

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

AUDIT REPORT  
OF

METROPOLITAN SCHOOL DISTRICT  
OF LAWRENCE TOWNSHIP  
MARION COUNTY, INDIANA

July 1, 2005 to June 30, 2007



**FILED**

03/31/2008



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SCHEDULE OF OFFICIALS

<u>Office</u>	<u>Official</u>	<u>Term</u>
Treasurer	Robin Phelps	07-01-05 to 06-30-08
Superintendent of Schools	Dr. Michael C. Copper	07-01-05 to 06-30-08
President of the School Board	Cheryl McLaughlin Ed Stone Lori Petrucciani	07-01-05 to 06-30-06 07-01-06 to 06-30-07 07-01-07 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 METROPOLITAN SCHOOL DISTRICT  
OF LAWRENCE TOWNSHIP, MARION COUNTY, INDIANA

We have audited the accompanying financial statements of the governmental activities, each major fund, and the aggregate remaining fund information of the Metropolitan School District of Lawrence Township (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 January 14, 2008, 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 Combining Schedules, as listed in the Table of Contents, and Schedule of Long-Term Debt are presented for additional analysis and are not required parts of the basic financial statements. The Combining Schedules, as listed in the Table of Contents, have been subjected to the auditing procedures applied in the audit of the basic financial statements and, in our opinion, are fairly stated in all material respects in relation to the basic financial statements taken as a whole. The Schedule of Long-Term Debt has not been subjected to the auditing procedures applied by us in the audit of the basic financial statements and, accordingly, we express no opinion on it.

STATE BOARD OF ACCOUNTS

January 14, 2008



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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 METROPOLITAN SCHOOL DISTRICT  
OF LAWRENCE TOWNSHIP, MARION COUNTY, INDIANA

We have audited the financial statements of the governmental activities, each major fund, and the aggregate remaining fund information of the Metropolitan School District of Lawrence Township (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 January 14, 2008. 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 weakness, 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)

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.

We noted certain matters that we reported to management in a separate letter dated January 14, 2008.

The School Corporation's response to the findings identified in our audit is described in the accompanying sections of the report entitled Corrective Action Plan and Official Response. We did not audit the School Corporation's response and, accordingly, we express no opinion on it.

This report is intended solely for the information and use of the School Corporation's management, school board, 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

January 14, 2008

METROPOLITAN SCHOOL DISTRICT OF LAWRENCE TOWNSHIP  
STATEMENT OF ACTIVITIES AND NET ASSETS - CASH AND INVESTMENT BASIS  
For the Year Ended June 30, 2006

<u>Functions/Programs</u>	<u>Disbursements</u>	<u>Program Receipts</u>		<u>Totals</u>
		<u>Charges for Services</u>	<u>Operating Grants and Contributions</u>	<u>Net (Disbursement) Receipts and Changes in Net Assets</u>
Governmental activities:				
Instruction	\$ 65,286,242	\$ -	\$ 581,425	\$ (64,704,817)
Support services	92,451,384	4,943,903	3,030,928	(84,476,553)
Community services	626,662	-	-	(626,662)
Nonprogrammed charges	10,407,077	-	-	(10,407,077)
Debt service	<u>42,813,162</u>	<u>-</u>	<u>-</u>	<u>(42,813,162)</u>
Total governmental activities	<u>\$ 211,584,527</u>	<u>\$ 4,943,903</u>	<u>\$ 3,612,353</u>	<u>(203,028,271)</u>
General receipts:				
Property taxes				73,551,573
Other local sources				24,287,642
State aid				55,069,542
Bonds and loans				24,000,000
Grants and contributions not restricted to specific programs				10,945,576
Sale of property, adjustments, and refunds				359,553
Investment earnings				<u>2,943,934</u>
Total general receipts				<u>191,157,820</u>
Change in net assets				(11,870,451)
Net assets - beginning				<u>66,733,937</u>
Net assets - ending				<u>\$ 54,863,486</u>
<u>Assets</u>				
Cash and investments				\$ 43,388,339
Restricted assets:				
Cash and investments				<u>11,475,147</u>
Total assets				<u>\$ 54,863,486</u>
<u>Net Assets</u>				
Restricted for:				
Debt service				\$ 5,017,332
Other purposes				6,457,815
Unrestricted				<u>43,388,339</u>
Total net assets				<u>\$ 54,863,486</u>

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

METROPOLITAN SCHOOL DISTRICT OF LAWRENCE TOWNSHIP  
STATEMENT OF ACTIVITIES AND NET ASSETS - CASH AND INVESTMENT BASIS  
For the Year Ended June 30, 2007

<u>Functions/Programs</u>	<u>Disbursements</u>	Program Receipts		<u>Totals</u>
		<u>Charges for Services</u>	<u>Operating Grants and Contributions</u>	<u>Net (Disbursement) Receipts and Changes in Net Assets</u>
Governmental activities:				
Instruction	\$ 65,704,728	\$ -	\$ 521,243	\$ (65,183,485)
Support services	91,205,801	4,495,058	3,479,515	(83,231,228)
Community services	687,720	-	-	(687,720)
Nonprogrammed charges	12,170,247	-	-	(12,170,247)
Debt service	39,163,151	-	-	(39,163,151)
<u>Total governmental activities</u>	<u>\$ 208,931,647</u>	<u>\$ 4,495,058</u>	<u>\$ 4,000,758</u>	<u>(200,435,831)</u>
General receipts:				
Property taxes				53,131,263
Other local sources				27,435,741
State aid				54,399,547
Bonds and loans				24,000,000
Grants and contributions not restricted to specific programs				9,728,202
Sale of property, adjustments, and refunds				50,161,354
Investment earnings				<u>3,532,556</u>
Total general receipts				<u>222,388,663</u>
Change in net assets				21,952,832
Net assets - beginning				<u>54,863,486</u>
Net assets - ending				<u>\$ 76,816,318</u>
<u>Assets</u>				
Cash and investments				\$ 67,190,984
Restricted assets:				
Cash and investments				9,625,334
Total assets				<u>\$ 76,816,318</u>
<u>Net Assets</u>				
Restricted for:				
Debt service				\$ 1,594,648
Other purposes				8,030,686
Unrestricted				<u>67,190,984</u>
Total net assets				<u>\$ 76,816,318</u>

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

METROPOLITAN SCHOOL DISTRICT OF LAWRENCE TOWNSHIP  
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	School Lunch	Debt Service	Capital Projects	School Bus Replacement	Early Childhood Centers	Other	Totals
<b>Receipts:</b>									
Local sources	\$ 38,679,322	\$ 8,275,075	\$ 3,399,656	\$ 16,994,801	\$ 17,079,415	\$ 1,105,165	\$ 684,694	\$ 7,239,179	\$ 93,457,307
State sources	58,213,736	317,883	84,547	-	-	-	-	2,452,704	61,068,870
Federal sources	-	-	2,493,444	-	-	-	-	6,063,159	8,556,603
Sale of property, adjustments and refunds	323,205	59,664	2,377	-	(26,390)	-	-	697	359,553
<b>Total receipts</b>	<b>97,216,263</b>	<b>8,652,622</b>	<b>5,980,024</b>	<b>16,994,801</b>	<b>17,053,025</b>	<b>1,105,165</b>	<b>684,694</b>	<b>15,755,739</b>	<b>163,442,333</b>
<b>Disbursements:</b>									
<b>Current:</b>									
Instruction	58,010,369	-	-	-	-	-	-	7,272,473	65,282,842
Support services	36,308,352	8,403,868	5,805,181	200,000	13,485,166	57,706	18,966,159	9,224,952	92,451,384
Community services	297,222	-	-	-	-	-	-	329,440	626,662
Nonprogrammed charges	54,339	-	101,233	-	-	-	-	30,404	185,976
Debt services	20,604,292	3,875,924	-	16,905,402	-	-	-	1,427,544	42,813,162
<b>Total disbursements</b>	<b>115,274,574</b>	<b>12,279,792</b>	<b>5,906,414</b>	<b>17,105,402</b>	<b>13,485,166</b>	<b>57,706</b>	<b>18,966,159</b>	<b>18,284,813</b>	<b>201,360,026</b>
Excess (deficiency) of receipts over disbursements	(18,058,311)	(3,627,170)	73,610	(110,601)	3,567,859	1,047,459	(18,281,465)	(2,529,074)	(37,917,693)
<b>Other financing sources (uses):</b>									
Bonds and loans proceeds	20,000,000	4,000,000	-	-	-	-	-	-	24,000,000
Transfers in	75,000	-	-	-	-	-	-	178,033	253,033
Transfers out	-	-	-	-	-	-	-	(253,033)	(253,033)
<b>Total other financing sources (uses)</b>	<b>20,075,000</b>	<b>4,000,000</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>(75,000)</b>	<b>24,000,000</b>
Excess (deficiency) of receipts and other financing sources over disbursements and other financing uses	2,016,689	372,830	73,610	(110,601)	3,567,859	1,047,459	(18,281,465)	(2,604,074)	(13,917,693)
Cash and investments - beginning	8,427,662	1,795,118	3,515,227	5,190,336	13,969,720	(507,772)	23,170,100	6,762,973	62,323,364
Cash and investments - ending	<u>\$ 10,444,351</u>	<u>\$ 2,167,948</u>	<u>\$ 3,588,837</u>	<u>\$ 5,079,735</u>	<u>\$ 17,537,579</u>	<u>\$ 539,687</u>	<u>\$ 4,888,635</u>	<u>\$ 4,158,899</u>	48,405,671
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.									
									6,457,815
Net assets of governmental activities									<u>\$ 54,863,486</u>
<u>Cash and Investment Assets - Ending</u>									
Cash and investments	\$ 10,444,351	\$ 2,167,948	\$ 3,588,837	\$ -	\$ 17,537,579	\$ 539,687	\$ 4,888,635	\$ 4,221,302	\$ 43,388,339
Restricted assets:									
Cash and investments	-	-	-	5,079,735	-	-	-	(62,403)	5,017,332
<b>Total cash and investment assets - ending</b>	<u>\$ 10,444,351</u>	<u>\$ 2,167,948</u>	<u>\$ 3,588,837</u>	<u>\$ 5,079,735</u>	<u>\$ 17,537,579</u>	<u>\$ 539,687</u>	<u>\$ 4,888,635</u>	<u>\$ 4,158,899</u>	<u>\$ 48,405,671</u>
<u>Cash and Investment Fund Balance - Ending</u>									
Restricted for:									
Debt service	\$ -	\$ -	\$ -	\$ 5,079,735	\$ -	\$ -	\$ -	\$ (62,403)	\$ 5,017,332
Unrestricted	10,444,351	2,167,948	3,588,837	-	17,537,579	539,687	4,888,635	4,221,302	43,388,339
<b>Total cash and investment fund balance - ending</b>	<u>\$ 10,444,351</u>	<u>\$ 2,167,948</u>	<u>\$ 3,588,837</u>	<u>\$ 5,079,735</u>	<u>\$ 17,537,579</u>	<u>\$ 539,687</u>	<u>\$ 4,888,635</u>	<u>\$ 4,158,899</u>	<u>\$ 48,405,671</u>

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

METROPOLITAN SCHOOL DISTRICT OF LAWRENCE TOWNSHIP  
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	School Lunch	Debt Service	Capital Projects	School Bus Replacement	Early Childhood Centers	First Mortgage Bond Series 2007	Other	Totals
<b>Receipts:</b>										
Local sources	\$ 28,685,691	\$ 6,152,001	\$ 3,497,396	\$ 13,396,641	\$ 13,092,761	\$ 680,620	\$ 56,009	\$ 9,248	\$ 9,433,143	\$ 75,003,510
State sources	57,224,685	117,084	80,920	-	-	-	-	-	1,208,995	58,631,684
Federal sources	-	-	3,101,426	-	-	-	-	-	6,395,397	9,496,823
Sale of property, adjustments and refunds	293,262	91,102	-	-	47,089	-	29,900	49,700,000	-	50,161,353
<b>Total receipts</b>	<b>86,203,638</b>	<b>6,360,187</b>	<b>6,679,742</b>	<b>13,396,641</b>	<b>13,139,850</b>	<b>680,620</b>	<b>85,909</b>	<b>49,709,248</b>	<b>17,037,535</b>	<b>193,293,370</b>
<b>Disbursements:</b>										
<b>Current:</b>										
Instruction	58,862,675	-	-	-	-	-	-	-	6,842,053	65,704,728
Support services	38,106,637	8,746,047	5,953,562	10,000	19,319,466	982,333	4,128,291	4,790,165	9,169,300	91,205,801
Community services	325,149	-	-	-	-	-	-	-	362,571	687,720
Nonprogrammed charges	36,157	-	66,451	-	-	-	-	-	49,401	152,009
Debt services	16,611,530	3,765,950	-	16,874,637	-	-	-	-	1,911,034	39,163,151
<b>Total disbursements</b>	<b>113,942,148</b>	<b>12,511,997</b>	<b>6,020,013</b>	<b>16,884,637</b>	<b>19,319,466</b>	<b>982,333</b>	<b>4,128,291</b>	<b>4,790,165</b>	<b>18,334,359</b>	<b>196,913,409</b>
Excess (deficiency) of receipts over disbursements	(27,738,510)	(6,151,810)	659,729	(3,487,996)	(6,179,616)	(301,713)	(4,042,382)	44,919,083	(1,296,824)	(3,620,039)
<b>Other financing sources (uses)</b>										
Bonds and loans proceeds	20,000,000	4,000,000	-	-	-	-	-	-	-	24,000,000
Transfers in	-	-	-	-	-	-	-	-	1,311,374	1,311,374
Transfers out	-	-	-	-	(1,000,000)	-	-	-	(311,374)	(1,311,374)
<b>Total other financing sources (uses)</b>	<b>20,000,000</b>	<b>4,000,000</b>	<b>-</b>	<b>-</b>	<b>(1,000,000)</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>1,000,000</b>	<b>24,000,000</b>
Excess (deficiency) of receipts and other financing sources over disbursements and other financing uses	(7,738,510)	(2,151,810)	659,729	(3,487,996)	(7,179,616)	(301,713)	(4,042,382)	44,919,083	(296,824)	20,379,961
Cash and investments - beginning	10,444,351	2,167,948	3,588,837	5,079,735	17,537,579	539,687	4,888,635	-	4,158,899	48,405,671
Cash and investments - ending	\$ 2,705,841	\$ 16,138	\$ 4,248,566	\$ 1,591,739	\$ 10,357,963	\$ 237,974	\$ 846,253	\$ 44,919,083	\$ 3,862,075	68,785,632
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.										
										8,030,686
Net assets of governmental activities										\$ 76,816,318
<b>Cash and Investment Assets - Ending</b>										
Cash and investments	\$ 2,705,841	\$ 16,138	\$ 4,248,566	\$ -	\$ 10,357,963	\$ 237,974	\$ 846,253	\$ 44,919,083	\$ 3,859,166	\$ 67,190,984
Restricted assets:										
Cash and investments	-	-	-	1,591,739	-	-	-	-	2,909	1,594,648
<b>Total cash and investment assets - ending</b>	<b>\$ 2,705,841</b>	<b>\$ 16,138</b>	<b>\$ 4,248,566</b>	<b>\$ 1,591,739</b>	<b>\$ 10,357,963</b>	<b>\$ 237,974</b>	<b>\$ 846,253</b>	<b>\$ 44,919,083</b>	<b>\$ 3,862,075</b>	<b>\$ 68,785,632</b>
<b>Cash and Investment Fund Balance - Ending</b>										
Restricted for:										
Debt Service	\$ -	\$ -	\$ -	\$ 1,591,739	\$ -	\$ -	\$ -	\$ -	\$ 2,909	\$ 1,594,648
Unrestricted	2,705,841	16,138	4,248,566	-	10,357,963	237,974	846,253	44,919,083	3,859,166	67,190,984
<b>Total cash and investment fund balance - ending</b>	<b>\$ 2,705,841</b>	<b>\$ 16,138</b>	<b>\$ 4,248,566</b>	<b>\$ 1,591,739</b>	<b>\$ 10,357,963</b>	<b>\$ 237,974</b>	<b>\$ 846,253</b>	<b>\$ 44,919,083</b>	<b>\$ 3,862,075</b>	<b>\$ 68,785,632</b>

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

METROPOLITAN SCHOOL DISTRICT OF LAWRENCE TOWNSHIP  
 STATEMENT OF ASSETS AND FUND BALANCES AND RECEIPTS, DISBURSEMENTS,  
 AND CHANGES IN FUND BALANCES - CASH AND INVESTMENTS BASIS  
 PROPRIETARY FUNDS  
 For the Year Ended June 30, 2006

	Internal Service Funds
Operating receipts:	
Charges for services	\$ 12,269,740
Operating disbursements:	
Insurance claims and expense	<u>10,221,001</u>
Excess of operating receipts over operating disbursements	<u>2,048,739</u>
Change in net assets	2,048,739
Cash and investment fund balance - beginning	<u>4,409,076</u>
Cash and investment fund balance - ending	<u><u>\$ 6,457,815</u></u>
 <u>Cash and Investment Assets - Ending</u>	
Restricted assets:	
Cash and investments	<u><u>\$ 6,457,815</u></u>
 <u>Cash and Investment Fund Balance - Ending</u>	
Restricted for:	
Other purposes	<u><u>\$ 6,457,815</u></u>

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

METROPOLITAN SCHOOL DISTRICT OF LAWRENCE TOWNSHIP  
 STATEMENT OF ASSETS AND FUND BALANCES AND RECEIPTS, DISBURSEMENTS,  
 AND CHANGES IN FUND BALANCES - CASH AND INVESTMENTS BASIS  
 PROPRIETARY FUNDS  
 For the Year Ended June 30, 2007

	Internal Service Funds
Operating receipts:	
Charges for services	\$ 13,591,109
Operating disbursements:	
Insurance claims and expense	<u>12,018,238</u>
Excess of operating receipts over operating disbursements	<u>1,572,871</u>
Change in net assets	1,572,871
Cash and investment fund balance - beginning	<u>6,457,815</u>
Cash and investment fund balance - ending	<u><u>\$ 8,030,686</u></u>
 <u>Cash and Investment Assets - Ending</u>	
Restricted assets:	
Cash and investments	<u><u>\$ 8,030,686</u></u>
 <u>Cash and Investment Fund Balance - Ending</u>	
Restricted for:	
Other purposes	<u><u>\$ 8,030,686</u></u>

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

METROPOLITAN SCHOOL DISTRICT OF LAWRENCE TOWNSHIP  
STATEMENT OF ADDITIONS, DEDUCTIONS, AND CHANGES IN CASH AND INVESTMENT BALANCES  
FIDUCIARY FUNDS  
For the Year Ended June 30, 2006

	Pension Trust Fund	Private-Purpose Funds	Agency Funds
Additions:			
Contributions:			
Employer	\$ 11,240,591	\$ -	
Other	-	500	
Total contributions	11,240,591	500	
Investment earnings:			
Interest	-	6,519	
Total additions	11,240,591	7,019	
Deductions:			
Benefits	501,030	-	
Administrative and general	6,873	8,500	
Total deductions	507,903	8,500	
Excess (deficiency) of total additions over total deductions	10,732,688	(1,481)	
Cash and investment fund balance - beginning	4,437,662	162,969	
Cash and investment fund balance - ending	\$ 15,170,350	\$ 161,488	
Net assets:			
Cash and investments	\$ 15,170,350	\$ 161,488	\$ 665,214
Total net assets - cash and investment basis held in trust	\$ 15,170,350	\$ 161,488	\$ 665,214

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

METROPOLITAN SCHOOL DISTRICT OF LAWRENCE TOWNSHIP  
STATEMENT OF ADDITIONS, DEDUCTIONS, AND CHANGES IN CASH AND INVESTMENT BALANCES  
FIDUCIARY FUNDS  
For the Year Ended June 30, 2007

	Pension Trust Fund	Private-Purpose Funds	Agency Funds
Additions:			
Contributions:			
Other	\$ -	\$ 6,907	
Investment earnings:			
Interest	-	9,052	
Total additions	-	15,959	
Deductions:			
Benefits	580,022	-	
Administrative and general	352,759	13,141	
Total deductions	932,781	13,141	
Excess (deficiency) of total additions over total deductions	(932,781)	2,818	
Cash and investment fund balance - beginning	15,170,350	161,488	
Cash and investment fund balance - ending	\$ 14,237,569	\$ 164,306	
Net assets:			
Cash and investments	\$ 14,237,569	\$ 164,306	\$ 679,732
Total net assets - cash and investment basis held in trust	\$ 14,237,569	\$ 164,306	\$ 679,732

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

METROPOLITAN SCHOOL DISTRICT OF LAWRENCE TOWNSHIP  
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.

These financial statements present the School Corporation (primary government). There are no significant component units which require inclusion

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

Joint Venture

The School Corporation is a participant with Franklin Township Community School Corporation, Hamilton Southeastern Schools, and the Metropolitan School Districts of Perry, Pike, Warren, Washington, and Wayne Townships in a joint venture to operate the Metro Energy Gas Association which was created for the procurement of natural gas. The School Corporation is obligated by contract to remit administrative expenses for any fiscal year and any consultant fees that are apportioned equally among the School Corporations which are parties to this Agreement; costs for any purchases of natural gas made will be apportioned based on the actual usage of natural gas determined through a metering process if at all possible and otherwise as determined by an approved consultant. The School Corporation is obligated to pay any costs and expenses incurred which is determined by the Administrative Agent and sent in a monthly invoice. Complete financial statements for the Metro Energy Gas Association can be obtained from the Metropolitan School District of Wayne Township.

B. Government-Wide and Fund Financial Statements

Government-Wide Financial Statements

The Statements of Activities and Net Assets – Cash and Investment Basis 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

METROPOLITAN SCHOOL DISTRICT OF LAWRENCE TOWNSHIP  
NOTES TO FINANCIAL STATEMENTS  
(Continued)

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 school lunch fund is used to record all receipts from the sale of lunches, federal and state reimbursements, gifts and other receipts. It can also be used to record all disbursements for personal services, food, supplies, and equipment used to support the school lunch program.

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.

The early childhood centers fund is used to account for disbursements for capital outlay from receipts from the sale of real estate to the School Building Corporation of Lawrence Township.

The first mortgage bond series 2007 fund is used to account for the proceeds from the sale of school buildings proceeds which were to the School Building Corporation of Lawrence Township. The fund will be used to record disbursements for a portion of the construction of renovations of and improvements to several schools within the School Corporation. The major portion of construction and renovations will be made by the School Building Corporation and the buildings will be leased back to the School Corporation upon completion of the construction projects.

Additionally, the School Corporation reports the following fund types:

The internal service funds were established to account for the self-insurance plan established to pay for health related expenses.

Pension trust funds account for bonds and payments anticipated to be made to employees on or after the termination of employment or to pay postretirement or severance benefits held by the School Corporation in trustee capacity.

METROPOLITAN SCHOOL DISTRICT OF LAWRENCE TOWNSHIP  
NOTES TO FINANCIAL STATEMENTS  
(Continued)

The private-purpose trust fund reports a trust arrangement under which principal and income benefit the individuals with the primary purpose to be funding of student scholarships.

Agency funds account for assets held by the School Corporation as an agent for payroll related withholdings and serve as control of accounts for certain cash transactions during the time they are a liability to the School Corporation; that is, from the time they are expensed to the government or withheld from the employee's wages until they are transmitted to the proper payee for the purpose withheld.

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. Receipts are recorded when received and disbursements are recorded when paid.

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 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.

METROPOLITAN SCHOOL DISTRICT OF LAWRENCE TOWNSHIP  
NOTES TO FINANCIAL STATEMENTS  
(Continued)

2. Property Taxes

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 become delinquent if not paid by May 10 and November 10, respectively. All property taxes collected by the County Treasurer and available for distribution were distributed to the School Corporation on or prior to June 30 of the year collected. However, a delay in the approval of taxable property assessments resulted in May 2007 tax bills not being issued until November 2007. This caused a significant decrease in receipts from local sources/property taxes for the year 2006-2007.

3. Compensated Absences

a. Sick Leave

Employees earn sick leave at the rate of 10 to 12 days per year based on months of service. Unused sick leave may be accumulated to a maximum of 250 days. Accumulated sick leave is paid to employees through cash payments upon retirement but not termination.

b. Vacation Leave

Nonteaching or administrative and noncertified School Corporation employees earn vacation leave at rates from 10 days to 20 days per year based upon the number of years of service. Vacation leave does not accumulate from year to year.

c. Personal Leave

School Corporation employees earn personal leave at the rate of 2 days per year. Unused personal leave may be accumulated to a maximum of 5 days. Any additional unused personal days are added to accumulated sick leave.

4. Capital Assets

Capital assets arising from cash transactions acquired for use in governmental 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.

METROPOLITAN SCHOOL DISTRICT OF LAWRENCE TOWNSHIP  
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, (2) operating grants and contributions, and (3) capital grants and contributions, including special assessments. 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 and the similar discretely presented component unit 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 – Cash and Investment Basis, 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.

METROPOLITAN SCHOOL DISTRICT OF LAWRENCE TOWNSHIP  
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:

1. Internal activities – Amounts reported as interfund transfers in the fund financial statements are eliminated in the government-wide Statement of Activities and Net Assets – Cash and Investment Basis except for the net amount of transfers between governmental and business-type activities, which are reported as Transfers – Internal Activities. The effects of interfund services between funds, if any, are not eliminated in the Statement of Activities and Net Assets – Cash and Investment Basis.
2. Primary government and component unit activity and balances – Resource flows between the primary government and the discretely-presented component unit(s) are reported as if they were external transactions and are classified separately from internal balances and activities within the primary government.

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.

METROPOLITAN SCHOOL DISTRICT OF LAWRENCE TOWNSHIP  
 NOTES TO FINANCIAL STATEMENTS  
 (Continued)

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 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
Capital Projects Fund	Other governmental funds	\$ -	\$ 1,000,000
Other governmental funds	General Fund	75,000	-
	Other governmental funds	<u>178,033</u>	<u>311,374</u>
Totals		<u>\$ 253,033</u>	<u>\$ 1,311,374</u>

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

C. Restatements and Reclassifications

For the year ended June 30, 2005, certain changes have been made to the financial statements to more appropriately reflect financial activity of the School Corporation. The following schedule presents a summary of restated beginning balances by opinion unit. The prior period adjustment represents a reclassification of a fund's activity to properly be included in the general fund's activity.

Opinion Unit	Balance as Reported June 30, 2005	Prior Period Adjustments	Balance as Restated July 1, 2005
General Fund	\$ 7,915,396	\$ 512,266	\$ 8,427,662
Other governmental funds	10,791,967	(512,266)	10,279,701

METROPOLITAN SCHOOL DISTRICT OF LAWRENCE TOWNSHIP  
NOTES TO FINANCIAL STATEMENTS  
(Continued)

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; 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.

Medical Benefits to Employees, Retirees, and Dependents

The School Corporation has chosen to establish a risk financing fund for risks associated with medical benefits to employees, retirees, and dependents. The risk financing fund is accounted for in the Health Insurance Fund, an internal service fund, where assets are set aside for claim settlements. An excess policy through commercial insurance covers individual claims in excess of \$175,000 per person per year and in the aggregate of \$2,000,000. 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.

B. Holding Corporations

The School Corporation has entered into a capital lease with the School Building Corporation of Lawrence Township, Middle School Building Corporation of Lawrence Township, International School Building Corporation of Lawrence Township, and Lawrence Central High School Building Corporation (the lessors). The lessors were organized as a not-for-profit corporations pursuant to state statute for the purpose of financing and constructing or reconstructing facilities for lease to the School Corporation. The lessors have been determined to be a related party of the School Corporation. Lease payments during the year totaled \$14,555,245.

C. Postemployment Benefits

In addition to the pension benefits described below, the School Corporation provides postemployment health insurance benefits, as authorized by Indiana Code 5-10-8, to all administrators and certified personnel who retire from the School Corporation on or after attaining age 50 with at least 10 years of service. Currently, 79 retirees meet these eligibility requirements. The School Corporation and retirees provide 80% and 20%, up to \$4,000 respectively, of these postemployment benefits. Disbursements for those postemployment benefits are recognized on a pay-as-you-go basis. During the year ended June 30, 2007, disbursements of \$275,909 were recognized for postemployment benefits.

These funds are held in reserve to pay health insurance premiums of qualified retirees for a limited time in accordance with various governmental regulations.

METROPOLITAN SCHOOL DISTRICT OF LAWRENCE TOWNSHIP  
NOTES TO FINANCIAL STATEMENTS  
(Continued)

D. 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.

Information to segregate the assets/liabilities and the actuarial study figures between the School Corporation and the Utilities is not available.

METROPOLITAN SCHOOL DISTRICT OF LAWRENCE TOWNSHIP  
NOTES TO FINANCIAL STATEMENTS  
(Continued)

Actuarial Information for the Above Plan

	PERF
Annual required contribution	\$ 1,142,008
Interest on net pension obligation	(110,055)
Adjustment to annual required contribution	125,416
Annual pension cost	1,157,369
Contributions made	1,084,038
Increase in net pension obligation	73,331
Net pension obligation, beginning of year	(1,518,002)
Net pension obligation, end of year	\$ (1,444,671)
Contribution rates:	
School Corporation	5.75%
Plan members	3%
Actuarial valuation date	07-01-2006
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	06-30-04	\$ 816,038	130%	\$ (1,292,711)
	06-30-05	900,761	125%	(1,518,002)
	06-30-06	1,157,369	94%	(1,444,671)

METROPOLITAN SCHOOL DISTRICT OF LAWRENCE TOWNSHIP  
NOTES TO FINANCIAL STATEMENTS  
(Continued)

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.

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 \$2,261,462, \$2,163,697, and \$2,053,205, respectively. The School Corporation actually contributed 100% of the required contribution for each of the fiscal years, respectively.

METROPOLITAN SCHOOL DISTRICT OF LAWRENCE TOWNSHIP  
 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)
07-01-04	\$ 15,135,523	\$ 14,638,319	\$ 497,204	103%	\$ 18,452,869	3%
07-01-05	16,028,680	17,593,223	(1,564,543)	91%	19,332,216	(8%)
07-01-06	17,506,441	17,343,187	163,254	101%	18,590,392	1%

METROPOLITAN SCHOOL DISTRICT OF LAWRENCE TOWNSHIP  
 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 Education Preschool	Rainy Day Fund	Textbook Rental	Loving Care	Alternative Education	Safe Haven 2005-2006	Early Intervention Grant
<b>Receipts:</b>							
Local sources	\$ 123,089	\$ -	\$ 1,544,340	\$ 1,904,089	\$ -	\$ -	\$ -
State sources	366,898	-	426,737	-	45,946	33,844	67,708
Federal sources	-	-	-	-	-	-	-
Sale of property, adjustments and refunds	-	-	697	-	-	-	-
<b>Total receipts</b>	<b>489,987</b>	<b>-</b>	<b>1,971,774</b>	<b>1,904,089</b>	<b>45,946</b>	<b>33,844</b>	<b>67,708</b>
<b>Disbursements:</b>							
<b>Current:</b>							
Instruction	304,403	-	-	1,485,647	38,415	-	65,631
Support services	80,086	342,783	2,590,788	571,160	7,255	41,010	2,077
Community services	-	-	-	-	-	-	-
Nonprogrammed charges	-	-	-	-	-	-	-
Debt services	-	-	-	-	-	-	-
<b>Total disbursements</b>	<b>384,489</b>	<b>342,783</b>	<b>2,590,788</b>	<b>2,056,807</b>	<b>45,670</b>	<b>41,010</b>	<b>67,708</b>
Excess (deficiency) of receipts over disbursements	105,498	(342,783)	(619,014)	(152,718)	276	(7,166)	-
<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>
Excess (deficiency) of receipts and other financing sources over disbursements and other financing uses	105,498	(342,783)	(619,014)	(152,718)	276	(7,166)	-
Cash and investments - beginning	(63,919)	1,511,822	975,144	470,396	24,953	7,481	-
Cash and investments - ending	\$ 41,579	\$ 1,169,039	\$ 356,130	\$ 317,678	\$ 25,229	\$ 315	\$ -
<b>Cash and Investment Assets - Ending</b>							
Cash and investments	\$ 41,579	\$ 1,169,039	\$ 356,130	\$ 317,678	\$ 25,229	\$ 315	\$ -
Restricted assets:							
Cash and investments	-	-	-	-	-	-	-
<b>Total cash and investment assets - ending</b>	<b>\$ 41,579</b>	<b>\$ 1,169,039</b>	<b>\$ 356,130</b>	<b>\$ 317,678</b>	<b>\$ 25,229</b>	<b>\$ 315</b>	<b>\$ -</b>
<b>Cash and Investment Fund Balance - Ending</b>							
Restricted for:							
Debt service	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Unrestricted	41,579	1,169,039	356,130	317,678	25,229	315	-
<b>Total cash and investment fund balance - ending</b>	<b>\$ 41,579</b>	<b>\$ 1,169,039</b>	<b>\$ 356,130</b>	<b>\$ 317,678</b>	<b>\$ 25,229</b>	<b>\$ 315</b>	<b>\$ -</b>

METROPOLITAN SCHOOL DISTRICT OF LAWRENCE TOWNSHIP  
 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)

	Continuing Contact Fees	Student Life Center Support	Lawrence North Childcare	Lawrence Central Library Grant	Lawrence Central Lumina Grant	Lawrence Central Donations	Foundation Wish List
<b>Receipts:</b>							
Local sources	\$ -	\$ 79,981	\$ 64,500	\$ 10,000	\$ -	\$ -	\$ 3,185
State sources	52,500	-	-	-	-	-	-
Federal sources	-	-	-	-	-	-	-
Sale of property, adjustments and refunds	-	-	-	-	-	-	-
<b>Total receipts</b>	<b>52,500</b>	<b>79,981</b>	<b>64,500</b>	<b>10,000</b>	<b>-</b>	<b>-</b>	<b>3,185</b>
<b>Disbursements:</b>							
<b>Current:</b>							
Instruction	57,162	71,617	-	-	6,087	1,283	-
Support services	4,324	11,114	15,621	8,186	-	-	-
Community services	-	-	61,912	-	-	-	459
Nonprogrammed charges	-	-	-	-	-	-	-
Debt services	-	-	-	-	-	-	-
<b>Total disbursements</b>	<b>61,486</b>	<b>82,731</b>	<b>77,533</b>	<b>8,186</b>	<b>6,087</b>	<b>1,283</b>	<b>459</b>
Excess (deficiency) of receipts over disbursements	(8,986)	(2,750)	(13,033)	1,814	(6,087)	(1,283)	2,726
<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>
Excess (deficiency) of receipts and other financing sources over disbursements and other financing uses	(8,986)	(2,750)	(13,033)	1,814	(6,087)	(1,283)	2,726
Cash and investments - beginning	41,562	(2,864)	(3,477)	10,037	6,087	1,283	(17)
Cash and investments - ending	<u>\$ 32,576</u>	<u>\$ (5,614)</u>	<u>\$ (16,510)</u>	<u>\$ 11,851</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 2,709</u>
<b>Cash and Investment Assets - Ending</b>							
Cash and investments	\$ 32,576	\$ (5,614)	\$ (16,510)	\$ 11,851	\$ -	\$ -	\$ 2,709
Restricted assets:							
Cash and investments	-	-	-	-	-	-	-
<b>Total cash and investment assets - ending</b>	<b>\$ 32,576</b>	<b>\$ (5,614)</b>	<b>\$ (16,510)</b>	<b>\$ 11,851</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ 2,709</b>
<b>Cash and Investment Fund Balance - Ending</b>							
Restricted for:							
Debt service	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Unrestricted	32,576	(5,614)	(16,510)	11,851	-	-	2,709
<b>Total cash and investment fund balance - ending</b>	<b>\$ 32,576</b>	<b>\$ (5,614)</b>	<b>\$ (16,510)</b>	<b>\$ 11,851</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ 2,709</b>

METROPOLITAN SCHOOL DISTRICT OF LAWRENCE TOWNSHIP  
 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)

	Lawrence North Library Grant	Foundation Salaries	PFO IAS	Forest Glen Office Assistant	Donation Accounts	Community Hospital 2007-2008	Fairbanks Hospital 2007-2008
Receipts:							
Local sources	\$ 10,000	\$ 284,073	\$ 11,100	\$ 2,745	\$ 50,636	\$ -	\$ -
State sources	-	-	-	-	-	-	-
Federal sources	-	-	-	-	-	-	-
Sale of property, adjustments and refunds	-	-	-	-	-	-	-
Total receipts	<u>10,000</u>	<u>284,073</u>	<u>11,100</u>	<u>2,745</u>	<u>50,636</u>	<u>-</u>	<u>-</u>
Disbursements:							
Current:							
Instruction	-	18,897	11,667	3,408	-	-	-
Support services	8,509	19,813	-	-	66,053	-	267
Community services	-	251,997	-	-	-	-	-
Nonprogrammed charges	-	-	-	-	-	-	-
Debt services	-	-	-	-	-	-	-
Total disbursements	<u>8,509</u>	<u>290,707</u>	<u>11,667</u>	<u>3,408</u>	<u>66,053</u>	<u>-</u>	<u>267</u>
Excess (deficiency) of receipts over disbursements	<u>1,491</u>	<u>(6,634)</u>	<u>(567)</u>	<u>(663)</u>	<u>(15,417)</u>	<u>-</u>	<u>(267)</u>
Other financing sources (uses):							
Transfers in	-	-	-	-	18,951	-	-
Transfers out	-	-	-	-	-	-	-
Total other financing sources (uses)	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>18,951</u>	<u>-</u>	<u>-</u>
Excess (deficiency) of receipts and other financing sources over disbursements and other financing uses	<u>1,491</u>	<u>(6,634)</u>	<u>(567)</u>	<u>(663)</u>	<u>3,534</u>	<u>-</u>	<u>(267)</u>
Cash and investments - beginning	<u>134</u>	<u>(14,906)</u>	<u>547</u>	<u>-</u>	<u>101,475</u>	<u>194</u>	<u>267</u>
Cash and investments - ending	<u>\$ 1,625</u>	<u>\$ (21,540)</u>	<u>\$ (20)</u>	<u>\$ (663)</u>	<u>\$ 105,009</u>	<u>\$ 194</u>	<u>\$ -</u>
<u>Cash and Investment Assets - Ending</u>							
Cash and investments	\$ 1,625	\$ (21,540)	\$ (20)	\$ (663)	\$ 105,009	\$ 194	\$ -
Restricted assets:							
Cash and investments	-	-	-	-	-	-	-
Total cash and investment assets - ending	<u>\$ 1,625</u>	<u>\$ (21,540)</u>	<u>\$ (20)</u>	<u>\$ (663)</u>	<u>\$ 105,009</u>	<u>\$ 194</u>	<u>\$ -</u>
<u>Cash and Investment Fund Balance - Ending</u>							
Restricted for:							
Debt service	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Unrestricted	<u>1,625</u>	<u>(21,540)</u>	<u>(20)</u>	<u>(663)</u>	<u>105,009</u>	<u>194</u>	<u>-</u>
Total cash and investment fund balance - ending	<u>\$ 1,625</u>	<u>\$ (21,540)</u>	<u>\$ (20)</u>	<u>\$ (663)</u>	<u>\$ 105,009</u>	<u>\$ 194</u>	<u>\$ -</u>

METROPOLITAN SCHOOL DISTRICT OF LAWRENCE TOWNSHIP  
 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)

	Retirement Recognition	Community Hospital 2005-2006	Fairbanks Hospital 2005-2006	Lumina/AAEA	Community Education	HS AERD	Training Workshops
<b>Receipts:</b>							
Local sources	\$ 2,500	\$ 230	\$ -	\$ 10,000	\$ 299,460	\$ 6,395	\$ 1,150
State sources	-	-	-	-	-	-	-
Federal sources	-	-	-	-	-	-	-
Sale of property, adjustments and refunds	-	-	-	-	-	-	-
<b>Total receipts</b>	<u>2,500</u>	<u>230</u>	<u>-</u>	<u>10,000</u>	<u>299,460</u>	<u>6,395</u>	<u>1,150</u>
<b>Disbursements:</b>							
<b>Current:</b>							
Instruction	-	-	-	-	-	-	-
Support services	2,096	224,701	77,674	5,935	322,222	2,671	441
Community services	-	-	-	-	-	-	-
Nonprogrammed charges	-	-	-	-	-	-	-
Debt services	-	-	-	-	-	-	-
<b>Total disbursements</b>	<u>2,096</u>	<u>224,701</u>	<u>77,674</u>	<u>5,935</u>	<u>322,222</u>	<u>2,671</u>	<u>441</u>
<b>Excess (deficiency) of receipts over disbursements</b>	<u>404</u>	<u>(224,471)</u>	<u>(77,674)</u>	<u>4,065</u>	<u>(22,762)</u>	<u>3,724</u>	<u>709</u>
<b>Other financing sources (uses):</b>							
Transfers in	-	-	-	-	-	-	-
Transfers out	-	-	-	-	-	-	-
<b>Total other financing sources (uses)</b>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
<b>Excess (deficiency) of receipts and other financing sources over disbursements and other financing uses</b>	<u>404</u>	<u>(224,471)</u>	<u>(77,674)</u>	<u>4,065</u>	<u>(22,762)</u>	<u>3,724</u>	<u>709</u>
<b>Cash and investments - beginning</b>	<u>-</u>	<u>76,743</u>	<u>35,871</u>	<u>-</u>	<u>(232,757)</u>	<u>(322)</u>	<u>5,363</u>
<b>Cash and investments - ending</b>	<u>\$ 404</u>	<u>\$ (147,728)</u>	<u>\$ (41,803)</u>	<u>\$ 4,065</u>	<u>\$ (255,519)</u>	<u>\$ 3,402</u>	<u>\$ 6,072</u>
<b>Cash and Investment Assets - Ending</b>							
Cash and investments	\$ 404	\$ (147,728)	\$ (41,803)	\$ 4,065	\$ (255,519)	\$ 3,402	\$ 6,072
<b>Restricted assets:</b>							
Cash and investments	-	-	-	-	-	-	-
<b>Total cash and investment assets - ending</b>	<u>\$ 404</u>	<u>\$ (147,728)</u>	<u>\$ (41,803)</u>	<u>\$ 4,065</u>	<u>\$ (255,519)</u>	<u>\$ 3,402</u>	<u>\$ 6,072</u>
<b>Cash and Investment Fund Balance - Ending</b>							
<b>Restricted for:</b>							
Debt service	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Unrestricted	404	(147,728)	(41,803)	4,065	(255,519)	3,402	6,072
<b>Total cash and investment fund balance - ending</b>	<u>\$ 404</u>	<u>\$ (147,728)</u>	<u>\$ (41,803)</u>	<u>\$ 4,065</u>	<u>\$ (255,519)</u>	<u>\$ 3,402</u>	<u>\$ 6,072</u>

METROPOLITAN SCHOOL DISTRICT OF LAWRENCE TOWNSHIP  
 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)

	Preschool of the Arts	Nessi Exploration Grant	SEC 125 Flex Account	Community 2004-2005	Criminal History	Options 2003-2004	Leadership Training
<b>Receipts:</b>							
Local sources	\$ 109,590	\$ 106,500	\$ 549,792	\$ 129,024	\$ 1,565	\$ -	\$ 3,004
State sources	-	-	-	-	-	-	-
Federal sources	-	-	-	-	-	-	-
Sale of property, adjustments and refunds	-	-	-	-	-	-	-
<b>Total receipts</b>	<b>109,590</b>	<b>106,500</b>	<b>549,792</b>	<b>129,024</b>	<b>1,565</b>	<b>-</b>	<b>3,004</b>
<b>Disbursements:</b>							
<b>Current:</b>							
Instruction	-	-	-	-	-	-	-
Support services	166,186	54,526	530,136	20,414	19	4,022	4,693
Community services	-	-	-	-	-	-	-
Nonprogrammed charges	-	-	-	-	-	-	-
Debt services	-	-	-	-	-	-	-
<b>Total disbursements</b>	<b>166,186</b>	<b>54,526</b>	<b>530,136</b>	<b>20,414</b>	<b>19</b>	<b>4,022</b>	<b>4,693</b>
Excess (deficiency) of receipts over disbursements	(56,596)	51,974	19,656	108,610	1,546	(4,022)	(1,689)
<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>
Excess (deficiency) of receipts and other financing sources over disbursements and other financing uses	(56,596)	51,974	19,656	108,610	1,546	(4,022)	(1,689)
Cash and investments - beginning	799	13,995	142,217	20,779	(1,546)	4,022	1,725
Cash and investments - ending	<u>\$ (55,797)</u>	<u>\$ 65,969</u>	<u>\$ 161,873</u>	<u>\$ 129,389</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 36</u>
<b>Cash and Investment Assets - Ending</b>							
Cash and investments	\$ (55,797)	\$ 65,969	\$ 161,873	\$ 129,389	\$ -	\$ -	\$ 36
Restricted assets:							
Cash and investments	-	-	-	-	-	-	-
<b>Total cash and investment assets - ending</b>	<b><u>\$ (55,797)</u></b>	<b><u>\$ 65,969</u></b>	<b><u>\$ 161,873</u></b>	<b><u>\$ 129,389</u></b>	<b><u>\$ -</u></b>	<b><u>\$ -</u></b>	<b><u>\$ 36</u></b>
<b>Cash and Investment Fund Balance - Ending</b>							
Restricted for:							
Debt service	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Unrestricted	(55,797)	65,969	161,873	129,389	-	-	36
<b>Total cash and investment fund balance - ending</b>	<b><u>\$ (55,797)</u></b>	<b><u>\$ 65,969</u></b>	<b><u>\$ 161,873</u></b>	<b><u>\$ 129,389</u></b>	<b><u>\$ -</u></b>	<b><u>\$ -</u></b>	<b><u>\$ 36</u></b>

METROPOLITAN SCHOOL DISTRICT OF LAWRENCE TOWNSHIP  
 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)

	Children's Museum	Strategic Planning	Lilly Digital Age Grant	Kindergarten Fully Day Co-Pay	Gifted and Talented 2005-2006	Emergency Aid	Professional Development 2006-2007
<b>Receipts:</b>							
Local sources	\$ 84,777	\$ 492	\$ -	\$ 430,505	\$ -	\$ -	\$ -
State sources	-	-	21,887	-	41,261	27,250	-
Federal sources	-	-	-	-	-	-	-
Sale of property, adjustments and refunds	-	-	-	-	-	-	-
<b>Total receipts</b>	<b>84,777</b>	<b>492</b>	<b>21,887</b>	<b>430,505</b>	<b>41,261</b>	<b>27,250</b>	<b>-</b>
<b>Disbursements:</b>							
<b>Current:</b>							
Instruction	-	-	-	418,859	32,491	-	4,640
Support services	8,060	27,193	284,231	94,525	1,244	-	69
Community services	-	-	-	-	-	-	-
Nonprogrammed charges	-	-	-	-	-	-	-
Debt services	-	-	-	-	-	-	-
<b>Total disbursements</b>	<b>8,060</b>	<b>27,193</b>	<b>284,231</b>	<b>513,384</b>	<b>33,735</b>	<b>-</b>	<b>4,709</b>
<b>Excess (deficiency) of receipts over disbursements</b>	<b>76,717</b>	<b>(26,701)</b>	<b>(262,344)</b>	<b>(82,879)</b>	<b>7,526</b>	<b>27,250</b>	<b>(4,709)</b>
<b>Other financing sources (uses):</b>							
Transfers in	-	-	-	-	-	-	-
Transfers out	-	(75,000)	-	-	-	-	-
<b>Total other financing sources (uses)</b>	<b>-</b>	<b>(75,000)</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>76,717</b>	<b>(101,701)</b>	<b>(262,344)</b>	<b>(82,879)</b>	<b>7,526</b>	<b>27,250</b>	<b>(4,709)</b>
<b>Cash and investments - beginning</b>	<b>(33,938)</b>	<b>193,908</b>	<b>1,556,353</b>	<b>272,534</b>	<b>-</b>	<b>-</b>	<b>4,709</b>
<b>Cash and investments - ending</b>	<b>\$ 42,779</b>	<b>\$ 92,207</b>	<b>\$ 1,294,009</b>	<b>\$ 189,655</b>	<b>\$ 7,526</b>	<b>\$ 27,250</b>	<b>\$ -</b>
<b>Cash and Investment Assets - Ending</b>							
Cash and investments	\$ 42,779	\$ 92,207	\$ 1,294,009	\$ 189,655	\$ 7,526	\$ 27,250	\$ -
Restricted assets:							
Cash and investments	-	-	-	-	-	-	-
<b>Total cash and investment assets - ending</b>	<b>\$ 42,779</b>	<b>\$ 92,207</b>	<b>\$ 1,294,009</b>	<b>\$ 189,655</b>	<b>\$ 7,526</b>	<b>\$ 27,250</b>	<b>\$ -</b>
<b>Cash and Investment Fund Balance - Ending</b>							
Restricted for:							
Debt service	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Unrestricted	42,779	92,207	1,294,009	189,655	7,526	27,250	-
<b>Total cash and investment fund balance - ending</b>	<b>\$ 42,779</b>	<b>\$ 92,207</b>	<b>\$ 1,294,009</b>	<b>\$ 189,655</b>	<b>\$ 7,526</b>	<b>\$ 27,250</b>	<b>\$ -</b>

METROPOLITAN SCHOOL DISTRICT OF LAWRENCE TOWNSHIP  
 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)

	Staff Development Capuano	Lilly Endowment Grant	Staff Development Doug Reeves	Lilly Endowment Interest	Profession Development 2004-2005	Professional Development 2005-2006	Lilly Replacement Teacher
<b>Receipts:</b>							
Local sources	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
State sources	-	-	20,000	-	-	172,126	25,000
Federal sources	-	-	-	-	-	-	-
Sale of property, adjustments and refunds	-	-	-	-	-	-	-
<b>Total receipts</b>	<b>-</b>	<b>-</b>	<b>20,000</b>	<b>-</b>	<b>-</b>	<b>172,126</b>	<b>25,000</b>
<b>Disbursements:</b>							
<b>Current:</b>							
Instruction	-	-	-	-	-	-	-
Support services	-	1,112,742	35,444	95,102	81,181	54,750	-
Community services	-	-	-	-	-	-	-
Nonprogrammed charges	-	-	-	-	-	-	-
Debt services	-	-	-	-	-	-	-
<b>Total disbursements</b>	<b>-</b>	<b>1,112,742</b>	<b>35,444</b>	<b>95,102</b>	<b>81,181</b>	<b>54,750</b>	<b>-</b>
<b>Excess (deficiency) of receipts over disbursements</b>	<b>-</b>	<b>(1,112,742)</b>	<b>(15,444)</b>	<b>(95,102)</b>	<b>(81,181)</b>	<b>117,376</b>	<b>25,000</b>
<b>Other financing sources (uses):</b>							
Transfers in	-	-	-	-	-	-	-
Transfers out	(18,951)	-	-	-	-	-	-
<b>Total other financing sources (uses)</b>	<b>(18,951)</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>(18,951)</b>	<b>(1,112,742)</b>	<b>(15,444)</b>	<b>(95,102)</b>	<b>(81,181)</b>	<b>117,376</b>	<b>25,000</b>
<b>Cash and investments - beginning</b>	<b>18,951</b>	<b>1,112,742</b>	<b>26,646</b>	<b>105,766</b>	<b>93,700</b>	<b>-</b>	<b>-</b>
<b>Cash and investments - ending</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ 11,202</b>	<b>\$ 10,664</b>	<b>\$ 12,519</b>	<b>\$ 117,376</b>	<b>\$ 25,000</b>
<b><u>Cash and Investment Assets - Ending</u></b>							
Cash and investments	\$ -	\$ -	\$ 11,202	\$ 10,664	\$ 12,519	\$ 117,376	\$ 25,000
Restricted assets:							
Cash and investments	-	-	-	-	-	-	-
<b>Total cash and investment assets - ending</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ 11,202</b>	<b>\$ 10,664</b>	<b>\$ 12,519</b>	<b>\$ 117,376</b>	<b>\$ 25,000</b>
<b><u>Cash and Investment Fund Balance - Ending</u></b>							
Restricted for:							
Debt service	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Unrestricted	-	-	11,202	10,664	12,519	117,376	25,000
<b>Total cash and investment fund balance - ending</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ 11,202</b>	<b>\$ 10,664</b>	<b>\$ 12,519</b>	<b>\$ 117,376</b>	<b>\$ 25,000</b>

METROPOLITAN SCHOOL DISTRICT OF LAWRENCE TOWNSHIP  
 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)

	Student Exploration Teaching	Tech Prep Grant	Computer Loan	Extra-Curricular Clearing Account	Learn To Swim	Language Assistance Program	Learning Grants
Receipts:							
Local sources	\$ -	\$ -	\$ -	\$ 237,196	\$ 24,719	\$ -	\$ -
State sources	-	60,297	1,046,957	-	-	14,897	-
Federal sources	-	-	-	-	-	-	-
Sale of property, adjustments and refunds	-	-	-	-	-	-	-
<b>Total receipts</b>	<b>-</b>	<b>60,297</b>	<b>1,046,957</b>	<b>237,196</b>	<b>24,719</b>	<b>14,897</b>	<b>-</b>
Disbursements:							
Current:							
Instruction	466	55,108	-	207,296	28,096	1,331	-
Support services	-	2,129	-	18,805	2,134	170	644
Community services	-	-	-	-	-	-	-
Nonprogrammed charges	-	-	-	-	-	-	-
Debt services	-	-	-	-	-	-	-
<b>Total disbursements</b>	<b>466</b>	<b>57,237</b>	<b>-</b>	<b>226,101</b>	<b>30,230</b>	<b>1,501</b>	<b>644</b>
Excess (deficiency) of receipts over disbursements	(466)	3,060	1,046,957	11,095	(5,511)	13,396	(644)
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>	<b>-</b>
Excess (deficiency) of receipts and other financing sources over disbursements and other financing uses	(466)	3,060	1,046,957	11,095	(5,511)	13,396	(644)
Cash and investments - beginning	1,755	(3,060)	(1,046,957)	11,208	(4,696)	15,054	3,540
Cash and investments - ending	<u>\$ 1,289</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 22,303</u>	<u>\$ (10,207)</u>	<u>\$ 28,450</u>	<u>\$ 2,896</u>
<b>Cash and Investment Assets - Ending</b>							
Cash and investments	\$ 1,289	\$ -	\$ -	\$ 22,303	\$ (10,207)	\$ 28,450	\$ 2,896
Restricted assets:							
Cash and investments	-	-	-	-	-	-	-
<b>Total cash and investment assets - ending</b>	<b>\$ 1,289</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ 22,303</b>	<b>\$ (10,207)</b>	<b>\$ 28,450</b>	<b>\$ 2,896</b>
<b>Cash and Investment Fund Balance - Ending</b>							
Restricted for:							
Debt service	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Unrestricted	1,289	-	-	22,303	(10,207)	28,450	2,896
<b>Total cash and investment fund balance - ending</b>	<b>\$ 1,289</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ 22,303</b>	<b>\$ (10,207)</b>	<b>\$ 28,450</b>	<b>\$ 2,896</b>

METROPOLITAN SCHOOL DISTRICT OF LAWRENCE TOWNSHIP  
 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)

	Non-English Speaking 2007-2008	Tech Prep TP-5-66	Title I 2005-2006	Title I 2004-2005	School Improvement 2005-2006	School Improvement 2006-2007	School Reform 2004-2005
<b>Receipts:</b>							
Local sources	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
State sources	-	29,396	-	-	-	-	-
Federal sources	-	-	1,321,599	173,686	54,745	7,200	-
Sale of property, adjustments and refunds	-	-	-	-	-	-	-
<b>Total receipts</b>	<b>-</b>	<b>29,396</b>	<b>1,321,599</b>	<b>173,686</b>	<b>54,745</b>	<b>7,200</b>	<b>-</b>
<b>Disbursements:</b>							
<b>Current:</b>							
Instruction	(243)	46,407	689,302	153,436	3,945	6,153	31,675
Support services	-	294	536,006	75,894	178	4,739	7,477
Community services	-	-	10,872	-	-	-	-
Nonprogrammed charges	-	3,810	-	-	-	-	-
Debt services	-	-	-	-	-	-	-
<b>Total disbursements</b>	<b>(243)</b>	<b>50,511</b>	<b>1,236,180</b>	<b>229,330</b>	<b>4,123</b>	<b>10,892</b>	<b>39,152</b>
<b>Excess (deficiency) of receipts over disbursements</b>	<b>243</b>	<b>(21,115)</b>	<b>85,419</b>	<b>(55,644)</b>	<b>50,622</b>	<b>(3,692)</b>	<b>(39,152)</b>
<b>Other financing sources (uses):</b>							
Transfers in	-	-	139,082	-	-	-	-
Transfers out	-	-	-	(139,082)	-	-	-
<b>Total other financing sources (uses)</b>	<b>-</b>	<b>-</b>	<b>139,082</b>	<b>(139,082)</b>	<b>-</b>	<b>-</b>	<b>-</b>
<b>Excess (deficiency) of receipts and other financing sources over disbursements and other financing uses</b>	<b>243</b>	<b>(21,115)</b>	<b>224,501</b>	<b>(194,726)</b>	<b>50,622</b>	<b>(3,692)</b>	<b>(39,152)</b>
<b>Cash and investments - beginning</b>	<b>(243)</b>	<b>-</b>	<b>-</b>	<b>194,726</b>	<b>-</b>	<b>3,692</b>	<b>39,152</b>
<b>Cash and investments - ending</b>	<b>\$ -</b>	<b>\$ (21,115)</b>	<b>\$ 224,501</b>	<b>\$ -</b>	<b>\$ 50,622</b>	<b>\$ -</b>	<b>\$ -</b>
<b>Cash and Investment Assets - Ending</b>							
Cash and investments	\$ -	\$ (21,115)	\$ 224,501	\$ -	\$ 50,622	\$ -	\$ -
<b>Restricted assets:</b>							
Cash and investments	-	-	-	-	-	-	-
<b>Total cash and investment assets - ending</b>	<b>\$ -</b>	<b>\$ (21,115)</b>	<b>\$ 224,501</b>	<b>\$ -</b>	<b>\$ 50,622</b>	<b>\$ -</b>	<b>\$ -</b>
<b>Cash and Investment Fund Balance - Ending</b>							
<b>Restricted for:</b>							
Debt service	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Unrestricted	-	(21,115)	224,501	-	50,622	-	-
<b>Total cash and investment fund balance - ending</b>	<b>\$ -</b>	<b>\$ (21,115)</b>	<b>\$ 224,501</b>	<b>\$ -</b>	<b>\$ 50,622</b>	<b>\$ -</b>	<b>\$ -</b>

METROPOLITAN SCHOOL DISTRICT OF LAWRENCE TOWNSHIP  
 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)

	School Reform 2005-2006	Title V Part A 2004-2005	Title V Part A 2003-2004	Migrant Summer 2006-2007	Migrant Summer 2006	Title I Migrant 2004-2005	Title I Migrant 2005-2006
<b>Receipts:</b>							
Local sources	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
State sources	-	-	-	-	-	-	-
Federal sources	166,000	62,674	34,205	23,227	21,811	-	188,989
Sale of property, adjustments and refunds	-	-	-	-	-	-	-
<b>Total receipts</b>	<b>166,000</b>	<b>62,674</b>	<b>34,205</b>	<b>23,227</b>	<b>21,811</b>	<b>-</b>	<b>188,989</b>
<b>Disbursements:</b>							
<b>Current:</b>							
Instruction	98,083	1,846	338	26,237	2,878	10,827	75,365
Support services	37,569	12,061	84,008	4,458	2,075	13,933	92,166
Community services	4,200	-	-	-	-	-	-
Nonprogrammed charges	-	5,289	-	-	-	-	-
Debt services	-	-	-	-	-	-	-
<b>Total disbursements</b>	<b>139,852</b>	<b>19,196</b>	<b>84,346</b>	<b>30,695</b>	<b>4,953</b>	<b>24,760</b>	<b>167,531</b>
<b>Excess (deficiency) of receipts over disbursements</b>	<b>26,148</b>	<b>43,478</b>	<b>(50,141)</b>	<b>(7,468)</b>	<b>16,858</b>	<b>(24,760)</b>	<b>21,458</b>
<b>Other financing sources (uses):</b>							
Transfers in	-	20,000	-	-	-	-	-
Transfers out	-	-	-	-	-	-	-
<b>Total other financing sources (uses)</b>	<b>-</b>	<b>20,000</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>26,148</b>	<b>63,478</b>	<b>(50,141)</b>	<b>(7,468)</b>	<b>16,858</b>	<b>(24,760)</b>	<b>21,458</b>
<b>Cash and investments - beginning</b>	<b>-</b>	<b>(2,241)</b>	<b>50,141</b>	<b>7,468</b>	<b>-</b>	<b>24,760</b>	<b>-</b>
<b>Cash and investments - ending</b>	<b>\$ 26,148</b>	<b>\$ 61,237</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ 16,858</b>	<b>\$ -</b>	<b>\$ 21,458</b>
<b>Cash and Investment Assets - Ending</b>							
Cash and investments	\$ 26,148	\$ 61,237	\$ -	\$ -	\$ 16,858	\$ -	\$ 21,458
Restricted assets:							
Cash and investments	-	-	-	-	-	-	-
<b>Total cash and investment assets - ending</b>	<b>\$ 26,148</b>	<b>\$ 61,237</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ 16,858</b>	<b>\$ -</b>	<b>\$ 21,458</b>
<b>Cash and Investment Fund Balance - Ending</b>							
Restricted for:							
Debt service	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Unrestricted	26,148	61,237	-	-	16,858	-	21,458
<b>Total cash and investment fund balance - ending</b>	<b>\$ 26,148</b>	<b>\$ 61,237</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ 16,858</b>	<b>\$ -</b>	<b>\$ 21,458</b>

METROPOLITAN SCHOOL DISTRICT OF LAWRENCE TOWNSHIP  
 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)

	McKinney Vento 2004-2005	Learn and Serve	Part B Resource 2005-2006	Part B Carryover 2005-2006	Part B Carryover 2006-2007	Part B Carryover 2007-2008	Part B Resource 2006-2007
<b>Receipts:</b>							
Local sources	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
State sources	-	-	-	-	-	-	-
Federal sources	1,000	7,000	2,628,812	244,800	-	45,592	106,511
Sale of property, adjustments and refunds	-	-	-	-	-	-	-
<b>Total receipts</b>	<b>1,000</b>	<b>7,000</b>	<b>2,628,812</b>	<b>244,800</b>	<b>-</b>	<b>45,592</b>	<b>106,511</b>
<b>Disbursements:</b>							
<b>Current:</b>							
Instruction	-	-	2,346,900	193,081	181,121	45,037	225
Support services	15,995	-	722,800	37,522	2,864	-	-
Community services	-	-	-	-	-	-	-
Nonprogrammed charges	-	-	-	-	-	-	-
Debt services	-	-	-	-	-	-	-
<b>Total disbursements</b>	<b>15,995</b>	<b>-</b>	<b>3,069,700</b>	<b>230,603</b>	<b>183,985</b>	<b>45,037</b>	<b>225</b>
Excess (deficiency) of receipts over disbursements	(14,995)	7,000	(440,888)	14,197	(183,985)	555	106,286
<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>
Excess (deficiency) of receipts and other financing sources over disbursements and other financing uses	(14,995)	7,000	(440,888)	14,197	(183,985)	555	106,286
Cash and investments - beginning	17,991	-	-	-	183,985	-	(106,286)
Cash and investments - ending	<u>\$ 2,996</u>	<u>\$ 7,000</u>	<u>\$ (440,888)</u>	<u>\$ 14,197</u>	<u>\$ -</u>	<u>\$ 555</u>	<u>\$ -</u>
<b>Cash and Investment Assets - Ending</b>							
Cash and investments	\$ 2,996	\$ 7,000	\$ (440,888)	\$ 14,197	\$ -	\$ 555	\$ -
Restricted assets:							
Cash and investments	-	-	-	-	-	-	-
<b>Total cash and investment assets - ending</b>	<b><u>\$ 2,996</u></b>	<b><u>\$ 7,000</u></b>	<b><u>\$ (440,888)</u></b>	<b><u>\$ 14,197</u></b>	<b><u>\$ -</u></b>	<b><u>\$ 555</u></b>	<b><u>\$ -</u></b>
<b>Cash and Investment Fund Balance - Ending</b>							
Restricted for:							
Debt service	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Unrestricted	2,996	7,000	(440,888)	14,197	-	555	-
<b>Total cash and investment fund balance - ending</b>	<b><u>\$ 2,996</u></b>	<b><u>\$ 7,000</u></b>	<b><u>\$ (440,888)</u></b>	<b><u>\$ 14,197</u></b>	<b><u>\$ -</u></b>	<b><u>\$ 555</u></b>	<b><u>\$ -</u></b>

METROPOLITAN SCHOOL DISTRICT OF LAWRENCE TOWNSHIP  
 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)

	Part B Resource 2007-2008	Discretionary 2007-2008	Special Ed Preschool 2005-2006	Safe and Drug Fee 2005-2006	Title IV Drug Free 2003-2004	Title IV Drug Free 2004-2005	McKinney Vento 2006-2007
<b>Receipts:</b>							
Local sources	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
State sources	-	-	-	-	-	-	-
Federal sources	-	14,325	107,951	9,608	-	38,625	25,200
Sale of property, adjustments and refunds	-	-	-	-	-	-	-
<b>Total receipts</b>	<b>-</b>	<b>14,325</b>	<b>107,951</b>	<b>9,608</b>	<b>-</b>	<b>38,625</b>	<b>25,200</b>
<b>Disbursements:</b>							
<b>Current:</b>							
Instruction	8,152	13,643	86,269	11,514	-	37,146	-
Support services	263	1,495	21,682	8,684	1,380	17,133	-
Community services	-	-	-	-	-	-	-
Nonprogrammed charges	-	-	-	-	-	-	-
Debt services	-	-	-	-	-	-	-
<b>Total disbursements</b>	<b>8,415</b>	<b>15,138</b>	<b>107,951</b>	<b>20,198</b>	<b>1,380</b>	<b>54,279</b>	<b>-</b>
Excess (deficiency) of receipts over disbursements	(8,415)	(813)	-	(10,590)	(1,380)	(15,654)	25,200
<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>
Excess (deficiency) of receipts and other financing sources over disbursements and other financing uses	(8,415)	(813)	-	(10,590)	(1,380)	(15,654)	25,200
Cash and investments - beginning	8,415	-	-	-	1,380	18,178	-
Cash and investments - ending	\$ -	\$ (813)	\$ -	\$ (10,590)	\$ -	\$ 2,524	\$ 25,200
<b>Cash and Investment Assets - Ending</b>							
Cash and investments	\$ -	\$ (813)	\$ -	\$ (10,590)	\$ -	\$ 2,524	\$ 25,200
Restricted assets:							
Cash and investments	-	-	-	-	-	-	-
<b>Total cash and investment assets - ending</b>	<b>\$ -</b>	<b>\$ (813)</b>	<b>\$ -</b>	<b>\$ (10,590)</b>	<b>\$ -</b>	<b>\$ 2,524</b>	<b>\$ 25,200</b>
<b>Cash and Investment Fund Balance - Ending</b>							
Restricted for:							
Debt service	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Unrestricted	-	(813)	-	(10,590)	-	2,524	25,200
<b>Total cash and investment fund balance - ending</b>	<b>\$ -</b>	<b>\$ (813)</b>	<b>\$ -</b>	<b>\$ (10,590)</b>	<b>\$ -</b>	<b>\$ 2,524</b>	<b>\$ 25,200</b>

METROPOLITAN SCHOOL DISTRICT OF LAWRENCE TOWNSHIP  
 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)

	Other Support Services	Perkins 2005-2006	Moving Forward CPS - 6-666	Title II 2004-2005	Title II, Part D Enhance Education Tech	Title III 2007-2008
<b>Receipts:</b>						
Local sources	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
State sources	-	-	-	-	-	-
Federal sources	-	131,416	43,547	294,556	35,175	140,293
Sale of property, adjustments and refunds	-	-	-	-	-	-
<b>Total receipts</b>	<b>-</b>	<b>131,416</b>	<b>43,547</b>	<b>294,556</b>	<b>35,175</b>	<b>140,293</b>
<b>Disbursements:</b>						
<b>Current:</b>						
Instruction	-	114,582	63,942	79,712	-	110,834
Support services	497	3,036	74	129,362	38,263	25,633
Community services	-	-	-	-	-	-
Nonprogrammed charges	-	8,530	-	11,180	1,595	-
Debt services	-	-	-	-	-	-
<b>Total disbursements</b>	<b>497</b>	<b>126,148</b>	<b>64,016</b>	<b>220,254</b>	<b>39,858</b>	<b>136,467</b>
Excess (deficiency) of receipts over disbursements	(497)	5,268	(20,469)	74,302	(4,683)	3,826
<b>Other financing sources (uses):</b>						
Transfers in	-	-	-	-	-	-
Transfers out	-	-	-	(20,000)	-	-
<b>Total other financing sources (uses)</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>(20,000)</b>	<b>-</b>	<b>-</b>
Excess (deficiency) of receipts and other financing sources over disbursements and other financing uses	(497)	5,268	(20,469)	54,302	(4,683)	3,826
Cash and investments - beginning	497	-	20,469	(2,764)	1,161	5,813
Cash and investments - ending	\$ -	\$ 5,268	\$ -	\$ 51,538	\$ (3,522)	\$ 9,639
<b>Cash and Investment Assets - Ending</b>						
Cash and investments	\$ -	\$ 5,268	\$ -	\$ 51,538	\$ (3,522)	\$ 9,639
Restricted assets:						
Cash and investments	-	-	-	-	-	-
<b>Total cash and investment assets - ending</b>	<b>\$ -</b>	<b>\$ 5,268</b>	<b>\$ -</b>	<b>\$ 51,538</b>	<b>\$ (3,522)</b>	<b>\$ 9,639</b>
<b>Cash and Investment Fund Balance - Ending</b>						
Restricted for:						
Debt service	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Unrestricted	-	5,268	-	51,538	(3,522)	9,639
<b>Total cash and investment fund balance - ending</b>	<b>\$ -</b>	<b>\$ 5,268</b>	<b>\$ -</b>	<b>\$ 51,538</b>	<b>\$ (3,522)</b>	<b>\$ 9,639</b>

METROPOLITAN SCHOOL DISTRICT OF LAWRENCE TOWNSHIP  
 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 II Part D 2005-2006	Title II Part A 2003-2004	Nutrition Mini Grant	Retirement Bond Debt Service	Energy Saving Contract/1997 Construction	Totals
<b>Receipts:</b>						
Local sources	\$ -	\$ -	\$ -	\$ 1,154,542	\$ -	\$ 7,239,179
State sources	-	-	-	-	-	2,452,704
Federal sources	7,362	126,750	500	-	-	6,063,159
Sale of property, adjustments and refunds	-	-	-	-	-	697
<b>Total receipts</b>	<b>7,362</b>	<b>126,750</b>	<b>500</b>	<b>1,154,542</b>	<b>-</b>	<b>15,755,739</b>
<b>Disbursements:</b>						
<b>Current:</b>						
Instruction	-	18,805	2,757	-	-	7,272,473
Support services	1,020	158,727	-	-	164,459	9,224,952
Community services	-	-	-	-	-	329,440
Nonprogrammed charges	-	-	-	-	-	30,404
Debt services	-	-	-	1,427,544	-	1,427,544
<b>Total disbursements</b>	<b>1,020</b>	<b>177,532</b>	<b>2,757</b>	<b>1,427,544</b>	<b>164,459</b>	<b>18,284,813</b>
Excess (deficiency) of receipts over disbursements	6,342	(50,782)	(2,257)	(273,002)	(164,459)	(2,529,074)
<b>Other financing sources (uses):</b>						
Transfers in	-	-	-	-	-	178,033
Transfers out	-	-	-	-	-	(253,033)
<b>Total other financing sources (uses)</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>(75,000)</b>
Excess (deficiency) of receipts and other financing sources over disbursements and other financing uses	6,342	(50,782)	(2,257)	(273,002)	(164,459)	(2,604,074)
Cash and investments - beginning	-	50,782	2,218	210,599	571,777	6,762,973
Cash and investments - ending	<u>\$ 6,342</u>	<u>\$ -</u>	<u>\$ (39)</u>	<u>\$ (62,403)</u>	<u>\$ 407,318</u>	<u>\$ 4,158,899</u>
<b>Cash and Investment Assets - Ending</b>						
Cash and investments	\$ 6,342	\$ -	\$ (39)	\$ -	\$ 407,318	\$ 4,221,302
Restricted assets:						
Cash and investments	-	-	-	(62,403)	-	(62,403)
<b>Total cash and investment assets - ending</b>	<b>\$ 6,342</b>	<b>\$ -</b>	<b>\$ (39)</b>	<b>\$ (62,403)</b>	<b>\$ 407,318</b>	<b>\$ 4,158,899</b>
<b>Cash and Investment Fund Balance - Ending</b>						
Restricted for:						
Debt service	\$ -	\$ -	\$ -	\$ (62,403)	\$ -	\$ (62,403)
Unrestricted	6,342	-	(39)	-	407,318	4,221,302
<b>Total cash and investment fund balance - ending</b>	<b>\$ 6,342</b>	<b>\$ -</b>	<b>\$ (39)</b>	<b>\$ (62,403)</b>	<b>\$ 407,318</b>	<b>\$ 4,158,899</b>

METROPOLITAN SCHOOL DISTRICT OF LAWRENCE TOWNSHIP  
 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 Education Preschool	Rainy Day Fund	Textbook Rental	Loving Care	Alternative Education	Safe Haven 2005-2006	HH Early Intervention Grant
<b>Receipts:</b>							
Local sources	\$ 132,718	\$ 65	\$ 1,464,407	\$ 1,839,946	\$ -	\$ -	\$ -
State sources	382,358	-	295,645	-	45,192	-	15,000
Federal sources	-	-	-	-	-	-	-
<b>Total receipts</b>	<b>515,076</b>	<b>65</b>	<b>1,760,052</b>	<b>1,839,946</b>	<b>45,192</b>	<b>-</b>	<b>15,000</b>
<b>Disbursements:</b>							
<b>Current:</b>							
Instruction	393,491	-	-	1,331,266	50,227	-	14,157
Support services	161,216	532,697	1,438,407	572,192	7,476	315	843
Community services	-	-	-	-	-	-	-
Nonprogrammed charges	-	-	-	-	-	-	-
Debt services	-	-	-	-	-	-	-
<b>Total disbursements</b>	<b>554,707</b>	<b>532,697</b>	<b>1,438,407</b>	<b>1,903,458</b>	<b>57,703</b>	<b>315</b>	<b>15,000</b>
Excess (deficiency) of receipts over disbursements	(39,631)	(532,632)	321,645	(63,512)	(12,511)	(315)	-
<b>Other financing sources (uses):</b>							
Transfers in	-	1,000,000	-	-	-	-	-
Transfers out	-	-	-	-	-	-	-
<b>Total other financing sources (uses)</b>	<b>-</b>	<b>1,000,000</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	(39,631)	467,368	321,645	(63,512)	(12,511)	(315)	-
Cash and investments - beginning	41,579	1,169,039	356,130	317,678	25,229	315	-
Cash and investments - ending	\$ 1,948	\$ 1,636,407	\$ 677,775	\$ 254,166	\$ 12,718	\$ -	\$ -
<b>Cash and Investment Assets - Ending</b>							
Cash and investments	\$ 1,948	\$ 1,636,407	\$ 677,775	\$ 254,166	\$ 12,718	\$ -	\$ -
Restricted assets:							
Cash and investments	-	-	-	-	-	-	-
<b>Total cash and investment assets - ending</b>	<b>\$ 1,948</b>	<b>\$ 1,636,407</b>	<b>\$ 677,775</b>	<b>\$ 254,166</b>	<b>\$ 12,718</b>	<b>\$ -</b>	<b>\$ -</b>
<b>Cash and Investment Fund Balance - Ending</b>							
Restricted for:							
Debt service	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Unrestricted	1,948	1,636,407	677,775	254,166	12,718	-	-
<b>Total cash and investment fund balance - ending</b>	<b>\$ 1,948</b>	<b>\$ 1,636,407</b>	<b>\$ 677,775</b>	<b>\$ 254,166</b>	<b>\$ 12,718</b>	<b>\$ -</b>	<b>\$ -</b>

METROPOLITAN SCHOOL DISTRICT OF LAWRENCE TOWNSHIP  
 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)

	Continuing Contact Fees	Student Life Center Support	Lawrence North Childcare	Lawrence Central Library Grant	Foundation Wish List	Lawrence North Library Grant	Foundation Salaries
<b>Receipts:</b>							
Local sources	\$ -	\$ 85,486	\$ 2,434	\$ 8,000	\$ -	\$ 7,000	\$ 308,840
State sources	-	-	-	-	-	-	-
Federal sources	-	-	-	-	-	-	-
<b>Total receipts</b>	<b>-</b>	<b>85,486</b>	<b>2,434</b>	<b>8,000</b>	<b>-</b>	<b>7,000</b>	<b>308,840</b>
<b>Disbursements:</b>							
<b>Current:</b>							
Instruction	5,300	13,495	-	-	-	-	(1,978)
Support services	196	1,370	1,635	17,216	-	7,536	17,801
Community services	-	-	-	-	2,631	-	319,220
Nonprogrammed charges	-	-	-	-	-	-	-
Debt services	-	-	-	-	-	-	-
<b>Total disbursements</b>	<b>5,496</b>	<b>14,865</b>	<b>1,635</b>	<b>17,216</b>	<b>2,631</b>	<b>7,536</b>	<b>335,043</b>
<b>Excess (deficiency) of receipts over disbursements</b>	<b>(5,496)</b>	<b>70,621</b>	<b>799</b>	<b>(9,216)</b>	<b>(2,631)</b>	<b>(536)</b>	<b>(26,203)</b>
<b>Other financing sources (uses):</b>							
Transfers in	-	-	-	-	-	-	-
Transfers out	-	(65,007)	-	-	-	-	-
<b>Total other financing sources (uses)</b>	<b>-</b>	<b>(65,007)</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>(5,496)</b>	<b>5,614</b>	<b>799</b>	<b>(9,216)</b>	<b>(2,631)</b>	<b>(536)</b>	<b>(26,203)</b>
Cash and investments - beginning	32,576	(5,614)	(16,510)	11,851	2,709	1,625	(21,540)
Cash and investments - ending	<u>\$ 27,080</u>	<u>\$ -</u>	<u>\$ (15,711)</u>	<u>\$ 2,635</u>	<u>\$ 78</u>	<u>\$ 1,089</u>	<u>\$ (47,743)</u>
<b><u>Cash and Investment Assets - Ending</u></b>							
Cash and investments	\$ 27,080	\$ -	\$ (15,711)	\$ 2,635	\$ 78	\$ 1,089	\$ (47,743)
Restricted assets:							
Cash and investments	-	-	-	-	-	-	-
<b>Total cash and investment assets - ending</b>	<b><u>\$ 27,080</u></b>	<b><u>\$ -</u></b>	<b><u>\$ (15,711)</u></b>	<b><u>\$ 2,635</u></b>	<b><u>\$ 78</u></b>	<b><u>\$ 1,089</u></b>	<b><u>\$ (47,743)</u></b>
<b><u>Cash and Investment Fund Balance - Ending</u></b>							
Restricted for:							
Debt service	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Unrestricted	27,080	-	(15,711)	2,635	78	1,089	(47,743)
<b>Total cash and investment fund balance - ending</b>	<b><u>\$ 27,080</u></b>	<b><u>\$ -</u></b>	<b><u>\$ (15,711)</u></b>	<b><u>\$ 2,635</u></b>	<b><u>\$ 78</u></b>	<b><u>\$ 1,089</u></b>	<b><u>\$ (47,743)</u></b>

METROPOLITAN SCHOOL DISTRICT OF LAWRENCE TOWNSHIP  
 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)

	PFO IAS	Forest Glen Office Assistant	Donation Accounts	Community Hospital 2007-2008	Retirement Recognition	Community Hospital 2005-2006	Fairbanks Hospital 2005-2006
<b>Receipts:</b>							
Local sources	\$ 13,750	\$ 663	\$ 48,215	\$ -	\$ 2,500	\$ 241,988	\$ 83,988
State sources	-	-	-	-	-	-	-
Federal sources	-	-	-	-	-	-	-
<b>Total receipts</b>	<b>13,750</b>	<b>663</b>	<b>48,215</b>	<b>-</b>	<b>2,500</b>	<b>241,988</b>	<b>83,988</b>
<b>Disbursements:</b>							
<b>Current:</b>							
Instruction	11,487	-	-	-	-	-	-
Support services	160	-	79,593	194	2,831	36,100	9,935
Community services	-	-	-	-	-	-	-
Nonprogrammed charges	-	-	-	-	-	-	-
Debt services	-	-	-	-	-	-	-
<b>Total disbursements</b>	<b>11,647</b>	<b>-</b>	<b>79,593</b>	<b>194</b>	<b>2,831</b>	<b>36,100</b>	<b>9,935</b>
<b>Excess (deficiency) of receipts over disbursements</b>	<b>2,103</b>	<b>663</b>	<b>(31,378)</b>	<b>(194)</b>	<b>(331)</b>	<b>205,888</b>	<b>74,053</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>2,103</b>	<b>663</b>	<b>(31,378)</b>	<b>(194)</b>	<b>(331)</b>	<b>205,888</b>	<b>74,053</b>
Cash and investments - beginning	(20)	(663)	105,009	194	404	(147,728)	(41,803)
Cash and investments - ending	<u>\$ 2,083</u>	<u>\$ -</u>	<u>\$ 73,631</u>	<u>\$ -</u>	<u>\$ 73</u>	<u>\$ 58,160</u>	<u>\$ 32,250</u>
<b><u>Cash and Investment Assets - Ending</u></b>							
Cash and investments	\$ 2,083	\$ -	\$ 73,631	\$ -	\$ 73	\$ 58,160	\$ 32,250
Restricted assets:							
Cash and investments	-	-	-	-	-	-	-
<b>Total cash and investment assets - ending</b>	<b><u>\$ 2,083</u></b>	<b><u>\$ -</u></b>	<b><u>\$ 73,631</u></b>	<b><u>\$ -</u></b>	<b><u>\$ 73</u></b>	<b><u>\$ 58,160</u></b>	<b><u>\$ 32,250</u></b>
<b><u>Cash and Investment Fund Balance - Ending</u></b>							
Restricted for:							
Debt service	\$ -	\$ -	-	-	-	-	-
Unrestricted	2,083	-	73,631	-	73	58,160	32,250
<b>Total cash and investment fund balance - ending</b>	<b><u>\$ 2,083</u></b>	<b><u>\$ -</u></b>	<b><u>\$ 73,631</u></b>	<b><u>\$ -</u></b>	<b><u>\$ 73</u></b>	<b><u>\$ 58,160</u></b>	<b><u>\$ 32,250</u></b>

METROPOLITAN SCHOOL DISTRICT OF LAWRENCE TOWNSHIP  
 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)

	Community Hospital 2006-2007	Fairbanks Hospital 2006-2007	Hope Academy 2006-2007	Lumina/AAEA	Community Education	HS AERD	Training Workshops
Receipts:							
Local sources	\$ -	\$ -	\$ -	\$ 10,000	\$ 340,535	\$ 5,650	\$ 805
State sources	-	-	-	-	-	-	-
Federal sources	-	-	-	-	-	-	-
Total receipts	-	-	-	10,000	340,535	5,650	805
Disbursements:							
Current:							
Instruction							
Support services	109,622	39,450	1,562	13,854	363,595	2,208	390
Community services	-	-	-	-	-	-	-
Nonprogrammed charges	-	-	-	-	-	-	-
Debt services	-	-	-	-	-	-	-
Total disbursements	109,622	39,450	1,562	13,854	363,595	2,208	390
Excess (deficiency) of receipts over disbursements	(109,622)	(39,450)	(1,562)	(3,854)	(23,060)	3,442	415
Other financing sources (uses):							
Transfers in	-	-	-	-	-	-	-
Transfers out	-	-	-	-	(15,000)	-	-
Total other financing sources (uses)	-	-	-	-	(15,000)	-	-
Excess (deficiency) of receipts and other financing sources over disbursements and other financing uses	(109,622)	(39,450)	(1,562)	(3,854)	(38,060)	3,442	415
Cash and investments - beginning	-	-	-	4,065	(255,519)	3,402	6,072
Cash and investments - ending	<u>\$ (109,622)</u>	<u>\$ (39,450)</u>	<u>\$ (1,562)</u>	<u>\$ 211</u>	<u>\$ (293,579)</u>	<u>\$ 6,844</u>	<u>\$ 6,487</u>
<b>Cash and Investment Assets - Ending</b>							
Cash and investments	\$ (109,622)	\$ (39,450)	\$ (1,562)	\$ 211	\$ (293,579)	\$ 6,844	\$ 6,487
Restricted assets:							
Cash and investments	-	-	-	-	-	-	-
Total cash and investment assets - ending	<u>\$ (109,622)</u>	<u>\$ (39,450)</u>	<u>\$ (1,562)</u>	<u>\$ 211</u>	<u>\$ (293,579)</u>	<u>\$ 6,844</u>	<u>\$ 6,487</u>
<b>Cash and Investment Fund Balance - Ending</b>							
Restricted for:							
Debt service							
Unrestricted	(109,622)	(39,450)	(1,562)	211	(293,579)	6,844	6,487
Total cash and investment fund balance - ending	<u>\$ (109,622)</u>	<u>\$ (39,450)</u>	<u>\$ (1,562)</u>	<u>\$ 211</u>	<u>\$ (293,579)</u>	<u>\$ 6,844</u>	<u>\$ 6,487</u>

METROPOLITAN SCHOOL DISTRICT OF LAWRENCE TOWNSHIP  
 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)

	Preschool of the Arts	Nessi Exploration Grant	SEC 125 Flex Account	Wellness Policy	Community 2004-2005	Criminal History	Leadership Training
<b>Receipts:</b>							
Local sources	\$ 976,540	\$ -	\$ 479,171	\$ 80,130	\$ -	\$ 2,524	\$ -
State sources	-	-	-	-	-	-	-
Federal sources	-	-	-	-	-	-	-
<b>Total receipts</b>	<b>976,540</b>	<b>-</b>	<b>479,171</b>	<b>80,130</b>	<b>-</b>	<b>2,524</b>	<b>-</b>
<b>Disbursements:</b>							
<b>Current:</b>							
Instruction							
Support services	1,035,802	65,969	445,014	-	129,389	2,261	36
Community services	-	-	-	-	-	-	-
Nonprogrammed charges	-	-	-	-	-	-	-
Debt services	-	-	-	-	-	-	-
<b>Total disbursements</b>	<b>1,035,802</b>	<b>65,969</b>	<b>445,014</b>	<b>-</b>	<b>129,389</b>	<b>2,261</b>	<b>36</b>
Excess (deficiency) of receipts over disbursements	(59,262)	(65,969)	34,157	80,130	(129,389)	263	(36)
<b>Other financing sources (uses):</b>							
Transfers in	65,007	-	-	-	-	-	-
Transfers out	-	-	-	-	-	-	-
<b>Total other financing sources (uses)</b>	<b>65,007</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	5,745	(65,969)	34,157	80,130	(129,389)	263	(36)
Cash and investments - beginning	(55,797)	65,969	161,873	-	129,389	-	36
Cash and investments - ending	<u>\$ (50,052)</u>	<u>\$ -</u>	<u>\$ 196,030</u>	<u>\$ 80,130</u>	<u>\$ -</u>	<u>\$ 263</u>	<u>\$ -</u>
<b>Cash and Investment Assets - Ending</b>							
Cash and investments	\$ (50,052)	\$ -	\$ 196,030	\$ 80,130	\$ -	\$ 263	\$ -
Restricted assets:							
Cash and investments	-	-	-	-	-	-	-
<b>Total cash and investment assets - ending</b>	<b><u>\$ (50,052)</u></b>	<b><u>\$ -</u></b>	<b><u>\$ 196,030</u></b>	<b><u>\$ 80,130</u></b>	<b><u>\$ -</u></b>	<b><u>\$ 263</u></b>	<b><u>\$ -</u></b>
<b>Cash and Investment Fund Balance - Ending</b>							
Restricted for:							
Debt service							
Unrestricted	(50,052)	-	196,030	80,130	-	263	-
<b>Total cash and investment fund balance - ending</b>	<b><u>\$ (50,052)</u></b>	<b><u>\$ -</u></b>	<b><u>\$ 196,030</u></b>	<b><u>\$ 80,130</u></b>	<b><u>\$ -</u></b>	<b><u>\$ 263</u></b>	<b><u>\$ -</u></b>

METROPOLITAN SCHOOL DISTRICT OF LAWRENCE TOWNSHIP  
 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)

	Children's Museum	Strategic Planning	Lilly Digital Age Grant	Kindergarten Fully Day Co-Pay	Gifted and Talented 2005-2006	Emergency Aid	Professional Development 2006-2007
<b>Receipts:</b>							
Local sources	\$ -	\$ 230,375	\$ -	\$ 784,783	\$ -	\$ -	\$ -
State sources	-	-	-	-	-	64,625	161,062
Federal sources	-	-	-	-	-	-	-
<b>Total receipts</b>	<b>-</b>	<b>230,375</b>	<b>-</b>	<b>784,783</b>	<b>-</b>	<b>64,625</b>	<b>161,062</b>
<b>Disbursements:</b>							
<b>Current:</b>							
Instruction	-	-	-	659,069	6,733	-	-
Support services	42,779	296,147	1,061,666	247,927	793	7,080	35,168
Community services	-	-	-	-	-	-	-
Nonprogrammed charges	-	-	-	-	-	-	-
Debt services	-	-	-	-	-	-	-
<b>Total disbursements</b>	<b>42,779</b>	<b>296,147</b>	<b>1,061,666</b>	<b>906,996</b>	<b>7,526</b>	<b>7,080</b>	<b>35,168</b>
Excess (deficiency) of receipts over disbursements	(42,779)	(65,772)	(1,061,666)	(122,213)	(7,526)	57,545	125,894
<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>
Excess (deficiency) of receipts and other financing sources over disbursements and other financing uses	(42,779)	(65,772)	(1,061,666)	(122,213)	(7,526)	57,545	125,894
Cash and investments - beginning	42,779	92,207	1,294,009	189,655	7,526	27,250	-
Cash and investments - ending	\$ -	\$ 26,435	\$ 232,343	\$ 67,442	\$ -	\$ 84,795	\$ 125,894
<b>Cash and Investment Assets - Ending</b>							
Cash and investments	\$ -	\$ 26,435	\$ 232,343	\$ 67,442	\$ -	\$ 84,795	\$ 125,894
<b>Restricted assets:</b>							
Cash and investments	-	-	-	-	-	-	-
<b>Total cash and investment assets - ending</b>	<b>\$ -</b>	<b>\$ 26,435</b>	<b>\$ 232,343</b>	<b>\$ 67,442</b>	<b>\$ -</b>	<b>\$ 84,795</b>	<b>\$ 125,894</b>
<b>Cash and Investment Fund Balance - Ending</b>							
<b>Restricted for:</b>							
Debt service	-	-	\$ -	\$ -	\$ -	\$ -	\$ -
Unrestricted	-	26,435	232,343	67,442	-	84,795	125,894
<b>Total cash and investment fund balance - ending</b>	<b>\$ -</b>	<b>\$ 26,435</b>	<b>\$ 232,343</b>	<b>\$ 67,442</b>	<b>\$ -</b>	<b>\$ 84,795</b>	<b>\$ 125,894</b>

METROPOLITAN SCHOOL DISTRICT OF LAWRENCE TOWNSHIP  
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 For the Year Ended June 30, 2007  
 (Continued)

	Gifted and Talented 2006-2007	Staff Development Doug Reeves	Lilly Endowment Interest	Professional Development 2004-2005	Professional Development 2005-2006	Lilly Replacement Teacher	Student Exploration Teaching
<b>Receipts:</b>							
Local sources	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
State sources	41,261	175	-	-	270	-	-
Federal sources	-	-	-	-	-	-	-
<b>Total receipts</b>	<b>41,261</b>	<b>175</b>	<b>-</b>	<b>-</b>	<b>270</b>	<b>-</b>	<b>-</b>
<b>Disbursements:</b>							
<b>Current:</b>							
Instruction	38,283	-	-	-	-	11,404	1,289
Support services	1,081	9,080	4,782	12,519	104,527	2,026	-
Community services	-	-	-	-	-	-	-
Nonprogrammed charges	-	-	-	-	-	-	-
Debt services	-	-	-	-	-	-	-
<b>Total disbursements</b>	<b>39,364</b>	<b>9,080</b>	<b>4,782</b>	<b>12,519</b>	<b>104,527</b>	<b>13,430</b>	<b>1,289</b>
<b>Excess (deficiency) of receipts over disbursements</b>	<b>1,897</b>	<b>(8,905)</b>	<b>(4,782)</b>	<b>(12,519)</b>	<b>(104,257)</b>	<b>(13,430)</b>	<b>(1,289)</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>1,897</b>	<b>(8,905)</b>	<b>(4,782)</b>	<b>(12,519)</b>	<b>(104,257)</b>	<b>(13,430)</b>	<b>(1,289)</b>
Cash and investments - beginning	-	11,202	10,664	12,519	117,376	25,000	1,289
Cash and investments - ending	<u>\$ 1,897</u>	<u>\$ 2,297</u>	<u>\$ 5,882</u>	<u>\$ -</u>	<u>\$ 13,119</u>	<u>\$ 11,570</u>	<u>\$ -</u>
<b>Cash and Investment Assets - Ending</b>							
Cash and investments	\$ 1,897	\$ 2,297	\$ 5,882	\$ -	\$ 13,119	\$ 11,570	\$ -
Restricted assets:							
Cash and investments	-	-	-	-	-	-	-
<b>Total cash and investment assets - ending</b>	<b><u>\$ 1,897</u></b>	<b><u>\$ 2,297</u></b>	<b><u>\$ 5,882</u></b>	<b><u>\$ -</u></b>	<b><u>\$ 13,119</u></b>	<b><u>\$ 11,570</u></b>	<b><u>\$ -</u></b>
<b>Cash and Investment Fund Balance - Ending</b>							
Restricted for:							
Debt service	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Unrestricted	1,897	2,297	5,882	-	13,119	11,570	-
<b>Total cash and investment fund balance - ending</b>	<b><u>\$ 1,897</u></b>	<b><u>\$ 2,297</u></b>	<b><u>\$ 5,882</u></b>	<b><u>\$ -</u></b>	<b><u>\$ 13,119</u></b>	<b><u>\$ 11,570</u></b>	<b><u>\$ -</u></b>

METROPOLITAN SCHOOL DISTRICT OF LAWRENCE TOWNSHIP  
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 DISBURSEMENTS, AND CHANGES IN FUND BALANCES - CASH AND INVESTMENT BASIS  
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 For the Year Ended June 30, 2007  
 (Continued)

	Extra-Curricular Clearing Account	Learn to Swim	Language Assistance Program	Learning Grants	High School Redesign	Title I 2005-2006	Title I 2006-2007
<b>Receipts:</b>							
Local sources	\$ 302,312	\$ 3,972	\$ -	\$ -	\$ -	\$ -	\$ -
State sources	-	-	18,899	-	134,157	-	-
Federal sources	-	-	-	-	-	73,115	1,147,601
<b>Total receipts</b>	<b>302,312</b>	<b>3,972</b>	<b>18,899</b>	<b>-</b>	<b>134,157</b>	<b>73,115</b>	<b>1,147,601</b>
<b>Disbursements:</b>							
<b>Current:</b>							
Instruction	252,665	7,034	15,165	-	-	126,691	520,931
Support services	40,665	1,731	1,435	-	123,450	102,257	541,065
Community services	-	-	-	-	-	22,377	10,338
Nonprogrammed charges	-	-	-	-	-	15,779	-
Debt services	-	-	-	-	-	-	-
<b>Total disbursements</b>	<b>293,330</b>	<b>8,765</b>	<b>16,600</b>	<b>-</b>	<b>123,450</b>	<b>267,104</b>	<b>1,072,334</b>
<b>Excess (deficiency) of receipts over disbursements</b>	<b>8,982</b>	<b>(4,793)</b>	<b>2,299</b>	<b>-</b>	<b>10,707</b>	<b>(193,989)</b>	<b>75,267</b>
<b>Other financing sources (uses):</b>							
Transfers in	-	15,000	-	-	-	-	30,512
Transfers out	-	-	-	-	-	(30,512)	-
<b>Total other financing sources (uses)</b>	<b>-</b>	<b>15,000</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>(30,512)</b>	<b>30,512</b>
<b>Excess (deficiency) of receipts and other financing sources over disbursements and other financing uses</b>	<b>8,982</b>	<b>10,207</b>	<b>2,299</b>	<b>-</b>	<b>10,707</b>	<b>(224,501)</b>	<b>105,779</b>
<b>Cash and investments - beginning</b>	<b>22,303</b>	<b>(10,207)</b>	<b>28,450</b>	<b>2,896</b>	<b>-</b>	<b>224,501</b>	<b>-</b>
<b>Cash and investments - ending</b>	<b>\$ 31,285</b>	<b>\$ -</b>	<b>\$ 30,749</b>	<b>\$ 2,896</b>	<b>\$ 10,707</b>	<b>\$ -</b>	<b>\$ 105,779</b>
<b>Cash and Investment Assets - Ending</b>							
Cash and investments	\$ 31,285	\$ -	\$ 30,749	\$ 2,896	\$ 10,707	\$ -	\$ 105,779
Restricted assets:							
Cash and investments	-	-	-	-	-	-	-
<b>Total cash and investment assets - ending</b>	<b>\$ 31,285</b>	<b>\$ -</b>	<b>\$ 30,749</b>	<b>\$ 2,896</b>	<b>\$ 10,707</b>	<b>\$ -</b>	<b>\$ 105,779</b>
<b>Cash and Investment Fund Balance - Ending</b>							
Restricted for:							
Debt service	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Unrestricted	31,285	-	30,749	2,896	10,707	-	105,779
<b>Total cash and investment fund balance - ending</b>	<b>\$ 31,285</b>	<b>\$ -</b>	<b>\$ 30,749</b>	<b>\$ 2,896</b>	<b>\$ 10,707</b>	<b>\$ -</b>	<b>\$ 105,779</b>

METROPOLITAN SCHOOL DISTRICT OF LAWRENCE TOWNSHIP  
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 DISBURSEMENTS, AND CHANGES IN FUND BALANCES - CASH AND INVESTMENT BASIS  
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 For the Year Ended June 30, 2007  
 (Continued)

	School Improvement 2005-2006	School Improvement 2006-2007	School Reform 2005-2006	Title V Part A 2005-2006	McKinney Vento 2007-2008	Title V Part A 2006-2007	Title V Part A 2004-2005
<b>Receipts:</b>							
Local sources	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
State sources	-	-	-	-	-	-	-
Federal sources	6,800	34,026	-	42,574	51,750	-	21,000
<b>Total receipts</b>	<b>6,800</b>	<b>34,026</b>	<b>-</b>	<b>42,574</b>	<b>51,750</b>	<b>-</b>	<b>21,000</b>
<b>Disbursements:</b>							
<b>Current:</b>							
Instruction	38,166	97	19,143	4,500	-	1,337	2,380
Support services	17,246	2,100	7,005	58,959	-	-	73,862
Community services	2,010	-	-	-	-	-	5,995
Nonprogrammed charges	-	-	-	3,838	-	-	-
Debt services	-	-	-	-	-	-	-
<b>Total disbursements</b>	<b>57,422</b>	<b>2,197</b>	<b>26,148</b>	<b>67,297</b>	<b>-</b>	<b>1,337</b>	<b>82,237</b>
Excess (deficiency) of receipts over disbursements	(50,622)	31,829	(26,148)	(24,723)	51,750	(1,337)	(61,237)
<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>
Excess (deficiency) of receipts and other financing sources over disbursements and other financing uses	(50,622)	31,829	(26,148)	(24,723)	51,750	(1,337)	(61,237)
Cash and investments - beginning	50,622	-	26,148	-	-	-	61,237
Cash and investments - ending	\$ -	\$ 31,829	\$ -	\$ (24,723)	\$ 51,750	\$ (1,337)	\$ -
<b>Cash and Investment Assets - Ending</b>							
Cash and investments	\$ -	\$ 31,829	\$ -	\$ (24,723)	\$ 51,750	\$ (1,337)	\$ -
<b>Restricted assets:</b>							
Cash and investments	-	-	-	-	-	-	-
<b>Total cash and investment assets - ending</b>	<b>\$ -</b>	<b>\$ 31,829</b>	<b>\$ -</b>	<b>\$ (24,723)</b>	<b>\$ 51,750</b>	<b>\$ (1,337)</b>	<b>\$ -</b>
<b>Cash and Investment Fund Balance - Ending</b>							
<b>Restricted for:</b>							
Debt service	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Unrestricted	-	31,829	-	(24,723)	51,750	(1,337)	-
<b>Total cash and investment fund balance - ending</b>	<b>\$ -</b>	<b>\$ 31,829</b>	<b>\$ -</b>	<b>\$ (24,723)</b>	<b>\$ 51,750</b>	<b>\$ (1,337)</b>	<b>\$ -</b>

METROPOLITAN SCHOOL DISTRICT OF LAWRENCE TOWNSHIP  
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 DISBURSEMENTS, AND CHANGES IN FUND BALANCES - CASH AND INVESTMENT BASIS  
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 For the Year Ended June 30, 2007  
 (Continued)

	Migrant Summer 2006-2007	Migrant Summer 2006	Title I Migrant 2005-2006	Title I Migrant 2006-2007	McKinney Vento 2004-2005	Learn and Serve	Part B Resource 2005-2006
<b>Receipts:</b>							
Local sources	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
State sources	-	-	-	-	-	-	-
Federal sources	32,937	10,688	-	291,922	-	7,000	693,000
<b>Total receipts</b>	<b>32,937</b>	<b>10,688</b>	<b>-</b>	<b>291,922</b>	<b>-</b>	<b>7,000</b>	<b>693,000</b>
<b>Disbursements:</b>							
<b>Current:</b>							
Instruction	4,267	22,519	-	186,092	-	-	(1,278)
Support services	850	5,027	21,458	92,488	2,996	14,000	52,535
Community services	-	-	-	-	-	-	-
Nonprogrammed charges	-	-	-	-	-	-	-
Debt services	-	-	-	-	-	-	-
<b>Total disbursements</b>	<b>5,117</b>	<b>27,546</b>	<b>21,458</b>	<b>278,580</b>	<b>2,996</b>	<b>14,000</b>	<b>51,257</b>
<b>Excess (deficiency) of receipts over disbursements</b>	<b>27,820</b>	<b>(16,858)</b>	<b>(21,458)</b>	<b>13,342</b>	<b>(2,996)</b>	<b>(7,000)</b>	<b>641,743</b>
<b>Other financing sources (uses):</b>							
Transfers in	-	-	-	-	-	-	-
Transfers out	-	-	-	-	-	-	(200,855)
<b>Total other financing sources (uses)</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>(200,855)</b>
<b>Excess (deficiency) of receipts and other financing sources over disbursements and other financing uses</b>	<b>27,820</b>	<b>(16,858)</b>	<b>(21,458)</b>	<b>13,342</b>	<b>(2,996)</b>	<b>(7,000)</b>	<b>440,888</b>
Cash and investments - beginning	-	16,858	21,458	-	2,996	7,000	(440,888)
Cash and investments - ending	<u>\$ 27,820</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 13,342</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>
<b>Cash and Investment Assets - Ending</b>							
Cash and investments	\$ 27,820	\$ -	\$ -	\$ 13,342	\$ -	\$ -	\$ -
Restricted assets:							
Cash and investments	-	-	-	-	-	-	-
<b>Total cash and investment assets - ending</b>	<b><u>\$ 27,820</u></b>	<b><u>\$ -</u></b>	<b><u>\$ -</u></b>	<b><u>\$ 13,342</u></b>	<b><u>\$ -</u></b>	<b><u>\$ -</u></b>	<b><u>\$ -</u></b>
<b>Cash and Investment Fund Balance - Ending</b>							
Restricted for:							
Debt service	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Unrestricted	27,820	-	-	13,342	-	-	-
<b>Total cash and investment fund balance - ending</b>	<b><u>\$ 27,820</u></b>	<b><u>\$ -</u></b>	<b><u>\$ -</u></b>	<b><u>\$ 13,342</u></b>	<b><u>\$ -</u></b>	<b><u>\$ -</u></b>	<b><u>\$ -</u></b>

METROPOLITAN SCHOOL DISTRICT OF LAWRENCE TOWNSHIP  
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 (Continued)

	Part B Carryover 2005-2006	Part B Carryover 2006-2007	Part B Carryover 2007-2008	Part B Resource 2006-2007	Discretionary 2006-2007 Charter	Discretionary 2007-2008	Discretionary 2006-2007
<b>Receipts:</b>							
Local sources	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
State sources	-	-	-	-	-	-	-
Federal sources	76,080	-	-	2,902,000	24,978	4,776	19,100
<b>Total receipts</b>	<b>76,080</b>	<b>-</b>	<b>-</b>	<b>2,902,000</b>	<b>24,978</b>	<b>4,776</b>	<b>19,100</b>
<b>Disbursements:</b>							
<b>Current:</b>							
Instruction	85,245	89,491	555	2,295,240	4,354	3,716	18,359
Support services	5,032	5,683	-	725,994	-	247	741
Community services	-	-	-	-	-	-	-
Nonprogrammed charges	-	-	-	-	-	-	-
Debt services	-	-	-	-	-	-	-
<b>Total disbursements</b>	<b>90,277</b>	<b>95,174</b>	<b>555</b>	<b>3,021,234</b>	<b>4,354</b>	<b>3,963</b>	<b>19,100</b>
Excess (deficiency) of receipts over disbursements	(14,197)	(95,174)	(555)	(119,234)	20,624	813	-
<b>Other financing sources (uses):</b>							
Transfers in	-	200,855	-	-	-	-	-
Transfers out	-	-	-	-	-	-	-
<b>Total other financing sources (uses)</b>	<b>-</b>	<b>200,855</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	(14,197)	105,681	(555)	(119,234)	20,624	813	-
Cash and investments - beginning	14,197	-	555	-	-	(813)	-
Cash and investments - ending	\$ -	\$ 105,681	\$ -	\$ (119,234)	\$ 20,624	\$ -	\$ -
<b>Cash and Investment Assets - Ending</b>							
Cash and investments	\$ -	\$ 105,681	\$ -	\$ (119,234)	\$ 20,624	\$ -	\$ -
<b>Restricted assets:</b>							
Cash and investments	-	-	-	-	-	-	-
<b>Total cash and investment assets - ending</b>	<b>\$ -</b>	<b>\$ 105,681</b>	<b>\$ -</b>	<b>\$ (119,234)</b>	<b>\$ 20,624</b>	<b>\$ -</b>	<b>\$ -</b>
<b>Cash and Investment Fund Balance - Ending</b>							
<b>Restricted for:</b>							
Debt service	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Unrestricted	-	105,681	-	(119,234)	20,624	-	-
<b>Total cash and investment fund balance - ending</b>	<b>\$ -</b>	<b>\$ 105,681</b>	<b>\$ -</b>	<b>\$ (119,234)</b>	<b>\$ 20,624</b>	<b>\$ -</b>	<b>\$ -</b>

METROPOLITAN SCHOOL DISTRICT OF LAWRENCE TOWNSHIP  
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 For the Year Ended June 30, 2007  
 (Continued)

	Special Ed Preschool 2006-2007	Safe and Drug Free 2005-2006	Title IV Drug Free 2004-2005	McKinney Vento 2006-2007	High Schools That Work 2007	Perkins 2005-2006	Perkins 2006-2007
<b>Receipts:</b>							
Local sources	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
State sources	-	-	-	-	50,351	-	-
Federal sources	85,000	57,654	-	1,524	-	43,566	125,691
<b>Total receipts</b>	<b>85,000</b>	<b>57,654</b>	<b>-</b>	<b>1,524</b>	<b>50,351</b>	<b>43,566</b>	<b>125,691</b>
<b>Disbursements:</b>							
<b>Current:</b>							
Instruction	83,763	24,990	-	-	30,143	48,834	119,268
Support services	22,873	16,826	2,524	19,438	1,044	-	2,301
Community services	-	-	-	-	-	-	-
Nonprogrammed charges	-	2,078	-	-	-	-	7,963
Debt services	-	-	-	-	-	-	-
<b>Total disbursements</b>	<b>106,636</b>	<b>43,894</b>	<b>2,524</b>	<b>19,438</b>	<b>31,187</b>	<b>48,834</b>	<b>129,532</b>
Excess (deficiency) of receipts over disbursements	(21,636)	13,760	(2,524)	(17,914)	19,164	(5,268)	(3,841)
<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>
Excess (deficiency) of receipts and other financing sources over disbursements and other financing uses	(21,636)	13,760	(2,524)	(17,914)	19,164	(5,268)	(3,841)
Cash and investments - beginning	-	(10,590)	2,524	25,200	(21,115)	5,268	-
<b>Cash and investments - ending</b>	<b>\$ (21,636)</b>	<b>\$ 3,170</b>	<b>\$ -</b>	<b>\$ 7,286</b>	<b>\$ (1,951)</b>	<b>\$ -</b>	<b>\$ (3,841)</b>
<b><u>Cash and Investment Assets - Ending</u></b>							
Cash and investments	\$ (21,636)	\$ 3,170	\$ -	\$ 7,286	\$ (1,951)	\$ -	\$ (3,841)
Restricted assets:							
Cash and investments	-	-	-	-	-	-	-
<b>Total cash and investment assets - ending</b>	<b>\$ (21,636)</b>	<b>\$ 3,170</b>	<b>\$ -</b>	<b>\$ 7,286</b>	<b>\$ (1,951)</b>	<b>\$ -</b>	<b>\$ (3,841)</b>
<b><u>Cash and Investment Fund Balance - Ending</u></b>							
Restricted for:							
Debt service	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Unrestricted	(21,636)	3,170	-	7,286	(1,951)	-	(3,841)
<b>Total cash and investment fund balance - ending</b>	<b>\$ (21,636)</b>	<b>\$ 3,170</b>	<b>\$ -</b>	<b>\$ 7,286</b>	<b>\$ (1,951)</b>	<b>\$ -</b>	<b>\$ (3,841)</b>

METROPOLITAN SCHOOL DISTRICT OF LAWRENCE TOWNSHIP  
 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)

	Biomedical Sciences Grant	Tech Prep TP-6-66	First Robotics COR 6-66 '07	Title II 2004-2005	Title II, Part D Enhance Education Tech	Title III Part A 2007-2008	Title II Part D 2005-2006
Receipts:							
Local sources	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
State sources	-	-	-	-	-	-	-
Federal sources	-	22,579	3,440	98,100	8,400	-	14,724
Total receipts	-	22,579	3,440	98,100	8,400	-	14,724
Disbursements:							
Current:							
Instruction	2,780	21,653	3,500	29,510	-	5,706	-
Support services	-	490	-	120,128	4,878	1,127	6,159
Community services	-	-	-	-	-	-	-
Nonprogrammed charges	-	2,000	-	-	-	2,806	1,288
Debt services	-	-	-	-	-	-	-
Total disbursements	2,780	24,143	3,500	149,638	4,878	9,639	7,447
Excess (deficiency) of receipts over disbursements	(2,780)	(1,564)	(60)	(51,538)	3,522	(9,639)	7,277
Other financing sources (uses):							
Transfers in	-	-	-	-	-	-	-
Transfers out	-	-	-	-	-	-	-
Total other financing sources (uses)	-	-	-	-	-	-	-
Excess (deficiency) of receipts and other financing sources over disbursements and other financing uses	(2,780)	(1,564)	(60)	(51,538)	3,522	(9,639)	7,277
Cash and investments - beginning	-	-	-	51,538	(3,522)	9,639	6,342
Cash and investments - ending	<u>\$ (2,780)</u>	<u>\$ (1,564)</u>	<u>\$ (60)</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 13,619</u>
<u>Cash and Investment Assets - Ending</u>							
Cash and investments	\$ (2,780)	\$ (1,564)	\$ (60)	\$ -	\$ -	\$ -	\$ 13,619
Restricted assets:							
Cash and investments	-	-	-	-	-	-	-
Total cash and investment assets - ending	<u>\$ (2,780)</u>	<u>\$ (1,564)</u>	<u>\$ (60)</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 13,619</u>
<u>Cash and Investment Fund Balance - Ending</u>							
Restricted for:							
Debt service	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Unrestricted	(2,780)	(1,564)	(60)	-	-	-	13,619
Total cash and investment fund balance - ending	<u>\$ (2,780)</u>	<u>\$ (1,564)</u>	<u>\$ (60)</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 13,619</u>

METROPOLITAN SCHOOL DISTRICT OF LAWRENCE TOWNSHIP  
 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 Part A 2005-2006	Title III 2006-2007	Nutrition Mini Grant	Retirement Bond Debt Service	Energy Savings Contract Construction	Totals
<b>Receipts:</b>						
Local sources	\$ -	\$ -	\$ -	\$ 1,976,346	\$ -	\$ 9,433,143
State sources	-	-	-	-	-	1,208,995
Federal sources	<u>294,477</u>	<u>200,895</u>	-	-	-	<u>6,395,397</u>
<b>Total receipts</b>	<u>294,477</u>	<u>200,895</u>	<u>-</u>	<u>1,976,346</u>	<u>-</u>	<u>17,037,535</u>
<b>Disbursements:</b>						
<b>Current:</b>						
Instruction	77,312	163,741	(39)	-	-	6,842,053
Support services	120,864	31,382	-	-	-	9,169,300
Community services	-	-	-	-	-	362,571
Nonprogrammed charges	11,179	2,470	-	-	-	49,401
Debt services	-	-	-	<u>1,911,034</u>	-	<u>1,911,034</u>
<b>Total disbursements</b>	<u>209,355</u>	<u>197,593</u>	<u>(39)</u>	<u>1,911,034</u>	<u>-</u>	<u>18,334,359</u>
<b>Excess (deficiency) of receipts over disbursements</b>	<u>85,122</u>	<u>3,302</u>	<u>39</u>	<u>65,312</u>	<u>-</u>	<u>(1,296,824)</u>
<b>Other financing sources (uses):</b>						
Transfers in	-	-	-	-	-	1,311,374
Transfers out	-	-	-	-	-	<u>(311,374)</u>
<b>Total other financing sources (uses)</b>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>1,000,000</u>
<b>Excess (deficiency) of receipts and other financing sources over disbursements and other financing uses</b>	<u>85,122</u>	<u>3,302</u>	<u>39</u>	<u>65,312</u>	<u>-</u>	<u>(296,824)</u>
<b>Cash and investments - beginning</b>	<u>-</u>	<u>-</u>	<u>(39)</u>	<u>(62,403)</u>	<u>407,318</u>	<u>4,158,899</u>
<b>Cash and investments - ending</b>	<u>\$ 85,122</u>	<u>\$ 3,302</u>	<u>\$ -</u>	<u>\$ 2,909</u>	<u>\$ 407,318</u>	<u>\$ 3,862,075</u>
<b><u>Cash and Investment Assets - Ending</u></b>						
Cash and investments	\$ 85,122	\$ 3,302	\$ -	\$ -	\$ 407,318	\$ 3,859,166
Restricted assets:						
Cash and investments	-	-	-	<u>2,909</u>	-	<u>2,909</u>
<b>Total cash and investment assets - ending</b>	<u>\$ 85,122</u>	<u>\$ 3,302</u>	<u>\$ -</u>	<u>\$ 2,909</u>	<u>\$ 407,318</u>	<u>\$ 3,862,075</u>
<b><u>Cash and Investment Fund Balance - Ending</u></b>						
Restricted for:						
Debt service	\$ -	\$ -	\$ -	<u>2,909</u>	\$ -	<u>2,909</u>
Unrestricted	<u>85,122</u>	<u>3,302</u>	<u>-</u>	<u>-</u>	<u>407,318</u>	<u>3,859,166</u>
<b>Total cash and investment fund balance - ending</b>	<u>\$ 85,122</u>	<u>\$ 3,302</u>	<u>\$ -</u>	<u>\$ 2,909</u>	<u>\$ 407,318</u>	<u>\$ 3,862,075</u>

METROPOLITAN SCHOOL DISTRICT OF LAWRENCE TOWNSHIP  
 COMBINING SCHEDULE OF ASSETS AND FUND BALANCES AND RECEIPTS, DISBURSEMENTS,  
 AND CHANGES IN FUND BALANCES - CASH AND INVESTMENTS BASIS  
 INTERNAL SERVICE FUNDS  
 For the Year Ended June 30, 2006

	<u>Self- Insurance</u>	<u>Health Insurance</u>	<u>Totals</u>
Operating receipts:			
Charges for services	\$ 12,264,658	\$ 5,082	\$ 12,269,740
Operating disbursements:			
Insurance claims and expense	<u>10,197,159</u>	<u>23,842</u>	<u>10,221,001</u>
Excess (deficiency) of operating receipts over operating disbursements	<u>2,067,499</u>	<u>(18,760)</u>	<u>2,048,739</u>
Change in net assets	2,067,499	(18,760)	2,048,739
Cash and investment fund balance - beginning	<u>3,938,494</u>	<u>470,582</u>	<u>4,409,076</u>
Cash and investment fund balance - ending	<u>\$ 6,005,993</u>	<u>\$ 451,822</u>	<u>\$ 6,457,815</u>
<u>Cash and Investment Assets - Ending</u>			
Restricted assets:			
Cash and investments	<u>\$ 6,005,993</u>	<u>\$ 451,822</u>	<u>\$ 6,457,815</u>
<u>Cash and Investment Fund Balance - Ending</u>			
Restricted for:			
Other purposes	<u>\$ 6,005,993</u>	<u>\$ 451,822</u>	<u>\$ 6,457,815</u>

METROPOLITAN SCHOOL DISTRICT OF LAWRENCE TOWNSHIP  
 COMBINING SCHEDULE OF ASSETS AND FUND BALANCES AND RECEIPTS, DISBURSEMENTS,  
 AND CHANGES IN FUND BALANCES -CASH AND INVESTMENTS BASIS  
 INTERNAL SERVICE FUNDS  
 For the Year Ended June 30, 2007

	<u>Self- Insurance</u>	<u>Health Insurance</u>	<u>Totals</u>
Operating receipts:			
Charges for services	\$ 13,591,109	\$ -	\$ 13,591,109
Operating disbursements:			
Insurance claims and expense	<u>11,997,953</u>	<u>20,285</u>	<u>12,018,238</u>
Excess (deficiency) of operating receipts over operating disbursements	<u>1,593,156</u>	<u>(20,285)</u>	<u>1,572,871</u>
Change in net assets	1,593,156	(20,285)	1,572,871
Cash and investment fund balance - beginning	<u>6,005,993</u>	<u>451,822</u>	<u>6,457,815</u>
Cash and investment fund balance - ending	<u>\$ 7,599,149</u>	<u>\$ 431,537</u>	<u>\$ 8,030,686</u>
<u>Cash and Investment Assets - Ending</u>			
Restricted assets:			
Cash and investments	<u>\$ 7,599,149</u>	<u>\$ 431,537</u>	<u>\$ 8,030,686</u>
<u>Cash and Investment Fund Balance - Ending</u>			
Restricted for:			
Other purposes	<u>\$ 7,599,149</u>	<u>\$ 431,537</u>	<u>\$ 8,030,686</u>

METROPOLITAN SCHOOL DISTRICT OF LAWRENCE TOWNSHIP  
 COMBINING SCHEDULE OF ADDITIONS, DEDUCTIONS, AND CHANGES IN CASH AND INVESTMENT BALANCES  
 PRIVATE-PURPOSE TRUST FUNDS  
 For the Year Ended June 30, 2006

	ABE Scholarship Fund	Luther Scholarship Fund	Gordon Teter Scholarship	St. Westoff Scholarship	Totals
Additions:					
Contributions:					
Other	\$ -	\$ 500	\$ -	\$ -	\$ 500
Investment earnings:					
Interest	<u>2,842</u>	<u>1,664</u>	<u>2,013</u>	<u>-</u>	<u>6,519</u>
Total additions	<u>2,842</u>	<u>2,164</u>	<u>2,013</u>	<u>-</u>	<u>7,019</u>
Deductions:					
Administrative and general	<u>7,500</u>	<u>1,000</u>	<u>-</u>	<u>-</u>	<u>8,500</u>
Excess (deficiency) of total additions over total deductions	(4,658)	1,164	2,013	-	(1,481)
Cash and investment fund balance - beginning	<u>70,735</u>	<u>41,432</u>	<u>50,141</u>	<u>661</u>	<u>162,969</u>
Cash and investments - ending	<u>\$ 66,077</u>	<u>\$ 42,596</u>	<u>\$ 52,154</u>	<u>\$ 661</u>	<u>\$ 161,488</u>
Net assets:					
Cash and investments	<u>\$ 66,077</u>	<u>\$ 42,596</u>	<u>\$ 52,154</u>	<u>\$ 661</u>	<u>\$ 161,488</u>
Total net assets - cash and investment basis held in trust	<u>\$ 66,077</u>	<u>\$ 42,596</u>	<u>\$ 52,154</u>	<u>\$ 661</u>	<u>\$ 161,488</u>

METROPOLITAN SCHOOL DISTRICT OF LAWRENCE TOWNSHIP  
 COMBINING SCHEDULE OF ADDITIONS, DEDUCTIONS, AND CHANGES IN CASH AND INVESTMENT BALANCES  
 PRIVATE-PURPOSE TRUST FUNDS  
 For the Year Ended June 30, 2007

	ABE Scholarship Fund	Luther Scholarship Fund	Gordon Teter Scholarship	St. Westoff Scholarship	Totals
Additions:					
Contributions:					
Other	\$ -	\$ -	\$ 6,907	\$ -	\$ 6,907
Investment earnings:					
Interest	<u>3,791</u>	<u>2,271</u>	<u>2,990</u>	<u>-</u>	<u>9,052</u>
Total additions	<u>3,791</u>	<u>2,271</u>	<u>9,897</u>	<u>-</u>	<u>15,959</u>
Deductions:					
Administrative and general	<u>5,000</u>	<u>3,000</u>	<u>5,000</u>	<u>141</u>	<u>13,141</u>
Excess (deficiency) of total additions over total deductions	(1,209)	(729)	4,897	(141)	2,818
Cash and investment fund balance - beginning	<u>66,077</u>	<u>42,596</u>	<u>52,154</u>	<u>661</u>	<u>161,488</u>
Cash and investments - ending	<u>\$ 64,868</u>	<u>\$ 41,867</u>	<u>\$ 57,051</u>	<u>\$ 520</u>	<u>\$ 164,306</u>
Net assets:					
Cash and investments	<u>\$ 64,868</u>	<u>\$ 41,867</u>	<u>\$ 57,051</u>	<u>\$ 520</u>	<u>\$ 164,306</u>
Total net assets - cash and investment basis held in trust	<u>\$ 64,868</u>	<u>\$ 41,867</u>	<u>\$ 57,051</u>	<u>\$ 520</u>	<u>\$ 164,306</u>

METROPOLITAN SCHOOL DISTRICT OF LAWRENCE TOWNSHIP  
 COMBINING SCHEDULE OF ADDITIONS, DEDUCTIONS AND CHANGES IN CASH AND INVESTMENT BALANCES  
 AGENCY FUNDS  
 For the Year Ended June 30, 2006

	Miscellaneous Clearing Account	Vision Insurance COBRA	Payroll Clearing Account	HMO Insurance COBRA	Foundation Grants	Life Insurance COBRA	Health Insurance COBRA	Dental Insurance COBRA	Clearing Accounts	Totals
Net assets:										
Cash and investments	\$ 1,074	\$ 785	\$ (4,588)	\$ 935	\$ (2,652)	\$ 214	\$ 18,109	\$ 5,282	\$ 646,055	\$ 665,214
Total net assets - cash and investment basis held in trust	<u>\$ 1,074</u>	<u>\$ 785</u>	<u>\$ (4,588)</u>	<u>\$ 935</u>	<u>\$ (2,652)</u>	<u>\$ 214</u>	<u>\$ 18,109</u>	<u>\$ 5,282</u>	<u>\$ 646,055</u>	<u>\$ 665,214</u>

METROPOLITAN SCHOOL DISTRICT OF LAWRENCE TOWNSHIP  
 COMBINING SCHEDULE OF ADDITIONS, DEDUCTIONS AND CHANGES IN CASH AND INVESTMENT BALANCES  
 AGENCY FUNDS  
 For the Year Ended June 30, 2007

	Miscellaneous Clearing Account	Vision Insurance COBRA	Payroll Clearing Account	HMO Insurance COBRA	Foundation Grants	Life Insurance COBRA	Health Insurance COBRA	Dental Insurance COBRA	Clearing Accounts	Totals
Net assets:										
Cash and investments	\$ 740	\$ 800	\$ (5,938)	\$ 2,692	\$ (4,556)	\$ 399	\$ 29,064	\$ 5,338	\$ 651,193	\$ 679,732
Total net assets - cash and investment basis held in trust	<u>\$ 740</u>	<u>\$ 800</u>	<u>\$ (5,938)</u>	<u>\$ 2,692</u>	<u>\$ (4,556)</u>	<u>\$ 399</u>	<u>\$ 29,064</u>	<u>\$ 5,338</u>	<u>\$ 651,193</u>	<u>\$ 679,732</u>

METROPOLITAN SCHOOL DISTRICT OF LAWRENCE TOWNSHIP  
 SUPPLEMENTARY INFORMATION  
 SCHEDULE OF DEBT  
 For the Year Ended June 30, 2007

MSD Lawrence Township Schools has the following long term debt as of June 30, 2007:

Description of Debt	Ending Balance	Due Within One Year
Governmental Activities:		
Capital leases:		
Building Corporation Leases	\$ 160,777,324	\$ 9,760,000
Energy Savings Contract	840,000	445,000
Notes and loans payable	2,820,000	1,327,650
Tax Anticipation Warrants	19,421,987	19,421,987
Bonds payable:		
General obligation bonds:		
2002 Pension Bond Issue	14,540,000	625,000
2005 Pension Bond Issue	11,190,000	320,000
Total governmental activities long-term debt	<u>\$ 209,589,311</u>	<u>\$ 31,899,637</u>

METROPOLITAN SCHOOL DISTRICT OF LAWRENCE TOWNSHIP  
AUDIT RESULTS AND COMMENTS

TEXTBOOK RENTAL INDEBTEDNESS

Lawrence Central and Lawrence North High Schools are indebted to textbook publishers for a combined amount in excess of \$150,000. The debt balance as of June 30, 2007, for Lawrence Central was \$51,555 and for Lawrence North was \$101,784. A similar comment appeared in prior Report B26563.

Where no textbooks have been purchased and no financial commitments or guarantees for such purchases have been made by the school corporation, the textbook rental program may be operated through the school corporation extra-curricular account or accounts. However, when handled in this manner, the governing body of the school corporation shall approve the amount of the bond of the treasurer of the extra-curricular account in an amount deemed by said governing body sufficient to protect the account for all funds coming into the hands of the treasurer of the account. (Accounting and Uniform Compliance Guidelines Manual for Indiana Public School Corporations, Chapter 3)

CAPITAL PROJECTS FUND DISBURSEMENTS

A review of the School Corporation's expenditures from the Capital Projects Fund account 25353 for the payment of skilled craftsmen indicated that two School Corporation employees paid out of the account were not considered skilled craftsmen. The employees had jobs related to courier services and maintenance of inventory. There were 20 employees paid as skilled craftsmen when the original law allowing for the payment of skilled craftsmen was passed in 1993, which is the number of employees that are currently paid out of the Capital Projects Fund. A similar comment appeared in prior Report B26563.

Indiana Code 20-40-8-16 states in part:

"(b) Subject to this section, money in the fund may be used to pay for services of school corporation employees who are:

- (1) bricklayers;
- (2) stone masons;
- (3) cement masons;
- (4) tile setters;
- (5) glaziers;
- (6) insulation workers;
- (7) asbestos removers;
- (8) painters;
- (9) paperhangers;
- (10) drywall applicators and tapers;

METROPOLITAN SCHOOL DISTRICT OF LAWRENCE TOWNSHIP  
AUDIT RESULTS AND COMMENTS  
(Continued)

- (11) plasterers;
- (12) pipe fitters;
- (13) roofers;
- (14) structural and steel workers;
- (15) metal building assemblers;
- (16) heating and air conditioning installers;
- (17) welders;
- (18) carpenters;
- (19) electricians; or
- (20) plumbers;

as these occupations are defined in the United States Department of Labor, Employment and Training Administration, Dictionary of Occupational Titles, Fourth Edition, Revised 1991.

(c) Payment may be made under this section for employee services described in subsection (b) only if:

- (1) the employees perform:
  - (A) construction of;
  - (B) renovation of;
  - (C) remodeling of;
  - (D) repair of; or
  - (E) maintenance on;the facilities and equipment specified in sections 10 and 11 of this chapter;
- (2) the total of all annual salaries and benefits paid by the school corporation to employees described in this section is at least six hundred thousand dollars (\$600,000); and
- (3) the payment of the employees described in this section is included as part of the school corporation's proposed plan.

(d) The number of employees covered by this section is limited to the number of employee positions described in this section that existed in the school corporation on January 1, 1993.

METROPOLITAN SCHOOL DISTRICT OF LAWRENCE TOWNSHIP  
AUDIT RESULTS AND COMMENTS  
(Continued)

CASH TUITION

The School Board allowed some nonresident students to transfer to the School Corporation. The voluntary transfer tuition students were required to pay an estimated flat fee to attend. The Transfer Tuition Statement (Form 515) was not completed to determine the actual transfer tuition fees. As a result, voluntary transfer tuition students may have owed additional fees to the School Corporation that were not paid or may have overpaid fees that were not refunded to them.

A similar comment appeared in the prior Report B26563.

Indiana Code 20-26-11-6 states in part:

"(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 . . ."

Governmental 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 Indiana Public School Corporations, Chapter 9)

CREDIT CARDS (Applies to Amy Beverland Elementary School)

The School is using a credit card for purchases; however, credit cards are not permitted at the extra-curricular level based on the School Corporation's policy. The credit card in use is in the name of the School Treasurer; however, payments are made directly from the School's extra-curricular account to the credit card company. Based on a review of expenditures, the expenditures were for School purposes.

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:

- (1) The governing board must authorize credit card use through an ordinance or resolution, which has been approved in the minutes.
- (2) Issuance and use should be handled by an official or employee designated by the board.
- (3) The purposes for which the credit card may be used must be specifically stated in the ordinance or resolution.
- (4) When the purpose for which the credit card has been issued has been accomplished, the card should be returned to the custody of the responsible person.
- (5) The designated responsible official or employee should maintain an accounting system or log which would include the names of individuals requesting usage of the cards, their position, estimated amounts to be charged, fund and account numbers to be charged, date the card is issued and returned, etc.

METROPOLITAN SCHOOL DISTRICT OF LAWRENCE TOWNSHIP  
AUDIT RESULTS AND COMMENTS  
(Continued)

- (6) Credit cards should not be used to bypass the accounting system. One reason that purchase orders are issued is to provide the fiscal officer with the means to encumber and track appropriations to provide the governing board and other officials with timely and accurate accounting information and monitoring of the accounting system.
- (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.
- (8) If properly authorized, an annual fee may be paid.

7) (Accounting and Uniform Compliance Guidelines Manual for Extra-Curricular Accounts, Chapter

ECA DEPOSITS (Applies to Indian Creek Elementary School)

Receipts were not always deposited within a reasonable time. Textbook rental receipts in one instance, were collected over a 10 day period before the money was receipted into the School's records and deposited. Textbook rental receipts which were collected from August 14, 2006 through August 24, 2006, were not deposited or receipted into the School's extra-curricular account records until August 24, 2006. The amount deposited on August 24, 2006, was \$29,662.64. A similar comment has appeared in the last three reports.

Indiana Code 20-41-1-9 states in part: ". . . receipts shall be deposited without unreasonable delay."

TEXTBOOK RENTAL RECEIPTS (Applies to Fall Creek Valley and Belzer Middle Schools)

Textbook rental (TBR) receipts at Fall Creek Valley Middle School, were not maintained in such a way that allowed all of the TBR receipts to be traced to a posting in the extra-curricular account ledger or to a deposit. There was no clear identification of which TBR receipts corresponded to an extra-curricular account receipt in all cases. A similar comment appeared in prior Report B26563.

The controls over the receipting, recording, and accounting for the textbook rental (TBR) collections at Belzer Middle School, were insufficient. TBR receipts were not maintained in such a way that allowed TBR receipts to be traced to a posting in the extra-curricular account ledger or to a deposit. There was no clear identification of which TBR receipts corresponded with the extra-curricular account receipt in all cases. Additionally, not all TBR receipts were provided for audit.

Governmental units should have internal controls in effect which provide reasonable assurance regarding the reliability of financial information and records, effectiveness and efficiency of operations, proper execution of management's objectives, and compliance with laws and regulations. Among other things, segregation of duties, safeguarding controls over cash and all other assets and all forms of information processing are necessary for proper internal control. (Accounting and Uniform Compliance Guidelines Manual for Extra-Curricular Accounts, Chapter 7)

METROPOLITAN SCHOOL DISTRICT OF LAWRENCE TOWNSHIP  
AUDIT RESULTS AND COMMENTS  
(Continued)

Controls over the receipting, disbursing, recording, and accounting for the financial activities are necessary to avoid substantial risk of invalid transactions, inaccurate records and financial statements and incorrect decision making. (Accounting and Uniform Compliance Guidelines Manual for Extra-Curricular Accounts, Chapter 7)

Indiana Code 5-13-6-1(c) states in part: "Public funds deposited . . . shall be deposited in the same form in which they were received."

Indiana Code 5-13-6-1(f) concerning destruction of public records, states in part: "Original records may be disposed of only with the approval of the commission according to guidelines established by the commission."

INTERNAL CONTROLS OVER ATHLETIC CONCESSIONS (Applies to Belzer Middle School)

The Athletic Department maintained a concession stand for selling soda, candy, and other types of concessions after school and at athletic events. Proceeds from the concession stand were accounted for in the Athletic and Concession Funds. Assessment of internal controls revealed that policies and procedures were not adequate for the purpose of maintaining full accountability for cash receipts. Internal controls such as periodic inventories, records of items sold at cost or given away, and reconciliation of items sold to items on hand at the concession stand were not in place. A similar comment has appeared in several prior reports.

Governmental units should have internal controls in effect which provide reasonable assurance regarding the reliability of financial information and records, effectiveness and efficiency of operations, proper execution of managements' objectives, and compliance with laws and regulations. Among other things, segregation of duties, safeguarding controls over cash and all other assets and all forms of information processing are necessary for proper internal control. (Accounting and Uniform Compliance Guidelines Manual for Extra-Curricular Accounts, Chapter 7)

WIRE TRANSFER DISBURSEMENTS (Applies to Forest Glen Elementary School)

Forest Glen Elementary has an annual Costa Rica Trip. We noted that for each year during the two years audited, a wire transfer was made to The Rain Forest Travel Agency of South America for the trip. The wire transfers were posted to the School's "Costa Rica Travel" Fund. Forest Glen Elementary collected a total of \$2,050 each year from each student who participated in the Costa Rica Trip, with a portion being transferred to the travel agency and a portion remaining in the extra-curricular account. Eleven students participated in the Costa Rica trip in 2006, and the School transferred \$1,200 per student to the travel agency equaling a total wire transfer of \$13,200, posted to the School's extra-curricular account on May 10, 2006. Nineteen students participated in the Costa Rica Trip in 2007, and the School transferred \$1,300 per student to the travel agency equaling a total wire transfer of \$24,700, posted to the School's extra-curricular account on May 10, 2007. Both of the wire transfers were recorded in the extra-curricular ledger as negative disbursements. The amount wired to the travel agency covers the hotels, excursions, and food for the trip. The remainder of the fee collected from the students covers other miscellaneous items for the trip, such as luggage tags, jackets, thermoses, and instructional materials.

Disbursements, other than properly authorized petty cash disbursements, shall be by check or warrant, not by cash or other methods unless specifically authorized by statute, federal or state rule. (Accounting and Uniform Compliance Guidelines Manual for Extra-Curricular Accounts, Chapter 7)

METROPOLITAN SCHOOL DISTRICT OF LAWRENCE TOWNSHIP  
AUDIT RESULTS AND COMMENTS  
(Continued)

Supporting documentation such as receipts, canceled checks, tickets, invoices, bills, contracts, and other public records must be available for audit to provide supporting information for the validity and accountability of monies disbursed. Payments without supporting documentation may be the personal obligation of the responsible official or employee. (Accounting and Uniform Compliance Guidelines Manual for Extra-Curricular Accounts, Chapter 7)

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)

FEDERAL AND STATE AGENCIES - COMPLIANCE REQUIREMENTS - TITLE I

The Indiana Department of Education (IDOE) performed an onsite monitoring review of the Title I Program of the School Corporation on January 26, 2006. The following findings of noncompliance, required actions, and recommendations were noted:

"Paraprofessional supervision: MSD of Lawrence Township does not meet the statutory requirement to have instructional paraprofessionals under the direct supervision of a highly qualified teacher. At Harrison Hill, there is at least one ESOL paraprofessional who does not work under the direct supervision of, nor in close proximity to, a highly qualified teacher.

Required Action: MSD of Lawrence Township must ensure that all instructional paraprofessionals are working under the direct supervision of, and in close proximity to a highly qualified teacher."

"Parents Right to Know: Teacher Qualifications: Although MSD of Lawrence Township has included a 'Parents Right to Know' statement regarding a parent's right to know the qualifications of the teachers and paraprofessionals instructing their children in student handbooks, they could not show evidence that every parent has received a handbook.

Required Action: MSD of Lawrence Township must provide evidence that Parents Right to Know letters are sent to all parents of students in Title I schools at the beginning of the 2006-2007 school year."

"LEA Parent Involvement Policy: MSD of Lawrence Township could not produce evidence that they have a parent involvement policy in place that meets statutory requirements. A Board policy stating that parent involvement is supported is not sufficient."

Required Action: MSD of Lawrence Township must develop, together with parents, an LEA Parent Involvement Policy which meets the statutory requirements as stated in Sec. 1118."

"School Written Parental Involvement Policy: MSD of Lawrence Township has shown evidence that each Title I school has a parent involvement policy; however, after careful review, both Crestview and Harrison Hill have not included the necessary components as stated in the statutory requirements."

METROPOLITAN SCHOOL DISTRICT OF LAWRENCE TOWNSHIP  
AUDIT RESULTS AND COMMENTS  
(Continued)

"School-parent compact: MSD of Lawrence Township produced evidence that schools have developed School-Parent Compacts as part of their parent involvement policies; however, these compacts are not compliant with the statutory requirements."

"Required Action: MSD of Lawrence Township must ensure that all school parent involvement policies contain the necessary components to meet statutory requirements under NCLB, including a school-parent compact and its components.

In addition, within 60 days of receipt of this letter, MSD of Lawrence Township must re-submit parent involvement policies (including school-parent compacts) to the IDOE for both Crestview and Harrison Hill."

"Supplemental Educational Services: Although MSD of Lawrence Township is compliant with the requirements of SES contracts as stated in Section 1116, review of the only "provider-parent-student agreement" submitted for evidence was not compliant with statutory requirements in that it was only signed by the provider and the LEA. There was no evidence of consultation with parents."

"Required Action: MSD of Lawrence Township must ensure that all SES parent agreements meet the statutory requirements, including a parent signature."

"Peer Review of the School Improvement Plans: MSD of Lawrence Township has a process in place whereby the Title I Coordinator and the Superintendent review the school improvement plan each year after a school committee has reviewed it and made any necessary changes. However, there is no evidence of a peer review process as described in Sec. 1116(3) (E).

Required Action: MSD of Lawrence Township must ensure that each school improvement plan goes through a peer review process within 45 days of the receipt of the plan, in order to ensure that the plan is consistent with statutory requirements as stated in Sec. 1116."

"Student Eligibility and Selection: Although MSD of Lawrence Township provided information about student selection, the process for identifying students for services in grades 3-5 is not in compliance with statutory requirements."

Required Action: MSD of Lawrence Township must ensure that, "multiple, educationally related, objective criteria" are used in identifying students for eligibility for Title I services at Harrison Hill."

"Supplement, not supplant: MSD of Lawrence Township does not meet the statutory requirements for supplement, not supplant. At Harrison Hill, the ESOL program is set up with 'co-teaching' taking place during one portion of the day. At this time, the ESOL teacher assists non-Title I students, as well as Title I identified students."

"Required Action: MSD of Lawrence Township must ensure that Title I personnel in a TAS school are only working with those students identified for services. Co-teaching in a TAS school is not in compliance with statutory requirements.

In addition, MSD of Lawrence Township must send the IDOE a revised copy of teacher and paraprofessional daily schedules that can be observed upon future visits."

METROPOLITAN SCHOOL DISTRICT OF LAWRENCE TOWNSHIP  
AUDIT RESULTS AND COMMENTS  
(Continued)

"Use of Title I Staff: MSD of Lawrence Township did not produce evidence that the Title I Parent Coordinator/SES Coordinator is spending 25 percent of her time at or assisting Crestview with parental involvement (Crestview has no SES programs), even though 25 percent of her salary is from Crestview's Title I allocation.

Required Action: MSD of Lawrence Township must ensure that 25 percent of the Parent Coordinator/SES Coordinator's time is spent at or assisting Crestview to build capacity for parental involvement."

"Student Selection: MSD of Lawrence Township was not able to show that it has a process for selection of students in nonpublic schools which serve those students most in need. Since they only have five students who live in the attendance area, they serve all of the students."

"Required Action: MSD of Lawrence Township must ensure that the students served by Title I in nonpublic schools are those 'most in need'. Through consultation, a method must be used and documented showing that students 'most in need' are served."

"Evaluation of Program: MSD of Lawrence Township was unable to provide evidence that the nonpublic school components of Title I, Part A are evaluated by the LEA."

"Required Action: MSD of Lawrence Township must ensure that there is a documented process in place to show that nonpublic school Title I programs are being evaluated by the LEA."

"1 percent Parental Involvement: Although MSD of Lawrence Township did set-aside the mandatory amount for the 1 percent parental involvement, careful review of evidence for 2004-2005 showed that less than half of the set-aside was expended.

Required Action: MSD of Lawrence Township must ensure that the mandatory set-aside for parental involvement is expended, with 95 percent of the set-aside being expended at the schools."

"Time and Effort Logs: Although MSD of Lawrence Township submitted records of split-funded positions, these did not meet all requirements under OMB Circular A-87 at both the school and LEA level."

"Required Action: MSD of Lawrence Township must ensure that time and effort logs meet all the requirements under OMB Circular A-87.

IDOE will provide technical assistance to assure MSD of Lawrence Township knows how to complete Time and Effort Logs. After this assistance, IDOE will request Time and Effort Logs for one month."

"Labeling of Equipment: Although equipment purchased with Title I funding is properly labeled at the LEA, it is not properly labeled at the schools."

"Recommendation: MSD of Lawrence Township must ensure that all supplies which last more than one year (such as paperback or hardback books) are labeled appropriately."

METROPOLITAN SCHOOL DISTRICT OF LAWRENCE TOWNSHIP  
AUDIT RESULTS AND COMMENTS  
(Continued)

Political subdivisions are required to comply with all grant agreements, rules, regulations, bulletins, directives, letters, letter rulings and filing requirements concerning reports and other procedural matters of federal and state agencies, including opinions of the Attorney General of the State of Indiana, and court decisions. Governmental units should file accurate reports required by federal and state agencies. Noncompliance may require corrective action. (Accounting and Uniform Compliance Guidelines Manual for Indiana Public School Corporations, Chapter 9)

CAPITAL PROJECTS FUND – BUS PURCHASES

The School Corporation disbursed \$649,700.16 on July 7, 2006, from the Capital Projects Fund to Midwest Transit Equipment of Indiana for partial payment of school buses. As of January 14, 2008, the School Corporation had not repaid the Capital Projects Fund.

Sources and uses of funds should be limited to those authorized by the enabling statute, ordinance, resolution, or grant agreement. (Accounting and Uniform Compliance Guidelines Manual for Indiana Public School Corporations, Chapter 9)

Indiana Code 20-40-8-11 concerning capital projects funds states:

"Money in the fund may be used to pay for the purchase, lease, repair, or maintenance of equipment to be used by the school corporation. However, money in the fund may not be used to pay for the purchase, lease, repair, or maintenance of the following:

- (1) Vehicles to be used for any purpose.
- (2) Except as provided in section 12 of this chapter, equipment to be used primarily for interscholastic or extracurricular activities."

A school corporation may purchase both the body and chassis of a school bus, or purchase either the body or the chassis, IC 20-9.1-6-1 (now IC 20-27-4-1). Purchases may be made for cash or under the terms of a security agreement. If purchased by a security agreement contract, the agreement shall run for a period of not to exceed six (6) years and shall be amortized in approximately equal installments payable on the first day of January and July of each year. The interest and all other carrying charges shall not exceed eight percent (8%) per year upon the balance remaining unpaid from time to time without first obtaining approval of the Department of Local Government Finance. Payments for school bus purchases shall be made from the General Fund or the School Bus Replacement Fund for replacement buses of up to ten percent (10%) of the number of buses in the school corporation fleet. (Accounting and Uniform Compliance Guidelines Manual for Indiana Public School Corporations, Chapter 8)

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SUPPLEMENTAL AUDIT OF  
FEDERAL AWARDS



**STATE OF INDIANA**  
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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 METROPOLITAN SCHOOL DISTRICT  
OF LAWRENCE TOWNSHIP, MARION COUNTY, INDIANA

Compliance

We have audited the compliance of the Metropolitan School District of Lawrence Township (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. However, the results of our auditing procedures disclosed instances of noncompliance with those requirements which are required to be reported in accordance with OMB Circular A-133 and which are described in the accompanying Schedule of Findings and Questioned Costs as item 2007-1.

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

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)

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.

Our consideration of internal control over compliance was for the limited purpose described in the preceding paragraph and would not necessarily identify all deficiencies in the entity's internal control that might be significant deficiencies or material weaknesses as defined below. However, as discussed below, we identified certain deficiencies in internal control over compliance that we consider to be significant deficiencies.

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. We consider the deficiencies in internal control over compliance described in item 2007-1 of the accompanying Schedule of Findings and Questioned Costs to be significant deficiencies.

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. We did not consider any of the deficiencies described in the accompanying Schedule of Findings and Questioned Costs to be material weaknesses.

The School Corporation's response to the findings identified in our audit is described in the accompanying Corrective Action Plan and Official Response sections of the report. We did not audit the School Corporation's response and, accordingly, we express no opinion on it.

This report is intended solely for the information and use of the School Corporation's management, school board 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

January 14, 2008

METROPOLITAN SCHOOL DISTRICT OF LAWRENCE TOWNSHIP  
 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		\$ 487,868	\$ 588,205
National School Lunch Program	10.555		<u>2,334,192</u>	<u>2,607,133</u>
Total for cluster			<u>2,822,060</u>	<u>3,195,338</u>
Team Nutrition Grants	10.574		<u>2,718</u>	<u>-</u>
Total for federal grantor agency			<u>2,824,778</u>	<u>3,195,338</u>
<u>U.S. DEPARTMENT OF LABOR</u>				
Pass-Through Indiana Department of Workforce Development				
WIA Pilots, Demonstrations and Research Projects	17.261			
Biomedical Science Grant		BIO 6-66	-	2,780
First Robotics		CPR 6-66	<u>-</u>	<u>3,500</u>
Total for federal grantor agency			<u>-</u>	<u>6,280</u>
<u>U.S. DEPARTMENT OF EDUCATION</u>				
Pass-Through Indiana Department of Education				
Special Education Cluster				
Special Education - Grants to States	84.027			
		14204-036-PY02	183,986	-
		14205-036-PN01	225	-
		14205-036-SN01	8,415	-
		14206-026-PN01	3,069,700	252,112
		14205-036-PY02	230,604	90,277
		14205-036-DY01	45,037	555
		14206-099-DN01	15,137	3,963
		14206-036-PY02	-	95,174
		14207-036-PN01	-	3,021,234
		14206-060-DY01	-	4,354
		14206-055-DY02	<u>-</u>	<u>19,100</u>
Total for program			<u>3,553,104</u>	<u>3,486,769</u>
Special Education - Preschool Grants	84.173			
		45706-036-PN01	107,951	-
		45707-036-PN01	<u>-</u>	<u>106,636</u>
Total for program			<u>107,951</u>	<u>106,636</u>
Total for cluster			<u>3,661,055</u>	<u>3,593,405</u>
Title I Grants to Local Educational Agencies	84.010			
		05-5330 School Improvement	10,892	2,197
		5330-5285	39,152	-
		05-5330	368,411	-
		06-5330 School Improvement	4,123	57,422
		06-5330	1,236,181	297,616
		CSR SY 05-06 5330-5285	139,852	26,148
		07-5330	<u>-</u>	<u>1,072,335</u>
Total for program			<u>1,798,611</u>	<u>1,455,718</u>
Migrant Education - State Grant Program	84.011			
FY 04-05		RM-22	24,760	-
FY 05-06		SM-2	<u>30,696</u>	<u>-</u>

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

METROPOLITAN SCHOOL DISTRICT OF LAWRENCE TOWNSHIP  
 SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS  
 For The Years Ended June 30, 2006 and 2007  
 (Continued)

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 EDUCATION (continued)</u>				
Pass-Through Indiana Department of Education (continued)				
Migrant Education - State Grant Program (continued)				
FY 05-06		RM-13	167,532	21,458
FY 06-07		SM-4	4,953	27,546
FY 06-07		RM-13	-	278,581
FY 07-08		SM-8	-	5,117
Total for program			<u>227,941</u>	<u>332,702</u>
Pass-Through Indiana Department of Workforce Development				
Vocational Education - Basic Grants to States				
	84.048			
FY 04-05 Perkins		05-4700	64,015	-
FY 05-06 Perkins		06-4700	126,148	48,834
FY 06-07 Perkins		07-4700	-	129,532
High Schools That Work		05-1303-5330	2,000	-
High Schools That Work		07-1303-5330	-	1,951
Total for program			<u>192,163</u>	<u>180,317</u>
Pass-Through Indiana Department of Education				
Safe and Drug Free Schools and Communities - State Grants				
	84.186			
Title IV		03-060	1,380	-
Title IV		04-092	54,279	2,524
Title IV		05-149	20,198	43,894
Total for program			<u>75,857</u>	<u>46,418</u>
Education for Homeless Children and Youth				
	84.196			
McKinney Vento		FY 05-06	15,995	2,996
McKinney Vento		FY 06-07	-	19,438
Total for program			<u>15,995</u>	<u>22,434</u>
Pass-Through Indiana Department of Workforce Development				
Tech Prep Education				
	84.243			
		TP-6-66	-	24,144
		TP-5-66	-	29,236
Total for program			<u>-</u>	<u>53,380</u>
Pass-Through Indiana Department of Education				
State Grants for Innovative Programs				
	84.298			
Title V Part A		03-157	84,345	-
Title V Part A		04-251	19,196	82,237
Title V Part A		05-245	-	67,297
Title V Part A		06-5330	-	1,337
Total for program			<u>103,541</u>	<u>150,871</u>
Education Technology State Grants				
	84.318			
		FY 03-04	10,740	-
		FY 04-05	29,117	4,879
		FY 05-06	1,020	7,447
Total for program			<u>40,877</u>	<u>12,326</u>

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

METROPOLITAN SCHOOL DISTRICT OF LAWRENCE TOWNSHIP  
 SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS  
 For The Years Ended June 30, 2006 and 2007  
 (Continued)

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 EDUCATION (continued)</u>				
Pass-Through Indiana Department of Education (continued)				
English Language Acquisition Grants	84.365			
		FY 04-05	5,813	-
		FY 05-06	130,655	9,638
		FY 06-07	<u>-</u>	<u>197,592</u>
Total for program			<u>136,468</u>	<u>207,230</u>
Improving Teacher Quality State Grants	84.367			
		03-161	177,532	-
		04-227	240,254	149,638
		05-235	<u>-</u>	<u>209,355</u>
Total for program			<u>417,786</u>	<u>358,993</u>
Total for federal grantor agency			<u>6,670,294</u>	<u>6,413,794</u>
<u>CORPORATION FOR NATIONAL AND COMMUNITY SERVICE</u>				
Pass-Through Indiana Department of Education				
Learn and Serve America - School and Community Based Programs	94.004			
		FY 07-08	<u>-</u>	<u>14,000</u>
Total federal awards expended			<u>\$ 9,495,072</u>	<u>\$ 9,629,412</u>

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

METROPOLITAN SCHOOL DISTRICT OF LAWRENCE TOWNSHIP  
 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 Metropolitan School District of Lawrence Township (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	Federal CFDA Number	2006	2007
School Breakfast Program	10.553	\$ 53,942	\$ 41,891
National School Lunch Program	10.555	241,079	319,361

METROPOLITAN SCHOOL DISTRICT OF LAWRENCE TOWNSHIP  
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?	yes

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? Yes

Identification of Major Programs:

CFDA Number	Name of Federal Program or Cluster
84.010	Child Nutrition Cluster
84.367	Title I Grants to Local Educational Agencies Improving Teacher Quality State Grants

Dollar threshold used to distinguish between Type A and Type B programs: \$573,735

Auditee qualified as low-risk auditee? no

Section II – Financial Statement Findings

No matters are reportable.

METROPOLITAN SCHOOL DISTRICT OF LAWRENCE TOWNSHIP  
SCHEDULE OF FINDINGS AND QUESTIONED COSTS  
(Continued)

Section III – Federal Award Findings and Questioned Costs

2007-1, INTERNAL CONTROL REPORTABLE CONDITION/CASH MANAGEMENT

Federal Agency: U.S. Department of Education  
Federal Program: Improving Teacher Quality State Grants  
CFDA Number: 84.367  
Pass-Through Entity: Indiana Department of Education

EDGAR 80.20(b)(7) states in part: "Procedures for minimizing the time elapsing between the transfer of funds from the U.S. Treasury and disbursement by grantees and sub-grantees must be followed when advance payment procedures are used."

The School Corporation is not effectively monitoring the cash balance of the grant in order to ensure that the time between the receipt and disbursement of federal funds is minimized. The School Corporation does not have proper procedures or controls in place which allows for the cash requests to be modified when excess cash is on hand in the grant fund. Due to the lack of proper procedures and controls, the cash balance in the grant funds had an excessive cash balance for many months during our audit period. Four months out of the 2005-2006 grant year and during the 2006-2007 grant period, five months out of the grant year had a cash balance that exceeded the allowable cash balance based on estimated future requirements. The cash balance of the grant at June 30, 2007, was \$85,121, which was approximately 22% of the total grant awarded during the 2006-2007 school year. Surplus cash indicates noncompliance with the Cash Management Requirement as set forth by the grant agreement. Additionally, failure to minimize the cash on hand as determined by the grant agreement may cause future funding to be reduced by the pass-through agency.

We recommended that School Corporation officials develop and implement procedures and controls to ensure that the time between receipt and disbursement of federal funds is minimized.

METROPOLITAN SCHOOL DISTRICT OF LAWRENCE TOWNSHIP  
SUMMARY SCHEDULE OF PRIOR AUDIT FINDINGS

No matters are reportable.

## CORRECTIVE ACTION PLAN

**Finding Number:** 2007-1 Internal Control Reportable Condition/Cash Management

**Audit Period:** July 1, 2005 to June 30, 2007

**Federal Program:** Improving Teacher Quality

**CFDA Number:** 84.367

**Auditee Contact:** Larry Aronett, RSBO Assistant Business Manager/Deputy Treasurer

The primary problem has been the failure to compare the Cash Forecast request prepared at the beginning of the Grant Award with the monthly cash expenditures. This should be the responsibility of each Grant Director and obviously also needs to be monitored by the Grant Accountant.

The Grant Accountant or the Lead Accountant now will prepare a monthly report showing cash on hand. Then a cash forecast will be prepared and compared with any historical dates from past Grant periods. If the cash balance requested appears to be excessive, then it will be modified. If additional cash is needed for the next accounting cycle, a memo should be sent with the cash request form justifying that conclusion.

METROPOLITAN SCHOOL DISTRICT OF LAWRENCE TOWNSHIP  
EXIT CONFERENCE

The contents of this report were discussed on January 14, 2008, with Dr. Michael C. Copper, Superintendent of Schools; Lori Petrucciani, President of the School Board; Robin Phelps, Treasurer; and Larry Amonett, Assistant Business Manager. The official response has been made a part of this report and may be found on pages 85 and 86.

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METROPOLITAN SCHOOL DISTRICT OF  
**LAWRENCE TOWNSHIP**  
INDIANAPOLIS, INDIANA

January 23, 2008

Mr. Bruce Hartman, C.P.A.  
State Examiner  
State Board of Accounts  
302 West Washington St.  
4th. Floor, Room E418  
Indianapolis, IN 46204-2765

Re: Audit response for the period  
ended June 30, 2007

Dear Mr. Hartman,

This letter is in response to your Field Examiner's examination of the M.S.D. of Lawrence Township for the period ended June 30, 2007.

We have reviewed the "Preliminary Discussion Draft" as discussed at our exit conference and we wish to make a formal response to these comments.

We will certainly implement all the comments regarding the Extra-Curricular Accounts. Discussions with staff have taken place, more internal controls have been established and additional training has been implemented that will assure that these problems will not be repeated. We will have an inservice to explain the problems to each individual Treasurer and we will continue to educate them in proper procedures.

We will also look into transferring textbook rental funds to the corporation accounts from any school that has textbook indebtedness so that those loans and funds will be handled by the corporation.

In regards to the cash tuition billing statements, we will certainly make every effort to see that our patron's are charged the fair amount for tuition. The tuition we charge is based on the form 515 calculation and is approved by our Board of Education.

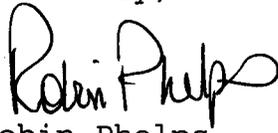
We will eliminate all unnecessary Petty Cash funds immediately and keep the total of all such funds corporation wide to the statutory amount of \$ 500.00.

We wish to commend your auditors on this assignment. It was a good learning experience for all our staff and they conducted themselves very professionally throughout the audit.

The administration at the M.S.D. of Lawrence Township is constantly striving to maintain the highest level of accountability possible to our patrons and taxpayers.

Thank you for your attention to this matter.

Sincerely,

A handwritten signature in cursive script that reads "Robin Phelps". The signature is written in dark ink and is positioned above the printed name and title.

Robin Phelps  
Chief Financial Officer and Treasurer

LAQA:AUDIT.SBA\AUDRES.07