



CORRECTIVE ACTION PLAN

FINDING 2018-001

Contact Person Responsible for Corrective Action: Sharon Fowler
Contact Phone Number: (765) 358-4006

Views of Responsible Official: We concur with the finding.

Description of Corrective Action Plan: On the SEFA report, the same grant but different years were combined instead of separated. This will be corrected with the 2018-19 submission.

Beginning with the 2018-19 year, the Superintendent will review and verify the SEFA report before submission.

Anticipated Completion Date: July, 2018

FINDING 2018-002

Contact Person Responsible for Corrective Action: Penny Hirons
Contact Phone Number: (765) 358-4006

Views of Responsible Official: We concur with the finding.

Description of Corrective Action Plan: Beginning in 2019, the cafeteria director will have a second individual review and verify all reporting for Child Nutrition Cluster, including the determination of eligibility.

Anticipated Completion Date: June, 2019

Sharon Fowler
(Signature)

Corp. Treasurer
(Title)

5/13/19
(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/>.