

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

AUDIT REPORT

OF

CROWN POINT COMMUNITY SCHOOL CORPORATION

LAKE COUNTY, INDIANA

July 1, 2005 to June 30, 2007



**FILED**

01/07/2008



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SCHEDULE OF OFFICIALS

<u>Office</u>	<u>Official</u>	<u>Term</u>
Treasurer	Kimberly J. Fox Matthew D. Ruess	07-01-05 to 06-30-06 07-01-06 to 06-30-08
Superintendent of Schools	H. Steve Sprunger John Coomer (Interim) Dr. Teresa A. Eineman	07-01-05 to 12-31-05 01-01-06 to 04-10-06 04-11-06 to 06-30-08
President of the School Board	Karen Raab Scott Angel	07-01-05 to 06-30-06 07-01-06 to 06-30-08



**STATE OF INDIANA**  
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INDEPENDENT AUDITOR'S REPORT ON FINANCIAL STATEMENTS  
AND SUPPLEMENTARY SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS

TO: THE OFFICIALS OF THE CROWN POINT COMMUNITY  
SCHOOL CORPORATION, LAKE COUNTY, INDIANA

We have audited the accompanying financial statements of the governmental activities, each major fund, and the aggregate remaining fund information of the Crown Point Community School Corporation (School Corporation), as of and for the years ended June 30, 2006 and 2007, which collectively comprise the School Corporation's basic financial statements as listed in the Table of Contents. These financial statements are the responsibility of the School Corporation's management. Our responsibility is to express opinions 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 of material misstatement. An audit includes examining, on a test basis, evidence supporting the amounts and disclosures in the financial statements. An audit also includes assessing the accounting principles used and significant estimates made by management, as well as evaluating the overall financial statement presentation. We believe that our audit provides a reasonable basis for our opinions.

As discussed in Note I, the School Corporation prepares its financial statements on the prescribed basis of accounting that demonstrates compliance with the cash and investment basis and budget laws of the State of Indiana, which is a comprehensive basis of accounting other than accounting principles generally accepted in the United States of America.

In our opinion, the financial statements referred to above present fairly, in all material respects, the respective cash and investment balances of the governmental activities, each major fund, and the aggregate remaining fund information of the School Corporation as of June 30, 2006 and 2007, and the respective cash receipts and cash disbursements during the years then ended on the basis of accounting described in Note I.

In accordance with Government Auditing Standards, we have also issued a report dated November 13, 2007, 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 and grants. Our report on compliance and on internal control over financial reporting should be read along with this report.

INDEPENDENT AUDITOR'S REPORT ON FINANCIAL STATEMENTS  
AND SUPPLEMENTARY SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS  
(Continued)

Our audit was performed for the purpose of forming an opinion on the basic financial statements of the School Corporation taken as a whole. The accompanying Schedule of Expenditures of Federal Awards is presented for purposes of additional analysis as required by the U.S. Office of Management and Budget Circular A-133, Audits of States, Local Governments, and Non-Profit Organizations, and is not a required part of the basic financial statements. Such information has been subjected to the auditing procedures applied in the audit of the basic financial statements and, in our opinion, is fairly stated, in all material respects, in relation to the basic financial statements taken as a whole.

The Schedule of Funding Progress as listed in the Table of Contents, is not a required part of the basic financial statements but is supplementary information required by accounting principles generally accepted in the United States of America. We have applied certain limited procedures, which consisted principally of inquiries of management, regarding the methods of measurement and presentation of the required supplementary information. However, we did not audit the information and express no opinion on it.

The School Corporation has not presented Management's Discussion and Analysis or Budgetary Comparison Schedules that accounting principles generally accepted in the United States of America has determined is necessary to supplement, although not required to be part of, the basic financial statements.

Our audit was conducted for the purpose of forming opinions on the financial statements that collectively comprise the School Corporation's basic financial statements. The Supplementary Information, as listed in the Table of Contents, was presented for additional analysis and is not a required part of the basic financial statements. The Supplementary Information has not been subjected to the examination procedures applied to the basic financial information and, accordingly, we express no opinion on the Supplementary Information.

STATE BOARD OF ACCOUNTS

November 13, 2007



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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

TO: THE OFFICIALS OF THE CROWN POINT COMMUNITY  
SCHOOL CORPORATION, LAKE COUNTY, INDIANA

We have audited the financial statements of the governmental activities, each major fund, and the aggregate remaining fund information of the Crown Point Community School Corporation (School Corporation), as of and for the years ended June 30, 2006 and 2007, which collectively comprise the School Corporation's basic financial statements and have issued our report thereon dated November 13, 2007. 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.

Internal Control Over Financial Reporting

In planning and performing our audit, we considered the School Corporation's internal control over financial reporting as a basis for designing our auditing procedures for the purpose of expressing our opinions on the financial statements, but not for the purpose of expressing an opinion on the effectiveness of the School Corporation's internal control over financial reporting. Accordingly, we do not express an opinion on the effectiveness of the School Corporation's internal control over financial reporting.

A control deficiency 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 misstatements on a timely basis. A significant deficiency is a control deficiency, or combination of control deficiencies, that adversely affects the entity's ability to initiate, authorize, record, process, or report financial data reliably in accordance with generally accepted accounting principles such that there is more than a remote likelihood that a misstatement of the entity's financial statements that is more than inconsequential will not be prevented or detected by the entity's internal control.

A material weakness is a significant deficiency, or combination of significant deficiencies, that results in more than a remote likelihood that a material misstatement of the financial statements will not be prevented or detected by the entity's internal control.

Our consideration of internal control over financial reporting was for the limited purpose described in the first paragraph of this section and would not necessarily identify all deficiencies in internal control that might be significant deficiencies or material weaknesses. We did not identify any deficiencies in internal control over financial reporting that we consider to be significant deficiencies or material weaknesses, as defined above.

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  
(Continued)

We note certain matters that we reported to management in a separate letter dated November 13, 2007.

Compliance and Other Matters

As part of obtaining reasonable assurance about whether the School Corporation's 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.

This report is intended solely for the information and use of the School Corporation's management and federal awarding agencies and pass-through entities and is not intended to be and should not be used by anyone other than these specified parties. In accordance with Indiana Code 5-11-5-1, this report is a part of the public records of the State Board of Accounts and of the office examined.

STATE BOARD OF ACCOUNTS

November 13, 2007

CROWN POINT COMMUNITY SCHOOL CORPORATION  
STATEMENT OF ACTIVITIES AND NET ASSETS - CASH AND INVESTMENT BASIS  
For the Year Ended June 30, 2006

Functions/Programs	Disbursements	Program Receipts		Totals
		Charges for Services	Operating Grants and Contributions	Net (Disbursement) Receipts and Changes in Net Assets
Governmental activities:				
Instruction	\$ 16,016,205	\$ -	\$ 190,480	\$ (15,825,725)
Support services	26,148,029	1,808,639	1,471,112	(22,868,278)
Community services	402,885	-	-	(402,885)
Nonprogrammed charges	3,742,058	-	-	(3,742,058)
Debt service	39,922,000	-	-	(39,922,000)
Total governmental activities	\$ 86,231,177	\$ 1,808,639	\$ 1,661,592	(82,760,946)
General receipts:				
Property taxes				34,210,571
Other local sources				5,385,612
State aid				21,748,082
Bonds and loans				16,938,000
Grants and contributions not restricted to specific programs				950,125
Sale of property, adjustments, and refunds				1,095,860
Investment earnings				631,725
Total general receipts				80,959,975
Change in net assets				(1,800,971)
Net assets - beginning				16,264,460
Net assets - ending				\$ 14,463,489
<u>Assets</u>				
Cash and investments				\$ 11,899,554
Restricted assets:				
Cash and investments				2,563,935
Total assets				\$ 14,463,489
<u>Net Assets</u>				
Restricted for:				
Debt service				\$ 1,537,574
Other purposes				1,026,361
Unrestricted				11,899,554
Total net assets				\$ 14,463,489

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

CROWN POINT COMMUNITY SCHOOL CORPORATION  
STATEMENT OF ACTIVITIES AND NET ASSETS - CASH AND INVESTMENT BASIS  
For the Year Ended June 30, 2007

Functions/Programs	Disbursements	Program Receipts		Net (Disbursement) Receipts and Changes in Net Assets
		Charges for Services	Operating Grants and Contributions	Total
Governmental activities:				
Instruction	\$ 17,057,311	\$ -	\$ 184,840	\$ (16,872,471)
Support services	27,629,134	1,926,707	1,528,077	(24,174,350)
Community services	422,371	-	-	(422,371)
Nonprogrammed charges	4,104,249	-	-	(4,104,249)
Debt service	<u>22,128,162</u>	<u>-</u>	<u>-</u>	<u>(22,128,162)</u>
<b>Total governmental activities</b>	<b><u>\$ 71,341,227</u></b>	<b><u>\$ 1,926,707</u></b>	<b><u>\$ 1,712,917</u></b>	<b><u>(67,701,603)</u></b>
General receipts:				
Property taxes				33,244,209
Other local sources				5,597,943
State aid				21,885,133
Bonds and loans				6,777,272
Grants and contributions not restricted to specific programs				1,393,581
Sale of property, adjustments, and refunds				507,465
Investment earnings				<u>1,023,185</u>
<b>Total general receipts</b>				<b><u>70,428,788</u></b>
Change in net assets				2,727,185
Net assets - beginning				<u>14,463,489</u>
Net assets - ending				<b><u>\$ 17,190,674</u></b>
<u>Assets</u>				
Cash and investments				\$ 14,711,750
Restricted assets:				
Cash and investments				<u>2,478,924</u>
<b>Total assets</b>				<b><u>\$ 17,190,674</u></b>
<u>Net Assets</u>				
Restricted for:				
Debt service				\$ 1,351,975
Other purposes				1,126,949
Unrestricted				<u>14,711,750</u>
<b>Total net assets</b>				<b><u>\$ 17,190,674</u></b>

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

CROWN POINT COMMUNITY SCHOOL CORPORATION  
STATEMENT OF ASSETS AND FUND BALANCES AND RECEIPTS,  
DISBURSEMENTS, AND CHANGES IN FUND BALANCES - CASH AND INVESTMENT BASIS  
GOVERNMENTAL FUNDS  
For the Year Ended June 30, 2006

	General	Transportation Operating	Debt Service	Capital Projects	School Bus Replacement	Other	Totals
<b>Receipts:</b>							
Local sources	\$ 17,153,217	\$ 2,951,519	\$ 12,536,503	\$ 3,967,222	\$ 644,958	\$ 3,011,021	\$ 40,264,440
Intermediate sources	351,812	-	-	-	-	3,537	355,349
State sources	21,914,837	-	-	-	-	1,451,146	23,365,983
Federal sources	-	-	-	-	-	993,820	993,820
Bonds and loans	9,696,000	1,635,000	4,110,000	-	165,000	1,332,000	16,938,000
Sale of property, adjustments and refunds	355,462	11,983	-	718,907	-	9,509	1,095,861
<b>Total receipts</b>	<b>49,471,328</b>	<b>4,598,502</b>	<b>16,646,503</b>	<b>4,686,129</b>	<b>809,958</b>	<b>6,801,033</b>	<b>83,013,453</b>
<b>Disbursements:</b>							
<b>Current:</b>							
Instruction	15,478,118	-	-	-	-	538,087	16,016,205
Support services	16,373,201	2,717,861	-	3,366,428	22,863	3,667,676	26,148,029
Community services	397,800	-	-	-	-	5,085	402,885
Nonprogrammed charges	2,605,601	-	38,550	-	-	80	2,644,231
Debt services	16,334,000	1,949,000	18,638,397	899,000	344,000	1,757,603	39,922,000
<b>Total disbursements</b>	<b>51,188,720</b>	<b>4,666,861</b>	<b>18,676,947</b>	<b>4,265,428</b>	<b>366,863</b>	<b>5,968,531</b>	<b>85,133,350</b>
Excess (deficiency) of receipts over disbursements	(1,717,392)	(68,359)	(2,030,444)	420,701	443,095	832,502	(2,119,897)
<b>Other financing sources (uses):</b>							
Transfers in	-	170,405	-	-	-	485	170,890
Transfers out	-	-	(170,405)	-	-	(485)	(170,890)
<b>Total other financing sources (uses)</b>	<b>-</b>	<b>170,405</b>	<b>(170,405)</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>
Excess (deficiency) of receipts and other financing sources over disbursements and other financing uses	(1,717,392)	102,046	(2,200,849)	420,701	443,095	832,502	(2,119,897)
Cash and investments - beginning	8,797,762	197,511	3,306,518	1,930,216	280,065	1,044,953	15,557,025
Cash and investments - ending	<u>\$ 7,080,370</u>	<u>\$ 299,557</u>	<u>\$ 1,105,669</u>	<u>\$ 2,350,917</u>	<u>\$ 723,160</u>	<u>\$ 1,877,455</u>	<u>\$ 13,437,128</u>
Amounts reported for governmental activities in the Statement of Cash Activities and Net Assets - Cash and Investment Basis are different because:							
Internal service funds are used by management to charge the costs of certain services to individual funds. The assets and liabilities of the internal service funds are included in governmental activities in the Statement of Activities and Net Assets - Cash and Investment Basis.							
							1,026,361
Net assets of governmental activities							<u>\$ 14,463,489</u>
<b>Cash and Investment Assets - Ending</b>							
Cash and investments	\$ 7,080,370	\$ 299,557	\$ -	\$ 2,350,917	\$ 723,160	\$ 1,445,550	\$ 11,899,554
Restricted assets:							
Cash and investments	-	-	1,105,669	-	-	431,905	1,537,574
<b>Total cash and investment assets - ending</b>	<b><u>\$ 7,080,370</u></b>	<b><u>\$ 299,557</u></b>	<b><u>\$ 1,105,669</u></b>	<b><u>\$ 2,350,917</u></b>	<b><u>\$ 723,160</u></b>	<b><u>\$ 1,877,455</u></b>	<b><u>\$ 13,437,128</u></b>
<b>Cash and Investment Fund Balance - Ending</b>							
Restricted for:							
Debt service	\$ -	\$ -	\$ 1,105,669	\$ -	\$ -	\$ 431,905	\$ 1,537,574
Unrestricted	7,080,370	299,557	-	2,350,917	723,160	1,445,550	11,899,554
<b>Total cash and investment fund balance - ending</b>	<b><u>\$ 7,080,370</u></b>	<b><u>\$ 299,557</u></b>	<b><u>\$ 1,105,669</u></b>	<b><u>\$ 2,350,917</u></b>	<b><u>\$ 723,160</u></b>	<b><u>\$ 1,877,455</u></b>	<b><u>\$ 13,437,128</u></b>

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

CROWN POINT COMMUNITY SCHOOL CORPORATION  
STATEMENT OF ASSETS AND FUND BALANCES AND RECEIPTS,  
DISBURSEMENTS, AND CHANGES IN FUND BALANCES - CASH AND INVESTMENT BASIS  
GOVERNMENTAL FUNDS  
For the Year Ended June 30, 2007

	General	Transportation Operating	Debt Service	Capital Projects	School Bus Replacement	Other	Totals
<b>Receipts:</b>							
Local sources	\$ 16,156,774	\$ 2,702,826	\$ 14,305,179	\$ 3,607,320	\$ 229,270	\$ 3,199,307	\$ 40,200,676
Intermediate sources	316,996	-	-	-	-	4,838	321,834
State sources	22,045,950	-	-	-	-	1,862,494	23,908,444
Federal sources	-	-	-	-	-	1,065,886	1,065,886
Bonds and loans	5,430,000	-	-	-	-	1,347,272	6,777,272
Sale of property, adjustments and refunds	411,344	18,838	-	143	18,961	58,178	507,464
<b>Total receipts</b>	<b>44,361,064</b>	<b>2,721,664</b>	<b>14,305,179</b>	<b>3,607,463</b>	<b>248,231</b>	<b>7,537,975</b>	<b>72,781,576</b>
<b>Disbursements:</b>							
<b>Current:</b>							
Instruction	16,510,595	-	-	-	-	546,716	17,057,311
Support services	16,211,024	2,846,417	-	3,444,032	891,370	4,236,291	27,629,134
Community services	407,038	-	-	-	-	15,333	422,371
Nonprogrammed charges	2,901,519	-	-	-	-	16,482	2,918,001
Debt services	4,696,000	935,000	14,439,176	-	-	2,057,986	22,128,162
<b>Total disbursements</b>	<b>40,726,176</b>	<b>3,781,417</b>	<b>14,439,176</b>	<b>3,444,032</b>	<b>891,370</b>	<b>6,872,808</b>	<b>70,154,979</b>
Excess (deficiency) of receipts over disbursements	3,634,888	(1,059,753)	(133,997)	163,431	(643,139)	665,167	2,626,597
<b>Other financing sources (uses):</b>							
Transfers in	-	1,725,000	325,000	-	425,000	626,500	3,101,500
Transfers out	(3,050,000)	-	-	-	-	(51,500)	(3,101,500)
<b>Total other financing sources (uses)</b>	<b>(3,050,000)</b>	<b>1,725,000</b>	<b>325,000</b>	<b>-</b>	<b>425,000</b>	<b>575,000</b>	<b>-</b>
Excess (deficiency) of receipts and other financing sources over disbursements and other financing uses	584,888	665,247	191,003	163,431	(218,139)	1,240,167	2,626,597
Cash and investments - beginning	7,080,370	299,557	1,105,669	2,350,917	723,160	1,877,455	13,437,128
Cash and investments - ending	<u>\$ 7,665,258</u>	<u>\$ 964,804</u>	<u>\$ 1,296,672</u>	<u>\$ 2,514,348</u>	<u>\$ 505,021</u>	<u>\$ 3,117,622</u>	<u>16,063,725</u>
Amounts reported for governmental activities in the Statement of Cash Activities and Net Assets - Cash and Investment Basis are different because:							
Internal service funds are used by management to charge the costs of certain services to individual funds. The assets and liabilities of the internal service funds are included in governmental activities in the Statement of Activities and Net Assets - Cash and Investment Basis.							
							1,126,949
Net assets of governmental activities							<u>\$ 17,190,674</u>
<b>Cash and Investment Assets - Ending</b>							
Cash and investments	\$ 7,665,258	\$ 964,804	\$ -	\$ 2,514,348	\$ 505,021	\$ 3,062,319	\$ 14,711,750
Restricted assets:							
Cash and investments	-	-	1,296,672	-	-	55,303	1,351,975
<b>Total cash and investment assets - ending</b>	<b><u>\$ 7,665,258</u></b>	<b><u>\$ 964,804</u></b>	<b><u>\$ 1,296,672</u></b>	<b><u>\$ 2,514,348</u></b>	<b><u>\$ 505,021</u></b>	<b><u>\$ 3,117,622</u></b>	<b><u>\$ 16,063,725</u></b>
<b>Cash and Investment Fund Balance - Ending</b>							
Restricted for:							
Debt service	\$ -	\$ -	\$ 1,296,672	\$ -	\$ -	\$ 55,303	\$ 1,351,975
Unrestricted	7,665,258	964,804	-	2,514,348	505,021	3,062,319	14,711,750
<b>Total cash and investment fund balance - ending</b>	<b><u>\$ 7,665,258</u></b>	<b><u>\$ 964,804</u></b>	<b><u>\$ 1,296,672</u></b>	<b><u>\$ 2,514,348</u></b>	<b><u>\$ 505,021</u></b>	<b><u>\$ 3,117,622</u></b>	<b><u>\$ 16,063,725</u></b>

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

CROWN POINT COMMUNITY SCHOOL CORPORATION  
STATEMENT OF ASSETS AND FUND BALANCES AND RECEIPTS, DISBURSEMENTS,  
AND CHANGES IN FUND BALANCES - CASH AND INVESTMENTS BASIS  
PROPRIETARY FUND  
For the Year Ended June 30, 2006

	<u>Internal Service Fund</u>
Operating receipts:	
Charges for services	\$ 1,416,753
Operating disbursements:	
Insurance claims and expense	<u>1,097,827</u>
Excess of operating receipts over operating disbursements	318,926
Cash and investment fund balance - beginning	<u>707,435</u>
Cash and investment fund balance - ending	<u><u>\$ 1,026,361</u></u>
 <u>Cash and Investment Assets - Ending</u>	
Restricted assets:	
Cash and investments	<u><u>\$ 1,026,361</u></u>
 <u>Cash and Investment Fund Balance - Ending</u>	
Restricted for:	
Other purposes	<u><u>\$ 1,026,361</u></u>

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

CROWN POINT COMMUNITY SCHOOL CORPORATION  
STATEMENT OF ASSETS AND FUND BALANCES AND RECEIPTS, DISBURSEMENTS,  
AND CHANGES IN FUND BALANCES - CASH AND INVESTMENTS BASIS  
PROPRIETARY FUND  
For the Year Ended June 30, 2007

	<u>Internal Service Fund</u>
Operating receipts:	
Charges for services	\$ 1,286,835
Operating disbursements:	
Insurance claims and expense	<u>1,186,247</u>
Excess of operating receipts over operating disbursements	100,588
Cash and investment fund balance - beginning	<u>1,026,361</u>
Cash and investment fund balance - ending	<u><u>\$ 1,126,949</u></u>
 <u>Cash and Investment Assets - Ending</u>	
Restricted assets:	
Cash and investments	<u><u>\$ 1,126,949</u></u>
 <u>Cash and Investment Fund Balance - Ending</u>	
Restricted for:	
Other purposes	<u><u>\$ 1,126,949</u></u>

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

CROWN POINT COMMUNITY SCHOOL CORPORATION  
STATEMENT OF ADDITIONS, DEDUCTIONS, AND CHANGES IN CASH AND INVESTMENT BALANCES  
FIDUCIARY FUNDS  
For the Year Ended June 30, 2006

	<u>Pension Trust Funds</u>	<u>Private-Purpose Trust Funds</u>
Additions:		
Contributions:		
Employer	\$ 407,520	\$ -
Other	-	2,250
Investment earnings:		
Interest	<u>128,131</u>	<u>-</u>
Total additions	<u>535,651</u>	<u>2,250</u>
Deductions:		
Benefits	315,598	-
Administrative and general	<u>-</u>	<u>5,120</u>
Total deductions	<u>315,598</u>	<u>5,120</u>
Deficiency of total additions over total deductions	220,053	(2,870)
Cash and investment fund balance - beginning	<u>3,553,820</u>	<u>21,223</u>
Cash and investment fund balance - ending	<u>\$ 3,773,873</u>	<u>\$ 18,353</u>
Net Assets		
Cash and investments	<u>\$ 3,773,873</u>	<u>\$ 18,353</u>
Total net assets - cash and investment basis held in trust	<u>\$ 3,773,873</u>	<u>\$ 18,353</u>

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

CROWN POINT COMMUNITY SCHOOL CORPORATION  
STATEMENT OF ADDITIONS, DEDUCTIONS, AND CHANGES IN CASH AND INVESTMENT BALANCES  
FIDUCIARY FUNDS  
For the Year Ended June 30, 2007

	<u>Pension Trust Funds</u>	<u>Private-Purpose Trust Funds</u>
Additions:		
Contributions:		
Other	\$ -	\$ 2,100
Investment earnings:		
Interest	176,070	-
Total additions	<u>176,070</u>	<u>2,100</u>
Deductions:		
Benefits	308,926	-
Administrative and general	<u>-</u>	<u>3,750</u>
Total deductions	<u>308,926</u>	<u>3,750</u>
Deficiency of total additions over total deductions	(132,856)	(1,650)
Cash and investment fund balance - beginning	<u>3,773,873</u>	<u>18,353</u>
Cash and investment fund balance - ending	<u>\$ 3,641,017</u>	<u>\$ 16,703</u>
Net Assets		
Cash and investments	<u>\$ 3,641,017</u>	<u>\$ 16,703</u>
Total net assets - cash and investment basis held in trust	<u>\$ 3,641,017</u>	<u>\$ 16,703</u>

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

CROWN POINT COMMUNITY SCHOOL CORPORATION  
NOTES TO FINANCIAL STATEMENTS

I. Summary of Significant Accounting Policies

A. Reporting Entity

School Corporation, as used herein, shall include, but is not limited to, 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 School Corporation's financial reporting entity is composed of the activities of the School Corporation (primary government).

In determining the financial reporting entity, the School Corporation complies with the provisions of GASB Statement No. 14, *The Financial Reporting Entity*.

Joint Ventures

The School Corporation is a participant with nine other schools in a joint venture to operate the Northwest Indiana Special Education Cooperative (Co-op) which was created to provide instruction for disabled children. The School Corporation is obligated by contract to a funding percentage based on its share of assessed valuation at March 1 of the previous year and its share of Average Daily Membership as compared to the total of all member school corporations determined annually. Complete financial statements for the Co-op can be obtained from its administrative office at 2150 West 97<sup>th</sup> Avenue, Crown Point, IN 46307.

The School Corporation is a participant in the Northwest Indiana Public School Study Council (Study Council), a joint school services program established December 10, 1969, for the improvement of education and the study of problems and issues involved in public education. The Study Council is governed by a board composed of a member from each participating school corporation. The School Corporation pays \$1,000 annually to belong to the Study Council. Complete financial statements for the Study Council can be obtained from the Merrillville Community School Corporation, 6701 Delaware Street, Merrillville, IN 46410.

The School Corporation is a participant in the Northwest Indiana Educational Services Center (Center), a joint services program established May 30, 1985, for the participating school corporations to cooperate and share programs such as curriculum development, instructional materials, needs assessment, computer utilization and in-service education. The Center operates under the authority of the Northwest Indiana Public School Study Council. The School Corporation provides funding based on Average Daily Membership, determined annually. Complete financial statements for the Center can be obtained from the Center's administrative offices, 2939 41<sup>st</sup> Avenue, Highland, IN 46322.

The School Corporation is a participant in the Southlake Career Cooperative (Southlake Co-op), a joint services program established July 1, 2002, to provide programs and services for Career and Technical Education. The School Corporation provides funding based on Average Daily Membership, determined annually. Southlake Co-op operates under the authority of a governing

CROWN POINT COMMUNITY SCHOOL CORPORATION  
NOTES TO FINANCIAL STATEMENTS  
(Continued)

body that consists of the superintendent of schools of each participating corporation or his/her designee. The School Corporation provides funding based on Average Daily Membership determined annually. Complete financial statements for Southlake Co-op can be obtained from the Hanover Community School Corporation 13330 Parrish Cedar Lake, IN 46303.

The School Corporation is a participant with other participating school corporations in a joint venture to operate the Northwest Indiana Natural Gas Cooperative (Gas Co-op), which was created to procure natural gas in a more economical and efficient manner. The Gas Co-op operates under the authority of the Northwest Indiana Educational Service Center. The School Corporation provides funding for administrative costs based upon a percentage basis of the Average Daily Membership Counts not to exceed \$10,000. Complete financial statements for the Northwest Indiana Natural Gas Cooperative can be obtained from the Service Center Administration Offices, 2939 41<sup>st</sup> Avenue, Highland, IN 46322.

B. Government-Wide and Fund Financial Statements

Government-Wide Financial Statements

The Statements of Activities and Net Assets display information about the reporting government as a whole. They include all funds of the reporting entity except for fiduciary funds. Governmental activities generally are financed through taxes, intergovernmental revenues, and other nonexchange revenues.

Fund Financial Statements

Fund financial statements of the reporting entity are organized into funds, each of which is considered to be a separate accounting entity. Each fund is accounted for by providing a separate set of self-balancing accounts that constitutes its assets, liabilities, fund equity, receipts, and disbursements. Separate financial statements are provided for governmental funds, proprietary funds, and fiduciary funds, even though the latter are excluded from the government-wide financial statements. Major individual governmental funds and major individual enterprise funds are reported as separate columns in the fund financial statements. However, at this time, the School Corporation has not established any enterprise funds.

The School Corporation reports the following major governmental funds:

The general fund is the primary operating fund. It accounts for all financial resources of the general government, except those required to be accounted for in another fund.

The transportation operating fund accounts for financial resources for the transportation of school children to and from school.

The debt service fund accounts for debt from funds borrowed or advanced for the purchase or lease of school buildings, school buses, judgments against the corporation, equipment or capital construction, and interest on emergency and temporary loans.

The capital projects fund accounts for planned construction, repair, replacement or remodeling; and the purchase, lease, upgrade, maintenance, or repair of computer equipment.

The school bus replacement fund is used to account for receipts and disbursements concerning the acquisition and disposal of school buses.

CROWN POINT COMMUNITY SCHOOL CORPORATION  
NOTES TO FINANCIAL STATEMENTS  
(Continued)

Additionally, the School Corporation reports the following fund types:

The internal service fund accounts for health insurance provided to other departments on a cost-reimbursement basis.

The pension trust funds account for the activities of the retirement/severance bond and postretirement/severance future benefit. These funds accumulate resources anticipated to be paid to employees on or after the termination of employment or to pay postretirement or severance benefits.

The private-purpose trust funds report a trust arrangement under which principal and income benefit students and the high school community room.

C. Measurement Focus and Basis of Accounting

The government-wide, governmental fund, proprietary fund, and fiduciary fund financial statements are reported using the basis of accounting that demonstrates compliance with the cash and investment basis and budget laws of the State of Indiana, which is a comprehensive basis of accounting other than accounting principles generally accepted in the United States of America.

The cash and investment 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. Investment transactions are not presented on the financial statements.

If the School Corporation utilized the basis of accounting recognized as generally accepted, the fund financial statements for governmental funds would use the modified accrual basis of accounting, while the fund financial statements for proprietary fund types would use the accrual basis of accounting. All government-wide financials would be presented on the accrual basis of accounting.

As a general rule, the effect of interfund activity has been eliminated from the government-wide financial statements.

Proprietary funds are used to account for activities similar to those found in the private sector, where the determination of net income is necessary or useful to sound financial administration. Goods or services from such activities are provided to people outside the government (enterprise funds) or other departments or agencies primarily within the government (internal service funds). The School Corporation does not have any enterprise funds.

When both restricted and unrestricted resources are available for use, the School Corporation's policy is to use restricted resources first, then unrestricted resources as they are needed.

D. Assets and Cash and Investment Balances

1. Cash and Investments

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

CROWN POINT COMMUNITY SCHOOL CORPORATION  
NOTES TO FINANCIAL STATEMENTS  
(Continued)

2. Property Taxes

Normally property taxes levied are collected by the County Treasurer and are distributed to the School Corporation in June and in December. 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 March 1 (lien date) assessed valuations adjusted for various tax credits. Taxable property is assessed at 100% 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 may become delinquent if not paid by May 10 and November 10, respectively.

3. Compensated Absences

a. Sick Leave

Certified and employees that work twelve months earn sick leave at the rate of twelve days per year. Noncertified employees earn sick leave at the rate of nine days per year. Unused sick leave may be accumulated indefinitely to a maximum of two hundred twenty-five days. Accumulated sick leave is paid to certified and noncertified employees through cash payments upon retirement.

b. Vacation Leave

Nonteaching or administrative and noncertified School Corporation employees earn vacation leave at rates from ten days to twenty days per year based upon the number of years of service. Vacation leave may not be accumulated from year to year, except administrators may accumulate a maximum of thirty-five days. Accumulated vacation leave is paid to administrators through cash payments upon termination.

c. Personal Leave

Twelve month School Corporation employees and certified employees earn personal leave at the rate of three days per year. Other noncertified employees earn two days per year. Unused personal leave may be converted to sick leave at the end of the year.

4. Capital Assets

Capital assets arising from cash transactions acquired for use in governmental or proprietary fund operations are accounted for as capital outlay disbursements of the fund upon acquisition.

5. Long-Term Debt

Long-term debt arising from cash basis transactions of governmental and proprietary funds is not reported as liabilities in the basic financial statements. The debt proceeds are reported as other financing sources and payment of principal and interest reported as disbursements.

CROWN POINT COMMUNITY SCHOOL CORPORATION  
NOTES TO FINANCIAL STATEMENTS  
(Continued)

6. Equity Classification

Government-Wide Statements

Equity is classified as net assets and displayed in two components:

- a. Restricted net assets – Consists of net assets with constraints placed on the use either by (1) external groups such as creditors, grantors, contributors, or laws and regulations of other governments, or (2) law through constitutional provisions or enabling legislation.
- b. Unrestricted net assets – All other net assets that do not meet the definition of "restricted."

It is the School Corporation's policy to first use restricted net assets prior to the use of unrestricted net assets when a disbursement is incurred for purposes for which both restricted and unrestricted net assets are available.

Fund Financial Statements

Governmental fund equity is classified as fund balance. Proprietary fund equity is classified the same as in the government-wide statements.

E. Receipts and Disbursements

1. Program Receipts

Amounts reported as program receipts include (1) charges to customers or applicants for goods, services, or privileges provided, and (2) operating grants and contributions. Internally dedicated resources are reported as general receipts rather than as program receipts. Likewise, general receipts include all taxes.

2. Operating Receipts and Disbursements

Operating receipts and disbursements for proprietary funds result from providing services and producing and delivering goods and/or services. They also include all receipts and disbursements not related to capital and related financing, noncapital financing, or investing activities.

F. Internal and Interfund Balances and Activities

In the process of aggregating the financial information for the government-wide Statement of Activities and Net Assets, some amounts reported as interfund activity and balances in the fund financial statements have been eliminated or reclassified.

Fund Financial Statements

1. Interfund services – Sales or purchases of goods and services between funds are reported as receipts and disbursements.

CROWN POINT COMMUNITY SCHOOL CORPORATION  
NOTES TO FINANCIAL STATEMENTS  
(Continued)

2. Interfund reimbursements – Repayments from funds responsible for certain disbursements to the funds that initially paid for them are reported as reimbursements.
3. Interfund transfers – Flow of assets from one fund to another where repayment is not expected is reported as transfers in and out.

Government-Wide Financial Statements

Interfund activity and balances, if any, are eliminated or reclassified in the government-wide financial statements as follows:

Internal activities – Amounts reported as interfund transfers in the fund financial statements are eliminated in the government-wide Statement of Activities and Net Assets. The effects of interfund services between funds, if any, are not eliminated in the Statement of Activities and Net Assets.

II. Stewardship, Compliance and Accountability

Budgetary Information

Annual budgets are adopted on the cash basis, which is not consistent with accounting principles generally accepted in the United States of America. All annual appropriations lapse at calendar year end.

Prior to the first required publication, the fiscal officer of the School Corporation submits to the governing board a proposed operating budget for the year commencing the following July 1. Prior to adoption, the budget is advertised and public hearings are conducted by the governing board to obtain taxpayer comments. In September of each year, the governing board, through the passage of a resolution/ordinance, approves the budget for the next year. Copies of the budget resolution/ordinance and the advertisement for funds for which property taxes are levied or highway use taxes are received are sent to the Indiana Department of Local Government Finance. The budget becomes legally enacted after the fiscal officer of the School Corporation receives approval of the Indiana Department of Local Government Finance.

The School Corporation's management cannot transfer budgeted appropriations between object classifications of a budget without approval of the governing board. The Indiana Department of Local Government Finance must approve any revisions to the appropriations for any fund or any department of the General Fund. The legal level of budgetary control is by object and department within the fund for the General Fund and by object within the fund for all other budgeted funds.

III. Detailed Notes on All Funds

A. Deposits

Custodial credit risk is the risk that in the event of a bank failure, the government's deposits may not be returned to it. Indiana Code 5-13-8-1 allows a political subdivision of the State of Indiana to deposit public funds in a financial institution only if the financial institution is a depository eligible to receive state funds and has a principal office or branch that qualifies to receive public funds

CROWN POINT COMMUNITY SCHOOL CORPORATION  
NOTES TO FINANCIAL STATEMENTS  
(Continued)

of the political subdivision. The bank balances were insured by the Federal Deposit Insurance Corporation or the Public Deposit Insurance Fund, which covers all public funds held in approved depositories.

B. Interfund Transfers

Interfund transfers for the years ended June 30, 2006 and 2007, were as follows:

Transfer From	Transfer To	2006	2007
General Fund	Debt Service	\$ -	\$ 325,000
	Transportation Operating	-	1,725,000
	School Bus Replacement	-	425,000
	Other governmental	-	575,000
Debt Service	Transportation Operating	170,405	-
Other governmental	Other governmental	485	51,500
Totals		<u>\$ 170,890</u>	<u>\$ 3,101,500</u>

The School Corporation typically uses transfers for cash flow purposes as provided by various statutory provisions.

IV. Other Information

A. Risk Management

The School Corporation is 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 (excluding postemployment benefits); and natural disasters.

The risks of torts; theft of, damage to, and destruction of assets; errors and omissions; job related illnesses or injuries to employees; and natural disasters are covered by commercial insurance from independent third parties. Settled claims from these risks have not exceeded commercial insurance coverage for the past three years. There were no significant reductions in insurance by major category of risk. Risk financing is not utilized for the other risks of loss.

Medical and Death Benefits

The School Corporation has chosen to establish a risk financing fund for risks associated with medical benefits to employees, retirees, and dependents (excluding postemployment benefits). The risk financing fund is accounted for in the internal service fund, where assets are set aside for claim settlements. An excess policy through commercial insurance covers individual claims in excess of \$50,000 per person per year. Settled claims resulting from this risk did not exceed commercial insurance coverage in the past three years. Interfund premiums are paid into the fund by all affected funds and are available to pay claims, claim reserves, and administrative costs of the program. Interfund premiums are based upon an overall premium percentage which is applied to each affected fund, and are reported as quasi-external interfund transactions.

CROWN POINT COMMUNITY SCHOOL CORPORATION  
NOTES TO FINANCIAL STATEMENTS  
(Continued)

B. Holding Corporation

The School Corporation has entered into a capital lease with the Crown Point Multi-School Building Corporation (the lessor). The lessor was organized as a not-for-profit corporation pursuant to state statute for the purpose of financing and constructing or reconstructing facilities for lease to the School Corporation. The lessor has been determined to be a related party of the School Corporation. Lease payments during the years ended June 30, 2006 and June 30, 2007, totaled \$3,660,000 and \$4,150,000, respectively.

C. Subsequent Events

1. Property tax rates and levies for 2006 taxes payable in 2007 were not established by February 15, 2006, as required by state statute due to the delay in the completion of the reassessment of Lake County.

The 2006 taxes payable in 2007 tax bills have not been mailed by Lake County to the Lake County Residents as of November 13, 2007.

2. The Crown Point Multi-School Building Corporation (Building Corporation) issued bonds in the amount of \$45,000,000. On October 2, 2007, the Building Corporation sold \$17,640,000 of the bonds which collateralized with a capital lease between the Building Corporation and the School Corporation. The bond proceeds would be used to finance the expansion of Crown Point High School.

The Crown Point Multi-School Building Corporation (Building Corporation) anticipates selling the remaining bonds (\$27,360,000) in March of 2008. The bond proceeds would be used to finance various expansion and renovation projects for the School Corporation. These bonds would be collateralized with a capital lease between the Building Corporation and the School Corporation.

3. The Crown Point Community School Corporation purchased 3.2 acres of land at a cost of \$275,000 on September 28, 2007. The land will be used as an additional bus lot at the transportation building site.

D. Postemployment Benefits

In addition to the pension benefits described below, the School Corporation provides postemployment health insurance, and early retirement benefits, as authorized by Indiana Code 5-10-8, to all certified employees who retire from the School Corporation on or after attaining age 55 with at least 15 years of service. Currently, 53 retirees meet these eligibility requirements. The School Corporation and retirees provide 90% and 10%, respectively, of the early retirement benefit. The School Corporation pays the cost of a single health insurance plan in effect at the time of retirement. The retiree pays any future increases in the cost of the single plan. Disbursements for those postemployment benefits are recognized on a pay-as-you-go basis. Disbursements for postemployment benefits cannot be reasonably estimated.

CROWN POINT COMMUNITY SCHOOL CORPORATION  
NOTES TO FINANCIAL STATEMENTS  
(Continued)

E. Pension Plans

1. Agent Multiple-Employer Defined Benefit Pension Plan

Public Employees' Retirement Fund

Plan Description

The School Corporation contributes to the Indiana Public Employees' Retirement Fund (PERF), a defined benefit pension plan. PERF is an agent multiple-employer public employee retirement system, which provides retirement benefits to plan members and beneficiaries. All full-time employees are eligible to participate in the defined benefit plan. State statutes (IC 5-10.2 and 5-10.3) govern, through the PERF 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 member's contributions, set by state statute at 3% of compensation, plus the interest credited to the member's account. The employer may elect to make the contributions on behalf of the member.

PERF 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. The report may be obtained by contacting:

Public Employees' Retirement Fund  
Harrison Building, Room 800  
143 West Market Street  
Indianapolis, IN 46204  
Ph. (317) 233-4162

Funding Policy and Annual Pension Cost

The contribution requirements of plan members for PERF are established by the Board of Trustees of PERF. The School Corporation's annual pension cost and related information, as provided by the actuary, is presented in this note.

Actuarial Information for the Above Plan

		PERF
Annual required contribution	\$	253,317
Interest on net pension obligation		(22,538)
Adjustment to annual required contribution		25,684
Annual pension cost		256,463
Contributions made		306,922
Decrease in net pension obligation		(50,459)
Net pension obligation, beginning of year		(310,871)
Net pension obligation, end of year	\$	(361,330)

CROWN POINT COMMUNITY SCHOOL CORPORATION  
NOTES TO FINANCIAL STATEMENTS  
(Continued)

	PERF
Contribution rates:	
School Corporation	6%
Plan members	3%
Actuarial valuation date	07-01-06
Actuarial cost method	Entry age
Amortization method	Level percentage of projected payroll, closed
Amortization period	40 years
Amortization period (from date)	07-01-97
Asset valuation method	75% of expected actuarial value plus 25% of market value

Actuarial Assumptions

Investment rate of return	7.25%
Projected future salary increases:	
Total	5%
Attributed to inflation	4%
Attributed to merit/seniority	1%
Cost-of-living adjustments	2%

Three Year Trend Information

	Year Ending	Annual Pension Cost (APC)	Percentage of APC Contributed	Net Pension Obligation
PERF	06-30-03	\$ 272,766	102%	\$ (198,283)
	06-30-04	190,655	159%	(310,871)
	06-30-05	256,463	161%	(361,330)

2. Cost-Sharing Multiple-Employer Defined Benefit Pension Plan

Teachers' Retirement Fund

Plan Description

The School Corporation contributes to the Indiana Teachers' Retirement Fund (TRF), 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 TRF 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 member's contributions, set by state statute at 3% 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.

CROWN POINT COMMUNITY SCHOOL CORPORATION  
NOTES TO FINANCIAL STATEMENTS  
(Continued)

TRF 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:

Teachers' Retirement Fund  
150 West Market Street  
Indianapolis, IN 46204  
Ph. (317) 232-3860

Funding Policy and Annual Pension Costs

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.

The School Corporation is to contribute at an actuarially determined rate. The current rate has been actuarially determined under the entry age normal cost method to be 6.82% of covered wages. The School Corporation's required contributions to the plan for the fiscal years ended June 30, 2007, 2006, and 2005, were \$599,536, \$499,716, and \$413,541, respectively. The School Corporation actually contributed 100% of the required contribution for each of the fiscal years, respectively.

CROWN POINT COMMUNITY SCHOOL CORPORATION  
 REQUIRED SUPPLEMENTARY INFORMATION  
 SCHEDULE OF FUNDING PROGRESS

Public Employees' Retirement Fund

Actuarial Valuation Date	Actuarial Value of Assets (a)	Actuarial Accrued Liability (AAL) (b)	Excess of Assets Over (Unfunded) AAL (a-b)	Funded Ratio (a/b)	Covered Payroll (c)	Excess (Unfunded) AAL as a Percentage of Covered Payroll ((a-b)/c)
07-01-03	\$ 4,442,827	\$ 4,166,533	\$ 276,294	107%	\$ 4,079,662	7%
07-01-04	4,579,500	4,811,852	(232,352)	95%	4,549,495	(5%)
07-01-05	4,822,247	5,376,389	(554,142)	90%	4,869,682	(11%)

CROWN POINT COMMUNITY SCHOOL CORPORATION  
 COMBINING SCHEDULE OF ASSETS AND FUND BALANCES AND RECEIPTS,  
 DISBURSEMENTS, AND CHANGES IN FUND BALANCES - CASH AND INVESTMENT BASIS  
 OTHER GOVERNMENTAL FUNDS  
 For the Year Ended June 30, 2006

	Special Ed Preschool	School Lunch	Textbook Rental	Education Plate Distribution	Workforce Development	Safehavens
Receipts:						
Local sources	\$ 39,387	\$ 1,726,284	\$ 82,352	\$ -	\$ -	\$ -
Intermediate sources	-	-	-	3,537	-	-
State sources	121,181	40,640	965,218	-	10,995	6,310
Federal sources	-	465,254	-	-	-	-
Bonds and loans	-	-	-	-	-	-
Sale of property, adjustments and refunds	-	8,599	-	-	-	-
<b>Total receipts</b>	<b>160,568</b>	<b>2,240,777</b>	<b>1,047,570</b>	<b>3,537</b>	<b>10,995</b>	<b>6,310</b>
Disbursements:						
Current:						
Instruction	103,285	-	-	1,132	10,995	5,364
Support services	-	1,926,906	1,165,483	-	-	946
Community services	-	-	-	-	-	-
Nonprogrammed charges	-	-	-	-	-	-
Debt services	-	-	-	-	-	-
<b>Total disbursements</b>	<b>103,285</b>	<b>1,926,906</b>	<b>1,165,483</b>	<b>1,132</b>	<b>10,995</b>	<b>6,310</b>
Excess (deficiency) of receipts over disbursements	57,283	313,871	(117,913)	2,405	-	-
Other financing sources (uses):						
Transfers in	-	-	-	-	-	-
Transfers out	-	-	-	-	-	-
<b>Total other financing sources (uses)</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>
Excess (deficiency) of receipts and other financing sources over disbursements and other financing uses	57,283	313,871	(117,913)	2,405	-	-
Cash and investments - beginning	10,370	558,809	354,343	545	-	2
Cash and investments - ending	\$ 67,653	\$ 872,680	\$ 236,430	\$ 2,950	\$ -	\$ 2
<u>Cash and Investment Assets - Ending</u>						
Cash and investments	\$ 67,653	\$ 872,680	\$ 236,430	\$ 2,950	\$ -	\$ 2
Restricted assets:						
Cash and investments	-	-	-	-	-	-
<b>Total cash and investment assets - ending</b>	<b>\$ 67,653</b>	<b>\$ 872,680</b>	<b>\$ 236,430</b>	<b>\$ 2,950</b>	<b>\$ -</b>	<b>\$ 2</b>
<u>Cash and Investment Fund Balance - Ending</u>						
Restricted for:						
Debt service	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Unrestricted	67,653	872,680	236,430	2,950	-	2
<b>Total cash and investment fund balance - ending</b>	<b>\$ 67,653</b>	<b>\$ 872,680</b>	<b>\$ 236,430</b>	<b>\$ 2,950</b>	<b>\$ -</b>	<b>\$ 2</b>

CROWN POINT COMMUNITY SCHOOL CORPORATION  
 COMBINING SCHEDULE OF ASSETS AND FUND BALANCES AND RECEIPTS,  
 DISBURSEMENTS, AND CHANGES IN FUND BALANCES - CASH AND INVESTMENT BASIS  
 OTHER GOVERNMENTAL FUNDS  
 For the Year Ended June 30, 2006  
 (Continued)

	TRI KAPPA Gifted and Talented	Pop Machine	Gifted and Talented 04-05	Gifted and Talented 05-06	Computer Consortium	Non English Program
<b>Receipts:</b>						
Local sources	\$ 200	\$ 93,515	\$ -	\$ -	\$ -	\$ -
Intermediate sources	-	-	-	-	-	-
State sources	-	-	-	21,911	236,573	1,818
Federal sources	-	-	-	-	-	-
Bonds and loans	-	-	-	-	-	-
Sale of property, adjustments and refunds	-	-	-	-	-	-
<b>Total receipts</b>	<b>200</b>	<b>93,515</b>	<b>-</b>	<b>21,911</b>	<b>236,573</b>	<b>1,818</b>
<b>Disbursements:</b>						
<b>Current:</b>						
Instruction	-	-	3,695	21,171	-	411
Support services	-	97,128	-	-	194,475	-
Community services	-	-	-	-	-	-
Nonprogrammed charges	-	-	-	-	-	-
Debt services	-	-	-	-	-	-
<b>Total disbursements</b>	<b>-</b>	<b>97,128</b>	<b>3,695</b>	<b>21,171</b>	<b>194,475</b>	<b>411</b>
<b>Excess (deficiency) of receipts over disbursements</b>	<b>200</b>	<b>(3,613)</b>	<b>(3,695)</b>	<b>740</b>	<b>42,098</b>	<b>1,407</b>
<b>Other financing sources (uses):</b>						
Transfers in	-	-	-	-	-	-
Transfers out	-	-	-	-	-	-
<b>Total other financing sources (uses)</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>
<b>Excess (deficiency) of receipts and other financing sources over disbursements and other financing uses</b>	<b>200</b>	<b>(3,613)</b>	<b>(3,695)</b>	<b>740</b>	<b>42,098</b>	<b>1,407</b>
<b>Cash and investments - beginning</b>	<b>-</b>	<b>13,570</b>	<b>3,695</b>	<b>-</b>	<b>(49,995)</b>	<b>971</b>
<b>Cash and investments - ending</b>	<b>\$ 200</b>	<b>\$ 9,957</b>	<b>\$ -</b>	<b>\$ 740</b>	<b>\$ (7,897)</b>	<b>\$ 2,378</b>
<b><u>Cash and Investment Assets - Ending</u></b>						
Cash and investments	\$ 200	\$ 9,957	\$ -	\$ 740	\$ (7,897)	\$ 2,378
Restricted assets:						
Cash and investments	-	-	-	-	-	-
<b>Total cash and investment assets - ending</b>	<b>\$ 200</b>	<b>\$ 9,957</b>	<b>\$ -</b>	<b>\$ 740</b>	<b>\$ (7,897)</b>	<b>\$ 2,378</b>
<b><u>Cash and Investment Fund Balance - Ending</u></b>						
Restricted for:						
Debt service	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Unrestricted	200	9,957	-	740	(7,897)	2,378
<b>Total cash and investment fund balance - ending</b>	<b>\$ 200</b>	<b>\$ 9,957</b>	<b>\$ -</b>	<b>\$ 740</b>	<b>\$ (7,897)</b>	<b>\$ 2,378</b>

CROWN POINT COMMUNITY SCHOOL CORPORATION  
 COMBINING SCHEDULE OF ASSETS AND FUND BALANCES AND RECEIPTS,  
 DISBURSEMENTS, AND CHANGES IN FUND BALANCES - CASH AND INVESTMENT BASIS  
 OTHER GOVERNMENTAL FUNDS  
 For the Year Ended June 30, 2006  
 (Continued)

	Technology Fund	ISAIP	CPCF Safehaven	IAPSS Events	Fund Title I 03-04	Fund Title I 04-05
Receipts:						
Local sources	\$ -	\$ -	\$ 5,400	\$ 6,375	\$ -	\$ -
Intermediate sources	-	-	-	-	-	-
State sources	46,500	-	-	-	-	-
Federal sources	-	-	-	-	-	35,400
Bonds and loans	-	-	-	-	-	-
Sale of property, adjustments and refunds	908	-	-	-	2	-
<b>Total receipts</b>	<b>47,408</b>	<b>-</b>	<b>5,400</b>	<b>6,375</b>	<b>2</b>	<b>35,400</b>
Disbursements:						
Current:						
Instruction	-	1,871	2,162	-	-	25,911
Support services	25,942	-	148	6,320	-	8,977
Community services	-	-	-	-	-	846
Nonprogrammed charges	-	-	-	-	-	-
Debt services	-	-	-	-	-	-
<b>Total disbursements</b>	<b>25,942</b>	<b>1,871</b>	<b>2,310</b>	<b>6,320</b>	<b>-</b>	<b>35,734</b>
Excess (deficiency) of receipts over disbursements	21,466	(1,871)	3,090	55	2	(334)
Other financing sources (uses):						
Transfers in	-	-	-	-	-	-
Transfers out	-	-	-	-	-	(485)
<b>Total other financing sources (uses)</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>(485)</b>
Excess (deficiency) of receipts and other financing sources over disbursements and other financing uses	21,466	(1,871)	3,090	55	2	(819)
Cash and investments - beginning	111,810	7,408	-	-	(2)	819
Cash and investments - ending	<u>\$ 133,276</u>	<u>\$ 5,537</u>	<u>\$ 3,090</u>	<u>\$ 55</u>	<u>\$ -</u>	<u>\$ -</u>
<b><u>Cash and Investment Assets - Ending</u></b>						
Cash and investments	\$ 133,276	\$ 5,537	\$ 3,090	\$ 55	\$ -	\$ -
Restricted assets:						
Cash and investments	-	-	-	-	-	-
<b>Total cash and investment assets - ending</b>	<u>\$ 133,276</u>	<u>\$ 5,537</u>	<u>\$ 3,090</u>	<u>\$ 55</u>	<u>\$ -</u>	<u>\$ -</u>
<b><u>Cash and Investment Fund Balance - Ending</u></b>						
Restricted for:						
Debt service	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Unrestricted	133,276	5,537	3,090	55	-	-
<b>Total cash and investment fund balance - ending</b>	<u>\$ 133,276</u>	<u>\$ 5,537</u>	<u>\$ 3,090</u>	<u>\$ 55</u>	<u>\$ -</u>	<u>\$ -</u>

CROWN POINT COMMUNITY SCHOOL CORPORATION  
 COMBINING SCHEDULE OF ASSETS AND FUND BALANCES AND RECEIPTS,  
 DISBURSEMENTS, AND CHANGES IN FUND BALANCES - CASH AND INVESTMENT BASIS  
 OTHER GOVERNMENTAL FUNDS  
 For the Year Ended June 30, 2006  
 (Continued)

	Title I 05-06	ESEA Title V	Drug Free	Robotics Grant	Title II 04-05	Title II 05-06
<b>Receipts:</b>						
Local sources	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Intermediate sources	-	-	-	-	-	-
State sources	-	-	-	-	-	-
Federal sources	265,178	21,704	20,265	-	165,687	3,079
Bonds and loans	-	-	-	-	-	-
Sale of property, adjustments and refunds	-	-	-	-	-	-
<b>Total receipts</b>	<b>265,178</b>	<b>21,704</b>	<b>20,265</b>	<b>-</b>	<b>165,687</b>	<b>3,079</b>
<b>Disbursements:</b>						
<b>Current:</b>						
Instruction	199,423	13,173	16,799	-	117,544	-
Support services	43,922	1,094	364	-	36,730	2,147
Community services	4,239	-	-	-	-	-
Nonprogrammed charges	-	79	-	-	-	-
Debt services	-	-	-	-	-	-
<b>Total disbursements</b>	<b>247,584</b>	<b>14,346</b>	<b>17,163</b>	<b>-</b>	<b>154,274</b>	<b>2,147</b>
<b>Excess (deficiency) of receipts over disbursements</b>	<b>17,594</b>	<b>7,358</b>	<b>3,102</b>	<b>-</b>	<b>11,413</b>	<b>932</b>
<b>Other financing sources (uses):</b>						
Transfers in	485	-	-	-	-	-
Transfers out	-	-	-	-	-	-
<b>Total other financing sources (uses)</b>	<b>485</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>
<b>Excess (deficiency) of receipts and other financing sources over disbursements and other financing uses</b>	<b>18,079</b>	<b>7,358</b>	<b>3,102</b>	<b>-</b>	<b>11,413</b>	<b>932</b>
<b>Cash and investments - beginning</b>	<b>-</b>	<b>1,490</b>	<b>9,295</b>	<b>-</b>	<b>14,398</b>	<b>6,431</b>
<b>Cash and investments - ending</b>	<b>\$ 18,079</b>	<b>\$ 8,848</b>	<b>\$ 12,397</b>	<b>\$ -</b>	<b>\$ 25,811</b>	<b>\$ 7,363</b>
<b><u>Cash and Investment Assets - Ending</u></b>						
Cash and investments	\$ 18,079	\$ 8,848	\$ 12,397	\$ -	\$ 25,811	\$ 7,363
Restricted assets:						
Cash and investments	-	-	-	-	-	-
<b>Total cash and investment assets - ending</b>	<b>\$ 18,079</b>	<b>\$ 8,848</b>	<b>\$ 12,397</b>	<b>\$ -</b>	<b>\$ 25,811</b>	<b>\$ 7,363</b>
<b><u>Cash and Investment Fund Balance - Ending</u></b>						
Restricted for:						
Debt service	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Unrestricted	18,079	8,848	12,397	-	25,811	7,363
<b>Total cash and investment fund balance - ending</b>	<b>\$ 18,079</b>	<b>\$ 8,848</b>	<b>\$ 12,397</b>	<b>\$ -</b>	<b>\$ 25,811</b>	<b>\$ 7,363</b>

CROWN POINT COMMUNITY SCHOOL CORPORATION  
 COMBINING SCHEDULE OF ASSETS AND FUND BALANCES AND RECEIPTS,  
 DISBURSEMENTS, AND CHANGES IN FUND BALANCES - CASH AND INVESTMENT BASIS  
 OTHER GOVERNMENTAL FUNDS  
 For the Year Ended June 30, 2006  
 (Continued)

	Title III	Pension Debt Service	New High School Construction	New Elementary Construction	New Middle School	Totals
<b>Receipts:</b>						
Local sources	\$ -	\$ 1,057,508	\$ -	\$ -	\$ -	\$ 3,011,021
Intermediate sources	-	-	-	-	-	3,537
State sources	-	-	-	-	-	1,451,146
Federal sources	17,253	-	-	-	-	993,820
Bonds and loans	-	1,132,000	-	-	200,000	1,332,000
Sale of property, adjustments and refunds	-	-	-	-	-	9,509
<b>Total receipts</b>	<b>17,253</b>	<b>2,189,508</b>	<b>-</b>	<b>-</b>	<b>200,000</b>	<b>6,801,033</b>
<b>Disbursements:</b>						
<b>Current:</b>						
Instruction	15,151	-	-	-	-	538,087
Support services	635	-	-	994	155,465	3,667,676
Community services	-	-	-	-	-	5,085
Nonprogrammed charges	-	-	1	-	-	80
Debt services	-	1,757,603	-	-	-	1,757,603
<b>Total disbursements</b>	<b>15,786</b>	<b>1,757,603</b>	<b>1</b>	<b>994</b>	<b>155,465</b>	<b>5,968,531</b>
Excess (deficiency) of receipts over disbursements	1,467	431,905	(1)	(994)	44,535	832,502
<b>Other financing sources (uses):</b>						
Transfers in	-	-	-	-	-	485
Transfers out	-	-	-	-	-	(485)
<b>Total other financing sources (uses)</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>
Excess (deficiency) of receipts and other financing sources over disbursements and other financing uses	1,467	431,905	(1)	(994)	44,535	832,502
Cash and investments - beginning	(1)	-	1	994	-	1,044,953
Cash and investments - ending	\$ 1,466	\$ 431,905	\$ -	\$ -	\$ 44,535	\$ 1,877,455
<b><u>Cash and Investment Assets - Ending</u></b>						
Cash and investments	\$ 1,466	\$ -	\$ -	\$ -	\$ 44,535	\$ 1,445,550
Restricted assets:						
Cash and investments	-	431,905	-	-	-	431,905
<b>Total cash and investment assets - ending</b>	<b>\$ 1,466</b>	<b>\$ 431,905</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ 44,535</b>	<b>\$ 1,877,455</b>
<b><u>Cash and Investment Fund Balance - Ending</u></b>						
Restricted for:						
Debt service	\$ -	\$ 431,905	\$ -	\$ -	\$ -	\$ 431,905
Unrestricted	1,466	-	-	-	44,535	1,445,550
<b>Total cash and investment fund balance - ending</b>	<b>\$ 1,466</b>	<b>\$ 431,905</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ 44,535</b>	<b>\$ 1,877,455</b>

CROWN POINT COMMUNITY SCHOOL CORPORATION  
 COMBINING SCHEDULE OF ASSETS AND FUND BALANCES AND RECEIPTS  
 DISBURSEMENTS AND CHANGES IN FUND BALANCES - CASH AND INVESTMENT BASIS  
 OTHER GOVERNMENTAL FUNDS  
 For The Year Ended June 30, 2007

	Special Ed Preschool	School Lunch	Textbook Rental	Education Plate Distribution	Workforce Development	Safehavens	TRI KAPPA Gifted and Talented
<b>Receipts:</b>							
Local sources	\$ 33,654	\$ 1,804,288	\$ 122,419	\$ -	\$ -	\$ -	\$ -
Intermediate sources	-	-	-	4,838	-	-	-
State sources	153,417	43,757	979,668	-	11,080	13,738	-
Federal sources	-	504,652	-	-	-	-	-
Bonds and loans	-	-	-	-	-	-	-
Sale of property, adjustments and refunds	-	1,368	-	-	-	-	-
<b>Total receipts</b>	<b>187,071</b>	<b>2,354,065</b>	<b>1,102,087</b>	<b>4,838</b>	<b>11,080</b>	<b>13,738</b>	<b>-</b>
<b>Disbursements:</b>							
<b>Current:</b>							
Instruction	97,495	-	-	2,928	11,080	3,380	-
Support services	35,815	2,067,415	1,040,656	-	-	521	-
Community services	-	-	-	-	-	-	-
Nonprogrammed charges	-	-	-	-	-	-	-
Debt services	-	-	-	-	-	-	-
<b>Total disbursements</b>	<b>133,310</b>	<b>2,067,415</b>	<b>1,040,656</b>	<b>2,928</b>	<b>11,080</b>	<b>3,901</b>	<b>-</b>
<b>Excess (deficiency) of receipts over disbursements</b>	<b>53,761</b>	<b>286,650</b>	<b>61,431</b>	<b>1,910</b>	<b>-</b>	<b>9,837</b>	<b>-</b>
<b>Other financing sources (uses):</b>							
Transfers in	-	-	-	-	-	-	-
Transfers out	-	-	-	-	-	-	-
<b>Total other financing sources (uses)</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>
<b>Excess (deficiency) of receipts and other financing sources over disbursements and other financing uses</b>	<b>53,761</b>	<b>286,650</b>	<b>61,431</b>	<b>1,910</b>	<b>-</b>	<b>9,837</b>	<b>-</b>
<b>Cash and investments - beginning</b>	<b>67,653</b>	<b>872,680</b>	<b>236,430</b>	<b>2,950</b>	<b>-</b>	<b>2</b>	<b>200</b>
<b>Cash and investments - ending</b>	<b>\$ 121,414</b>	<b>\$ 1,159,330</b>	<b>\$ 297,861</b>	<b>\$ 4,860</b>	<b>\$ -</b>	<b>\$ 9,839</b>	<b>\$ 200</b>
<b>Cash and Investment Assets - Ending</b>							
Cash and investments	\$ 121,414	\$ 1,159,330	\$ 297,861	\$ 4,860	\$ -	\$ 9,839	\$ 200
<b>Restricted assets:</b>							
Cash and investments	-	-	-	-	-	-	-
<b>Total cash and investment assets - ending</b>	<b>\$ 121,414</b>	<b>\$ 1,159,330</b>	<b>\$ 297,861</b>	<b>\$ 4,860</b>	<b>\$ -</b>	<b>\$ 9,839</b>	<b>\$ 200</b>
<b>Cash and Investment Fund Balance - Ending</b>							
<b>Restricted for:</b>							
Debt service	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Other purposes	-	-	-	-	-	-	-
Unrestricted	121,414	1,159,330	297,861	4,860	-	9,839	200
<b>Total cash and investment fund balance - ending</b>	<b>\$ 121,414</b>	<b>\$ 1,159,330</b>	<b>\$ 297,861</b>	<b>\$ 4,860</b>	<b>\$ -</b>	<b>\$ 9,839</b>	<b>\$ 200</b>

CROWN POINT COMMUNITY SCHOOL CORPORATION  
 COMBINING SCHEDULE OF ASSETS AND FUND BALANCES AND RECEIPTS  
 DISBURSEMENTS AND CHANGES IN FUND BALANCES - CASH AND INVESTMENT BASIS  
 OTHER GOVERNMENTAL FUNDS  
 For The Year Ended June 30, 2007  
 (Continued)

	Pop Machine	Athletic Fundraiser	Ophelia Project	Indy Colts	Gifted and Talented 05-06	Gifted and Talented 06-07
<b>Receipts:</b>						
Local sources	\$ 95,418	\$ 16,465	\$ 17,000	\$ 300	\$ -	\$ -
Intermediate sources	-	-	-	-	-	-
State sources	-	-	-	-	-	21,911
Federal sources	-	-	-	-	-	-
Bonds and loans	-	-	-	-	-	-
Sale of property, adjustments and refunds	-	-	-	-	-	-
<b>Total receipts</b>	<b>95,418</b>	<b>16,465</b>	<b>17,000</b>	<b>300</b>	<b>-</b>	<b>21,911</b>
<b>Disbursements:</b>						
<b>Current:</b>						
Instruction	-	-	15,308	-	740	19,613
Support services	59,372	-	83	-	-	-
Community services	-	-	-	36	-	-
Nonprogrammed charges	-	16,465	-	-	-	-
Debt services	-	-	-	-	-	-
<b>Total disbursements</b>	<b>59,372</b>	<b>16,465</b>	<b>15,391</b>	<b>36</b>	<b>740</b>	<b>19,613</b>
<b>Excess (deficiency) of receipts over disbursements</b>	<b>36,046</b>	<b>-</b>	<b>1,609</b>	<b>264</b>	<b>(740)</b>	<b>2,298</b>
<b>Other financing sources (uses):</b>						
Transfers in	-	-	-	-	-	-
Transfers out	-	-	-	-	-	-
<b>Total other financing sources (uses)</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>
<b>Excess (deficiency) of receipts and other financing sources over disbursements and other financing uses</b>	<b>36,046</b>	<b>-</b>	<b>1,609</b>	<b>264</b>	<b>(740)</b>	<b>2,298</b>
<b>Cash and investments - beginning</b>	<b>9,957</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>740</b>	<b>-</b>
<b>Cash and investments - ending</b>	<b>\$ 46,003</b>	<b>\$ -</b>	<b>\$ 1,609</b>	<b>\$ 264</b>	<b>\$ -</b>	<b>\$ 2,298</b>
<b>Cash and Investment Assets - Ending</b>						
Cash and investments	\$ 46,003	\$ -	\$ 1,609	\$ 264	\$ -	\$ 2,298
Restricted assets:						
Cash and investments	-	-	-	-	-	-
<b>Total cash and investment assets - ending</b>	<b>\$ 46,003</b>	<b>\$ -</b>	<b>\$ 1,609</b>	<b>\$ 264</b>	<b>\$ -</b>	<b>\$ 2,298</b>
<b>Cash and Investment Fund Balance - Ending</b>						
Restricted for:						
Debt service	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Other purposes	-	-	-	-	-	-
Unrestricted	46,003	-	1,609	264	-	2,298
<b>Total cash and investment fund balance - ending</b>	<b>\$ 46,003</b>	<b>\$ -</b>	<b>\$ 1,609</b>	<b>\$ 264</b>	<b>\$ -</b>	<b>\$ 2,298</b>

CROWN POINT COMMUNITY SCHOOL CORPORATION  
 COMBINING SCHEDULE OF ASSETS AND FUND BALANCES AND RECEIPTS  
 DISBURSEMENTS AND CHANGES IN FUND BALANCES - CASH AND INVESTMENT BASIS  
 OTHER GOVERNMENTAL FUNDS  
 For The Year Ended June 30, 2007  
 (Continued)

	Computer Consortium	Non English Program	Technology Fund	ISAIP	CPCF Safehaven	IAPSS Events
<b>Receipts:</b>						
Local sources	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 3,379
Intermediate sources	-	-	-	-	-	-
State sources	597,156	2,111	39,656	-	-	-
Federal sources	-	-	-	-	-	-
Bonds and loans	-	-	-	-	-	-
Sale of property, adjustments and refunds	-	-	56,810	-	-	-
<b>Total receipts</b>	<b>597,156</b>	<b>2,111</b>	<b>96,466</b>	<b>-</b>	<b>-</b>	<b>3,379</b>
<b>Disbursements:</b>						
<b>Current:</b>						
Instruction	-	2,379	-	647	2,439	-
Support services	612,510	-	75,147	-	256	3,434
Community services	-	-	-	-	-	-
Nonprogrammed charges	-	-	-	-	-	-
Debt services	-	-	-	-	-	-
<b>Total disbursements</b>	<b>612,510</b>	<b>2,379</b>	<b>75,147</b>	<b>647</b>	<b>2,695</b>	<b>3,434</b>
Excess (deficiency) of receipts over disbursements	(15,354)	(268)	21,319	(647)	(2,695)	(55)
<b>Other financing sources (uses):</b>						
Transfers in	-	-	-	-	-	-
Transfers out	-	-	-	-	-	-
<b>Total other financing sources (uses)</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>
Excess (deficiency) of receipts and other financing sources over disbursements and other financing uses	(15,354)	(268)	21,319	(647)	(2,695)	(55)
Cash and investments - beginning	(7,897)	2,378	133,276	5,537	3,090	55
Cash and investments - ending	<u>\$ (23,251)</u>	<u>\$ 2,110</u>	<u>\$ 154,595</u>	<u>\$ 4,890</u>	<u>\$ 395</u>	<u>\$ -</u>
<b>Cash and Investment Assets - Ending</b>						
Cash and investments	\$ (23,251)	\$ 2,110	\$ 154,595	\$ 4,890	\$ 395	\$ -
Restricted assets:						
Cash and investments	-	-	-	-	-	-
<b>Total cash and investment assets - ending</b>	<u>\$ (23,251)</u>	<u>\$ 2,110</u>	<u>\$ 154,595</u>	<u>\$ 4,890</u>	<u>\$ 395</u>	<u>\$ -</u>
<b>Cash and Investment Fund Balance - Ending</b>						
Restricted for:						
Debt service	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Other purposes	-	-	-	-	-	-
Unrestricted	(23,251)	2,110	154,595	4,890	395	-
<b>Total cash and investment fund balance - ending</b>	<u>\$ (23,251)</u>	<u>\$ 2,110</u>	<u>\$ 154,595</u>	<u>\$ 4,890</u>	<u>\$ 395</u>	<u>\$ -</u>

CROWN POINT COMMUNITY SCHOOL CORPORATION  
 COMBINING SCHEDULE OF ASSETS AND FUND BALANCES AND RECEIPTS  
 DISBURSEMENTS AND CHANGES IN FUND BALANCES - CASH AND INVESTMENT BASIS  
 OTHER GOVERNMENTAL FUNDS  
 For The Year Ended June 30, 2007  
 (Continued)

	Title I 05-06	Title I 06-07	School Improvement Grant	ESEA Title V	Drug Free	Robotics Grant
<b>Receipts:</b>						
Local sources	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Intermediate sources	-	-	-	-	-	-
State sources	-	-	-	-	-	-
Federal sources	78,000	298,923	15,304	9,724	25,742	4,486
Bonds and loans	-	-	-	-	-	-
Sale of property, adjustments and refunds	-	-	-	-	-	-
<b>Total receipts</b>	<u>78,000</u>	<u>298,923</u>	<u>15,304</u>	<u>9,724</u>	<u>25,742</u>	<u>4,486</u>
<b>Disbursements:</b>						
<b>Current:</b>						
Instruction	29,787	220,426	-	15,192	17,171	3,491
Support services	11,564	43,135	9,024	-	416	-
Community services	3,228	12,069	-	-	-	-
Nonprogrammed charges	-	-	-	-	-	-
Debt services	-	-	-	-	-	-
<b>Total disbursements</b>	<u>44,579</u>	<u>275,630</u>	<u>9,024</u>	<u>15,192</u>	<u>17,587</u>	<u>3,491</u>
Excess (deficiency) of receipts over disbursements	<u>33,421</u>	<u>23,293</u>	<u>6,280</u>	<u>(5,468)</u>	<u>8,155</u>	<u>995</u>
<b>Other financing sources (uses):</b>						
Transfers in	-	51,500	-	-	-	-
Transfers out	<u>(51,500)</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
<b>Total other financing sources (uses)</b>	<u>(51,500)</u>	<u>51,500</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Excess (deficiency) of receipts and other financing sources over disbursements and other financing uses	<u>(18,079)</u>	<u>74,793</u>	<u>6,280</u>	<u>(5,468)</u>	<u>8,155</u>	<u>995</u>
Cash and investments - beginning	<u>18,079</u>	<u>-</u>	<u>-</u>	<u>8,848</u>	<u>12,397</u>	<u>-</u>
Cash and investments - ending	<u>\$ -</u>	<u>\$ 74,793</u>	<u>\$ 6,280</u>	<u>\$ 3,380</u>	<u>\$ 20,552</u>	<u>\$ 995</u>
<b>Cash and Investment Assets - Ending</b>						
Cash and investments	\$ -	\$ 74,793	\$ 6,280	\$ 3,380	\$ 20,552	\$ 995
Restricted assets:						
Cash and investments	-	-	-	-	-	-
<b>Total cash and investment assets - ending</b>	<u>\$ -</u>	<u>\$ 74,793</u>	<u>\$ 6,280</u>	<u>\$ 3,380</u>	<u>\$ 20,552</u>	<u>\$ 995</u>
<b>Cash and Investment Fund Balance - Ending</b>						
Restricted for:						
Debt service	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Other purposes	-	-	-	-	-	-
Unrestricted	<u>-</u>	<u>74,793</u>	<u>6,280</u>	<u>3,380</u>	<u>20,552</u>	<u>995</u>
<b>Total cash and investment fund balance - ending</b>	<u>\$ -</u>	<u>\$ 74,793</u>	<u>\$ 6,280</u>	<u>\$ 3,380</u>	<u>\$ 20,552</u>	<u>\$ 995</u>

CROWN POINT COMMUNITY SCHOOL CORPORATION  
 COMBINING SCHEDULE OF ASSETS AND FUND BALANCES AND RECEIPTS  
 DISBURSEMENTS AND CHANGES IN FUND BALANCES - CASH AND INVESTMENT BASIS  
 OTHER GOVERNMENTAL FUNDS  
 For The Year Ended June 30, 2007  
 (Continued)

	Title II 04-05	Fund Title II 05-06	Title III	Pension Debt Service	New Middle School	Totals
<b>Receipts:</b>						
Local sources	\$ -	\$ -	\$ -	\$ 1,106,384	\$ -	\$ 3,199,307
Intermediate sources	-	-	-	-	-	4,838
State sources	-	-	-	-	-	1,862,494
Federal sources	102,804	1,471	24,780	-	-	1,065,886
Bonds and loans	-	-	-	-	1,347,272	1,347,272
Sale of property, adjustments and refunds	-	-	-	-	-	58,178
<b>Total receipts</b>	<b>102,804</b>	<b>1,471</b>	<b>24,780</b>	<b>1,106,384</b>	<b>1,347,272</b>	<b>7,537,975</b>
<b>Disbursements:</b>						
<b>Current:</b>						
Instruction	80,102	-	24,538	-	-	546,716
Support services	32,390	8,498	709	-	235,346	4,236,291
Community services	-	-	-	-	-	15,333
Nonprogrammed charges	-	17	-	-	-	16,482
Debt services	-	-	-	2,057,986	-	2,057,986
<b>Total disbursements</b>	<b>112,492</b>	<b>8,515</b>	<b>25,247</b>	<b>2,057,986</b>	<b>235,346</b>	<b>6,872,808</b>
Excess (deficiency) of receipts over disbursements	(9,688)	(7,044)	(467)	(951,602)	1,111,926	665,167
<b>Other financing sources (uses):</b>						
Transfers in	-	-	-	575,000	-	626,500
Transfers out	-	-	-	-	-	(51,500)
<b>Total other financing sources (uses)</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>575,000</b>	<b>-</b>	<b>575,000</b>
Excess (deficiency) of receipts and other financing sources over disbursements and other financing uses	(9,688)	(7,044)	(467)	(376,602)	1,111,926	1,240,167
Cash and investments - beginning	25,811	7,363	1,466	431,905	44,535	1,877,455
Cash and investments - ending	\$ 16,123	\$ 319	\$ 999	\$ 55,303	\$ 1,156,461	\$ 3,117,622
<b>Cash and Investment Assets - Ending</b>						
Cash and investments	\$ 16,123	\$ 319	\$ 999	\$ -	\$ 1,156,461	\$ 3,062,319
Restricted assets:						
Cash and investments	-	-	-	55,303	-	55,303
<b>Total cash and investment assets - ending</b>	<b>\$ 16,123</b>	<b>\$ 319</b>	<b>\$ 999</b>	<b>\$ 55,303</b>	<b>\$ 1,156,461</b>	<b>\$ 3,117,622</b>
<b>Cash and Investment Fund Balance - Ending</b>						
Restricted for:						
Debt service	\$ -	\$ -	\$ -	\$ 55,303	\$ -	\$ 55,303
Other purposes	-	-	-	-	-	-
Unrestricted	16,123	319	999	-	1,156,461	3,062,319
<b>Total cash and investment fund balance - ending</b>	<b>\$ 16,123</b>	<b>\$ 319</b>	<b>\$ 999</b>	<b>\$ 55,303</b>	<b>\$ 1,156,461</b>	<b>\$ 3,117,622</b>

CROWN POINT COMMUNITY SCHOOL CORPORATION  
 COMBINING SCHEDULE OF ADDITIONS, DEDUCTIONS, AND CHANGES IN CASH AND INVESTMENT BALANCES  
 PENSION TRUST FUNDS  
 For the Year Ended June 30, 2006

	Retirement/ Severance Bond	Postretirement/ Severance Future Benefit	Totals
Additions:			
Contributions:			
Employer	\$ -	\$ 407,520	\$ 407,520
Investment earnings:			
Interest	<u>104,820</u>	<u>23,311</u>	<u>128,131</u>
Total additions	<u>104,820</u>	<u>430,831</u>	<u>535,651</u>
Deductions:			
Benefits	<u>185,696</u>	<u>129,902</u>	<u>315,598</u>
Excess (deficiency) of total additions over total deductions	(80,876)	300,929	220,053
Cash and investment fund balance - beginning	<u>3,062,309</u>	<u>491,511</u>	<u>3,553,820</u>
Cash and investment fund balance - ending	<u>\$ 2,981,433</u>	<u>\$ 792,440</u>	<u>\$ 3,773,873</u>
Net Assets			
Cash and investments	<u>\$ 2,981,433</u>	<u>\$ 792,440</u>	<u>\$ 3,773,873</u>
Total net assets - cash and investment basis held in trust	<u>\$ 2,981,433</u>	<u>\$ 792,440</u>	<u>\$ 3,773,873</u>

CROWN POINT COMMUNITY SCHOOL CORPORATION  
 COMBINING SCHEDULE OF ADDITIONS, DEDUCTIONS, AND CHANGES IN CASH AND INVESTMENT BALANCES  
 PENSION TRUST FUNDS  
 For the Year Ended June 30, 2007

	<u>Retirement/ Severance Bond</u>	<u>Postretirement/ Severance Future Benefit</u>	<u>Totals</u>
Additions:			
Investment earnings:			
Interest	\$ 144,323	\$ 31,747	\$ 176,070
Deductions:			
Benefits	<u>38,752</u>	<u>270,174</u>	<u>308,926</u>
Excess (deficiency) of total additions over total deductions	105,571	(238,427)	(132,856)
Cash and investment fund balance - beginning	<u>2,981,433</u>	<u>792,440</u>	<u>3,773,873</u>
Cash and investment fund balance - ending	<u>\$ 3,087,004</u>	<u>\$ 554,013</u>	<u>\$ 3,641,017</u>
Net Assets			
Cash and investments	<u>\$ 3,087,004</u>	<u>\$ 554,013</u>	<u>\$ 3,641,017</u>
Total net assets - cash and investment basis held in trust	<u>\$ 3,087,004</u>	<u>\$ 554,013</u>	<u>\$ 3,641,017</u>

CROWN POINT COMMUNITY SCHOOL CORPORATION  
 COMBINING SCHEDULE OF ADDITIONS, DEDUCTIONS, AND CHANGES IN CASH AND INVESTMENT BALANCES  
 PRIVATE-PURPOSE TRUST FUNDS  
 For the Year Ended June 30, 2006

	<u>Scholarship Funds</u>	<u>Tony Cook Memorial Fund</u>	<u>Totals</u>
Additions:			
Contributions:			
Other	\$ 1,250	\$ 1,000	\$ 2,250
Deductions:			
Administrative and general	5,120	-	5,120
Excess (deficiency) of total additions over total deductions	(3,870)	1,000	(2,870)
Cash and investment fund balance - beginning	21,223	-	21,223
Cash and Investments - June 30	<u>\$ 17,353</u>	<u>\$ 1,000</u>	<u>\$ 18,353</u>
Net Assets			
Cash and investments	<u>\$ 17,353</u>	<u>\$ 1,000</u>	<u>\$ 18,353</u>
Total net assets - cash and investment basis held in trust	<u>\$ 17,353</u>	<u>\$ 1,000</u>	<u>\$ 18,353</u>

CROWN POINT COMMUNITY SCHOOL CORPORATION  
 COMBINING SCHEDULE OF ADDITIONS, DEDUCTIONS, AND CHANGES IN CASH AND INVESTMENT BALANCES  
 PRIVATE-PURPOSE TRUST FUNDS  
 For the Year Ended June 30, 2007

	Scholarship Funds	Tony Cook Memorial Fund	Totals
Additions:			
Contributions:			
Other	\$ 2,100	\$ -	\$ 2,100
Deductions:			
Administrative and general	3,750	-	3,750
Deficiency of total additions over total deductions	(1,650)	-	(1,650)
Cash and investment fund balance - beginning	17,353	1,000	18,353
Cash and Investments - June 30	<u>\$ 15,703</u>	<u>\$ 1,000</u>	<u>\$ 16,703</u>
Net Assets			
Cash and investments	<u>\$ 15,703</u>	<u>\$ 1,000</u>	<u>\$ 16,703</u>
Total net assets - cash and investment basis held in trust	<u>\$ 15,703</u>	<u>\$ 1,000</u>	<u>\$ 16,703</u>

CROWN POINT COMMUNITY SCHOOL CORPORATION  
SUPPLEMENTARY INFORMATION  
SCHEDULE OF CAPITAL ASSETS

June 30, 2007

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>Primary Government</u>	<u>Ending Balance</u>
Governmental activities:	
Capital assets, not being depreciated:	
Land	\$ 3,871,070
Buildings	120,217,376
Improvements other than buildings	2,671,537
Machinery and equipment	16,732,973
Construction in progress	<u>27,775,840</u>
Total governmental activities, capital assets not being depreciated	<u>\$ 171,268,796</u>

CROWN POINT COMMUNITY SCHOOL CORPORATION  
 SUPPLEMENTARY INFORMATION  
 SCHEDULE OF LONG-TERM DEBT

June 30, 2007

Description of Debt	Ending Balance	Due Within One Year
Governmental Activities:		
Capital leases:		
Crown Point Multi-School Building Corporation, Building Renovations	\$ 17,015,000	\$ 1,810,000
Crown Point Multi-School Building Corporation, New High School	52,160,454	5,184,353
Crown Point Multi-School Building Corporation, New Elementary	2,770,000	265,000
Crown Point Multi-School Building Corporation, New Middle School	45,900,000	2,318,692
Notes and loans payable		
Common School Loans	17,751,680	2,697,305
Veterans Memorial Loan	275,000	24,750
Tax Anticipation Warrants	5,430,000	5,628,738
Bonds payable:		
General obligation bonds:		
Pension Bonds, Series 2004	<u>10,800,000</u>	<u>1,120,033</u>
Total governmental activities long-term debt	<u>\$ 152,102,134</u>	<u>\$ 19,048,871</u>

CROWN POINT COMMUNITY SCHOOL CORPORATION  
AUDIT RESULTS AND COMMENTS

TRANSFER TUITION

The School Board has established a flat rate for transfer tuition which began for the 2001-2002 school year and has continued for the school years thereafter. A similar comment appeared in prior reports.

Indiana Code 20-26-11-6 states:

(a) A school corporation may accept a transferring student without approval of the transferor corporation under section 5 of this chapter.

(b) A transfer may not be accepted unless the requesting parents or student pays transfer tuition in an amount determined under the formula established in section 13 of this chapter for the payment of transfer tuition by a transferor school corporation. However, the transferee school may not offset the amounts described in section 13(b) STEP TWO (B) through section 13(b) STEP TWO (D) of this chapter from the amount charged to the requesting parents or student.

(c) The tuition determined under subsection (b) must be paid by the parents or the student before the end of the school year in installments as determined by the transferee corporation.

(d) Failure to pay a tuition installment is a ground for exclusion from school."

TRAVEL POLICY

A travel policy was not presented for audit. The School Corporation had a travel policy but the policy was repealed October 25, 2004.

Each governmental unit should adopt a written travel policy in conformity with applicable statutes. (Accounting and Uniform Compliance Guidelines Manual for Indiana Public School Corporations, Chapter 9).

TAX ANTICIPATION WARRANTS

Tax anticipation warrants in the amount of \$5,000,000 received December 30, 2005, were not approved by the School Board. The School Board approved tax anticipation warrants for 2007 on January 22, 2007, but the dollar amount of the warrants was not noted in the minutes of the School Board.

Indiana Code 20-48-1-9 states in part:

(a) If the governing body of a school corporation finds and declares that an emergency exists to borrow money with which to pay current expenses from a particular fund before the receipt of revenues from taxes levied or state tuition support distributions for the fund, the governing body may issue warrants in anticipation of the receipt of the revenues."

All business transacted by the governing body must be recorded in the minutes of the meetings. It is the duty of the secretary of the governing body to keep the minutes and the minutes of each meeting should be approved by the governing body and signed by the members attending. It is important that the

CROWN POINT COMMUNITY SCHOOL CORPORATION  
AUDIT RESULTS AND COMMENTS  
(Continued)

minutes be accurate and complete since the governing body speaks from its minutes. It is not necessary that all documents acted upon, such as bids and contracts, be copied in the minutes but reference thereto and the action taken thereon should be recorded in the minutes and the documents carefully preserved. There are important papers and documents; however, that will need to be completely recorded in the minutes, such as proceedings to issue bonds. You should consult the school attorney if a question arises as to the need for making a complete record on any matter. (Accounting and Uniform Compliance Guidelines Manual for Indiana Public School Corporations, Chapter 8)

FORM APPROVAL

Employee Service Records (General Payroll Form 99A) and Teacher Service Records (Form 514) are not used by the School Corporation. Alternate forms in use were not approved by the State Board of Accounts. Vendor checks were also conditionally approved with the criteria that the fund, appropriation number and corresponding claim number be noted on the face of the check. Checks issued during the audit period did not include fund, appropriation number and corresponding claim numbers.

Officials and employees are required to use State Board of Accounts prescribed or approved forms in the manner prescribed. (Accounting and Uniform Compliance Guidelines Manual for Indiana Public School Corporations, Chapter 9)

ATHLETIC FUND CLAIMS (Applies to Crown Point High School)

The Athletic Director was authorized by the School Board of Trustees to use a credit card. We noted that charges to the credit card are paid without supporting documentation or itemized receipts submitted by the Athletic Director. Four credit card claims for example were paid without itemized restaurant receipts.

An itemized restaurant receipt totaling \$302.08 was paid for four individuals. Three employees were identified. The fourth individual was identified as "guest." Detailed documentation was not provided which would enable a determination that all expenses were for employees conducting school related business.

A claim in the amount of \$300 was paid to the football booster club for a "four some golf." No supporting documentation was attached to identify the persons attending or nature of the payment.

The Athletic Directors and the Principal were paid mileage reimbursements from the Athletic Fund. We also noted that the Principal was reimbursed twice for travel to the same athletic event.

The State Board of Accounts will not take exception to the use of credit cards by a governmental unit provided the following criteria are observed: . . .

- (7) Payment should not be made on the basis of a statement or a credit card slip only. Procedures for payments should be no different than for any other claim. Supporting documents such as paid bills and receipts must be available. Additionally, any interest or penalty incurred due to late filing or furnishing of documentation by an officer or employee should be the responsibility of that officer or employee. (Accounting and Uniform Compliance Guidelines Manual for Extra-Curricular Accounts, Chapter 7)

CROWN POINT COMMUNITY SCHOOL CORPORATION  
AUDIT RESULTS AND COMMENTS  
(Continued)

All claims, invoices, receipts and accounts payable vouchers, including those presented to the governing body for approval in accordance with IC 5-11-10, should contain adequate detailed documentation. All claims, invoices, receipts, and accounts payable vouchers regarding reimbursement for meals and expenses for individuals must have specific detailed information of the names of all individuals for whom amounts are claimed, including the nature, name and purpose of the business meeting, to enable the governing body to authorize payment. Payments which do not have proper itemization showing the business nature of the claim, may be the personal obligation of the responsible official, employee or other person for whom the claim is made. (Accounting and Uniform Compliance Guidelines Manual for Extra-Curricular Accounts, Chapter 7)

Government units have a responsibility to collect amounts owed to the governmental unit pursuant to procedures authorized by statute. (Accounting and Uniform Compliance Guidelines Manual for Indian Public School Corporations, Chapter 9)

PURCHASE OF EQUIPMENT (Applies to Crown Point High School)

A disbursement of \$11,500.00 was made from the Athletic Fund on January 10, 2007, for track and field equipment. A review of the School Board minutes did not indicate authorization for the purchase.

Indiana Code 20-26-5-4 states in part: "In carrying out the school purposes of a school corporation, the governing body acting on the school corporation's behalf has the following specific powers . . . acquire personal property or an interest personal property as the governing body considers necessary for school purposes . . ." Therefore, extra-curricular equipment purchases should be approved prior to purchase by the Board of School Trustees. (Accounting and Uniform Compliance Guidelines Manual for Extra-Curricular Accounts, Chapter 1)

ADVANCE PAYMENTS (Applies to Crown Point High School)

Some travel expenses paid from the Athletic Fund are made prior to the receipt of goods or services. A coach traveling with a team for an athletic event is issued a check by the Extra-Curricular Treasurer. The coach subsequently cashes the check to pay for expenses for meals and other related travel expenses. The coach submits itemized receipts to the Extra-Curricular Treasurer to substantiate what was spent.

Compensation and any other payments for goods and services should not be paid in advance of receipt of the goods or services unless specifically authorized by statute. Payments made for goods or services which are not received may be the personal obligation of the responsible official or employee. (Accounting and Uniform Compliance Guidelines Manual for Extra-Curricular Accounts, Chapter 7).

TICKET STUBS (Applies to Crown Point High School)

Tickets are issued for games but part of the ticket stub is not given to the patron.

Serially prenumbered tickets by the printing supplier should be used for all athletic and other extracurricular activities and events for which admission is charged. Part of the prenumbered ticket should be given to the person paying for the ticket upon admission to the event. The other part of the ticket (which should also be prenumbered, referred to as the stub) should be retained. All tickets (unused tickets and stubs) should be retained for audit. (Accounting and Uniform Compliance Guidelines Manual For Extra-Curricular Accounts, Chapter 2).

CROWN POINT COMMUNITY SCHOOL CORPORATION  
AUDIT RESULTS AND COMMENTS  
(Continued)

CASH CHANGE FUND (Applies to Taft Middle School)

A cash change fund for Taft Middle School has not been approved by the School Board of Trustees.

The Extra-Curricular Treasurer had disbursed \$120 to the Athletic Department for the purpose of establishing cash change funds. The Athletic Director indicated he had four cash change funds in the amount of \$40 each. A cash count of the four funds showed \$200 had been accumulated. Therefore, not all funds collected are being remitted to the Extra-Curricular Treasurer.

A Cash Change Fund may be established in any school corporation with the approval of the governing body (board of school trustees), where any officer or employee of the corporation is charged with the duty of collecting fees or other cash revenues. When authorized by the governing body, such Cash Change Fund shall be established by a check drawn on the General Fund (or other appropriate fund) of the school corporation in an amount to be determined by the governing body. The check is drawn in favor of the officer or employee who has been designated as custodian of the Cash Change Fund. The custodian shall convert same to cash and be held responsible for the safekeeping of such cash and the proper accounting thereof in the same manner as required for other funds of the school corporation. The governing board shall have authority to increase or decrease such fund and shall require the entire Cash Change Fund to be returned to the General Fund if and when it is no longer needed for the purpose established or when a change is made in the custodian of the fund [IC 36-1-8-2]. Accounting and Uniform Compliance Guidelines Manual for Extra-Curricular Accounts, Chapter 6).

INSTRUMENT RENTAL FEES (Applies to Taft Middle School)

The Band Handbook states that a \$30 rental fee is to be collected from any student using a school-owned instrument. No rental fees were collected in the 2006-2007 school year. The Band Director stated he is not collecting the fee from the students that cannot afford to pay. A list of students for which fees were waived was not presented for audit.

Each governmental unit is responsible for complying with the ordinances, resolutions, and policies it adopts. (Accounting and Uniform Compliance Guidelines Manual for Extra-Curricular Accounts, Chapter 7)

The governing body of a governmental unit should have a written policy concerning a procedure for the writing off of bad debts, uncollectible accounts receivable, or any adjustments to record balances. (Accounting and Uniform Compliance Guidelines Manual for Extra-Curricular Accounts, Chapter 7)

RECEIPTS Applies to Solon Robinson Elementary

Original amounts written on some receipts issued were changed. Several receipts for example included the cash amount but not the check amount collected. The Extra-Curricular Treasurer corrected the receipt by whiting out the cash amount and writing the total amount collected. Also the original white copy of a voided receipt was not maintained with the duplicate receipts books.

Officials and employees are required to use State Board of Accounts prescribed or approved forms in the manner prescribed. (Accounting and Uniform Compliance Guidelines Manual for Extra-Curricular Accounts, Chapter 7)

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SUPPLEMENTAL AUDIT OF  
FEDERAL AWARDS



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INDEPENDENT AUDITOR'S REPORT ON COMPLIANCE WITH REQUIREMENTS  
APPLICABLE TO EACH MAJOR PROGRAM AND INTERNAL CONTROL OVER  
COMPLIANCE IN ACCORDANCE WITH OMB CIRCULAR A-133

TO: THE OFFICIALS OF THE CROWN POINT COMMUNITY  
SCHOOL CORPORATION, LAKE COUNTY, INDIANA

Compliance

We have audited the compliance of the Crown Point Community School Corporation (School Corporation) with the types of compliance requirements described in the U.S. Office of Management and Budget (OMB) Circular A-133 Compliance Supplement that are applicable to each of its major federal programs for the years ended June 30, 2006 and 2007. The School Corporation's major federal programs are identified in the Summary of Auditor's Results section of the accompanying Schedule of Findings and Questioned Costs. Compliance with the requirements of laws, regulations, contracts and grants applicable to each of its major federal programs is the responsibility of the School Corporation's management. Our responsibility is to express an opinion on the School Corporation's compliance based on our audit.

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 OMB Circular A-133, Audits of States, Local Governments, and Non-Profit Organizations. Those standards and OMB Circular A-133 require that we plan and perform the audit to obtain reasonable assurance about whether non-compliance 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. Our audit does not provide a legal determination of the School Corporation's compliance with those requirements.

In our opinion, the School Corporation complied in all material respects with the requirements referred to above that are applicable to each of its major federal programs for the years ended June 30, 2006 and 2007.

INDEPENDENT AUDITOR'S REPORT ON COMPLIANCE WITH REQUIREMENTS  
APPLICABLE TO EACH MAJOR PROGRAM AND INTERNAL CONTROL OVER  
COMPLIANCE IN ACCORDANCE WITH OMB CIRCULAR A-133  
(Continued)

Internal Control Over Compliance

The management of the School Corporation is responsible for establishing and maintaining effective internal control over compliance with requirements of laws, regulations, contracts and grants applicable to federal programs. In planning and performing our audit, we considered the School Corporation's internal control over compliance with requirements that could have a direct and material effect on a major federal program in order to determine our auditing procedures for the purpose of expressing our opinion on compliance, 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 control deficiency in a School Corporation's internal control over compliance 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 noncompliance with a type of compliance requirement of a federal program on a timely basis. A significant deficiency is a control deficiency, or combination of control deficiencies, that adversely affects the entity's ability to administer a federal program such that there is more than a remote likelihood that noncompliance with a type of compliance requirement of a federal program that is more than inconsequential will not be prevented or detected by the entity's internal control.

A material weakness is a significant deficiency, or combination of significant deficiencies, that results in more than a remote likelihood that material noncompliance with a type of compliance requirement of a federal program will not be prevented or detected by the entity's internal control.

Our consideration of the internal control over compliance was for the limited purpose described in the first paragraph of this section and would not necessarily identify all deficiencies in internal control that might be significant deficiencies or material weaknesses. We did not identify any deficiencies in internal control over compliance that we consider to be significant deficiencies or material weaknesses, as defined above.

This report is intended solely for the information and use of the School Corporation's management, and federal awarding agencies and pass-through entities and is not intended to be and should not be used by anyone other than these specified parties. In accordance with Indiana Code 5-11-5-1, this report is a part of the public records of the State Board of Accounts and of the office examined.

STATE BOARD OF ACCOUNTS

November 13, 2007

CROWN POINT COMMUNITY SCHOOL CORPORATION  
SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS  
For The Years Ended June 30, 2006 and 2007

Federal Grantor Agency/Pass-Through Entity Cluster Title/Program Title/Project Title	Federal CFDA Number	Pass-Through Entity (or Other) Identifying Number	Total Federal Awards Expended 06-30-06	Total Federal Awards Expended 06-30-07
<u>U.S. DEPARTMENT OF AGRICULTURE</u>				
Pass-Through Indiana Department of Education				
Child Nutrition Cluster				
School Breakfast Program	10.553		\$ 30,647	\$ 34,718
National School Lunch Program	10.555		<u>1,407,775</u>	<u>1,618,932</u>
Total for federal grantor agency			<u>1,438,422</u>	<u>1,653,650</u>
<u>U.S. DEPARTMENT OF JUSTICE</u>				
Pass-Through Indiana Criminal Justice Institute				
Supervised Visitation, Safe Havens For Children	16.527	05-SH-035 06-SH-014	6,310	-
			<u>-</u>	<u>3,900</u>
Total for federal grantor agency			<u>6,310</u>	<u>3,900</u>
<u>U.S. DEPARTMENT OF EDUCATION</u>				
Pass-Through Indiana Department of Education				
Title I Grants to Local Educational Agencies	84.010	05-4660 06-4660 07-4660	31,246	-
			243,667	101,867
			<u>-</u>	<u>284,386</u>
Total for program			<u>274,913</u>	<u>386,253</u>
Safe and Drug Free Schools and Communities - State Grants	84.186	03-230 04-117 05-028 06-4660	9,295	-
			7,869	12,397
			-	4,318
			<u>-</u>	<u>871</u>
Total for program			<u>17,164</u>	<u>17,586</u>
Pass-Through Indiana Workforce Development				
Tech-Prep Education	84.243	CPR 6-64	-	3,491
			<u>-</u>	<u>3,491</u>
Pass-Through Indiana Department of Education				
State Grants For Innovative Programs	84.298	04-120 05-112 06	1,173	3,175
			13,173	3,511
			<u>-</u>	<u>8,506</u>
Total for program			<u>14,346</u>	<u>15,192</u>
Education Technology State Grants	84.318	04-05 05-06 06-07	710	-
			1,437	7,707
			<u>-</u>	<u>807</u>
Total for program			<u>2,147</u>	<u>8,514</u>
English Language Acquisition Grants	84.365	SY 04-05 SY 05-06 06-07	635	844
			15,151	623
			<u>-</u>	<u>23,780</u>
Total for program			<u>15,786</u>	<u>25,247</u>
Improving Teacher Quality State Grants	84.367	04-109 05-037 06-460	56,959	3,118
			97,315	49,080
			<u>-</u>	<u>60,294</u>
Total for program			<u>154,274</u>	<u>112,492</u>
Total for federal grantor agency			<u>478,630</u>	<u>568,775</u>
Total federal awards expended			<u>\$ 1,923,362</u>	<u>\$ 2,226,325</u>

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

CROWN POINT COMMUNITY SCHOOL CORPORATION  
NOTES TO SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS

I. Basis of Presentation

The accompanying Schedule of Expenditures of Federal Awards includes the federal grant activity of the Crown Point Community School Corporation (School Corporation) and is presented in accordance with the requirements of OMB Circular A-133, Audits of States, Local Governments, and Non-Profit Organizations. Accordingly, the amount of federal awards expended is based on when the activity related to the award occurs. Therefore, some amounts presented in this schedule may differ from amounts presented in, or used in the preparation of, the basic financial statements.

Circular A-133 requires an annual audit of nonfederal entities expending a total amount of federal awards equal to or in excess of \$500,000 in any fiscal year unless by constitution or statute a less frequent audit is required. In accordance with the Indiana Code (IC 5-11-1 et seq.), audits of School Corporations shall be conducted biennially. Such audits shall include both years within the biennial period.

II. Noncash Assistance

The School Corporation expended the following amount of noncash assistance for the years ending June 30, 2006 and 2007. This noncash assistance is also included in the federal expenditures presented in the schedule.

Program Title	2006	2007
Child Nutrition Cluster	\$ 64,185	\$ 127,717

CROWN POINT COMMUNITY SCHOOL CORPORATION  
SCHEDULE OF FINDINGS AND QUESTIONED COSTS

Section I – Summary of Auditor's Results

Financial Statements:

Type of auditor's report issued: Unqualified

Internal control over financial reporting:  
Material weaknesses identified? no  
Reportable conditions identified that are not considered to be material weaknesses? none reported

Noncompliance material to financial statements noted? no

Federal Awards:

Internal control over major programs:  
Material weaknesses identified? no  
Reportable conditions identified that are not considered to be material weaknesses? none reported

Type of auditor's report issued on compliance for major programs: Unqualified

Any audit findings disclosed that are required to be reported in accordance with section 510(a) of Circular A-133? no

Identification of Major Programs:

Name of Federal Program or Cluster

Child Nutrition Cluster

Dollar threshold used to distinguish between Type A and Type B programs: \$300,000

Auditee qualified as low-risk auditee? no

Section II – Financial Statement Findings

No matters are reportable.

Section III – Federal Award Findings and Questioned Costs

No matters are reportable.

CROWN POINT COMMUNITY SCHOOL CORPORATION  
SUMMARY SCHEDULE OF PRIOR AUDIT FINDINGS

No matters are reportable.

CROWN POINT COMMUNITY SCHOOL CORPORATION  
EXIT CONFERENCE

The contents of this report were discussed on November 13, 2007, with Dr. Teresa A. Eineman, Superintendent of Schools; Scott Angel, President of the School Board; Matthew D. Ruess, Treasurer; and Gene Ann Williams, Deputy Treasurer. The official response has been made a part of this report and may be found on pages 57 through 59.

# CROWN POINT COMMUNITY SCHOOL CORPORATION



200 E. North Street  
Crown Point, Indiana 46307  
Phone: (219) 663-3371  
Fax: (219) 662-4304

## BUSINESS OFFICE

Matthew D. Ruess  
Chief Financial Officer  
mruess@cps.k12.in.us

Mr. Bruce Hartman, CPA  
State Examiner  
State Board of Accounts  
302 W. Washington St., Room E418  
Indianapolis, In 46204

November 19, 2007

RE: Official Audit Response

Dear Mr. Hartman:

We had our final exit conference on Tuesday, November 13, 2007 with the State Board of Accounts. We would like to respond to the Audit Results and Comments with the following resolutions.

### Transfer Tuition

Currently we do not accept transfer tuition students. We are aware of the need to use the Form 515 to calculate the transfer tuition on the students that are grandfathered and still paying tuition.

### Travel Policy

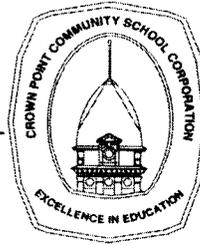
As stated in the *Accounting and Uniform Compliance Guidelines Manual for Indiana Public School Corporations, Chapter 9*, each governmental unit **should** adopt a written travel policy. Given that the manual is stated as a "should" provision, we have decided not to have a travel policy at this time. We are in the process of updating all of our policies and will take this into consideration when reviewing our travel policies.

### Tax Anticipation Warrants

The warrants received on December 30, 2005 were not new warrants, but they were warrants that were carried over from 2005 to 2006 due to not receiving the full distribution of property taxes. The board approved negotiation with the lender for the amount and the extension once the amount of the distribution was known.

The warrants issued in January of 2007 were recorded in the minutes pertaining to the interest rate and whom we borrowed from; inadvertently the amount was left out. In the future all pertinent facts will be included in the minutes.

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## **BUSINESS OFFICE**

Matthew D. Ruess  
Chief Financial Officer  
mruess@cps.k12.in.us

### Form Approval

Employee Service Records, Teacher Service Records, and Vendor Checks will be sent to the State Board of Accounts for approval. We are working with our software vendor to assure this guideline will be adhered to.

### Athletic Fund Claims (Crown Point High School)

We have directed the Crown Point High School Principal, Treasurer and Athletic Director that only itemized receipts will be used in paying credit card claims; contributions to affiliated groups are not allowed; and mileage reimbursements will be paid through the corporation General Fund. Every effort will be made to adhere to these guidelines. It should also be noted that the Principal has reimbursed the corporation for the inadvertent double payment.

### Purchase of Equipment (Crown Point High School)

All items over \$5,000 purchased from Extra-Curricular Accounts will be presented to the school board for authorization.

### Advance Payments (Crown Point High School)

We will be acquiring credit cards for the coaches to use for away events.

### Ticket Stubs (Crown Point High School)

Used ticket stubs from games will be torn in half. One part will be given to the patron and the other will be retained for audit.

### Cash Change Fund (Taft Middle School)

A cash change fund for Taft Middle School will be approved by the School Board of Trustees.

### Instrument Rental Fees (Taft Middle School)

Fees will be collected as approved.

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## BUSINESS OFFICE

Matthew D. Ruess  
Chief Financial Officer  
mruess@cps.k12.in.us

### Receipts (Solon Robinson Elementary School)

The Treasurer at Solon Robinson has been directed to void receipts if there is an error.

All corrective measures have been discussed with the appropriate parties and their implementation of the measures will be monitored.

Sincerely,

A handwritten signature in black ink, appearing to read 'Dr. Teresa A. Eineman'. The signature is fluid and cursive.

Dr. Teresa A. Eineman  
Superintendent

A handwritten signature in black ink, appearing to read 'Matthew D. Ruess'. The signature is fluid and cursive.

Matthew D. Ruess  
Chief Financial Officer