

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

FINANCIAL STATEMENT AND
FEDERAL SINGLE AUDIT REPORT
OF

SOUTHWEST PARKE COMMUNITY
SCHOOL CORPORATION
PARKE 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	Cheri L. Peacock Leslie Shaffer	07-01-16 to 03-31-18 04-01-18 to 12-31-19
Superintendent of Schools	William H. Schad (interim) Dr. Philip T. Harrison	07-01-16 to 08-31-16 09-01-16 to 06-30-19
President of the School Board	Shawn Brown Leslie Batty Darrek Davis	07-01-16 to 12-31-17 01-01-18 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

INDEPENDENT AUDITOR'S REPORT

TO: THE OFFICIALS OF THE SOUTHWEST PARKE COMMUNITY
SCHOOL CORPORATION, PARKE COUNTY, INDIANA

Report on the Financial Statement

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

Management's Responsibility for the Financial Statement

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

Auditor's Responsibility

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

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

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

INDEPENDENT AUDITOR'S REPORT
(Continued)

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

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

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

Adverse Opinion on U.S. Generally Accepted Accounting Principles

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

Opinion on Regulatory Basis of Accounting

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

Other Matters

Supplementary Information

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

Other Information

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

INDEPENDENT AUDITOR'S REPORT
(Continued)

Other Reporting Required by *Government Auditing Standards*

In accordance with *Government Auditing Standards*, we have also issued a report dated May 2, 2019, on our consideration of the School Corporation's internal control over financial reporting and our tests of its compliance with certain provisions of laws, regulations, contracts, grant agreements, and other matters. The purpose of that report is solely to describe the scope of our testing of internal control over financial reporting and compliance and the results of that testing and not to provide an opinion on the effectiveness of the School Corporation's internal control over financial reporting or on compliance. That report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering the School Corporation's internal control over financial reporting and compliance.

Paul D. Joyce
Paul D. Joyce, CPA
State Examiner

May 2, 2019



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INDIANAPOLIS, INDIANA 46204-2769

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Web Site: 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 SOUTHWEST PARKE COMMUNITY
SCHOOL CORPORATION, PARKE 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 Southwest Parke 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 2, 2019, wherein we noted the School Corporation followed accounting practices the Indiana State Board of Accounts prescribes rather than accounting principles generally accepted in the United States of America.

Internal Control over Financial Reporting

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

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

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

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

Compliance and Other Matters

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

Southwest Parke 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 2, 2019

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FINANCIAL STATEMENT AND ACCOMPANYING NOTES

The financial statement and accompanying notes were approved by management of the School Corporation. The financial statement and notes are presented as intended by the School Corporation.

SOUTHWEST PARKE 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			Other Financing Sources (Uses)	Cash and Investments 06-30-17			Other Financing Sources (Uses)	Cash and Investments 06-30-18		
	Receipts	Disbursements	Receipts		Receipts	Disbursements	Receipts		Receipts	Disbursements	
General	\$ 1,319,622	\$ 7,506,179	\$ 6,992,522	\$ -	\$ 1,833,279	\$ 7,342,851	\$ 7,284,460	\$ (193,275)	\$ 1,698,395		
Debt Service	603,337	1,079,220	1,025,715	-	656,842	1,069,654	994,850	-	-	731,646	
Capital Projects	106,496	609,678	614,187	-	101,987	602,288	634,701	-	-	69,574	
School Transportation	188,920	594,164	604,760	-	178,324	611,619	667,636	-	-	122,307	
School Bus Replacement	176,586	216,545	65,180	-	327,951	289,460	101,753	(325,000)	-	190,658	
Rainy Day	103,704	-	-	-	103,704	212,084	26,890	325,000	-	613,898	
Construction	355	-	-	-	355	-	355	-	-	-	
School Lunch	157,657	691,566	793,324	-	55,899	850,951	850,281	-	-	56,569	
Textbook Rental	(24,448)	105,785	(51,337)	437	133,111	148,405	197,601	-	-	83,915	
Levy Excess	151	-	-	-	151	-	-	-	-	151	
Joint Services and Supply - Area Vocational School	6,124	54,912	67,351	-	(6,315)	56,554	45,588	-	-	4,651	
Child Care Program	(1,475)	33,820	51,526	-	(19,181)	44,127	13,218	-	-	11,728	
Educational License Plates	(58)	131	-	-	73	94	-	-	-	167	
Early Intervention Grant	3,529	20,505	24,034	-	-	-	-	-	-	-	
College Success Coalition	2,036	1,000	977	-	2,059	-	-	-	-	2,059	
Professional Development (Rosedale)	3,397	-	-	-	3,397	900	187	-	-	4,110	
Riverton Parke Miscellaneous Grants	-	300	-	-	300	-	297	-	-	3	
Rosedale Elementary Grants	1,880	-	298	-	1,582	-	826	-	-	756	
Recreational Activities	150	200	-	-	350	-	-	-	-	350	
Patterson Family Grant	-	8,000	8,085	-	(85)	-	(85)	-	-	-	
Welfare Activities	7,225	6,096	5,525	-	7,796	2,565	8,969	-	-	1,392	
6TH GRADE COLLEGE TRIPS/PCCF	1,427	604	213	-	1,818	652	691	-	-	1,779	
Montezuma Active Grants	-	-	-	-	-	900	240	-	-	660	
Donations Account	4,157	(500)	629	-	3,028	(850)	1,927	-	-	251	
Monsanto Grant	2,500	-	2,500	-	-	-	-	-	-	-	
SPARC Conference	-	-	-	-	-	3,140	1,823	-	-	1,317	
Rosedale PCCF Grants	8,188	4,282	5,108	-	7,362	4,220	8,397	-	-	3,185	
PCCF 4th Grade Grant	4,630	2,910	4,838	-	2,702	2,307	4,660	-	-	349	
Montezuma 4th Grade Grant	-	-	-	-	-	5,953	2,606	-	-	3,347	
Rosedale Lilly Grant	880	-	-	-	880	-	880	-	-	-	
LLC Grants from Parke County	1,051	1,198	150	-	2,099	898	2,114	-	-	883	
PCCF Grants at Riverton Parke	7,994	9,697	10,143	-	7,548	1,890	8,964	-	-	474	
Lilly Counseling Initiative	-	30,000	682	-	29,318	-	20,183	-	-	9,135	
Pats Grant	498	1,450	433	-	1,515	575	1,851	-	-	239	

SOUTHWEST PARKE 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
PCCF GRANTS - CORPORATION	(572)	1,500	200	-	728	-	726	-	2
REMC Multi-County Trust Grant	-	-	-	-	1,590	-	-	-	1,590
Formative Assessment	-	17,803	-	-	17,803	-	17,803	-	-
Principal Leadership Academy	24,388	-	24,388	-	-	-	-	-	-
Instructional Support	-	29,654	-	-	29,654	-	29,654	-	-
High Ability Grant 2018	-	-	-	-	-	29,467	21,323	-	8,144
Computer Consortium/Ed Tech Advance	92,450	-	92,450	-	-	-	-	-	-
Medicaid Reimbursement	16,143	(15,408)	485	-	250	16,355	324	-	16,281
Secured Schools Safety Grant	(25,823)	-	(25,823)	-	-	-	-	-	-
Recreational Activities	(36)	-	-	-	(36)	-	(36)	-	-
School Technology	8,033	6,308	3,939	-	10,402	7,770	13,726	-	4,446
Career and Technical Performance Grant	-	9,532	7,500	-	2,032	8,615	3,692	-	6,955
Performance Based Awards	505	-	-	-	505	-	476	-	29
Technology Planning Grant	(1,374)	3,508	2,485	-	(351)	4,655	4,304	-	-
TITLE I FY 14-15	1	-	-	-	1	(1)	-	-	-
TITLE I FY 15-16	16,484	121,582	138,066	-	-	-	-	-	-
TITLE I FY 17	-	132,244	196,231	-	(63,987)	130,683	70,977	4,280	(1)
TITLE I FY 18	-	-	-	-	-	107,367	118,964	-	(11,597)
Title IV 2018	-	-	-	-	-	4,418	4,418	-	-
Drug Free Schools	2,249	-	96	-	2,153	-	502	-	1,651
Improving Teacher Quality, No Child Left, Title II, Part A	(101,560)	54,464	118,430	-	(165,526)	77,548	50,975	137,777	(1,176)
Rural Schools and Low Income Program - Pass Through State	(6,961)	-	16,389	-	(23,350)	43,787	71,654	51,218	1
Old Clearing Account	153,729	2,123,327	2,099,733	-	177,323	1,008,223	1,264,944	-	(79,398)
WVWCI Wellness Program	2,060	-	-	-	2,060	-	500	-	1,560
Classroom Fee Account	36,577	16,617	20,583	-	32,611	10,928	34,595	-	8,944
SkipJack Transactions	35,140	21,797	16,705	-	40,232	(25,132)	15,100	-	-
Credit Card Reimb	-	3,801	4,253	-	(452)	3,736	3,285	-	(1)
Clearing Account	-	-	-	-	-	1,116,823	1,114,455	-	2,368
Totals	\$ 2,937,946	\$ 13,504,471	\$ 12,942,953	\$ 437	\$ 3,499,901	\$ 13,798,069	\$ 13,724,224	\$ -	\$ 3,573,746

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

**SOUTHWEST PARKE 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.

SOUTHWEST PARKE COMMUNITY SCHOOL CORPORATION
NOTES TO FINANCIAL STATEMENT
(Continued)

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

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

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

E. Disbursements

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

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

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

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

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

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

Interfund loans. Amounts temporarily transferred from one fund to a depleted fund for use in paying current operating expenses. Such advancement shall not be made for a period extending beyond the budget year.

F. Other Financing Sources and Uses

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

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

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

SOUTHWEST PARKE COMMUNITY SCHOOL CORPORATION
NOTES TO FINANCIAL STATEMENT
(Continued)

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

G. Fund Accounting

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

Note 2. Budgets

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

Note 3. Property Taxes

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

Note 4. Deposits and Investments

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

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

SOUTHWEST PARKE COMMUNITY SCHOOL CORPORATION
NOTES TO FINANCIAL STATEMENT
(Continued)

Note 5. Risk Management

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

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

Note 6. Pension Plans

A. Public Employees' Retirement Fund

Plan Description

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

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

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

Funding Policy and Annual Pension Cost

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

SOUTHWEST PARKE 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. Negative Receipts and Disbursements

The financial statement contains some receipts and disbursements which appear as negative entries. This is a result of fund transfers to correct errors.

Note 8. Cash Balance Deficits

The financial statement contains some funds with deficits in cash. Many are the results of the funds being set up for reimbursable grants or for clearing accounts. The reimbursements for expenditures made by the School Corporation were not received by June 30, 2018. Other funds reported deficit cash balances due to expenditures exceeding receipts.

SOUTHWEST PARKE COMMUNITY SCHOOL CORPORATION
NOTES TO FINANCIAL STATEMENT
(Continued)

Note 9. Restatements

For the year ended June 30, 2018, certain changes have been made to some of the beginning balances of the financial statement to more appropriately reflect financial activity of the School Corporation. The following schedule presents a summary of restated beginning balances:

Fund	Balance as of June 30, 2016	Prior Period Adjustment	Balance as of July 1, 2016
School Lunch	\$ 160,781	\$ (3,124)	\$ 157,657
Textbook Rental	(16,022)	(8,426)	(24,448)

Note 10. Holding Corporation

The School Corporation has entered into a capital lease with Southwest Parke Community 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 2016-2017 and 2017-2018 totaled \$942,500 and \$943,000, respectively.

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OTHER INFORMATION - UNAUDITED

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

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

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

SOUTHWEST PARKE COMMUNITY SCHOOL CORPORATION
 COMBINING SCHEDULE OF RECEIPTS, DISBURSEMENTS,
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 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
Cash and investments - beginning	\$ 1,319,622	\$ 603,337	\$ 106,496	\$ 188,920	\$ 176,586	\$ 103,704	\$ 355	\$ 157,657
Receipts:								
Local sources	61,272	1,079,220	609,678	594,164	216,545	-	-	348,953
Intermediate sources	576	-	-	-	-	-	-	-
State sources	7,345,515	-	-	-	-	-	-	-
Federal sources	-	-	-	-	-	-	-	342,613
Other receipts	98,816	-	-	-	-	-	-	-
Total receipts	7,506,179	1,079,220	609,678	594,164	216,545	-	-	691,566
Disbursements:								
Instruction	4,848,742	-	-	-	-	-	-	-
Support services	2,054,453	-	402,120	604,760	65,180	-	-	-
Noninstructional services	89,327	-	-	-	-	-	-	793,324
Facilities acquisition and construction	-	-	212,067	-	-	-	-	-
Debt service	-	1,025,715	-	-	-	-	-	-
Interfund loans	-	-	-	-	-	-	-	-
Total disbursements	6,992,522	1,025,715	614,187	604,760	65,180	-	-	793,324
Excess (deficiency) of receipts over disbursements	513,657	53,505	(4,509)	(10,596)	151,365	-	-	(101,758)
Other financing sources (uses):								
Sale of capital assets	-	-	-	-	-	-	-	-
Total other financing sources (uses)	-	-	-	-	-	-	-	-
Excess (deficiency) of receipts and other financing sources over disbursements and other financing uses	513,657	53,505	(4,509)	(10,596)	151,365	-	-	(101,758)
Cash and investments - ending	\$ 1,833,279	\$ 656,842	\$ 101,987	\$ 178,324	\$ 327,951	\$ 103,704	\$ 355	\$ 55,899

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

	Textbook Rental	Levy Excess	Joint Services and Supply - Area Vocational School	Child Care Program	Educational License Plates	Early Intervention Grant	College Success Coalition	Professional Development (Rosedale)
Cash and investments - beginning	\$ (24,448)	\$ 151	\$ 6,124	\$ (1,475)	\$ (58)	\$ 3,529	\$ 2,036	\$ 3,397
Receipts:								
Local sources	42,367	-	54,912	33,820	-	-	-	-
Intermediate sources	-	-	-	-	131	-	-	-
State sources	62,919	-	-	-	-	20,505	-	-
Federal sources	-	-	-	-	-	-	-	-
Other receipts	499	-	-	-	-	-	1,000	-
Total receipts	105,785	-	54,912	33,820	131	20,505	1,000	-
Disbursements:								
Instruction	-	-	67,351	51,526	-	24,034	977	-
Support services	(51,337)	-	-	-	-	-	-	-
Noninstructional services	-	-	-	-	-	-	-	-
Facilities acquisition and construction	-	-	-	-	-	-	-	-
Debt service	-	-	-	-	-	-	-	-
Interfund loans	-	-	-	-	-	-	-	-
Total disbursements	(51,337)	-	67,351	51,526	-	24,034	977	-
Excess (deficiency) of receipts over disbursements	157,122	-	(12,439)	(17,706)	131	(3,529)	23	-
Other financing sources (uses):								
Sale of capital assets	437	-	-	-	-	-	-	-
Total other financing sources (uses)	437	-	-	-	-	-	-	-
Excess (deficiency) of receipts and other financing sources over disbursements and other financing uses	157,559	-	(12,439)	(17,706)	131	(3,529)	23	-
Cash and investments - ending	\$ 133,111	\$ 151	\$ (6,315)	\$ (19,181)	\$ 73	\$ -	\$ 2,059	\$ 3,397

SOUTHWEST PARKE COMMUNITY SCHOOL CORPORATION
 COMBINING SCHEDULE OF RECEIPTS, DISBURSEMENTS,
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	Riverton Parke Miscellaneous Grants	Rosedale Elementary Grants	Recreational Activities	Patterson Family Grant	Welfare Activities	6TH GRADE COLLEGE TRIPS/PCCF	Montezuma Active Grants	Donations Account
Cash and investments - beginning	\$ -	\$ 1,880	\$ 150	\$ -	\$ 7,225	\$ 1,427	\$ -	\$ 4,157
Receipts:								
Local sources	-	-	-	-	-	-	-	-
Intermediate sources	-	-	-	-	-	604	-	-
State sources	-	-	-	-	-	-	-	-
Federal sources	-	-	-	-	-	-	-	-
Other receipts	300	-	200	8,000	6,096	-	-	(500)
Total receipts	300	-	200	8,000	6,096	604	-	(500)
Disbursements:								
Instruction	-	298	-	-	5,525	213	-	629
Support services	-	-	-	8,085	-	-	-	-
Noninstructional services	-	-	-	-	-	-	-	-
Facilities acquisition and construction	-	-	-	-	-	-	-	-
Debt service	-	-	-	-	-	-	-	-
Interfund loans	-	-	-	-	-	-	-	-
Total disbursements	-	298	-	8,085	5,525	213	-	629
Excess (deficiency) of receipts over disbursements	300	(298)	200	(85)	571	391	-	(1,129)
Other financing sources (uses):								
Sale of capital assets	-	-	-	-	-	-	-	-
Total other financing sources (uses)	-	-	-	-	-	-	-	-
Excess (deficiency) of receipts and other financing sources over disbursements and other financing uses	300	(298)	200	(85)	571	391	-	(1,129)
Cash and investments - ending	\$ 300	\$ 1,582	\$ 350	\$ (85)	\$ 7,796	\$ 1,818	\$ -	\$ 3,028

SOUTHWEST PARKE COMMUNITY SCHOOL CORPORATION
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	Monsanto Grant	SPARC Conference	Rosedale PCCF Grants	PCCF 4th Grade Grant	Montezuma 4th Grade Grant	Rosedale Lilly Grant	LLC Grants from Parke County	PCCF Grants at Riverton Parke
Cash and investments - beginning	\$ 2,500	\$ -	\$ 8,188	\$ 4,630	\$ -	\$ 880	\$ 1,051	\$ 7,994
Receipts:								
Local sources	-	-	-	-	-	-	-	9,697
Intermediate sources	-	-	-	-	-	-	-	-
State sources	-	-	-	-	-	-	-	-
Federal sources	-	-	-	-	-	-	-	-
Other receipts	-	-	4,282	2,910	-	-	1,198	-
Total receipts	-	-	4,282	2,910	-	-	1,198	9,697
Disbursements:								
Instruction	-	-	5,108	4,838	-	-	150	10,143
Support services	-	-	-	-	-	-	-	-
Noninstructional services	-	-	-	-	-	-	-	-
Facilities acquisition and construction	2,500	-	-	-	-	-	-	-
Debt service	-	-	-	-	-	-	-	-
Interfund loans	-	-	-	-	-	-	-	-
Total disbursements	2,500	-	5,108	4,838	-	-	150	10,143
Excess (deficiency) of receipts over disbursements	(2,500)	-	(826)	(1,928)	-	-	1,048	(446)
Other financing sources (uses):								
Sale of capital assets	-	-	-	-	-	-	-	-
Total other financing sources (uses)	-	-	-	-	-	-	-	-
Excess (deficiency) of receipts and other financing sources over disbursements and other financing uses	(2,500)	-	(826)	(1,928)	-	-	1,048	(446)
Cash and investments - ending	\$ -	\$ -	\$ 7,362	\$ 2,702	\$ -	\$ 880	\$ 2,099	\$ 7,548

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

	Lilly Counseling Initiative	Pats Grant	PCCF GRANTS - CORPORATION	REMC Multi-County Trust Grant	Formative Assessment	Principal Leadership Academy	Instructional Support	High Ability Grant 2018
Cash and investments - beginning	\$ -	\$ 498	\$ (572)	\$ -	\$ -	\$ 24,388	\$ -	\$ -
Receipts:								
Local sources	-	-	-	-	-	-	-	-
Intermediate sources	-	-	-	-	-	-	-	-
State sources	-	-	-	-	17,803	-	29,654	-
Federal sources	-	-	-	-	-	-	-	-
Other receipts	30,000	1,450	1,500	-	-	-	-	-
Total receipts	30,000	1,450	1,500	-	17,803	-	29,654	-
Disbursements:								
Instruction	-	433	-	-	-	20,088	-	-
Support services	682	-	200	-	-	4,300	-	-
Noninstructional services	-	-	-	-	-	-	-	-
Facilities acquisition and construction	-	-	-	-	-	-	-	-
Debt service	-	-	-	-	-	-	-	-
Interfund loans	-	-	-	-	-	-	-	-
Total disbursements	682	433	200	-	-	24,388	-	-
Excess (deficiency) of receipts over disbursements	29,318	1,017	1,300	-	17,803	(24,388)	29,654	-
Other financing sources (uses):								
Sale of capital assets	-	-	-	-	-	-	-	-
Total other financing sources (uses)	-	-	-	-	-	-	-	-
Excess (deficiency) of receipts and other financing sources over disbursements and other financing uses	29,318	1,017	1,300	-	17,803	(24,388)	29,654	-
Cash and investments - ending	\$ 29,318	\$ 1,515	\$ 728	\$ -	\$ 17,803	\$ -	\$ 29,654	\$ -

SOUTHWEST PARKE COMMUNITY SCHOOL CORPORATION
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	Computer Consortium/ Ed Tech Advance	Medicaid Reimbursement	Secured Schools Safety Grant	Recreational Activities	School Technology	Career and Technical Performance Grant	Performance Based Awards	Technology Planning Grant
Cash and investments - beginning	\$ 92,450	\$ 16,143	\$ (25,823)	\$ (36)	\$ 8,033	\$ -	\$ 505	\$ (1,374)
Receipts:								
Local sources	-	-	-	-	-	-	-	-
Intermediate sources	-	-	-	-	-	-	-	-
State sources	-	(15,408)	-	-	6,308	-	-	-
Federal sources	-	-	-	-	-	9,532	-	-
Other receipts	-	-	-	-	-	-	-	3,508
Total receipts	-	(15,408)	-	-	6,308	9,532	-	3,508
Disbursements:								
Instruction	-	-	-	-	-	-	-	2,485
Support services	92,450	-	(25,823)	-	3,939	7,500	-	-
Noninstructional services	-	485	-	-	-	-	-	-
Facilities acquisition and construction	-	-	-	-	-	-	-	-
Debt service	-	-	-	-	-	-	-	-
Interfund loans	-	-	-	-	-	-	-	-
Total disbursements	92,450	485	(25,823)	-	3,939	7,500	-	2,485
Excess (deficiency) of receipts over disbursements	(92,450)	(15,893)	25,823	-	2,369	2,032	-	1,023
Other financing sources (uses):								
Sale of capital assets	-	-	-	-	-	-	-	-
Total other financing sources (uses)	-	-	-	-	-	-	-	-
Excess (deficiency) of receipts and other financing sources over disbursements and other financing uses	(92,450)	(15,893)	25,823	-	2,369	2,032	-	1,023
Cash and investments - ending	\$ -	\$ 250	\$ -	\$ (36)	\$ 10,402	\$ 2,032	\$ 505	\$ (351)

SOUTHWEST PARKE COMMUNITY SCHOOL CORPORATION
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	TITLE I FY 14-15	TITLE I FY 15-16	TITLE I FY 17	TITLE I FY 18	Title IV 2018	Drug Free Schools	Improving Teacher Quality, No Child Left, Title II, Part A	Rural Schools and Low Income Program - Pass Through State
Cash and investments - beginning	\$ 1	\$ 16,484	\$ -	\$ -	\$ -	\$ 2,249	\$ (101,560)	\$ (6,961)
Receipts:								
Local sources	-	-	-	-	-	-	-	-
Intermediate sources	-	-	-	-	-	-	-	-
State sources	-	-	-	-	-	-	-	-
Federal sources	-	121,582	132,244	-	-	-	54,464	-
Other receipts	-	-	-	-	-	-	-	-
Total receipts	-	121,582	132,244	-	-	-	54,464	-
Disbursements:								
Instruction	-	112,795	191,779	-	-	96	118,430	-
Support services	-	25,271	4,452	-	-	-	-	16,389
Noninstructional services	-	-	-	-	-	-	-	-
Facilities acquisition and construction	-	-	-	-	-	-	-	-
Debt service	-	-	-	-	-	-	-	-
Interfund loans	-	-	-	-	-	-	-	-
Total disbursements	-	138,066	196,231	-	-	96	118,430	16,389
Excess (deficiency) of receipts over disbursements	-	(16,484)	(63,987)	-	-	(96)	(63,966)	(16,389)
Other financing sources (uses):								
Sale of capital assets	-	-	-	-	-	-	-	-
Total other financing sources (uses)	-	-	-	-	-	-	-	-
Excess (deficiency) of receipts and other financing sources over disbursements and other financing uses	-	(16,484)	(63,987)	-	-	(96)	(63,966)	(16,389)
Cash and investments - ending	\$ 1	\$ (63,987)	\$ -	\$ -	\$ 2,153	\$ (165,526)	\$ (23,350)	

SOUTHWEST PARKE COMMUNITY SCHOOL CORPORATION
 COMBINING SCHEDULE OF RECEIPTS, DISBURSEMENTS,
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	Old Clearing Account	WVWCI Wellness Program	Classroom Fee Account	SkipJack Transactions	Credit Card Reimb	Clearing Account	Totals
Cash and investments - beginning	\$ 153,729	\$ 2,060	\$ 36,577	\$ 35,140	\$ -	\$ -	\$ 2,937,946
Receipts:							
Local sources	-	-	-	-	-	-	3,050,628
Intermediate sources	-	-	-	-	-	-	1,311
State sources	-	-	-	-	-	-	7,467,296
Federal sources	-	-	-	-	-	-	660,435
Other receipts	2,123,327	-	16,617	21,797	3,801	-	2,324,801
Total receipts	2,123,327	-	16,617	21,797	3,801	-	13,504,471
Disbursements:							
Instruction	-	-	-	-	-	-	5,465,640
Support services	-	-	-	-	-	-	3,212,621
Noninstructional services	-	-	-	-	-	-	883,136
Facilities acquisition and construction	-	-	-	-	-	-	214,567
Debt service	-	-	-	-	-	-	1,025,715
Interfund loans	2,099,733	-	20,583	16,705	4,253	-	2,141,274
Total disbursements	2,099,733	-	20,583	16,705	4,253	-	12,942,953
Excess (deficiency) of receipts over disbursements	23,594	-	(3,966)	5,092	(452)	-	561,518
Other financing sources (uses):							
Sale of capital assets	-	-	-	-	-	-	437
Total other financing sources (uses)	-	-	-	-	-	-	437
Excess (deficiency) of receipts and other financing sources over disbursements and other financing uses	23,594	-	(3,966)	5,092	(452)	-	561,955
Cash and investments - ending	\$ 177,323	\$ 2,060	\$ 32,611	\$ 40,232	\$ (452)	\$ -	\$ 3,499,901

SOUTHWEST PARKE COMMUNITY SCHOOL CORPORATION
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 For the Year Ended June 30, 2018

	General	Debt Service	Capital Projects	School Transportation	School Bus Replacement	Rainy Day	Construction	School Lunch
Cash and investments - beginning	\$ 1,833,279	\$ 656,842	\$ 101,987	\$ 178,324	\$ 327,951	\$ 103,704	\$ 355	\$ 55,899
Receipts:								
Local sources	134,778	1,069,654	601,520	611,619	289,460	212,084	-	415,625
Intermediate sources	576	-	-	-	-	-	-	-
State sources	7,104,307	-	-	-	-	-	-	-
Federal sources	-	-	-	-	-	-	-	435,326
Other receipts	103,190	-	768	-	-	-	-	-
Total receipts	7,342,851	1,069,654	602,288	611,619	289,460	212,084	-	850,951
Disbursements:								
Instruction	4,999,524	-	-	-	-	-	-	-
Support services	2,193,134	-	409,603	667,636	101,753	26,890	-	-
Noninstructional services	91,802	-	-	-	-	-	-	850,281
Facilities acquisition and construction	-	-	225,098	-	-	-	355	-
Debt service	-	994,850	-	-	-	-	-	-
Interfund loans	-	-	-	-	-	-	-	-
Total disbursements	7,284,460	994,850	634,701	667,636	101,753	26,890	355	850,281
Excess (deficiency) of receipts over disbursements	58,391	74,804	(32,413)	(56,017)	187,707	185,194	(355)	670
Other financing sources (uses):								
Transfers in	-	-	-	-	-	325,000	-	-
Transfers out	(193,275)	-	-	-	(325,000)	-	-	-
Total other financing sources (uses)	(193,275)	-	-	-	(325,000)	325,000	-	-
Excess (deficiency) of receipts and other financing sources over disbursements and other financing uses	(134,884)	74,804	(32,413)	(56,017)	(137,293)	510,194	(355)	670
Cash and investments - ending	\$ 1,698,395	\$ 731,646	\$ 69,574	\$ 122,307	\$ 190,658	\$ 613,898	\$ -	\$ 56,569

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	Textbook Rental	Levy Excess	Joint Services and Supply - Area Vocational School	Child Care Program	Educational License Plates	Early Intervention Grant	College Success Coalition	Professional Development (Rosedale)
Cash and investments - beginning	\$ 133,111	\$ 151	\$ (6,315)	\$ (19,181)	\$ 73	\$ -	\$ 2,059	\$ 3,397
Receipts:								
Local sources	82,226	-	56,554	44,127	-	-	-	-
Intermediate sources	-	-	-	-	94	-	-	-
State sources	47,138	-	-	-	-	-	-	-
Federal sources	-	-	-	-	-	-	-	-
Other receipts	19,041	-	-	-	-	-	-	900
Total receipts	148,405	-	56,554	44,127	94	-	-	900
Disbursements:								
Instruction	-	-	45,588	13,218	-	-	-	187
Support services	197,601	-	-	-	-	-	-	-
Noninstructional services	-	-	-	-	-	-	-	-
Facilities acquisition and construction	-	-	-	-	-	-	-	-
Debt service	-	-	-	-	-	-	-	-
Interfund loans	-	-	-	-	-	-	-	-
Total disbursements	197,601	-	45,588	13,218	-	-	-	187
Excess (deficiency) of receipts over disbursements	(49,196)	-	10,966	30,909	94	-	-	713
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	(49,196)	-	10,966	30,909	94	-	-	713
Cash and investments - ending	\$ 83,915	\$ 151	\$ 4,651	\$ 11,728	\$ 167	\$ -	\$ 2,059	\$ 4,110

SOUTHWEST PARKE 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

	Riverton Parke Miscellaneous Grants	Rosedale Elementary Grants	Recreational Activities	Patterson Family Grant	Welfare Activities	6TH GRADE COLLEGE TRIPS/PCCF	Montezuma Active Grants	Donations Account
Cash and investments - beginning	\$ 300	\$ 1,582	\$ 350	\$ (85)	\$ 7,796	\$ 1,818	\$ -	\$ 3,028
Receipts:								
Local sources	-	-	-	-	-	-	-	-
Intermediate sources	-	-	-	-	-	-	-	-
State sources	-	-	-	-	-	-	-	-
Federal sources	-	-	-	-	-	-	-	-
Other receipts	-	-	-	-	2,565	652	900	(850)
Total receipts	-	-	-	-	2,565	652	900	(850)
Disbursements:								
Instruction	297	826	-	-	8,969	691	240	1,927
Support services	-	-	-	(85)	-	-	-	-
Noninstructional services	-	-	-	-	-	-	-	-
Facilities acquisition and construction	-	-	-	-	-	-	-	-
Debt service	-	-	-	-	-	-	-	-
Interfund loans	-	-	-	-	-	-	-	-
Total disbursements	297	826	-	(85)	8,969	691	240	1,927
Excess (deficiency) of receipts over disbursements	(297)	(826)	-	85	(6,404)	(39)	660	(2,777)
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	(297)	(826)	-	85	(6,404)	(39)	660	(2,777)
Cash and investments - ending	\$ 3	\$ 756	\$ 350	\$ -	\$ 1,392	\$ 1,779	\$ 660	\$ 251

SOUTHWEST PARKE 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

	Monsanto Grant	SPARC Conference	Rosedale PCCF Grants	PCCF 4th Grade Grant	Montezuma 4th Grade Grant	Rosedale Lilly Grant	LLC Grants from Parke County	PCCF Grants at Riverton Parke
Cash and investments - beginning	\$ -	\$ -	\$ 7,362	\$ 2,702	\$ -	\$ 880	\$ 2,099	\$ 7,548
Receipts:								
Local sources	-	-	-	-	-	-	-	1,890
Intermediate sources	-	-	-	-	-	-	-	-
State sources	-	-	-	-	-	-	-	-
Federal sources	-	-	-	-	-	-	-	-
Other receipts	-	3,140	4,220	2,307	5,953	-	898	-
Total receipts	-	3,140	4,220	2,307	5,953	-	898	1,890
Disbursements:								
Instruction	-	1,823	8,397	4,660	2,606	880	2,114	8,964
Support services	-	-	-	-	-	-	-	-
Noninstructional services	-	-	-	-	-	-	-	-
Facilities acquisition and construction	-	-	-	-	-	-	-	-
Debt service	-	-	-	-	-	-	-	-
Interfund loans	-	-	-	-	-	-	-	-
Total disbursements	-	1,823	8,397	4,660	2,606	880	2,114	8,964
Excess (deficiency) of receipts over disbursements	-	1,317	(4,177)	(2,353)	3,347	(880)	(1,216)	(7,074)
Other financing sources (uses):								
Transfers in	-	-	-	-	-	-	-	-
Transfers out	-	-	-	-	-	-	-	-
Total other financing sources (uses)	-	-	-	-	-	-	-	-
Excess (deficiency) of receipts and other financing sources over disbursements and other financing uses	-	1,317	(4,177)	(2,353)	3,347	(880)	(1,216)	(7,074)
Cash and investments - ending	\$ -	\$ 1,317	\$ 3,185	\$ 349	\$ 3,347	\$ -	\$ 883	\$ 474

SOUTHWEST PARKE 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

	Lilly Counseling Initiative	Pats Grant	PCCF GRANTS - CORPORATION	REMC Multi-County Trust Grant	Formative Assessment	Principal Leadership Academy	Instructional Support	High Ability Grant 2018
Cash and investments - beginning	\$ 29,318	\$ 1,515	\$ 728	\$ -	\$ 17,803	\$ -	\$ 29,654	\$ -
Receipts:								
Local sources	-	-	-	-	-	-	-	-
Intermediate sources	-	-	-	-	-	-	-	-
State sources	-	-	-	-	-	-	-	29,467
Federal sources	-	-	-	-	-	-	-	-
Other receipts	-	575	-	1,590	-	-	-	-
Total receipts	-	575	-	1,590	-	-	-	29,467
Disbursements:								
Instruction	-	1,851	-	-	-	-	29,654	21,323
Support services	20,183	-	726	-	17,803	-	-	-
Noninstructional services	-	-	-	-	-	-	-	-
Facilities acquisition and construction	-	-	-	-	-	-	-	-
Debt service	-	-	-	-	-	-	-	-
Interfund loans	-	-	-	-	-	-	-	-
Total disbursements	20,183	1,851	726	-	17,803	-	29,654	21,323
Excess (deficiency) of receipts over disbursements	(20,183)	(1,276)	(726)	1,590	(17,803)	-	(29,654)	8,144
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	(20,183)	(1,276)	(726)	1,590	(17,803)	-	(29,654)	8,144
Cash and investments - ending	\$ 9,135	\$ 239	\$ 2	\$ 1,590	\$ -	\$ -	\$ -	\$ 8,144

SOUTHWEST PARKE 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

	Computer Consortium/ Ed Tech Advance	Medicaid Reimbursement	Secured Schools Safety Grant	Recreational Activities	School Technology	Career and Technical Performance Grant	Performance Based Awards	Technology Planning Grant
Cash and investments - beginning	\$ -	\$ 250	\$ -	\$ (36)	\$ 10,402	\$ 2,032	\$ 505	\$ (351)
Receipts:								
Local sources	-	-	-	-	-	-	-	-
Intermediate sources	-	-	-	-	-	-	-	-
State sources	-	16,355	-	-	7,770	-	-	-
Federal sources	-	-	-	-	-	8,615	-	-
Other receipts	-	-	-	-	-	-	-	4,655
Total receipts	-	16,355	-	-	7,770	8,615	-	4,655
Disbursements:								
Instruction	-	-	-	(36)	-	-	476	4,304
Support services	-	-	-	-	13,726	3,692	-	-
Noninstructional services	-	324	-	-	-	-	-	-
Facilities acquisition and construction	-	-	-	-	-	-	-	-
Debt service	-	-	-	-	-	-	-	-
Interfund loans	-	-	-	-	-	-	-	-
Total disbursements	-	324	-	(36)	13,726	3,692	476	4,304
Excess (deficiency) of receipts over disbursements	-	16,031	-	36	(5,956)	4,923	(476)	351
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	-	16,031	-	36	(5,956)	4,923	(476)	351
Cash and investments - ending	\$ -	\$ 16,281	\$ -	\$ -	\$ 4,446	\$ 6,955	\$ 29	\$ -

SOUTHWEST PARKE COMMUNITY SCHOOL CORPORATION
 COMBINING SCHEDULE OF RECEIPTS, DISBURSEMENTS,
 OTHER FINANCING SOURCES (USES), AND CASH
 AND INVESTMENT BALANCES - REGULATORY BASIS

For the Year Ended June 30, 2018

	TITLE I FY 14-15	TITLE I FY 15-16	TITLE I FY 17	TITLE I FY 18	Title IV 2018	Drug Free Schools	Improving Teacher Quality, No Child Left, Title II, Part A	Rural Schools and Low Income Program - Pass Through State
Cash and investments - beginning	\$ 1	\$ -	\$ (63,987)	\$ -	\$ -	\$ 2,153	\$ (165,526)	\$ (23,350)
Receipts:								
Local sources	-	-	-	-	-	-	-	-
Intermediate sources	-	-	-	-	-	-	-	-
State sources	-	-	-	-	-	-	-	-
Federal sources	-	-	130,683	107,367	4,418	-	77,548	43,787
Other receipts	(1)	-	-	-	-	-	-	-
Total receipts	(1)	-	130,683	107,367	4,418	-	77,548	43,787
Disbursements:								
Instruction	-	-	70,331	115,941	-	502	50,975	-
Support services	-	-	646	3,023	4,418	-	-	71,654
Noninstructional services	-	-	-	-	-	-	-	-
Facilities acquisition and construction	-	-	-	-	-	-	-	-
Debt service	-	-	-	-	-	-	-	-
Interfund loans	-	-	-	-	-	-	-	-
Total disbursements	-	-	70,977	118,964	4,418	502	50,975	71,654
Excess (deficiency) of receipts over disbursements	(1)	-	59,706	(11,597)	-	(502)	26,573	(27,867)
Other financing sources (uses):								
Transfers in	-	-	4,280	-	-	-	137,777	51,218
Transfers out	-	-	-	-	-	-	-	-
Total other financing sources (uses)	-	-	4,280	-	-	-	137,777	51,218
Excess (deficiency) of receipts and other financing sources over disbursements and other financing uses	(1)	-	63,986	(11,597)	-	(502)	164,350	23,351
Cash and investments - ending	\$ -	\$ -	\$ (1)	\$ (11,597)	\$ -	\$ 1,651	\$ (1,176)	\$ 1

SOUTHWEST PARKE 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

	Old Clearing Account	WVWCI Wellness Program	Classroom Fee Account	SkipJack Transactions	Credit Card Reimb	Clearing Account	Totals
Cash and investments - beginning	\$ 177,323	\$ 2,060	\$ 32,611	\$ 40,232	\$ (452)	\$ -	\$ 3,499,901
Receipts:							
Local sources	-	-	-	-	-	-	3,519,537
Intermediate sources	-	-	-	-	-	-	670
State sources	-	-	-	-	-	-	7,205,037
Federal sources	-	-	-	-	-	-	807,744
Other receipts	1,008,223	-	10,928	(25,132)	3,736	1,116,823	2,265,081
Total receipts	1,008,223	-	10,928	(25,132)	3,736	1,116,823	13,798,069
Disbursements:							
Instruction	-	-	-	-	-	-	5,396,232
Support services	-	-	-	-	-	-	3,732,403
Noninstructional services	-	-	-	-	-	-	942,407
Facilities acquisition and construction	-	-	-	-	-	-	225,453
Debt service	-	-	-	-	-	-	994,850
Interfund loans	1,264,944	500	34,595	15,100	3,285	1,114,455	2,432,879
Total disbursements	1,264,944	500	34,595	15,100	3,285	1,114,455	13,724,224
Excess (deficiency) of receipts over disbursements	(256,721)	(500)	(23,667)	(40,232)	451	2,368	73,845
Other financing sources (uses):							
Transfers in	-	-	-	-	-	-	518,275
Transfers out	-	-	-	-	-	-	(518,275)
Total other financing sources (uses)	-	-	-	-	-	-	-
Excess (deficiency) of receipts and other financing sources over disbursements and other financing uses	(256,721)	(500)	(23,667)	(40,232)	451	2,368	73,845
Cash and investments - ending	\$ (79,398)	\$ 1,560	\$ 8,944	\$ -	\$ (1)	\$ 2,368	\$ 3,573,746

SOUTHWEST PARKE COMMUNITY SCHOOL CORPORATION

SCHEDULE OF LEASES AND DEBT

June 30, 2018

Lessor	Purpose	Annual Lease Payment	Lease Beginning Date	Lease Ending Date
Governmental activities:				
Brian Porter				
Southwest Parke Community School Building Corporation	Vocational/Wellness Center lease rental	\$ 8,000 815,000	7/1/2014 7/1/2012	12/14/2023 12/31/2025
Total governmental activities		823,000		
Total of annual lease payments		\$ 823,000		

Type	Description of Debt	Ending Principal Balance	Principal and Interest Due Within One Year
Governmental activities:			
Notes and loans payable	Common School Technology Loan #A2795	\$ 64,715	\$ 18,998
Notes and loans payable	Lease Payment	5,655,000	815,000
Notes and loans payable	PVETI & Health Center	95,400	10,000
Notes and loans payable	QSCB Loan	222,000	44,000
Total governmental activities		6,037,115	887,998
Totals		\$ 6,037,115	\$ 887,998

SOUTHWEST PARKE 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	\$ 2,152,500
Buildings	21,407,299
Improvements other than buildings	4,839,399
Machinery, equipment, and vehicles	<u>5,680,384</u>
Total governmental activities	<u>34,079,582</u>
Total capital assets	<u><u>\$ 34,079,582</u></u>

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SUPPLEMENTAL AUDIT OF
FEDERAL AWARDS



STATE OF INDIANA

AN EQUAL OPPORTUNITY EMPLOYER

STATE BOARD OF ACCOUNTS
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ROOM E418
INDIANAPOLIS, INDIANA 46204-2769

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

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

TO: THE OFFICIALS OF THE SOUTHWEST PARKE COMMUNITY SCHOOL CORPORATION, PARKE COUNTY, INDIANA

Report on Compliance for the Major Federal Program

We have audited the Southwest Parke 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)

Other Matters

The results of our auditing procedures disclosed instances of noncompliance, which are required to be reported in accordance with the Uniform Guidance and which are described in the accompanying Schedule of Findings and Questioned Costs as items 2018-003 and 2018-004. Our opinion on the major federal program is not modified with respect to these matters.

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

Report on Internal Control over Compliance

Management of the School Corporation is responsible for establishing and maintaining effective internal control over compliance with the types of compliance requirements referred to above. In planning and performing our audit of compliance, we considered the School Corporation's internal control over compliance with the types of requirements that could have a direct and material effect on 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 items 2018-002, 2018-003, and 2018-004, that we consider to be material weaknesses.

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

INDEPENDENT AUDITOR'S REPORT ON COMPLIANCE FOR THE 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

May 2, 2019

SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS AND ACCOMPANYING NOTES

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

SOUTHWEST PARKE 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	Total Federal Awards Expended 06-30-17	Total Federal Awards Expended 06-30-18
<u>Department of Agriculture</u>					
Child Nutrition Cluster					
School Breakfast Program	Indiana Department of Education	10.553	FY 2016-2017 FY 2017-2018	\$ 95,826 - 95,826	\$ - 106,471 106,471
School Breakfast Program					
Total - School Breakfast Program					
National School Lunch Program					
National School Lunch Program	Indiana Department of Education	10.555	FY 2016-2017 FY 2017-2018 FY 2016-2017 FY 2017-2018	277,994 - 42,010 - 320,004	- 291,842 - 37,760 329,602
Commodities					
Total - National School Lunch Program					
Total - Child Nutrition Cluster					
Child Nutrition Discretionary Grants Limited Availability					
Equipment Grant	Indiana Department of Education	10.579	FY 2017-2018	- 20,000	
Total - Department of Agriculture					
<u>Department of Education</u>					
Special Education Cluster (IDEA)					
Special Education Grants to States	Indiana Department of Education	84.027	14215-008-PN01 14216-006-PN01 14217-006-PN01 18611-006-PN01	19,440 47,468 155,851 - 222,759	- 22,947 52,100 168,442 243,489
Special Education IDEA					
Special Education IDEA					
Special Education IDEA					
Special Education IDEA					
Total - Special Education Grants to States					
Special Education Preschool Grants					
Special Education IDEA	Indiana Department of Education	84.173	45715-008-PN01 45716-006-PN01	44 2,482	- 663
Special Education IDEA					

SOUTHWEST PARKE 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	Total Federal Awards Expended 06-30-17	Total Federal Awards Expended 06-30-18
Special Education IDEA			45717-006-PN01	6,665	1,969
Special Education IDEA			18619-006-PN01	-	7,873
Total - Special Education Preschool Grants				9,191	10,505
Total - Special Education Cluster (IDEA)				231,950	253,994
Title I Grants to Local Educational Agencies	Indiana Department of Education	84.010			
Title I SY 2014-15			#15-6260	224,380	-
Title I SY 2015-16			#16-6260	70,358	165,212
Title I SY 2016-17			#17-6260	-	69,632
Total - Title I Grants to Local Educational Agencies				294,738	234,844
Rural Education	Indiana Department of Education	84.358			
Rural & Low Income			7000S58B120014-11A	-	20,472
Rural & Low Income			S358B170014	-	23,314
Total - Rural Education				-	43,786
Supporting Effective Instruction State Grants	Indiana Department of Education	84.367			
Title II - Part A			S367A150013	-	54,406
Title II - Part A			S367A160013	-	23,142
Total - Supporting Effective Instruction State Grants				-	77,548
Student Support and Academic Enrichment Program	Indiana Department of Education	84.424			
Title IV 2018			#S424A170015	-	4,418
Total - Department of Education				526,688	614,590
Total federal awards expended				\$ 942,518	\$ 1,070,663

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

**SOUTHWEST PARKE COMMUNITY SCHOOL CORPORATION
NOTES TO SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS**

Note 1. Basis of Presentation

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

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

Note 2. Summary of Significant Accounting Policies

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

Note 3. Covered Bridge Special Education District

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

SOUTHWEST PARKE 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 deficiencies identified?	none reported
Noncompliance material to financial statement noted?	yes

Federal Awards:

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

Identification of Major Program and type of auditor's report issued on compliance for it:

Name of Federal Program or Cluster	Opinion Issued
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. The prior audit finding number was 2016-001.

Condition

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

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

Context

The SEFA contained the following errors:

The Commodities amounts for the Child Nutrition Cluster were omitted for both audit years resulting in an understatement of \$79,770. Amounts for the fiscal year 2016-2017 Special Education Cluster (IDEA) were omitted, resulting in an understatement of \$231,950. Title I Grants to Local Educational Agencies amounts were improperly reported resulting in an understatement of \$37,706. Title II, Part A was overstated for 2016-2017 by \$54,464. Child Nutrition Discretionary was omitted for 2016-2017 resulting in an understatement of \$20,000. Amounts for the Child Nutrition Cluster were improperly reported resulting in an overstatement of \$259,916.

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. . . .

The Green Book identifies a list of control activity categories that are meant only to illustrate the range and variety of control activities; the list is by no means all inclusive, but is reproduced here for reference purposes: . . .

- Accurate and timely recording of transactions. . . ."

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. . . ."

**SOUTHWEST PARKE COMMUNITY SCHOOL CORPORATION
SCHEDULE OF FINDINGS AND QUESTIONED COSTS
(Continued)**

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 controls that would have ensured proper reporting of the SEFA.

Effect

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

Recommendation

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

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

Views of Responsible Officials

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

Section III - Federal Award Findings and Questioned Costs

FINDING 2018-002

Subject: School Breakfast Program, National School Lunch Program - 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 2016-2017, FY 2017-2018

Pass-Through Entity: Indiana Department of Education

Compliance Requirements: Eligibility, 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 following compliance requirements: Eligibility and Special Tests and Provisions - Verification of Free and Reduced Price Applications (NSLP).

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

The School Corporation had not designed or implemented adequate internal controls to ensure that the verifications of eligibility determinations for free and reduced priced meals were accurate. The Food Service Director performed the initial determinations and initial 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.

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). . . ."

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

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 allowed noncompliance with the compliance requirements and could have 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 for Eligibility and Special Tests and Provisions - Verification of Free Reduced Price Applications (NSLP).

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: School Breakfast Program, National School Lunch Program - Program Income

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 2016-2017, FY 2017-2018

Pass-Through Entity: Indiana Department of Education

Compliance Requirement: Program Income

Audit Findings: Material Weakness, Other Matters

Condition

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

The School Corporation did not comply with requirements for accounting for program income generated from the operation of the school food service program. The School Corporation did not set up a separate fund to account for prepaid meals.

Context

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

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

Criteria

2 CFR 200.303 states in part:

"The non-Federal entity must:

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

7 CFR 210.14(c) states:

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

7 CFR 220.7(e) states in part:

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

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

When a student puts money into their individual meal account, it should not be considered income to the child nutrition program until that student goes through the lunch line and charges a meal to their account. Therefore, while money is in the student's individual account, the balance should not be included in Fund 800 School Lunch. A school should set up a clearing account with the fund number of 8400 Prepaid School Lunch Accounts, which is included in Chapter 4 of the State Board of Accounts Uniform Compliance Guidelines for Indiana Public School Corporations. When a student brings in a deposit the receipt should be recorded to fund 8400 using receipt account 1630 Special Functions. After the student has charged meals, you should disburse the amount charged from 8400 using expenditure account 31900 Other Food Services and receipt this into fund 800 using the Food Services receipt accounts 1611-1623 at the time established in a written school policy to ensure accurate monthly reporting. At this point the receipts are considered program income and should be included on any reports that are required to be completed. Also, on a monthly basis it is required that the balance of the 8400 fund be reconciled with the total of the individual meal accounts. (The School Bulletin and Uniform Compliance Guidelines, February 2019)

Cause

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

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

Effect

The failure to establish an effective internal control system enabled material noncompliance to go undetected. Noncompliance with the grant agreement and the Program Income compliance requirement could have resulted in the loss of federal funds to the School Corporation.

Questioned Costs

There were no questioned costs identified.

Recommendation

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

Views of Responsible Officials

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

FINDING 2018-004

Subject: Child Nutrition Cluster - Procurement and Suspension and Debarment

Federal Agency: Department of Agriculture

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

CFDA Numbers: 10.553, 10.555, 10.559

Federal Award Numbers and Years (or Other Identifying Numbers): FY 2016-2017, FY 2017-2018

Pass-Through Entity: Indiana Department of Education

Compliance Requirement: Procurement and Suspension and Debarment

Audit Findings: Material Weakness, Other Matters

Condition

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

The School Corporation had not established effective controls to ensure that their purchasing method used complied with 2 CFR 200.320.

The School Corporation did not obtain price or rate quotes from an adequate number of sources for purchases of goods or services from Eye4 exceeding \$3,500, which required the use of small purchase procedures.

Context

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

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

Criteria

2 CFR 200.303 states in part:

"The non-Federal entity must:

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

2 CFR 200.320(b) states:

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

Cause

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

Effect

The failure to establish an effective internal control system enabled material noncompliance to go undetected. Noncompliance with the grant agreement and the procurement requirements could have resulted in the loss of federal funds to the School Corporation.

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 comply with the Procurement compliance requirement.

Views of Responsible Officials

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

AUDITEE-PREPARED DOCUMENTS

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

Southwest Parke Community School Corporation

4851 South Coxville Road
Montezuma, IN 47862
Phone: 765-569-2073 Fax: 765-569-0309

Philip T. Harrison, Ph.D.
Superintendent of Schools

Leslie A. Shaffer
Treasurer

Angie Gilstrap
Deputy Treas/Corp Secretary

SUMMARY SCHEDULE OF PRIOR AUDIT FINDINGS

FINDING 2016-001

Fiscal year in which the finding initially occurred: **2014**

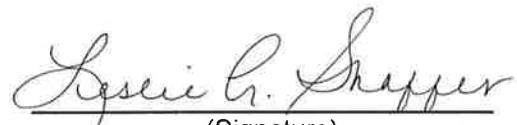
Pass-Through Entity, if pass-through or Federal Grantor Agency, if direct:

Contact Person Responsible for Corrective Action: **Leslie Shaffer, Corporation Treasurer**

Contact Phone Number: **765-569-2073 ext 2001**

Status of Audit Finding:

Due to the timing of the 2016 audit, along with the change in staff, I, Leslie Shaffer, have not completed a SEFA report under the direction of this audit finding. However, I have been keeping a spreadsheet of federal awards and expenditures to help ensure accuracy. The Deputy Treasurer, Food Service Director and Superintendent will assist me in compiling this report.


(Signature)

Corporation Treasurer
(Title)

4/25/2019
(Date)

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

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SUMMARY SCHEDULE OF PRIOR AUDIT FINDINGS

FINDING 2016-002

Fiscal year in which the finding initially occurred: **2014**

Pass-Through Entity, if pass-through or Federal Grantor Agency, if direct: **Indiana Department of Education**

Contact Person Responsible for Corrective Action: **Leslie Shaffer, Corporation Treasurer**

Contact Phone Number: **765-569-2073 ext 2001**

Status of Audit Finding:

Since this audit finding, Southwest Parke has employed a Title I Director to work closely with the Superintendent and Treasurer to help ensure proper administration of the corporation's Title I funds. All documentation pertaining to the corporation's Title I budget is kept by the Corporation Treasurer in a binder for each fiscal year. Reports filed by the Corporation Treasurer are reviewed and signed off by the Superintendent and the Title I Director. The Corporation Treasurer also sends reports at least monthly, if not more frequently, to the Title I Director and Superintendent.



Leslie A. Shaffer
(Signature)

Corporation Treasurer
(Title)

4/25/2019
(Date)

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

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Treasurer

Angie Gilstrap
Deputy Treas/Corp Secretary

SUMMARY SCHEDULE OF PRIOR AUDIT FINDINGS

FINDING 2016-003

Fiscal year in which the finding initially occurred: **2016**

Pass-Through Entity, if pass-through or Federal Grantor Agency, if direct: **Indiana Dept of Education**

Contact Person Responsible for Corrective Action: **Leslie Shaffer, Corporation Treasurer**

Contact Phone Number: **765-569-2073 ext 2001**

Status of Audit Finding:

As stated in Finding 2016-002, a Title I binder is now kept for each fiscal year. Contained in that binder are Semi Annual Certifications are signed off by the Title I Director and Superintendent. In addition, the Title I Director also serves as the corporation's Testing Coordinator. Thus, she submits monthly time sheets which illustrate the separation of Title I and Testing Coordinator duties.

Leslie A. Shaffer
(Signature)

Corporation Treasurer
(Title)

4/25/2019
(Date)

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

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SUMMARY SCHEDULE OF PRIOR AUDIT FINDINGS

FINDING 2016-004

Fiscal year in which the finding initially occurred: **2016**

Pass-Through Entity, if pass-through or Federal Grantor Agency, if direct: **Indiana Dept of Education**
Contact Person Responsible for Corrective Action: **Leslie Shaffer, Corporation Treasurer**
Contact Phone Number: **765-569-2073 ext 2001**

Status of Audit Finding:

The high school guidance counselor maintains a spreadsheet documenting withdraws. Each student is listed along with information pertaining to where they transferred upon their withdraw. This is a Google document and is shared with administrators and central office staff.

Leslie A. Shaffer
(Signature)

Corporation Treasurer
(Title)

4/25/2019
(Date)

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

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Treasurer

Angie Gilstrap
Deputy Treas/Corp Secretary

SUMMARY SCHEDULE OF PRIOR AUDIT FINDINGS

FINDING 2016-005

Fiscal year in which the finding initially occurred: **2016**

Pass-Through Entity, if pass-through or Federal Grantor Agency, if direct: **Dept of Education**

Contact Person Responsible for Corrective Action: **Leslie Shaffer, Corporation Treasurer**

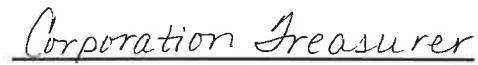
Contact Phone Number: **765-569-2073 ext 2001**

Status of Audit Finding:

The corporation treasurer has begun keeping a binder specifically for the Special Education 611 and 619 grants. All grant information, including MOE documentation is kept in this binder. The corporation treasurer keeps a spreadsheet tallying the corporation's portion of special education expenses to ensure they are on track with their MOE.



(Signature)



(Title)

4/25/2019
(Date)

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

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CORRECTIVE ACTION PLAN

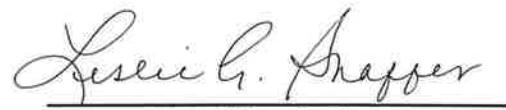
FINDING 2018-001

Contact Person Responsible for Corrective Action: Leslie A. Shaffer, Corporation Treasurer
Contact Phone Number: 765-569-2073 ext 2001

Views of Responsible Official: I concur with the finding.

Description of Corrective Action Plan: The Corporation Treasurer, Corporation Food Service Director and Superintendent will work in conjunction to ensure all federal programs are correctly noted on the SEFA.

Anticipated Completion Date: The Corporation Treasurer has been working since the previous audit on this finding.


(Signature)

Corporation Treasurer
(Title)

4/30/2019
(Date)

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Treasurer

Angie Gilstrap
Deputy Treas/Corp Secretary

CORRECTIVE ACTION PLAN

FINDING 2018-002

Contact Person Responsible for Corrective Action: Leslie A. Shaffer, Corporation Treasurer
Contact Phone Number: 765-569-2073 ext 2001

Views of Responsible Official: I concur with the finding.

Description of Corrective Action Plan: In addition to the Food Service Director verifying free and reduced applications, the Deputy Treasurer shall also review all applications verified by the Food Service Director.

Anticipated Completion Date: This course of action began April 1, 2019.


(Signature)

Corporation Treasurer
(Title)

4/30/2019

(Date)

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Treasurer

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Deputy Treas/Corp Secretary

CORRECTIVE ACTION PLAN

FINDING 2018-003

Contact Person Responsible for Corrective Action: Leslie A. Shaffer, Corporation Treasurer
Contact Phone Number: 765-569-2073 ext 2001

Views of Responsible Official: I concur with the finding.

Description of Corrective Action Plan: The Corporation Treasurer and Food Service Director will work in conjunction to set up the correct fund for prepaid meals.

Anticipated Completion Date: May 1, 2019

Leslie A. Shaffer
(Signature)

Corporation Treasurer
(Title)

4/30/2019
(Date)

Southwest Parke Community School Corporation

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CORRECTIVE ACTION PLAN

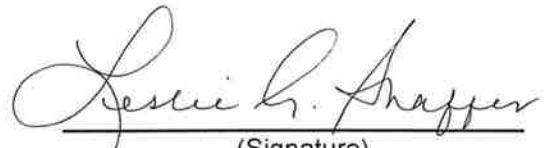
FINDING 2018-004

Contact Person Responsible for Corrective Action: Leslie A. Shaffer, Corporation Treasurer
Contact Phone Number: 765-569-2073 ext 2001

Views of Responsible Official: I concur with the finding.

Description of Corrective Action Plan: The Corporation Food Service Director will ensure that all purchases over \$3,500 will follow small purchase procedures. Quotes will be taken from at least three (3) vendors.

Anticipated Completion Date: April 30, 2019


(Signature)

Corporation Treasurer
(Title)

4/30/2019
(Date)

OTHER REPORTS

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