

FRANKLIN SPECIAL SCHOOL DISTRICT – INTERNAL SCHOOL FUNDS

ANNUAL FINANCIAL REPORT

FOR THE FISCAL YEAR ENDED

JUNE 30, 2017

Matlock Clements

Certified Public Accountants

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ANNUAL FINANCIAL REPORT
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FRANKLIN SPECIALSCHOOL DISTRICT – INTERNAL SCHOOL FUNDS
DIRECTORY OF OFFICIALS

Elected Officials

Board of Education: Tim Stillings (Chairman)
Robert Blair (Vice-Chair)
Alicia Spencer Barker
Allena Bell
Robin Newman
Kevin Townsel

Management Officials

Director of Schools: David L. Snowden, Ph. D.

Associate Director for Finance and Administration: John D. McAdams

School Officials

Individual School

Franklin Elementary School

Principal

David Esslinger, Ed. D.

Bookkeeper

Vikki Saleem

Freedom Intermediate School

Joel Hoag, Ed. D.

Marie Shelton

Freedom Middle School

Dr. Kristi Jefferson

Jayne Thames

Johnson Elementary School

Tosha Robinson Baugh

Julie Duel

Liberty Elementary School

Dr. Cheryl Robey

Lou Ann Bart

Moore Elementary School

Lisa Burgin

Jetza Nunez

Poplar Grove Elementary School

Alisha Erickson

Janet Hall

Poplar Grove Middle School

Christopher Treadway

Leena Sathe

FINANCIAL SECTION

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INDEPENDENT AUDITOR'S REPORT

Members of the Board of Education and
The Director of Schools
Franklin Special School District
Franklin, Tennessee

Report on the Financial Statements

We have audited the accompanying combined balance sheet – regulatory basis of Franklin Special School District's Internal School Funds as of June 30, 2017, and the related combined statement of revenues, expenditures and changes in fund balances – regulatory basis for the year then ended, and the related notes to the financial statements, which collectively comprise Franklin Special School District's Internal School Funds basic financial statements, as listed in the table of contents. We also have audited the individual school balance sheets – regulatory basis, and the individual school statements of revenues, expenditures and changes in fund balances – regulatory basis presented as supplementary information, as defined by the Government Accounting Standards Board, in the accompanying individual school financial statements as of and for the year ended June 30, 2017, as listed in the table of contents.

Management's Responsibility for the Financial Statements

Management is responsible for the preparation and fair presentation of these financial statements in accordance with the financial reporting provisions of the *Tennessee Internal School Uniform Accounting Policy Manual*. Management is also responsible for the design, implementation, and maintenance of internal control relevant to the preparation and fair presentation of financial statements that are free from material misstatement, whether due to fraud or error.

Auditor's Responsibility

Our responsibility is to express an opinion on these financial statements 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 statements are free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial statements. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the entity's preparation and fair presentation of the financial statements 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 entity'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 statements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion.

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

As described in Note A of the financial statements, the financial statements are prepared by Franklin Special School District's Internal School Funds on the basis of the financial reporting provisions of the *Tennessee Internal School Uniform Accounting Policy Manual*, which is a basis of accounting other than accounting principles generally accepted in the United States of America, to meet the requirements of the State of Tennessee.

The effects on the financial statements of the variances between the regulatory basis of accounting described in Note A 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 statements referred to in the first paragraph do not present fairly, in accordance with accounting principles generally accepted in the United States of America, the financial position of Franklin Special School District’s Internal School Funds as of June 30, 2017, or changes in financial position for the year then ended.

Unmodified Opinion on Regulatory Basis of Accounting

In our opinion, the combined financial statements referred to in the first paragraph present fairly, in all material respects, the assets, liabilities and fund balances of Franklin Special School District’s Internal School Funds as of June 30, 2017, and the related revenue, expenditures and changes in fund balances for the year then ended, in accordance with the financial reporting provisions of the *Tennessee Internal School Uniform Accounting Policy Manual* described in Note A. In addition, in our opinion, the individual school financial statements referred to in the first paragraph present fairly, in all material respects, the assets, liabilities and fund balances of Franklin Special School District’s Internal School Funds as of June 30, 2017, and the related revenue, expenditures and changes in fund balances for the year then ended, in accordance with the financial reporting provisions of the *Tennessee Internal School Uniform Accounting Policy Manual* described in Note A.

Other Matters

Other Information

Our audit was conducted for the purpose of forming an opinion on the combined financial statements— regulatory basis that collectively comprise the Franklin Special School District’s Internal School Funds’ basic financial statements. In addition, our audit was conducted for the purpose of forming an opinion on the individual school financial statements – regulatory basis, presented as supplementary information, as defined by the Government Accounting Standards Board. The supplemental schedules and other information, as listed in the table of contents, are presented for purposes of additional analysis and are not a required part of the basic financial statements – regulatory basis of the schools. As described in Note D of the financial statements, the supplementary schedules and other information, as listed in the table of contents, are prepared by Franklin Special School District’s Internal School Funds on the basis of the financial reporting provisions of the *Tennessee Internal School Uniform Accounting Policy Manual*, which is a comprehensive basis of accounting other than accounting principles generally accepted in the United States of America.

The supplemental schedules and other information, as listed in the table of contents, are the responsibility of management and were derived from and relate directly to the underlying accounting and other records used to prepare the basic financial statements – regulatory basis. Such information has been subjected to the auditing procedures applied in the audit of the basic financial statements – regulatory basis and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the basic financial statements or to the basic financial statements – regulatory basis themselves, and other additional procedures in accordance with auditing standards generally accepted in the United States of America. In our opinion, the supplemental schedules and other information, as listed in the table of contents, are fairly stated, in all material respects, in relation to the basic financial statements – regulatory basis as a whole.

Other Reporting Required by Government Auditing Standards

In accordance with *Government Auditing Standards*, we have also issued our report dated, October 2, 2017, on our consideration of the Franklin Special School District's Internal School Funds internal control over financial reporting and on our tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements and other matters. The purpose of that report is 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 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 Franklin Special School District's Internal School Funds internal control over financial reporting and compliance.

A handwritten signature in blue ink that reads "Matlock Clements, P.C." The signature is written in a cursive, flowing style.

Matlock Clements, P.C.
Murfreesboro, Tennessee
October 2, 2017

**FRANKLIN SPECIAL SCHOOL DISTRICT-INTERNAL SCHOOL FUNDS
COMBINED BALANCE SHEET-REGULATORY BASIS-ALL SCHOOLS
JUNE 30, 2017**

	Franklin Elementary School	Freedom Intermediate School	Freedom Middle School	Johnson Elementary School	Liberty Elementary School	Moore Elementary School	Poplar Grove Elementary School	Poplar Grove Middle School	Total
ASSETS									
Cash in Bank-Checking	\$ 49,440	\$ 111,710	\$ 39,957	\$ 23,489	\$ 17,836	\$ 76,788	\$ 30,109	\$ 48,703	\$ 398,032
Accounts Receivable	202	-	-	-	20	150	-	-	372
Inventory	-	119	-	-	3,586	2,710	-	-	6,415
Total Assets	\$ 49,642	\$ 111,829	\$ 39,957	\$ 23,489	\$ 21,442	\$ 79,648	\$ 30,109	\$ 48,703	\$ 404,819
LIABILITIES AND FUND BALANCES									
Liabilities:									
Accounts Payable	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Total Liabilities	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Fund Balances:									
General Fund:									
Nonspendable	\$ -	\$ 119	\$ -	\$ -	\$ 3,586	\$ 2,710	\$ -	\$ -	\$ 6,415
Unassigned	43,139	99,986	8,785	12,767	8,720	66,756	23,770	26,516	290,439
Total General Fund	\$ 43,139	\$ 100,105	\$ 8,785	\$ 12,767	\$ 12,306	\$ 69,466	\$ 23,770	\$ 26,516	\$ 296,854
Restricted fund:									
Restricted	\$ 2,607	\$ 2,243	\$ 1,490	\$ 4,391	\$ 1,754	\$ 1,068	\$ 2,358	\$ 443	\$ 16,354
Assigned	3,896	9,481	29,682	6,331	7,421	9,126	3,981	21,744	91,662
Unassigned	-	-	-	-	(39)	(12)	-	-	(51)
Total Restricted Fund	\$ 6,503	\$ 11,724	\$ 31,172	\$ 10,722	\$ 9,136	\$ 10,182	\$ 6,339	\$ 22,187	\$ 107,965
Total Fund Balances	\$ 49,642	\$ 111,829	\$ 39,957	\$ 23,489	\$ 21,442	\$ 79,648	\$ 30,109	\$ 48,703	\$ 404,819
Total Liabilities and Fund Balances	\$ 49,642	\$ 111,829	\$ 39,957	\$ 23,489	\$ 21,442	\$ 79,648	\$ 30,109	\$ 48,703	\$ 404,819

The accompanying notes are an integral part of these financial statements.

See Independent Auditor's Report.

**FRANKLIN SPECIAL SCHOOL DISTRICT-INTERNAL SCHOOL FUNDS
COMBINED STATEMENT OF REVENUES, EXPENDITURES, AND
CHANGES IN FUND BALANCES-ALL SCHOOLS-REGULATORY BASIS-ALL SCHOOLS
FOR THE YEAR ENDED JUNE 30, 2017**

	Franklin Elementary School	Freedom Intermediate School	Freedom Middle School	Johnson Elementary School	Liberty Elementary School	Moore Elementary School	Poplar Grove Elementary School	Poplar Grove Middle School	Total
Fund Balances, July 1, 2016	\$ 82,221	\$ 93,772	\$ 43,310	\$ 20,474	\$ 16,582	\$ 57,866	\$ 25,049	\$ 44,475	\$ 383,749
Prior Period Adjustments	-	-	-	-	-	-	-	-	-
Adjusted Fund Balances, July 1, 2016	\$ 82,221	\$ 93,772	\$ 43,310	\$ 20,474	\$ 16,582	\$ 57,866	\$ 25,049	\$ 44,475	\$ 383,749
Revenues	\$ 71,058	\$ 214,481	\$ 152,127	\$ 62,743	\$ 130,383	\$ 158,015	\$ 95,115	\$ 158,836	\$ 1,042,758
Expenditures	103,637	196,543	155,480	59,728	125,922	136,233	90,055	154,608	1,022,206
Excess of Revenues Over (Under) Expenditures	\$ (32,579)	\$ 17,938	\$ (3,353)	\$ 3,015	\$ 4,461	\$ 21,782	\$ 5,060	\$ 4,228	\$ 20,552
Other Financing Sources (Uses):									
Changes [Increase (Decrease)] in Inventory	\$ -	\$ 119	\$ -	\$ -	\$ 399	\$ -	\$ -	\$ -	\$ 518
Operating Transfers In	-	-	-	-	-	-	-	-	-
Operating Transfers Out	-	-	-	-	-	-	-	-	-
Total Other Financing Sources (Uses)	\$ -	\$ 119	\$ -	\$ -	\$ 399	\$ -	\$ -	\$ -	\$ 518
Excess of Revenues and Other Sources Over (Under) Expenditures and Other Uses	\$ (32,579)	\$ 18,057	\$ (3,353)	\$ 3,015	\$ 4,860	\$ 21,782	\$ 5,060	\$ 4,228	\$ 21,070
Fund Balances, June 30, 2017	\$ 49,642	\$ 111,829	\$ 39,957	\$ 23,489	\$ 21,442	\$ 79,648	\$ 30,109	\$ 48,703	\$ 404,819

The accompanying notes are an integral part of these financial statements.

See Independent Auditor's Report.

**FRANKLIN SPECIAL SCHOOL DISTRICT – INTERNAL SCHOOL FUNDS
NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED JUNE 30, 2017**

Background

Section 49-2-110, *Tennessee Code Annotated*, provides for internal school funds, establishes responsibility for those funds, and requires schools to adopt and follow a uniform accounting manual.

Note A – Summary of Significant Accounting Policies

1. Financial Reporting Entity

This report includes only the internal school funds of Franklin Special School District. Internal school funds consist of financial resources accounted for at the individual schools.

Internal School Funds

Internal school funds reported in the accompanying financial statements include donations and grants made to the individual schools; fees collected by schools; funds received from the local board of education; funds raised through cooperative agreements; rental fees; and student activity funds.

Student Activity Funds

Student activity funds include all money received from any source for school-sponsored student activities or school-sponsored events held at or in connection with a school, and specifically include, but are not limited to funds:

- Derived from a school-sponsored academic, art, athletic or social event involving students;
- Raised by school-sponsored clubs involving students;
- Raised by school-sponsored fundraisers involving students who are under the supervision of a school employee;
- Received from a commission for the direct sale of items to students pursuant to a cooperative agreement between the school and an outside organization;
- Received for the direct sale of items to students from a school-run bookstore located on school grounds;
- Raised from fees charged to students;
- Obtained from interest from any account that contains student activity funds;
- Obtained from any related school-sponsored activity that involves the use of school personnel, students, and property during the school day.

2. Other Comprehensive Basis of Accounting (OCBOA)

The accounting and financial reporting requirements for internal school funds are set forth in the *Tennessee Internal School Uniform Accounting Policy Manual*, issued by the Tennessee Department of Education. The requirements established in the *Tennessee Internal School Uniform Accounting Policy Manual* differ from generally accepted accounting principles primarily in the presentation of the financial statements and restricted fund revenue and expenditure accounting and reporting. The following is a summary of the basic requirements of this other comprehensive basis of accounting.

FRANKLIN SPECIAL SCHOOL DISTRICT – INTERNAL SCHOOL FUNDS
NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED JUNE 30, 2017

Note A – Summary of Significant Accounting Policies – (Continued)

2. Other Comprehensive Basis of Accounting (OCBOA) – (Continued)

The financial statements consist of balance sheets and statements of revenues, expenditures and changes in fund balances.

The combined financial statements present all of the individual schools in a columnar format and are required to be presented before the notes to the financial statements. These statements focus on each of the individual schools rather than the funds within the schools. In keeping with that focus, the columnar headings identify the individual schools rather than the funds.

The individual school financial statements present the detailed fund activity in each school and are included after the notes to the financial statements.

Revenues are classified by source and expenditures are classified by either function or object for the general fund but not the restricted fund. Revenues and expenditures of the restricted fund are recorded based on the specific group or activity which will benefit or expend the funds. The activity in the restricted “accounts” is presented as total revenues and transfers in and total expenditures and transfers out for each account. A corresponding “fund balance” is presented for each account. Although the restricted fund is a single fund, each account within the fund must present its portion of the restricted fund balance. Transfers reported on the financial statements represent authorized movement of funds between restricted accounts as well as between the general fund and restricted fund.

3. Measurement Focus and Basis of Accounting

The accompanying financial statements are reported using the current financial resources measurement focus. Accordingly, only current assets and current liabilities are included on the balance sheets and the fund balances report only spendable resources. Internal school funds use the modified accrual basis of accounting. Under the modified accrual basis of accounting, revenues are recognized when they become both measurable and available. Management policies define available as collectible within 60 days after the fiscal year end. Expenditures are generally recognized when the related fund liability is incurred, if measurable.

4. Fund Structure

The accounts of the individual schools are organized on the basis of funds, each of which is considered to be a separate accounting entity. The operations of each fund are accounted for by providing a separate set of self-balancing accounts which are comprised of the fund’s assets, liabilities, fund equity, revenues and expenditures. The funds are grouped in the accompanying financial statements as follows:

FRANKLIN SPECIAL SCHOOL DISTRICT – INTERNAL SCHOOL FUNDS
NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED JUNE 30, 2017

Note A – Summary of Significant Accounting Policies – (Continued)

5. Fund Structure – (Continued)

General Fund

The general fund is used to account for all money to be used for the general operation of the school or for the welfare of the student body. Revenues and expenditures in this fund are not restricted to any specific group or activity.

Restricted Fund

The restricted fund is used to account for money that is restricted for the use of a specific segment of the school population or legally restricted for a specific purpose and not intended to benefit the general school population.

6. Inventory

Inventories are stated at lower of cost (first-in, first-out) or market (net realizable value). The purchases method is used to account for inventories. Under the purchases method, inventories are reported as an expenditure when purchased (or when received for donated items) rather than being capitalized as an asset. However, significant amounts of inventory, if any, on hand at year-end are reported as an asset in the financial statements.

In accordance with generally accepted accounting principles, the fair value of donated goods and supplies are recognized as revenues and expenditures in the financial statements. For the current year no significant amounts of such donations were received.

7. Fund Balances

Nonspendable Fund Balance

Fund balances reported as nonspendable in the accompanying financial statements represent amounts for inventory in the general fund.

Restricted Fund Balance

Fund balances reported as restricted in the accompanying financial statements are the result of externally imposed restrictions placed upon certain resources accounted for in the restricted funds. This includes BEP (Basic Education Program) funds and grant funds.

When both restricted and unrestricted resources are available for us, it is the school system's policy to use restricted resources first, then unrestricted resources as they are needed.

Assigned Fund Balance

Amounts that are constrained by each school's intent to be used for specific purposes are reflected as assigned in the accompanying financial statements. This includes accounts reported in the restricted fund at each school, except for those that account for externally restricted resources as described above. Inventory amounts for restricted accounts are reflected as assigned

**FRANKLIN SPECIAL SCHOOL DISTRICT – INTERNAL SCHOOL FUNDS
NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED JUNE 30, 2017**

Note A – Summary of Significant Accounting Policies – (Continued)

6. Fund Balances – (Continued)

because the use of the proceeds from the sale of those inventories is assigned. Board of Education allocation amounts not spent by the end of the fiscal year are reflected as assigned in the general fund because the Board's intent is for those resources to be expended for instruction, administration, and/or operations and maintenance.

The Board of Education is authorized to assign amounts for specific purposes with respect to the amounts they allocate to the individual schools. The principal is the official authorized to assign all other amounts to a specific purpose. Authorization is established by the *Tennessee Internal School Uniform Accounting Policy Manual*.

Unassigned Fund Balance

In accordance with generally accepted accounting principles, the general fund is the only fund at each school that reports amounts for unassigned fund balance. This classification represents fund balance that is not restricted and has not been assigned to specific purposes within the general fund. When both assigned and unassigned resources are available for use, it is the school system's policy to use assigned resources first, then unassigned resources as they are needed.

The fund balance detail for Franklin Special School District is reflected in Table 1, located after Note F. Additional detail is provided on the individual school financial statements.

Note B – Deposits

Cash Deposits

Cash in bank represents funds on deposit in various depositories.

Custodial Credit Risk

Custodial credit risk is the risk that in the event of a bank failure, the school's deposits may not be returned to it. None of the school's deposits were exposed to custodial credit risk because all balances were entirely insured by the FDIC or through the Bank Collateral Pool with the State of Tennessee.

Legal Provisions

All deposits with financial institutions in excess of FDIC limits are required to be secured by one of two methods. Excess funds can be deposited with a financial institution(s) that participates in the State of Tennessee Bank Collateral Pool administered by the state treasurer. For deposits with financial institutions that do not participate in the bank collateral pool, state statutes require that all deposits be collateralized with collateral whose market value is equal to 105 percent of the uninsured amount of the deposits.

**FRANKLIN SPECIAL SCHOOL DISTRICT – INTERNAL SCHOOL FUNDS
NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED JUNE 30, 2017**

Note C- Capital Assets

Capital assets acquired by the individual schools are recorded as expenditures at the time of purchase. Title and accountability for capital assets purchased pass automatically to the board of education.

Note D- Supplementary Information

All information contained in the section of this report under the table of contents heading of Supplementary information was subjected to the same audit standards as the combined and individual financial statements and was prepared in conformity with the accounting practices prescribed by the *Tennessee Internal School Uniform Policy Manual*, which is a comprehensive basis of accounting other than generally accepted accounting principles in the United States of America.

Note E- Deficit Fund Balance

Two schools ended the year with a deficit balance. The schools and funds were as follows:

Liberty Elementary School	Target Field Trip Grant	\$(39)
Moore Elementary School	Teacher Appreciation	\$(12)

Note F- Subsequent Events

Subsequent events have been evaluated through October 2, 2017, the date which the financial statements were available to be issued.

FRANKLIN SPECIAL SCHOOL DISTRICT - INTERNAL SCHOOL FUNDS
NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED JUNE 30, 2017

(Table 1 - Fund Balance Detail)

	<u>Franklin Elementary School</u>		<u>Freedom Intermediate School</u>		<u>Freedom Middle School</u>		<u>Johnson Elementary School</u>		<u>Liberty Elementary School</u>		<u>Moore Elementary School</u>		<u>Poplar Grove Elementary School</u>	
	<u>General Fund</u>	<u>Restricted Fund</u>	<u>General Fund</u>	<u>Restricted Fund</u>	<u>General Fund</u>	<u>Restricted Fund</u>	<u>General Fund</u>	<u>Restricted Fund</u>	<u>General Fund</u>	<u>Restricted Fund</u>	<u>General Fund</u>	<u>Restricted Fund</u>	<u>General Fund</u>	<u>Restricted Fund</u>
Fund Balances:														
Nonspendable:														
Inventory	\$ -	\$ -	\$ 119	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 3,586	\$ -	\$ 2,710	\$ -	\$ -	\$ -
Restricted for:														
Grant Funds	-	2,005	-	128	-	1,490	-	-	-	1,672	-	1,018	-	1
Other Purposes	-	602	-	2,115	-	-	-	4,391	-	82	-	50	-	2,357
Assigned to:														
Athletic Accounts	-	-	-	-	-	12,868	-	-	-	-	-	-	-	-
Class Accounts	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Club Accounts	-	-	-	-	-	419	-	-	-	-	-	-	-	-
Other Accounts	-	3,896	-	9,481	-	16,395	-	6,331	-	7,421	-	9,126	-	3,981
Unassigned:	<u>43,139</u>	<u>-</u>	<u>99,986</u>	<u>-</u>	<u>8,785</u>	<u>-</u>	<u>12,767</u>	<u>-</u>	<u>8,720</u>	<u>(39)</u>	<u>66,756</u>	<u>(12)</u>	<u>23,770</u>	<u>-</u>
Total Fund Balances:	<u>\$ 43,139</u>	<u>\$ 6,503</u>	<u>\$ 100,105</u>	<u>\$ 11,724</u>	<u>\$ 8,785</u>	<u>\$ 31,172</u>	<u>\$ 12,767</u>	<u>\$ 10,722</u>	<u>\$ 12,306</u>	<u>\$ 9,136</u>	<u>\$ 69,466</u>	<u>\$ 10,182</u>	<u>\$ 23,770</u>	<u>\$ 6,339</u>

	<u>Poplar Grove Middle School</u>	
	<u>General Fund</u>	<u>Restricted Fund</u>
Fund Balances:		
Nonspendable:		
Inventory	\$ -	\$ -
Restricted for:		
Grant Funds	-	83
Other Purposes	-	360
Assigned to:		
Athletic Accounts	-	6,424
Class Accounts	-	230
Club Accounts	-	6,317
Other Accounts	-	8,773
Unassigned:	<u>26,516</u>	<u>-</u>
Total Fund Balances:	<u>\$ 26,516</u>	<u>\$ 22,187</u>

FRANKLIN SPECIAL SCHOOL DISTRICT
FRANKLIN ELEMENTARY SCHOOL - INTERNAL SCHOOL FUNDS
BALANCE SHEET - REGULATORY BASIS
JUNE 30, 2017

	ASSETS							LIABILITIES AND FUND BALANCES							
								LIABILITIES		FUND BALANCES					
	Cash on Hand	Cash in Bank - Checking	Cash in Bank - Savings	Accounts Receivable	Inventory	Other Assets	Total Assets	Accounts Payable	Total Liabilities	Non-Spendable	Restricted	Assigned	Unassigned	Total Fund Balances	Total Liabilities and Fund Balances
General Fund	\$ -	\$ 42,937	\$ -	\$ 202	\$ -	\$ -	\$ 43,139	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 43,139	\$ 43,139	\$ 43,139
Restricted Fund															
Other Accounts:															
CARTER- Instructional Equip & Supplies	\$ -	\$ 157	\$ -	\$ -	\$ -	\$ -	\$ 157	\$ -	\$ -	\$ -	\$ -	\$ 157	\$ -	\$ 157	\$ 157
Coordinated School Health Grant	-	1,951	-	-	-	-	1,951	-	-	-	1,951	-	-	1,951	1,951
Donations - Elks Club	-	602	-	-	-	-	602	-	-	-	602	-	-	602	602
Fuel Up to Play Grant	-	53	-	-	-	-	53	-	-	-	53	-	-	53	53
PTO Staff Appreciation	-	1,124	-	-	-	-	1,124	-	-	-	-	1,124	-	1,124	1,124
St. Paul's Millennium Development Goal	-	1,083	-	-	-	-	1,083	-	-	-	-	1,083	-	1,083	1,083
Sunshine Fund	-	1,337	-	-	-	-	1,337	-	-	-	-	1,337	-	1,337	1,337
Teacher's Lounge Vending	-	195	-	-	-	-	195	-	-	-	-	195	-	195	195
TEEA Grant	-	1	-	-	-	-	1	-	-	-	1	-	-	1	1
Total Restricted	\$ -	\$ 6,503	\$ -	\$ -	\$ -	\$ -	\$ 6,503	\$ -	\$ -	\$ -	\$ 2,607	\$ 3,896	\$ -	\$ 6,503	\$ 6,503
Total General and Restricted	\$ -	\$ 49,440	\$ -	\$ 202	\$ -	\$ -	\$ 49,642	\$ -	\$ -	\$ -	\$ 2,607	\$ 3,896	\$ 43,139	\$ 49,642	\$ 49,642

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

See Independent Auditor's Report.

FRANKLIN SPECIAL SCHOOL DISTRICT
FRANKLIN ELEMENTARY SCHOOL - INTERNAL SCHOOL FUNDS
STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCE - REGULATORY BASIS
FOR THE YEAR ENDED JUNE 30, 2017

	Other Financing Sources (Uses)									
	Fund Balances 7/1/2016	Prior Period Adjustments	Adjusted Fund Balances 7/1/2016	Revenues	Expenditures	Transfers In	Transfers Out	Change Increase (Decrease) in Inventory	Residual Equity Transfer In (Out)	Fund Balances 6/30/2017
General Fund										
Administration				\$ -	\$ 1,246					
Field Trips				15,552	13,726					
Fines, Fees & Dues				96						
Fundraising				40,903	13,862					
Gifts, Bequests, Donations				3,528	-					
Instruction				-	49,732					
Operations & Maintenance				-	1,657					
Pictures				790	-					
Recycling/Beautification				711	-					
Student Rewards				-	2,714					
Yearbook				2,267	1,788					
Total General	\$ 64,017	\$ -	\$ 64,017	\$ 63,847	\$ 84,725	\$ -	\$ -	\$ -	\$ -	\$ 43,139
Restricted Fund										
Other Accounts:										
CARTER- Instructional Equip & Supplies	\$ 157	\$ -	\$ 157	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 157
Cooridinated School Health Grant	401	-	401	1,550	-	-	-	-	-	1,951
Donations - Elks Club	602	-	602	-	-	-	-	-	-	602
Fuel Up to Play Grant	53	-	53	1,000	1,000	-	-	-	-	53
Mu Alpha Theta FHS Mathematics	154	-	154	-	154	-	-	-	-	-
PTO Staff Apreciation	783	-	783	2,421	2,080	-	-	-	-	1,124
Restricted Donations - Playground	12,958	-	12,958	-	12,958	-	-	-	-	-
St. Paul's Millennium Development Goal	1,083	-	1,083	-	-	-	-	-	-	1,083
Sunshine Fund	2,012	-	2,012	1,300	1,975	-	-	-	-	1,337
Teacher's Lounge Vending	-	-	-	940	745	-	-	-	-	195
TEEA Grant	1	-	1	-	-	-	-	-	-	1

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

See Independent Auditor's Report.

FRANKLIN SPECIAL SCHOOL DISTRICT
FRANKLIN ELEMENTARY SCHOOL - INTERNAL SCHOOL FUNDS
STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCE - REGULATORY BASIS
FOR THE YEAR ENDED JUNE 30, 2017

	Fund Balances 7/1/2016	Prior Period Adjustments	Adjusted Fund Balances 7/1/2016	Revenues	Expenditures	Other Financing Sources (Uses)				Fund Balances 6/30/2017
						Transfers In	Transfers Out	Change Increase (Decrease) in Inventory	Residual Equity Transfer In (Out)	
Total Restricted	\$ 18,204	\$ -	\$ 18,204	\$ 7,211	\$ 18,912	\$ -	\$ -	\$ -	\$ -	\$ 6,503
Total General and Restricted	<u>\$ 82,221</u>	<u>\$ -</u>	<u>\$ 82,221</u>	<u>\$ 71,058</u>	<u>\$ 103,637</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 49,642</u>

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

See Independent Auditor's Report.

**FRANKLIN SPECIAL SCHOOL DISTRICT
FREEDOM INTERMEDIATE SCHOOL - INTERNAL SCHOOL FUNDS
BALANCE SHEET - REGULATORY BASIS
JUNE 30, 2017**

	ASSETS							LIABILITIES AND FUND BALANCES							
								LIABILITIES		FUND BALANCES					
	Cash on Hand	Cash in Bank - Checking	Cash in Bank - Savings	Accounts Receivable	Inventory	Other Assets	Total Assets	Accounts Payable	Total Liabilities	Non- Spendable	Restricted	Assigned	Unassigned	Total Fund Balances	Total Liabilities and Fund Balances
General Fund	\$ -	\$ 99,986	\$ -	\$ -	\$ 119	\$ -	\$ 100,105	\$ -	\$ -	\$ 119	\$ -	\$ -	\$ 99,986	\$ 100,105	\$ 100,105
Restricted Fund															
Other Accounts:															
Band	\$ -	\$ 1,774	\$ -	\$ -	\$ -	\$ -	\$ 1,774	\$ -	\$ -	\$ -	\$ -	\$ 1,774	\$ -	\$ 1,774	\$ 1,774
Chorus/Drama	-	4,480	-	-	-	-	4,480	-	-	-	-	4,480	-	4,480	4,480
FIS Bulldog Council	-	2,731	-	-	-	-	2,731	-	-	-	-	2,731	-	2,731	2,731
Library Donations	-	7	-	-	-	-	7	-	-	-	7	-	-	7	7
Restricted Donations	-	1,030	-	-	-	-	1,030	-	-	-	1,030	-	-	1,030	1,030
Scholarships	-	937	-	-	-	-	937	-	-	-	937	-	-	937	937
Sunshine Fund	-	496	-	-	-	-	496	-	-	-	-	496	-	496	496
Teacher Grant - Parker	-	128	-	-	-	-	128	-	-	-	128	-	-	128	128
Teacher Memorial Fund	-	141	-	-	-	-	141	-	-	-	141	-	-	141	141
Total Restricted	\$ -	\$ 11,724	\$ -	\$ -	\$ -	\$ -	\$ 11,724	\$ -	\$ -	\$ -	\$ 2,243	\$ 9,481	\$ -	\$ 11,724	\$ 11,724
Total General and Restricted	\$ -	\$ 111,710	\$ -	\$ -	\$ 119	\$ -	\$ 111,829	\$ -	\$ -	\$ 119	\$ 2,243	\$ 9,481	\$ 99,986	\$ 111,829	\$ 111,829

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

See Independent Auditor's Report.

**FRANKLIN SPECIAL SCHOOL DISTRICT
FREEDOM INTERMEDIATE SCHOOL - INTERNAL SCHOOL FUNDS
STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCE - REGULATORY BASIS
FOR THE YEAR ENDED JUNE 30, 2017**

	Fund Balances 7/1/2016	Prior Period Adjustments	Adjusted Fund Balances 7/1/2016	Revenues	Expenditures	Other Financing Sources (Uses)				Fund Balances 6/30/2017
						Transfers In	Transfers Out	Change Increase (Decrease) in Inventory	Residual Equity Transfer In (Out)	
General Fund										
Administration				\$ -	\$ 1,027					
Field Trips				49,195	47,726					
Fines & Fees				595	-					
Fundraising				61,380	56,656					
Gifts, Bequests, Donations				8,126	-					
Instruction				-	5,250					
Interest				810	-					
Library				-	1,372					
Marine Lab				47,625	46,812					
Operation and Maintenance				-	751					
Pictures				4,435	-					
Student Workbooks				2,573	-					
Yearbook				4,121	3,825					
Total General	\$ 84,545	\$ -	\$ 84,545	\$ 178,860	\$ 163,419	\$ -	\$ -	\$ 119	\$ -	\$ 100,105
Restricted Fund										
Other Accounts:										
Band	\$ 797	\$ -	\$ 797	\$ 4,199	\$ 3,222	\$ -	\$ -	\$ -	\$ -	\$ 1,774
Chorus/Drama	2,437	-	2,437	17,589	15,546	-	-	-	-	4,480
FIS Bulldog Council	2,317	-	2,317	10,460	10,046	-	-	-	-	2,731
Library Donations	309	-	309	50	352	-	-	-	-	7
Restricted Donations	250	-	250	780	-	-	-	-	-	1,030
Scholarships	2,012	-	2,012	675	1,750	-	-	-	-	937
Sunshine Fund	836	-	836	1,868	2,208	-	-	-	-	496
Teacher Grant - Parker	128	-	128	-	-	-	-	-	-	128
Teacher Memorial Fund	141	-	141	-	-	-	-	-	-	141

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

See Independent Auditor's Report.

**FRANKLIN SPECIAL SCHOOL DISTRICT
FREEDOM INTERMEDIATE SCHOOL - INTERNAL SCHOOL FUNDS
STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCE - REGULATORY BASIS
FOR THE YEAR ENDED JUNE 30, 2017**

	Fund Balances 7/1/2016	Prior Period Adjustments	Adjusted Fund Balances 7/1/2016	Revenues	Expenditures	Other Financing Sources (Uses)				Fund Balances 6/30/2017
						Transfers In	Transfers Out	Change Increase (Decrease) in Inventory	Residual Equity Transfer In (Out)	
Total Restricted	\$ 9,227	\$ -	\$ 9,227	\$ 35,621	\$ 33,124	\$ -	\$ -	\$ -	\$ -	\$ 11,724
Total General and Restricted	<u>\$ 93,772</u>	<u>\$ -</u>	<u>\$ 93,772</u>	<u>\$ 214,481</u>	<u>\$ 196,543</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 119</u>	<u>\$ -</u>	<u>\$ 111,829</u>

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

See Independent Auditor's Report.

FRANKLIN SPECIAL SCHOOL DISTRICT
FREEDOM MIDDLE SCHOOL - INTERNAL SCHOOL FUNDS
BALANCE SHEET - REGULATORY BASIS
JUNE 30, 2017

	ASSETS						LIABILITIES AND FUND BALANCES								Total Liabilities and Fund Balances
	Cash on Hand	Cash in Bank - Checking	Cash in Bank - Savings	Accounts Receivable	Inventory	Other Assets	Total Assets	Accounts Payable	Total Liabilities	Non-Spendable	Restricted	Assigned	Unassigned	Total Fund Balances	
General Fund	\$ -	\$ 8,785	\$ -	\$ -	\$ -	\$ -	\$ 8,785	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 8,785	\$ 8,785	\$ 8,785
Restricted Fund															
Athletic Accounts:															
Athletics	\$ -	\$ 11,834	\$ -	\$ -	\$ -	\$ -	\$ 11,834	\$ -	\$ -	\$ -	\$ -	\$ 11,834	\$ -	\$ 11,834	\$ 11,834
Cheerleaders	-	1,034	-	-	-	-	1,034	-	-	-	-	1,034	-	1,034	1,034
Club Accounts:															
Best Buddies Club	-	18	-	-	-	-	18	-	-	-	-	18	-	18	18
Outdoor Environmental Club	-	401	-	-	-	-	401	-	-	-	-	401	-	401	401
Other Accounts:															
Art	-	602	-	-	-	-	602	-	-	-	-	602	-	602	602
Band	-	7,823	-	-	-	-	7,823	-	-	-	-	7,823	-	7,823	7,823
Chorus	-	3,418	-	-	-	-	3,418	-	-	-	-	3,418	-	3,418	3,418
Dollar General Literacy Grant	-	1,100	-	-	-	-	1,100	-	-	-	1,100	-	-	1,100	1,100
Drama	-	1,682	-	-	-	-	1,682	-	-	-	-	1,682	-	1,682	1,682
Freedom Families	-	863	-	-	-	-	863	-	-	-	-	863	-	863	863
NJHS	-	191	-	-	-	-	191	-	-	-	-	191	-	191	191
Stem Grant-Leadership Academy	-	390	-	-	-	-	390	-	-	-	390	-	-	390	390
Student Council	-	810	-	-	-	-	810	-	-	-	-	810	-	810	810
Sunshine Fund	-	167	-	-	-	-	167	-	-	-	-	167	-	167	167
Teacher's Lounge Vending	-	839	-	-	-	-	839	-	-	-	-	839	-	839	839
Total Restricted	\$ -	\$ 31,172	\$ -	\$ -	\$ -	\$ -	\$ 31,172	\$ -	\$ -	\$ -	\$ 1,490	\$ 29,682	\$ -	\$ 31,172	\$ 31,172
Total General and Restricted	\$ -	\$ 39,957	\$ -	\$ -	\$ -	\$ -	\$ 39,957	\$ -	\$ -	\$ -	\$ 1,490	\$ 29,682	\$ 8,785	\$ 39,957	\$ 39,957

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

See Independent Auditor's Report.

FRANKLIN SPECIAL SCHOOL DISTRICT
FREEDOM MIDDLE SCHOOL - INTERNAL SCHOOL FUNDS
STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCE - REGULATORY BASIS
FOR THE YEAR ENDED JUNE 30, 2017

										Other Financing Sources (Uses)	
	Fund Balances 7/1/2016	Prior Period Adjustments	Adjusted Fund Balances 7/1/2016	Revenues	Expenditures	Transfers In	Transfers Out	Change Increase (Decrease) in Inventory	Residual Equity Transfer In (Out)	Fund Balances 6/30/2017	
General Fund											
Administration				\$ -	\$ 7,724						
Field Trips				5,748	4,614						
Fines, Fees, & Dues				1,463	-						
Fundraising				30,182	6,586						
Gifts, Bequests, Donations				5,502	-						
Instruction				-	7,350						
Interest				355	-						
Operations & Maintenance				-	5,067						
Student Rewards				3,693	4,198						
Yearbook				8,077	16,762						
Total General	\$ 6,066	\$ -	\$ 6,066	\$ 55,020	\$ 52,301	\$ -	\$ -	\$ -	\$ -	\$ 8,785	
Restricted Fund											
Athletic Accounts:											
Athletics	\$ 17,733	\$ -	\$ 17,733	\$ 53,541	\$ 59,440	\$ -	\$ -	\$ -	\$ -	\$ 11,834	
Cheerleaders	1,051	-	1,051	847	864	-	-	-	-	1,034	
Club Accounts:											
Best Buddies Club	18	-	18	-	-	-	-	-	-	18	
Outdoor Environmental Club	7	-	7	1,939	1,545	-	-	-	-	401	
Other Accounts:											
Art	459	-	459	483	340	-	-	-	-	602	
Band	7,558	-	7,558	17,040	16,775	-	-	-	-	7,823	
Chorus	3,268	-	3,268	2,266	2,116	-	-	-	-	3,418	
Dollar General Literacy Grant	5	-	5	1,145	50	-	-	-	-	1,100	
Drama	593	-	593	10,587	9,498	-	-	-	-	1,682	

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

See Independent Auditor's Report.

FRANKLIN SPECIAL SCHOOL DISTRICT
FREEDOM MIDDLE SCHOOL - INTERNAL SCHOOL FUNDS
STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCE - REGULATORY BASIS
FOR THE YEAR ENDED JUNE 30, 2017

	Other Financing Sources (Uses)									
	Fund Balances 7/1/2016	Prior Period Adjustments	Adjusted Fund Balances 7/1/2016	Revenues	Expenditures	Transfers In	Transfers Out	Change Increase (Decrease) in Inventory	Residual Equity Transfer In (Out)	Fund Balances 6/30/2017
Freedom Families	863	-	863	-	-	-	-	-	-	863
NJHS	518	-	518	2,393	2,720	-	-	-	-	191
Stem Grant-Leadership Academy	5	-	5	849	464	-	-	-	-	390
Student Council	4,336	-	4,336	-	3,526	-	-	-	-	810
Sunshine Fund	162	-	162	4,300	4,295	-	-	-	-	167
Teacher's Lounge Vending	668	-	668	1,717	1,546	-	-	-	-	839
Total Restricted	\$ 37,244	\$ -	\$ 37,244	\$ 97,107	\$ 103,179	\$ -	\$ -	\$ -	\$ -	\$ 31,172
Total General and Restricted	\$ 43,310	\$ -	\$ 43,310	\$ 152,127	\$ 155,480	\$ -	\$ -	\$ -	\$ -	\$ 39,957

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

See Independent Auditor's Report.

FRANKLIN SPECIAL SCHOOL DISTRICT
JOHNSON ELEMENTARY SCHOOL - INTERNAL SCHOOL FUNDS
BALANCE SHEET - REGULATORY BASIS
JUNE 30, 2017

	ASSETS							LIABILITIES AND FUND BALANCES							
								LIABILITIES		FUND BALANCES					
	Cash on Hand	Cash in Bank - Checking	Cash in Bank - Savings	Accounts Receivable	Inventory	Other Assets	Total Assets	Accounts Payable	Total Liabilities	Non- Spendable	Restricted	Assigned	Unassigned	Total Fund Balances	Total Liabilities and Fund Balances
General Fund	\$ -	\$ 12,767	\$ -	\$ -	\$ -	\$ -	\$ 12,767	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 12,767	\$ 12,767	\$ 12,767
Restricted Fund															
Other Accounts:															
Recycling Fund	\$ -	\$ 4,742	\$ -	\$ -	\$ -	\$ -	\$ 4,742	\$ -	\$ -	\$ -	\$ -	\$ 4,742	\$ -	\$ 4,742	\$ 4,742
Restricted Donations - PE	-	4,391	-	-	-	-	4,391	-	-	-	4,391	-	-	4,391	4,391
Sunshine Fund	-	859	-	-	-	-	859	-	-	-	-	859	-	859	859
Teacher Appreciation	-	667	-	-	-	-	667	-	-	-	-	667	-	667	667
Teacher's Lounge Vending	-	63	-	-	-	-	63	-	-	-	-	63	-	63	63
Total Restricted	\$ -	\$ 10,722	\$ -	\$ -	\$ -	\$ -	\$ 10,722	\$ -	\$ -	\$ -	\$ 4,391	\$ 6,331	\$ -	\$ 10,722	\$ 10,722
Total General and Restricted	\$ -	\$ 23,489	\$ -	\$ -	\$ -	\$ -	\$ 23,489	\$ -	\$ -	\$ -	\$ 4,391	\$ 6,331	\$ 12,767	\$ 23,489	\$ 23,489

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

See Independent Auditor's Report.

FRANKLIN SPECIAL SCHOOL DISTRICT
JOHNSON ELEMENTARY SCHOOL - INTERNAL SCHOOL FUNDS
STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCE - REGULATORY BASIS
FOR THE YEAR ENDED JUNE 30, 2017

						Other Financing Sources (Uses)				
	Fund Balances 7/1/2016	Prior Period Adjustments	Adjusted Fund Balances 7/1/2016	Revenues	Expenditures	Transfers In	Transfers Out	Change Increase (Decrease) in Inventory	Residual Equity Transfer In (Out)	Fund Balances 6/30/2017
General Fund										
Administration				\$ -	\$ 1,356					
Field Trips				14,852	14,424					
Fundraising				24,558	23,239					
Gifts, Bequests, Donations				5,066	-					
Instruction				-	6,601					
Interest				159	-					
Library				279	274					
Operations & Maintenance				-	2,039					
Pictures				775	-					
T-Shirts				4,989	4,251					
Total General	\$ 14,273	\$ -	\$ 14,273	\$ 50,678	\$ 52,184	\$ -	\$ -	\$ -	\$ -	\$ 12,767
Restricted Fund										
Other Accounts:										
Art Grant	\$ 13	\$ -	\$ 13	\$ 3,131	\$ 3,144	\$ -	\$ -	\$ -	\$ -	\$ -
Recycling Fund	2,400	-	2,400	2,342	-	-	-	-	-	4,742
Restricted Donations - Library	825	-	825	-	825	-	-	-	-	-
Restricted Donations - PE	2,266	-	2,266	3,726	1,601	-	-	-	-	4,391
Sunshine Fund	444	-	444	910	495	-	-	-	-	859
Teacher Appreciation	80	-	80	1,691	1,104	-	-	-	-	667
Teacher's Lounge Vending	173	-	173	265	375	-	-	-	-	63
Total Restricted	\$ 6,201	\$ -	\$ 6,201	\$ 12,065	\$ 7,544	\$ -	\$ -	\$ -	\$ -	\$ 10,722
Total General and Restricted	\$ 20,474	\$ -	\$ 20,474	\$ 62,743	\$ 59,728	\$ -	\$ -	\$ -	\$ -	\$ 23,489

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

See Independent Auditor's Report.

FRANKLIN SPECIAL SCHOOL DISTRICT
LIBERTY ELEMENTARY SCHOOL - INTERNAL SCHOOL FUNDS
BALANCE SHEET - REGULATORY BASIS
JUNE 30, 2017

	ASSETS							LIABILITIES AND FUND BALANCES							
								LIABILITIES		FUND BALANCES					
	Cash on Hand	Cash in Bank - Checking	Cash in Bank - Savings	Accounts Receivable	Inventory	Other Assets	Total Assets	Accounts Payable	Total Liabilities	Non-Spendable	Restricted	Assigned	Unassigned	Total Fund Balances	Total Liabilities and Fund Balances
General Fund	\$ -	\$ 8,700	\$ -	\$ 20	\$ 3,586	\$ -	\$ 12,306	\$ -	\$ -	\$ 3,586	\$ -	\$ -	\$ 8,720	\$ 12,306	\$ 12,306
Restricted Fund															
Other Accounts:															
Art Grant	\$ -	\$7	\$ -	\$ -	\$ -	\$ -	\$ 7	\$ -	\$ -	\$ -	\$ 7	\$ -	\$ -	\$ 7	\$ 7
Box Top Funds	-	535	-	-	-	-	535	-	-	-	-	535	-	535	535
Coordinated School Health Grant	-	197	-	-	-	-	197	-	-	-	197	-	-	197	197
Dollar General Literacy Grant	-	50	-	-	-	-	50	-	-	-	50	-	-	50	50
Drama/Music Funds	-	5,215	-	-	-	-	5,215	-	-	-	-	5,215	-	5,215	5,215
Elks Club Donation	-	1	-	-	-	-	1	-	-	-	1	-	-	1	1
Field Trip Safety Shirts	-	439	-	-	-	-	439	-	-	-	-	439	-	439	439
Restricted Donations - Gracework	-	46	-	-	-	-	46	-	-	-	46	-	-	46	46
Restricted Donation - PE	-	35	-	-	-	-	35	-	-	-	35	-	-	35	35
Skate P.M./Dest. Imag.	-	109	-	-	-	-	109	-	-	-	-	109	-	109	109
Sunshine Fund	-	1,070	-	-	-	-	1,070	-	-	-	-	1,070	-	1,070	1,070
Target Field Trip Grant	-	(39)	-	-	-	-	(39)	-	-	-	-	-	(39)	(39)	(39)
Walk Across Williamson/PE	-	53	-	-	-	-	53	-	-	-	-	53	-	53	53
WLES Grant	-	1,418	-	-	-	-	1,418	-	-	-	1,418	-	-	1,418	1,418
Total Restricted	\$ -	\$ 9,136	\$ -	\$ -	\$ -	\$ -	\$ 9,136	\$ -	\$ -	\$ -	\$ 1,754	\$ 7,421	\$ (39)	\$ 9,136	\$ 9,136
Total General and Restricted	\$ -	\$ 17,836	\$ -	\$ 20	\$ 3,586	\$ -	\$ 21,442	\$ -	\$ -	\$ 3,586	\$ 1,754	\$ 7,421	\$ 8,681	\$ 21,442	\$ 21,442

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

See Independent Auditor's Report.

FRANKLIN SPECIAL SCHOOL DISTRICT
LIBERTY ELEMENTARY SCHOOL - INTERNAL SCHOOL FUNDS
STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCE - REGULATORY BASIS
FOR THE YEAR ENDED JUNE 30, 2017

						Other Financing Sources (Uses)				
	Fund Balances 7/1/2016	Prior Period Adjustments	Adjusted Fund Balances 7/1/2016	Revenues	Expenditures	Transfers In	Transfers Out	Change Increase (Decrease) in Inventory	Residual Equity Transfer In (Out)	Fund Balances 6/30/2017
General Fund										
Administration				\$ -	\$ 3,616					
Bookstore				12,877	13,335					
Events, Dances, Etc.				4,096	2,955					
Field Trips				16,547	16,535					
Fundraising				69,516	17,013					
Gifts, Bequests, Donations				5,533	-					
Instruction				-	57,461					
Interest				17	-					
Library				86	132					
Operations & Maintenance				-	409					
Pictures				7,199	-					
Recycling				363	742					
Student Rewards				-	93					
Total General	\$ 7,964	\$ -	\$ 7,964	\$ 116,234	\$ 112,291	\$ -	\$ -	\$ 399	\$ -	\$ 12,306
Restricted Fund										
Other Accounts:										
Art Grant	\$ 7	\$ -	\$ 7	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 7
Box Top Funds	-	-	-	535	-	-	-	-	-	535
Coordinated School Health Grant	197	-	197	-	-	-	-	-	-	197
D. Williams CHS Project	3	-	3	-	3	-	-	-	-	-
Dollar General Literacy Grant	50	-	50	-	-	-	-	-	-	50
Drama/Music Funds	4,352	-	4,352	4,624	3,761	-	-	-	-	5,215
Elks Club Donation	4	-	4	-	3	-	-	-	-	1
Field Trip Safety Shirts	2,482	-	2,482	1,691	3,734	-	-	-	-	439

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

See Independent Auditor's Report.

FRANKLIN SPECIAL SCHOOL DISTRICT
LIBERTY ELEMENTARY SCHOOL - INTERNAL SCHOOL FUNDS
STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCE - REGULATORY BASIS
FOR THE YEAR ENDED JUNE 30, 2017

	Other Financing Sources (Uses)									
	Fund Balances 7/1/2016	Prior Period Adjustments	Adjusted Fund Balances 7/1/2016	Revenues	Expenditures	Transfers In	Transfers Out	Change Increase (Decrease) in Inventory	Residual Equity Transfer In (Out)	Fund Balances 6/30/2017
Outdoor Classrom	-	-	-	100	100	-	-	-	-	-
Restricted Donations - Gracework	46	-	46	-	-	-	-	-	-	46
Restricted Donation - PE	-	-	-	4,015	3,980	-	-	-	-	35
Skate P.M./Dest. Imag.	109	-	109	-	-	-	-	-	-	109
Sunshine Fund	530	-	530	910	370	-	-	-	-	1,070
Target Field Trip Grant	(39)	-	(39)	700	700	-	-	-	-	(39)
Walk Across Williamson/PE	33	-	33	1,000	980	-	-	-	-	53
WLES Grant	844	-	844	574	-	-	-	-	-	1,418
Total Restricted	\$ 8,618	\$ -	\$ 8,618	\$ 14,149	\$ 13,631	\$ -	\$ -	\$ -	\$ -	\$ 9,136
Total General and Restricted	\$ 16,582	\$ -	\$ 16,582	\$ 130,383	\$ 125,922	\$ -	\$ -	\$ 399	\$ -	\$ 21,442

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

See Independent Auditor's Report.

**FRANKLIN SPECIAL SCHOOL DISTRICT
MOORE ELEMENTARY SCHOOL - INTERNAL SCHOOL FUNDS
BALANCE SHEET - REGULATORY BASIS
JUNE 30, 2017**

	ASSETS							LIABILITIES AND FUND BALANCES							
								LIABILITIES		FUND BALANCES					
	Cash on Hand	Cash in Bank - Checking	Cash in Bank - Savings	Accounts Receivable	Inventory	Other Assets	Total Assets	Accounts Payable	Total Liabilities	Non- Spendable	Restricted	Assigned	Unassigned	Total Fund Balances	Total Liabilities and Fund Balances
General Fund	\$ -	\$ 66,606	\$ -	\$ 150	\$ 2,710	\$ -	\$ 69,466	\$ -	\$ -	\$ 2,710	\$ -	\$ -	\$ 66,756	\$ 69,466	\$ 69,466
Restricted Fund															
Other Accounts:															
Art	\$ -	\$ 2,079	\$ -	\$ -	\$ -	\$ -	\$ 2,079	\$ -	\$ -	\$ -	\$ -	\$ 2,079	\$ -	\$ 2,079	\$ 2,079
Cleveland - Donation - Instructional	-	50	-	-	-	-	50	-	-	-	50	-	-	50	50
Grants	-	464	-	-	-	-	464	-	-	-	464	-	-	464	464
Impact School Grant	-	554	-	-	-	-	554	-	-	-	554	-	-	554	554
Music	-	1,044	-	-	-	-	1,044	-	-	-	-	1,044	-	1,044	1,044
PE	-	5,066	-	-	-	-	5,066	-	-	-	-	5,066	-	5,066	5,066
Teacher Activity	-	644	-	-	-	-	644	-	-	-	-	644	-	644	644
Teacher Appreciation	-	(12)	-	-	-	-	(12)	-	-	-	-	-	(12)	(12)	(12)
Teacher's Lounge Vending	-	293	-	-	-	-	293	-	-	-	-	293	-	293	293
Total Restricted	\$ -	\$ 10,182	\$ -	\$ -	\$ -	\$ -	\$ 10,182	\$ -	\$ -	\$ -	\$ 1,068	\$ 9,126	\$ (12)	\$ 10,182	\$ 10,182
Total General and Restricted	\$ -	\$ 76,788	\$ -	\$ 150	\$ 2,710	\$ -	\$ 79,648	\$ -	\$ -	\$ 2,710	\$ 1,068	\$ 9,126	\$ 66,744	\$ 79,648	\$ 79,648

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

See Independent Auditor's Report.

FRANKLIN SPECIAL SCHOOL DISTRICT
MOORE ELEMENTARY SCHOOL - INTERNAL SCHOOL FUNDS
STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCE - REGULATORY BASIS
FOR THE YEAR ENDED JUNE 30, 2017

						Other Financing Sources (Uses)				
	Fund Balances 7/1/2016	Prior Period Adjustments	Adjusted Fund Balances 7/1/2016	Revenues	Expenditures	Transfers In	Transfers Out	Change Increase (Decrease) in Inventory	Residual Equity Transfer In (Out)	Fund Balances 6/30/2017
General Fund										
Administration				\$ -	\$ 2,077					
Field Trips				19,744	18,636					
Fines, Fees, Etc.				704	-					
Fundraising				91,848	43,407					
Gifts, Bequests, Donations				3,839	-					
Instruction				-	47,132					
Interest				496	-					
Operations & Maintenance				-	208					
Pictures				8,190	-					
Playground				-	1,925					
T-Shirts & Other Resale				5,501	4,557					
Yearbook				5,130	4,284					
Total General	\$ 56,240	\$ -	\$ 56,240	\$ 135,452	\$ 122,226	\$ -	\$ -	\$ -	\$ -	\$ 69,466
Restricted Fund										
Other Accounts:										
Art	\$ -	\$ -	\$ -	\$ 2,079	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 2,079
Cleveland - Donation - Instructional	50	-	50	-	-	-	-	-	-	50
Donation to Organization	-	-	-	1,409	1,409	-	-	-	-	-
Grants	-	-	-	750	286	-	-	-	-	464
Impact School Grant	-	-	-	1,000	446	-	-	-	-	554
Music	-	-	-	1,044	-	-	-	-	-	1,044
PE	-	-	-	10,150	5,084	-	-	-	-	5,066
Teacher Activity	423	-	423	1,335	1,114	-	-	-	-	644
Teacher Appreciation	977	-	977	4,119	5,108	-	-	-	-	(12)
Teacher's Lounge Vending	176	-	176	677	560	-	-	-	-	293

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

See Independent Auditor's Report.

**FRANKLIN SPECIAL SCHOOL DISTRICT
MOORE ELEMENTARY SCHOOL - INTERNAL SCHOOL FUNDS
STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCE - REGULATORY BASIS
FOR THE YEAR ENDED JUNE 30, 2017**

	<u>Other Financing Sources (Uses)</u>									
	Fund Balances 7/1/2016	Prior Period Adjustments	Adjusted Fund Balances 7/1/2016	Revenues	Expenditures	Transfers In	Transfers Out	Change Increase (Decrease) in Inventory	Residual Equity Transfer In (Out)	Fund Balances 6/30/2017
Total Restricted	\$ 1,626	\$ -	\$ 1,626	\$ 22,563	\$ 14,007	\$ -	\$ -	\$ -	\$ -	\$ 10,182
Total General and Restricted	<u>\$ 57,866</u>	<u>\$ -</u>	<u>\$ 57,866</u>	<u>\$ 158,015</u>	<u>\$ 136,233</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 79,648</u>

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

See Independent Auditor's Report.

FRANKLIN SPECIAL SCHOOL DISTRICT
POPLAR GROVE ELEMENTARY SCHOOL - INTERNAL SCHOOL FUNDS
BALANCE SHEET - REGULATORY BASIS
JUNE 30, 2017

	ASSETS						LIABILITIES AND FUND BALANCES								
							LIABILITIES	FUND BALANCES							
	Cash on Hand	Cash in Bank - Checking	Cash in Bank - Savings	Accounts Receivable	Inventory	Other Assets	Total Assets	Accounts Payable	Total Liabilities	Non-Spendable	Restricted	Assigned	Unassigned	Total Fund Balances	Total Liabilities and Fund Balances
General Fund	\$ -	\$ 23,770	\$ -	\$ -	\$ -	\$ -	\$ 23,770	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 23,770	\$ 23,770	\$ 23,770
Restricted Fund															
Class Accounts:															
2nd Grade Class	\$ -	\$ 93	\$ -	\$ -	\$ -	\$ -	\$ 93	\$ -	\$ -	\$ -	\$ -	\$ 93	\$ -	\$ 93	\$ 93
Other Accounts:															
Dollar General Grant- Youth Lit	-	1	-	-	-	-	1	-	-	-	1	-	-	1	1
Franklin Kids Arts Fest	-	33	-	-	-	-	33	-	-	-	-	33	-	33	33
Restricted Donations - Butterfly Garden	-	249	-	-	-	-	249	-	-	-	249	-	-	249	249
Restricted Donations - PE	-	2,108	-	-	-	-	2,108	-	-	-	2,108	-	-	2,108	2,108
Staff Appreciation	-	1,890	-	-	-	-	1,890	-	-	-	-	1,890	-	1,890	1,890
Sunshine Fund	-	1,963	-	-	-	-	1,963	-	-	-	-	1,963	-	1,963	1,963
Teacher's Lounge Vending	-	2	-	-	-	-	2	-	-	-	-	2	-	2	2
Total Restricted	\$ -	\$ 6,339	\$ -	\$ -	\$ -	\$ -	\$ 6,339	\$ -	\$ -	\$ -	\$ 2,358	\$ 3,981	\$ -	\$ 6,339	\$ 6,339
Total General and Restricted	\$ -	\$ 30,109	\$ -	\$ -	\$ -	\$ -	\$ 30,109	\$ -	\$ -	\$ -	\$ 2,358	\$ 3,981	\$ 23,770	\$ 30,109	\$ 30,109

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

See Independent Auditor's Report.

FRANKLIN SPECIAL SCHOOL DISTRICT
POPLAR GROVE ELEMENTARY SCHOOL - INTERNAL SCHOOL FUNDS
STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCE - REGULATORY BASIS
FOR THE YEAR ENDED JUNE 30, 2017

										Other Financing Sources (Uses)
	Fund Balances 7/1/2016	Prior Period Adjustments	Adjusted Fund Balances 7/1/2016	Revenues	Expenditures	Transfers In	Transfers Out	Change Increase (Decrease) in Inventory	Residual Equity Transfer In (Out)	Fund Balances 6/30/2017
General Fund										
Administration				\$ -	\$ 2,557					
Book Fair				14,720	14,294					
Field Trips				15,331	15,049					
Fines, Fees & Dues				548	-					
Fundraising				41,679	13,612					
Gifts, Bequests, Donations				1,812	-					
Instruction				-	26,337					
Interest				216	-					
Library				-	1,374					
Operations & Maintenance				-	140					
Pictures				4,249	-					
Total General	\$ 18,578	\$ -	\$ 18,578	\$ 78,555	\$ 73,363	\$ -	\$ -	\$ -	\$ -	\$ 23,770
Restricted Fund										
Class Accounts:										
2nd Grade Class	\$ -	\$ -	\$ -	\$ 1,488	\$ 1,395	\$ -	\$ -	\$ -	\$ -	\$ 93
Other Accounts:										
Dollar General Grant- Youth Lit	-	-	-	3,326	3,325	-	-	-	-	1
Franklin Kids Arts Fest	36	-	36	500	503	-	-	-	-	33
Grants	-	-	-	986	986	-	-	-	-	-
Restricted Donations - Butterfly Garden	249	-	249	-	-	-	-	-	-	249
Restricted Donations - PE	3,849	-	3,849	2,515	4,256	-	-	-	-	2,108
Staff Appreciation	614	-	614	4,586	3,310	-	-	-	-	1,890
Sunshine Fund	1,721	-	1,721	519	277	-	-	-	-	1,963

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

See Independent Auditor's Report.

FRANKLIN SPECIAL SCHOOL DISTRICT
POPLAR GROVE ELEMENTARY SCHOOL - INTERNAL SCHOOL FUNDS
STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCE - REGULATORY BASIS
FOR THE YEAR ENDED JUNE 30, 2017

	Other Financing Sources (Uses)									
	Fund Balances 7/1/2016	Prior Period Adjustments	Adjusted Fund Balances 7/1/2016	Revenues	Expenditures	Transfers In	Transfers Out	Change Increase (Decrease) in Inventory	Residual Equity Transfer In (Out)	Fund Balances 6/30/2017
Target Field Trip Grant	-	-	-	700	700	-	-	-	-	-
Teacher's Lounge Vending	2	-	2	150	150	-	-	-	-	2
TN Arts Commission	-	-	-	1,790	1,790	-	-	-	-	-
Total Restricted	\$ 6,471	\$ -	\$ 6,471	\$ 16,560	\$ 16,692	\$ -	\$ -	\$ -	\$ -	\$ 6,339
Total General and Restricted	\$ 25,049	\$ -	\$ 25,049	\$ 95,115	\$ 90,055	\$ -	\$ -	\$ -	\$ -	\$ 30,109

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

See Independent Auditor's Report.

FRANKLIN SPECIAL SCHOOL DISTRICT
POPLAR GROVE MIDDLE SCHOOL - INTERNAL SCHOOL FUNDS
BALANCE SHEET - REGULATORY BASIS
JUNE 30, 2017

	ASSETS							LIABILITIES AND FUND BALANCES							
								LIABILITIES		FUND BALANCES					
	Cash on Hand	Cash in Bank - Checking	Cash in Bank - Savings	Accounts Receivable	Inventory	Other Assets	Total Assets	Accounts Payable	Total Liabilities	Non-Spendable	Restricted	Assigned	Unassigned	Total Fund Balances	Total Liabilities and Fund Balances
General Fund	\$ -	\$ 26,516	\$ -	\$ -	\$ -	\$ -	\$ 26,516	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 26,516	\$ 26,516	\$ 26,516
Restricted Fund															
Athletic Accounts:															
Athletics	\$ -	\$ 1,580	\$ -	\$ -	\$ -	\$ -	\$ 1,580	\$ -	\$ -	\$ -	\$ -	\$ 1,580	\$ -	\$ 1,580	\$ 1,580
Cheerleading	-	4,844	-	-	-	-	4,844	-	-	-	-	4,844	-	4,844	4,844
Class Accounts:															
6th Grade Class	-	116	-	-	-	-	116	-	-	-	-	116	-	116	116
Eric Ellison Class	-	114	-	-	-	-	114	-	-	-	-	114	-	114	114
Club Accounts:															
Beta Club	-	373	-	-	-	-	373	-	-	-	-	373	-	373	373
Drama Club	-	5,936	-	-	-	-	5,936	-	-	-	-	5,936	-	5,936	5,936
Middle School Art Club	-	8	-	-	-	-	8	-	-	-	-	8	-	8	8
Other Accounts:															
Farm Bureau Grant - Outdoor Garden	-	68	-	-	-	-	68	-	-	-	68	-	-	68	68
Fuel Up to Play Grant	-	33	-	-	-	-	33	-	-	-	33	-	-	33	33
Grant - Language Arts	-	50	-	-	-	-	50	-	-	-	50	-	-	50	50
Green Team	-	2,828	-	-	-	-	2,828	-	-	-	-	2,828	-	2,828	2,828
Music	-	3,797	-	-	-	-	3,797	-	-	-	-	3,797	-	3,797	3,797
Restricted Donations - PE	-	292	-	-	-	-	292	-	-	-	292	-	-	292	292
Staff Appreciation	-	20	-	-	-	-	20	-	-	-	-	20	-	20	20
Student Council	-	295	-	-	-	-	295	-	-	-	-	295	-	295	295
Sunshine Fund	-	1,061	-	-	-	-	1,061	-	-	-	-	1,061	-	1,061	1,061
Teacher's Lounge Vending	-	772	-	-	-	-	772	-	-	-	-	772	-	772	772
Total Restricted	\$ -	\$ 22,187	\$ -	\$ -	\$ -	\$ -	\$ 22,187	\$ -	\$ -	\$ -	\$ 443	\$ 21,744	\$ -	\$ 22,187	\$ 22,187
Total General and Restricted	\$ -	\$ 48,703	\$ -	\$ -	\$ -	\$ -	\$ 48,703	\$ -	\$ -	\$ -	\$ 443	\$ 21,744	\$ 26,516	\$ 48,703	\$ 48,703

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

See Independent Auditor's Report.

**FRANKLIN SPECIAL SCHOOL DISTRICT
POPLAR GROVE MIDDLE SCHOOL - INTERNAL SCHOOL FUNDS
STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCE - REGULATORY BASIS
FOR THE YEAR ENDED JUNE 30, 2017**

	Fund Balances 7/1/2016	Prior Period Adjustments	Adjusted Fund Balances 7/1/2016	Revenues	Expenditures	Transfers In	Transfers Out	Change Increase (Decrease) in Inventory	Residual Equity Transfer In (Out)	Fund Balances 6/30/2017
General Fund										
Administration				\$ -	\$ 360					
Field Trips				19,044	19,867					
Fines, Fees, & Dues				798	-					
Fundraising				28,735	11,742					
Gifts, Bequests, Donations				1,700	-					
Instruction				-	28,013					
Interest				35	-					
Pictures				2,282	-					
Yearbook				6,989	-					
Total General	\$ 26,915	\$ -	\$ 26,915	\$ 59,583	\$ 59,982	\$ -	\$ -	\$ -	\$ -	\$ 26,516
Restricted Fund										
Athletic Accounts:										
Athletics	\$ 1,930	\$ -	\$ 1,930	\$ 16,782	\$ 17,132	\$ -	\$ -	\$ -	\$ -	\$ 1,580
Cheerleading	2,488	-	2,488	49,620	47,264	-	-	-	-	4,844
Class Accounts:										
6th Grade Class	116	-	116	-	-	-	-	-	-	116
Eric Ellison Class	64	-	64	50	-	-	-	-	-	114
Club Accounts:										
Beta Club	356	-	356	1,277	1,260	-	-	-	-	373
Drama Club	3,344	-	3,344	9,080	6,488	-	-	-	-	5,936
Middle School Art Club	8	-	8	-	-	-	-	-	-	8
Other Accounts:										
Farm Bureau Grant - Outdoor Garden	68	-	68	-	-	-	-	-	-	68
Fuel Up to Play Grant	33	-	33	-	-	-	-	-	-	33
Grant - Language Arts	50	-	50	-	-	-	-	-	-	50
Green Team	2,654	-	2,654	2,012	1,838	-	-	-	-	2,828

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

See Independent Auditor's Report.

**FRANKLIN SPECIAL SCHOOL DISTRICT
POPLAR GROVE MIDDLE SCHOOL - INTERNAL SCHOOL FUNDS
STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCE - REGULATORY BASIS
FOR THE YEAR ENDED JUNE 30, 2017**

	Fund Balances 7/1/2016	Prior Period Adjustments	Adjusted Fund Balances 7/1/2016	Revenues	Expenditures	Transfers In	Transfers Out	Change Increase (Decrease) in Inventory	Residual Equity Transfer In (Out)	Fund Balances 6/30/2017
Music	3,305	-	3,305	17,682	17,190	-	-	-	-	3,797
Restricted Donations - PE	200	-	200	750	658	-	-	-	-	292
Staff Appreciation	20	-	20	-	-	-	-	-	-	20
Student Council	840	-	840	716	1,261	-	-	-	-	295
Sunshine Fund	1,312	-	1,312	1,284	1,535	-	-	-	-	1,061
Teacher's Lounge Vending	772	-	772	-	-	-	-	-	-	772
Total Restricted	<u>\$ 17,560</u>	<u>\$ -</u>	<u>\$ 17,560</u>	<u>\$ 99,253</u>	<u>\$ 94,626</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 22,187</u>
Total General and Restricted	<u><u>\$ 44,475</u></u>	<u><u>\$ -</u></u>	<u><u>\$ 44,475</u></u>	<u><u>\$ 158,836</u></u>	<u><u>\$ 154,608</u></u>	<u><u>\$ -</u></u>	<u><u>\$ -</u></u>	<u><u>\$ -</u></u>	<u><u>\$ -</u></u>	<u><u>\$ 48,703</u></u>

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

See Independent Auditor's Report.

FRANKLIN SPECIAL SCHOOL DISTRICT – INTERNAL SCHOOL FUNDS
SCHEDULE OF FIDELITY BOND COVERAGE
JUNE 30, 2017

Surety Bond

Type of Coverage:	Official Statutory Bond – Treasurer or Fiscal Agent for Local Education Agency
Insurer:	The Ohio Casualty Insurance Company
Amount of Coverage:	\$1,157,605 -- Dr. David L. Snowden, Director of Schools
Policy Term:	7/1/2016 – 7/1/2017

Commercial Crime Coverage

Type of Coverage:	<u>Government Employee Theft – Per Loss</u>
Insurer:	Catlin Indemnity Company
Amount of Coverage	\$100,000
Policy Term:	7/1/2016 – 7/1/2017

Type of Coverage:	<u>Government Forgery or Alteration</u>
Insurer:	Catlin Indemnity Company
Amount of Coverage	\$100,000
Policy Term:	7/1/2016 – 7/1/2017

Type of Coverage:	<u>Government Inside the Premises – Theft of Money and Securities</u>
Insurer:	Catlin Indemnity Company
Amount of Coverage	\$100,000
Policy Term:	7/1/2016 – 7/1/2017

Type of Coverage:	<u>Government Outside the Premises</u>
Insurer:	Catlin Indemnity Company
Amount of Coverage	\$100,000
Policy Term:	7/1/2016 – 7/1/2017

FRANKLIN SPECIAL SCHOOL DISTRICT - INTERNAL SCHOOL FUNDS
SCHEDULE OF SALARY SUPPLEMENTS
FOR THE YEAR ENDED JUNE 30, 2017

<u>School</u>	<u>Amount</u>	<u>Source of Funds</u>	<u>Board Approved?</u>	<u>Proper Withholding?</u>
<u>Poplar Grove Middle School</u>				
Elaine Bailey-Fryd	<u>\$ 450</u>	Music	Yes	Yes
Total	<u><u>\$ 450</u></u>			

FRANKLIN SPECIAL SCHOOL DISTRICT - INTERNAL SCHOOL FUNDS
SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS AND STATE FINANCIAL ASSISTANCE
FOR THE YEAR ENDED JUNE 30, 2017

<u>Federal Grantor/Pass-Through Grantor</u>	<u>CFDA Number</u>	<u>Contract Number</u>	<u>Beginning (Accrued) Deferred</u>	<u>Receipts</u>	<u>Expenditures</u>	<u>Ending (Accrued) Deferred</u>
<u>State Awards</u>						
TN Arts Commission - Poplar Grove Elementary	N/A	394369		995	995	
TN Arts Commission - Poplar Grove Elementary	N/A	394197	-	995	995	-
TOTAL STATE AWARDS:			\$ -	\$ 1,990	\$ 1,990	\$ -
<u>Federal Awards</u>						
N/A						

*Note 1 - This schedule is prepared on the modified accrual basis of accounting.

*Note 2 - The above grants are earned when cash is received and not when expenditures are made. As a result, deferred revenue is not reflected in the financial statements. However, the grant resources are restricted for art expenditures by the grant contract. Any unspent funds are reflected as restricted fund balance in the accompanying financial statements.

See Independent Auditor's Report.

INTERNAL CONTROL AND COMPLIANCE SECTION

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

Members of the Board of Education and
the Director of Schools
Franklin Special School District
Franklin, Tennessee

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 combined and individual financial statements of the Internal School Funds of the Franklin Special School District, Franklin, Tennessee as of and for the year ended June 30, 2016, and the related notes to the financial statements, which collectively comprise the Franklin Special School District Internal School Funds' basic financial statements and have issued our report thereon dated October 2, 2017.

Internal Control over Financial Reporting

In planning and performing our audit of the financial statements, we considered the Franklin Special School District Internal School Funds' internal control over financial reporting (internal control) to determine the audit procedures that are appropriate in the circumstances for the purpose of expressing our opinions on the combined and individual financial statements, but not for the purpose of expressing an opinion on the effectiveness of Franklin Special School District Internal School Funds' internal control. Accordingly, we do not express an opinion on the effectiveness of the Franklin Special School District Internal School Funds' 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 entity's financial statements will not be prevented, or detected and corrected on a timely basis. A *significant deficiency* is a deficiency, or a 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. Given these limitations, during our audit we did not identify any deficiencies in internal control that we consider to be material weaknesses. We did identify certain deficiencies in internal control, described in the accompanying schedule of findings and responses that we consider to be significant deficiencies. The following school had a significant deficiency identified as of June 30, 2017:

Liberty Elementary (SD-2017-002)
Freedom Middle (SD-2017-001)

Freedom Intermediate (SD-2017-002)
Poplar Grove Middle (SD-2017-001)

Compliance and Other Matters

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

We noted certain matters that we reported to management of Franklin Special School District Internal School Funds, in a separate management letter dated October 2, 2017.

Eric Clements, CPA, CFE • Andy Matlock, CPA

Franklin Special School District's Response to Findings

Franklin Special School District Internal School Fund's responses to the findings identified in our audit are described in the accompanying Schedule of Findings and Responses. Franklin Special School District Internal School Fund's response was not subjected to the auditing procedures applied in the audit of the financial statements 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 entity'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 entity's internal control and compliance. Accordingly, this communication is not suitable for any other purpose.

A handwritten signature in blue ink that reads "Matlock Clements, P.C.".

Matlock Clements, P.C.
Murfreesboro, Tennessee
October 2, 2017

**FRANKLIN SPECIAL SCHOOL DISTRICT – INTERNAL SCHOOL FUNDS
SCHEDULE OF FINDINGS AND RESPONSES
FOR THE YEAR ENDED JUNE 30, 2017**

Summary of Auditor's Results

Financial Statements

- | | |
|---|------------|
| 1. Type of auditor's report issued: | Unmodified |
| 2. Internal control over financial reporting | |
| a. Material weaknesses identified? | No |
| b. Significant Deficiencies identified that are not considered to be material weaknesses? | Yes |
| 3. Noncompliance material to financial statements noted | No |

Financial Statement Findings – Required to be reported in Accordance With Government Auditing Standards.

**Significant Deficiencies
(SD-2017-001)**

Deficiencies in Purchasing/Disbursements Cycle

It was noted during the fieldwork that sales tax was not paid on the purchase of items for resale at Freedom Middle School and Poplar Grove Middle School.

Recommendation

According to the *Tennessee Internal School Uniform Accounting Policy Manual*, Section 4; Title 8 and Section 67-6-102, *TCA*, sales tax should be paid on the purchase price of all resale items except for school books and school lunches. When sales tax is not paid to the vendor, the school is liable for use tax on the purchase price. It is recommended that policies and procedures be put in place to ensure that sales tax is paid on the purchase price of all resale items except for the exceptions indicated above.

Management Response

The schools will be more diligent in following the correct procedures regarding this issue.

(SD-2017-002)

Deficiencies in Fundraising Activities

It was noted during the fieldwork that fundraisers had been conducted without the appropriate authorization at Liberty Elementary School and Freedom Intermediate School.

Recommendation

According to the *Tennessee Internal School Uniform Accounting Policy Manual*, Section 4; Title 8, fundraising activities must have written approval from the principal. Authorization should include the following information: a list of proposed activities, purpose of fundraising activity, proposed uses of funds raised, and expected student involvement in fundraising activity. It is recommended that policies and procedures be put in place to ensure that the appropriate steps are being taken prior to a fundraiser being conducted.

Management Response

In the future, fundraisers approvals and report will be submitted for all fundraisers.

**FRANKLIN SPECIAL SCHOOL DISTRICT – INTERNAL SCHOOL FUNDS
SCHEDULE OF PRIOR YEAR FINDINGS AND RESPONSES
FOR THE YEAR ENDED JUNE 30, 2017**

**Prior Year Financial Statement Findings – Required to be reported in Accordance
With Government Auditing Standards.**

There were no prior year findings reported.