

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

AUDIT REPORT  
OF

MT. PLEASANT TOWNSHIP COMMUNITY  
SCHOOL CORPORATION  
DELAWARE COUNTY, INDIANA

July 1, 2005 to June 30, 2007



**FILED**

03/31/2008



## TABLE OF CONTENTS

<u>Description</u>	<u>Page</u>
Schedule of Officials .....	2
Independent Auditor's Report on Financial Statements and Supplementary Schedule of Expenditures of Federal Awards .....	3-4
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 .....	5-6
Basic Financial Statements:	
Government-Wide Financial Statements:	
Statements of Activities and Net Assets - Cash and Investment Basis .....	7-8
Fund Financial Statements:	
Governmental Funds:	
Statements of Assets and Fund Balances and Receipts, Disbursements, and Changes in Fund Balances - Cash and Investment Basis	
– Governmental Funds .....	9-10
Fiduciary Funds:	
Statements of Additions, Deductions, and Changes in Cash and Investment Balances - Cash and Investment Basis	
– Fiduciary Funds .....	11-12
Notes to Financial Statements .....	13-22
Required Supplementary Information:	
Schedule of Funding Progress .....	23
Supplementary Information:	
Combining Schedule of Assets and Fund Balances and Receipts, Disbursements, and Changes in Fund Balances – Cash and Investment Basis – Other	
Governmental Funds .....	24-32
Combining Schedule of Additions, Deductions, and Changes in Cash and Investment Balances – Private-Purpose Trust Funds .....	33-34
Schedule of Capital Assets .....	35
Schedule of Long-Term Debt .....	36
Audit Results and Comments:	
Travel Expenses .....	37
Promotion of Business Expenses .....	37-38
Overdrawn Cash Balances .....	38
Mileage Claims .....	38
Supplemental Audit of Federal Awards:	
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 .....	40-41
Schedule of Expenditures of Federal Awards .....	42
Notes to Schedule of Expenditures of Federal Awards .....	43
Schedule of Findings and Questioned Costs .....	44
Exit Conference .....	45
Official Response .....	46-47

SCHEDULE OF OFFICIALS

<u>Office</u>	<u>Official</u>	<u>Term</u>
Treasurer	Sandra L. Donovan	07-01-05 to 06-30-08
Superintendent of Schools	Mary Ann Irwin William Roberson	07-01-05 to 06-30-07 07-01-07 to 06-30-08
President of the School Board	Patrick K. LaVelle Steve Smith Tom Simpson	07-01-05 to 06-30-06 07-01-06 to 06-30-07 07-01-07 to 06-30-08



**STATE OF INDIANA**  
AN EQUAL OPPORTUNITY EMPLOYER

STATE BOARD OF ACCOUNTS  
302 WEST WASHINGTON STREET  
ROOM E418  
INDIANAPOLIS, INDIANA 46204-2769

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

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

TO: THE OFFICIALS OF THE MT. PLEASANT TOWNSHIP COMMUNITY  
SCHOOL CORPORATION, DELAWARE COUNTY, INDIANA

We have audited the accompanying financial statements of the governmental activities, each major fund, and the aggregate remaining fund information of the Mt. Pleasant Township Community School Corporation (School Corporation), as of and for the years ended June 30, 2006 and 2007, which collectively comprise the School Corporation's basic financial statements as listed in the Table of Contents. These financial statements are the responsibility of the School Corporation's management. Our responsibility is to express opinions on these financial statements based on our audit.

We conducted our audit in accordance with auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in Government Auditing Standards, issued by the Comptroller General of the United States. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free of material misstatement. An audit includes examining, on a test basis, evidence supporting the amounts and disclosures in the financial statements. An audit also includes assessing the accounting principles used and significant estimates made by management, as well as evaluating the overall financial statement presentation. We believe that our audit provides a reasonable basis for our opinions.

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

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

In accordance with Government Auditing Standards, we have also issued a report dated March 18, 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.

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.

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

The Schedule of Funding Progress 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, Schedule of Capital Assets, 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 Capital Assets and Schedule of Long-Term Debt have 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 them.

STATE BOARD OF ACCOUNTS

March 18, 2008



**STATE OF INDIANA**  
AN EQUAL OPPORTUNITY EMPLOYER

STATE BOARD OF ACCOUNTS  
302 WEST WASHINGTON STREET  
ROOM E418  
INDIANAPOLIS, INDIANA 46204-2769

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

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 MT. PLEASANT TOWNSHIP COMMUNITY  
SCHOOL CORPORATION, DELAWARE COUNTY, INDIANA

We have audited the financial statements of the governmental activities, each major fund, and the aggregate remaining fund information of the Mt. Pleasant Township Community School Corporation (School Corporation), as of and for the years ended June 30, 2006 and 2007, which collectively comprise the School Corporation's basic financial statements and have issued our report thereon dated March 18, 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 weaknesses, as defined above.

REPORT ON INTERNAL CONTROL OVER FINANCIAL REPORTING AND ON  
COMPLIANCE AND OTHER MATTERS BASED ON AN AUDIT OF FINANCIAL STATEMENTS  
PERFORMED IN ACCORDANCE WITH GOVERNMENT AUDITING STANDARDS  
(Continued)

Compliance and Other Matters

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

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

STATE BOARD OF ACCOUNTS

March 18, 2008

MT. PLEASANT TOWNSHIP COMMUNITY SCHOOL CORPORATION  
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	\$ 6,259,522	\$ -	\$ 86,894	\$ (6,172,628)
Support services	11,171,137	552,716	461,603	(10,156,818)
Community services	287,405	-	-	(287,405)
Nonprogrammed charges	388,399	-	-	(388,399)
Debt service	<u>2,209,466</u>	<u>-</u>	<u>-</u>	<u>(2,209,466)</u>
Total governmental activities	<u>\$ 20,315,929</u>	<u>\$ 552,716</u>	<u>\$ 548,497</u>	<u>(19,214,716)</u>
General receipts:				
Property taxes				8,770,161
Other local sources				1,297,082
State aid				7,483,198
Grants and contributions not restricted to specific programs				539,333
Sale of property, adjustments, and refunds				150,084
Investment earnings				<u>124,407</u>
Total general receipts				<u>18,364,265</u>
Change in net assets				(850,451)
Net assets - beginning				<u>3,431,886</u>
Net assets - ending				<u>\$ 2,581,435</u>
<u>Assets</u>				
Cash and investments				\$ 1,689,036
Restricted assets:				
Cash and investments				<u>892,399</u>
Total assets				<u>\$ 2,581,435</u>
<u>Net Assets</u>				
Restricted for:				
Debt service				\$ 892,399
Unrestricted				<u>1,689,036</u>
Total net assets				<u>\$ 2,581,435</u>

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

MT. PLEASANT TOWNSHIP COMMUNITY SCHOOL CORPORATION  
STATEMENT OF ACTIVITIES AND NET ASSETS - CASH AND INVESTMENT BASIS  
For the Year Ended June 30, 2007

<u>Functions/Programs</u>	<u>Disbursements</u>	<u>Program Receipts</u>		<u>Net (Disbursement) Receipts and Changes in Net Assets</u>
		Charges for Services	Operating Grants and Contributions	Totals
Governmental activities:				
Instruction	\$ 6,509,525	\$ -	\$ 138,503	\$ (6,371,022)
Support services	11,148,040	591,681	538,955	(10,017,404)
Community services	320,116	-	-	(320,116)
Nonprogrammed charges	305,691	-	-	(305,691)
Debt service	2,203,620	-	-	(2,203,620)
Total governmental activities	\$ 20,486,992	\$ 591,681	\$ 677,458	(19,217,853)
General receipts:				
Property taxes				5,273,821
Other local sources				734,218
State aid				7,420,671
Bonds and loans				4,448,810
Grants and contributions not restricted to specific programs				550,992
Sale of property, adjustments, and refunds				70,237
Investment earnings				179,064
Total general receipts				18,677,813
Change in net assets				(540,040)
Net assets - beginning				2,581,435
Net assets - ending				\$ 2,041,395
<u>Assets</u>				
Cash and investments				\$ 2,056,966
Restricted assets:				
Cash and investments				(15,571)
Total assets				\$ 2,041,395
<u>Net Assets</u>				
Restricted for:				
Debt service				\$ (15,571)
Unrestricted				2,056,966
Total net assets				\$ 2,041,395

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

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

	General	Transportation Operating	Textbook Rental	Debt Service	Retirement/ Severance Bond Debt Service	Capital Projects	School Bus Replacement	Other	Totals
<b>Receipts:</b>									
Local sources	\$ 4,660,905	\$ 1,235,246	\$ -	\$ 1,765,097	\$ 496,147	\$ 1,700,754	\$ 252,322	\$ 633,870	\$ 10,744,341
Intermediate sources	24	-	-	-	-	-	-	-	24
State sources	7,555,739	-	311,635	-	-	-	-	66,244	7,933,618
Federal sources	-	-	-	-	-	-	-	637,411	637,411
Sale of property, adjustments and refunds	71,425	275	-	-	-	49,025	-	29,359	150,084
<b>Total receipts</b>	<b>12,288,093</b>	<b>1,235,521</b>	<b>311,635</b>	<b>1,765,097</b>	<b>496,147</b>	<b>1,749,779</b>	<b>252,322</b>	<b>1,366,884</b>	<b>19,465,478</b>
<b>Disbursements:</b>									
<b>Current:</b>									
Instruction	5,850,305	-	-	-	-	-	-	409,217	6,259,522
Support services	6,335,601	1,272,474	384,334	-	-	2,199,165	132,432	847,131	11,171,137
Community services	287,405	-	-	-	-	-	-	-	287,405
Nonprogrammed charges	336,488	-	-	-	-	-	-	51,911	388,399
Debt services	-	-	-	1,663,218	495,687	-	50,561	-	2,209,466
<b>Total disbursements</b>	<b>12,809,799</b>	<b>1,272,474</b>	<b>384,334</b>	<b>1,663,218</b>	<b>495,687</b>	<b>2,199,165</b>	<b>182,993</b>	<b>1,308,259</b>	<b>20,315,929</b>
Excess (deficiency) of receipts over disbursements	(521,706)	(36,953)	(72,699)	101,879	460	(449,386)	69,329	58,625	(850,451)
<b>Other financing sources (uses):</b>									
Transfers in	152,261	-	-	-	-	-	-	164,515	316,776
Transfers out	(70,473)	(19,125)	-	(30,108)	(7,995)	(24,469)	(3,576)	(161,030)	(316,776)
<b>Total other financing sources (uses)</b>	<b>81,788</b>	<b>(19,125)</b>	<b>-</b>	<b>(30,108)</b>	<b>(7,995)</b>	<b>(24,469)</b>	<b>(3,576)</b>	<b>3,485</b>	<b>-</b>
Excess (deficiency) of receipts and other financing sources over disbursements and other financing uses	(439,918)	(56,078)	(72,699)	71,771	(7,535)	(473,855)	65,753	62,110	(850,451)
Cash and investments - beginning	878,393	188,150	214,461	821,265	6,898	830,655	118,272	373,792	3,431,886
Cash and investments - ending	\$ 438,475	\$ 132,072	\$ 141,762	\$ 893,036	\$ (637)	\$ 356,800	\$ 184,025	\$ 435,902	\$ 2,581,435
<b>Cash and Investment Assets - Ending</b>									
Cash and investments	\$ 438,475	\$ 132,072	\$ 141,762	\$ -	\$ -	\$ 356,800	\$ 184,025	\$ 435,902	\$ 1,689,036
Restricted assets:									
Cash and investments	-	-	-	893,036	(637)	-	-	-	892,399
<b>Total cash and investment assets - ending</b>	<b>\$ 438,475</b>	<b>\$ 132,072</b>	<b>\$ 141,762</b>	<b>\$ 893,036</b>	<b>\$ (637)</b>	<b>\$ 356,800</b>	<b>\$ 184,025</b>	<b>\$ 435,902</b>	<b>\$ 2,581,435</b>
<b>Cash and Investment Fund Balance - Ending</b>									
Restricted for:									
Debt service	\$ -	\$ -	\$ -	\$ 893,036	\$ (637)	\$ -	\$ -	\$ -	\$ 892,399
Unrestricted	438,475	132,072	141,762	-	-	356,800	184,025	435,902	1,689,036
<b>Total cash and investment fund balance - ending</b>	<b>\$ 438,475</b>	<b>\$ 132,072</b>	<b>\$ 141,762</b>	<b>\$ 893,036</b>	<b>\$ (637)</b>	<b>\$ 356,800</b>	<b>\$ 184,025</b>	<b>\$ 435,902</b>	<b>\$ 2,581,435</b>

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

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

	General	Transportation Operating	Textbook Rental	Debt Service	Retirement/ Severance Bond Debt Service	Capital Projects	School Bus Replacement	Other	Totals
<b>Receipts:</b>									
Local sources	\$ 2,897,940	\$ 738,976	\$ -	\$ 935,748	\$ 280,894	\$ 1,109,278	\$ 155,684	\$ 660,191	\$ 6,778,711
Intermediate sources	71	-	-	-	-	-	-	-	71
State sources	7,545,143	-	333,236	-	-	-	-	92,343	7,970,722
Federal sources	-	-	-	-	-	-	-	678,400	678,400
Bonds and loans	2,835,599	536,994	-	-	-	1,076,217	-	-	4,448,810
Sale of property, adjustments and refunds	53,550	389	-	-	-	8,527	-	7,772	70,238
<b>Total receipts</b>	<b>13,332,303</b>	<b>1,276,359</b>	<b>333,236</b>	<b>935,748</b>	<b>280,894</b>	<b>2,194,022</b>	<b>155,684</b>	<b>1,438,706</b>	<b>19,946,952</b>
<b>Disbursements:</b>									
<b>Current:</b>									
Instruction	6,050,149	-	-	-	-	-	-	459,376	6,509,525
Support services	6,133,108	1,263,911	223,765	-	-	2,315,135	340,335	871,786	11,148,040
Community services	271,684	-	-	-	-	-	-	48,432	320,116
Nonprogrammed charges	305,691	-	-	-	-	-	-	-	305,691
Debt services	-	-	-	1,667,348	495,367	-	40,905	-	2,203,620
<b>Total disbursements</b>	<b>12,760,632</b>	<b>1,263,911</b>	<b>223,765</b>	<b>1,667,348</b>	<b>495,367</b>	<b>2,315,135</b>	<b>381,240</b>	<b>1,379,594</b>	<b>20,486,992</b>
Excess (deficiency) of receipts over disbursements	571,671	12,448	109,471	(731,600)	(214,473)	(121,113)	(225,556)	59,112	(540,040)
<b>Other financing sources (uses):</b>									
Transfers in	75,333	19,125	-	30,108	7,995	24,469	3,576	85,009	245,615
Transfers out	(49,282)	-	-	-	-	-	-	(196,333)	(245,615)
<b>Total other financing sources (uses)</b>	<b>26,051</b>	<b>19,125</b>	<b>-</b>	<b>30,108</b>	<b>7,995</b>	<b>24,469</b>	<b>3,576</b>	<b>(111,324)</b>	<b>-</b>
Excess (deficiency) of receipts and other financing sources over disbursements and other financing uses	597,722	31,573	109,471	(701,492)	(206,478)	(96,644)	(221,980)	(52,212)	(540,040)
Cash and investments - beginning	438,475	132,072	141,762	893,036	(637)	356,800	184,025	435,902	2,581,435
Cash and investments - ending	<u>\$ 1,036,197</u>	<u>\$ 163,645</u>	<u>\$ 251,233</u>	<u>\$ 191,544</u>	<u>\$ (207,115)</u>	<u>\$ 260,156</u>	<u>\$ (37,955)</u>	<u>\$ 383,690</u>	<u>\$ 2,041,395</u>
<b>Cash and Investment Assets - Ending</b>									
Cash and investments	\$ 1,036,197	\$ 163,645	\$ 251,233	\$ -	\$ -	\$ 260,156	\$ (37,955)	\$ 383,690	\$ 2,056,966
Restricted assets:									
Cash and investments	-	-	-	191,544	(207,115)	-	-	-	(15,571)
<b>Total cash and investment assets - ending</b>	<b>\$ 1,036,197</b>	<b>\$ 163,645</b>	<b>\$ 251,233</b>	<b>\$ 191,544</b>	<b>\$ (207,115)</b>	<b>\$ 260,156</b>	<b>\$ (37,955)</b>	<b>\$ 383,690</b>	<b>\$ 2,041,395</b>
<b>Cash and Investment Fund Balance - Ending</b>									
Restricted for:									
Debt service	\$ -	\$ -	\$ -	\$ 191,544	\$ (207,115)	\$ -	\$ -	\$ -	\$ (15,571)
Unrestricted	1,036,197	163,645	251,233	-	-	260,156	(37,955)	383,690	2,056,966
<b>Total cash and investment fund balance - ending</b>	<b>\$ 1,036,197</b>	<b>\$ 163,645</b>	<b>\$ 251,233</b>	<b>\$ 191,544</b>	<b>\$ (207,115)</b>	<b>\$ 260,156</b>	<b>\$ (37,955)</b>	<b>\$ 383,690</b>	<b>\$ 2,041,395</b>

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

MT. PLEASANT TOWNSHIP COMMUNITY SCHOOL CORPORATION  
 STATEMENT OF ADDITIONS, DEDUCTIONS, AND CHANGES IN CASH AND INVESTMENT BALANCES  
 FIDUCIARY FUNDS  
 For the Year Ended June 30, 2006

	Pension Trust Funds	Private-Purpose Funds
Additions:		
Contributions:		
Other	\$ -	\$ 2,582
Deductions:		
Benefits	300,216	-
Administrative and general	-	3,750
Total deductions	300,216	3,750
Deficiency of total additions over total deductions	(300,216)	(1,168)
Cash and investment fund balance - beginning	1,750,247	5,210
Cash and investment fund balance - ending	\$ 1,450,031	\$ 4,042
Net assets:		
Cash and investments	\$ 1,450,031	\$ 4,042
Total net assets - cash and investment basis held in trust	\$ 1,450,031	\$ 4,042

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

MT. PLEASANT TOWNSHIP COMMUNITY SCHOOL CORPORATION  
STATEMENT OF ADDITIONS, DEDUCTIONS, AND CHANGES IN CASH AND INVESTMENT BALANCES  
FIDUCIARY FUNDS  
For the Year Ended June 30, 2007

	Pension Trust Funds	Private-Purpose Funds
Additions:		
Contributions:		
Other	\$ -	\$ 3,509
Deductions:		
Benefits	279,250	-
Administrative and general	-	3,715
Total deductions	279,250	3,715
Deficiency of total additions over total deductions	(279,250)	(206)
Cash and investment fund balance - beginning	1,450,031	3,697
Cash and investment fund balance - ending	\$ 1,170,781	\$ 3,491
Net assets:		
Cash and investments	\$ 1,170,781	\$ 3,491
Total net assets - cash and investment basis held in trust	\$ 1,170,781	\$ 3,491

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

MT. PLEASANT TOWNSHIP COMMUNITY SCHOOL CORPORATION  
NOTES TO FINANCIAL STATEMENTS

I. Summary of Significant Accounting Policies

A. Reporting Entity

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

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

The School Corporation's financial reporting entity is composed of the following:

Primary Government: Mt. Pleasant Township Community School Corporation

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

Joint Ventures

The School Corporation is a participant with Blackford, Cowan, Daleville, Harrison-Washington, Delaware Community School Corporation, and Muncie Community Schools in a joint venture to operate the Delaware-Blackford Special Education Cooperative which was created to provide special education services for its members. The School Corporation is obligated by contract to pay transfer tuition for its students who attend the Cooperative and a portion of the total administrative and supervisory costs of the Cooperative. For the year 2005-2006 the School Corporation remitted \$183,181 in November of 2006. For the year 2006-2007 the School Corporation remitted \$174,357 in November of 2007. Complete financial statements for the Delaware-Blackford Special Education Cooperative can be obtained from Muncie Community Schools at 2501 North Oakwood Avenue, Muncie, IN 47304.

The School Corporation is a participant with several area schools in a joint venture to operate the State District 22 Vocational Education Cooperative which was created to provide vocational education services. The Cooperative's continued existence depends on continued funding by the School Corporation. The School Corporation is obligated for the debts of the Cooperative. Complete financial statements for the Cooperative can be obtained from Muncie Community Schools, 2501 North Oakwood, Muncie, IN 47304.

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.

MT. PLEASANT TOWNSHIP COMMUNITY SCHOOL CORPORATION  
NOTES TO FINANCIAL STATEMENTS  
(Continued)

Fund Financial Statements

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

The School Corporation reports the following major governmental funds:

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

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

The textbook rental fund is used to account for textbook rental fees received and used for the purchase of student textbooks.

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 retirement/severance bond debt service fund is used to account for receipts and disbursements to repay bonds issued to fund certified staff retirement/severance benefits.

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.

Additionally, the School Corporation reports the following fund types:

The pension trust funds account for the activities of the post retirement/severance future benefits fund, which accumulate resources for pension benefit payments.

The private-purpose trust fund reports a trust arrangement under which principal and income benefit the Yorktown high school library and the homework help program.

C. Measurement Focus and Basis of Accounting

The government-wide, governmental 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.

MT. PLEASANT TOWNSHIP COMMUNITY SCHOOL CORPORATION  
NOTES TO FINANCIAL STATEMENTS  
(Continued)

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.

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.

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 not distributed to the School Corporation on or prior to June 30 of the year collected.

3. Compensated Absences

a. Paid Leave Days

Employees earn paid leave days at the rate of 10-13 days per year. Unused paid leave days may be accumulated indefinitely for certified employees and to a maximum of 90 days for noncertified employees.

b. Vacation Leave

Nonteaching or administrative and noncertified School Corporation employees earn vacation leave at rates from 5 days to 25 days per year based upon the number of years of service. Vacation leave does not accumulate from year to year.

MT. PLEASANT TOWNSHIP COMMUNITY SCHOOL CORPORATION  
NOTES TO FINANCIAL STATEMENTS  
(Continued)

4. Capital Assets

Capital assets arising from cash transactions acquired for use in governmental fund operations are accounted for as current disbursements of the fund when paid for.

5. Long-Term Debt

Long-term debt arising from cash basis transactions of governmental 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.

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.

E. Program Receipts

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

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.

MT. PLEASANT TOWNSHIP COMMUNITY SCHOOL CORPORATION  
 NOTES TO FINANCIAL STATEMENTS  
 (Continued)

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

Government-Wide Financial Statements

Interfund activity and balances are eliminated in the government-wide financial statements.

II. Stewardship, Compliance and Accountability

A. 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.

B. Cash and Investment Balance Deficits

At June 30, 2006 and 2007, the following funds reported deficits in cash and investments, which are violations of the Uniform Compliance Guidelines and state statute:

Fund	June 30, 2006	June 30, 2007
Retirement/Severance Bond Debt Service	\$ 637	\$ 207,115
School Bus Replacement	-	37,955

Cash and investment deficits arose primarily from disbursements exceeding receipts due to underestimate of current requirements; these deficits are to be repaid from future receipts.

MT. PLEASANT TOWNSHIP COMMUNITY SCHOOL CORPORATION  
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. 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	June 30, 2006	June 30, 2007
General Fund	Other governmental funds	\$ 70,473	\$ 49,282
Transportation Operating Fund	Other governmental funds	19,125	-
Debt Service Fund	Other governmental funds	30,108	-
Retirement/Severance Bond			
Debt Service Fund	Other governmental funds	7,995	-
Capital Projects Fund	Other governmental funds	24,469	-
School Bus Replacement Fund	Other governmental funds	3,576	-
Other governmental funds	General Fund	152,261	75,333
Other governmental funds	Transportation Operating Fund	-	19,125
Other governmental funds	Debt Service Fund	-	30,108
Other governmental funds	Retirement/Severance Bond		
	Debt Service Fund	-	7,995
Other governmental funds	Capital Projects Fund	-	24,469
Other governmental funds	School Bus Replacement Fund	-	3,576
Other governmental funds	Other governmental funds	8,769	35,727
Totals		<u>\$ 316,776</u>	<u>\$ 245,615</u>

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

IV. Other Information

A. Risk Management

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

MT. PLEASANT TOWNSHIP COMMUNITY SCHOOL CORPORATION  
NOTES TO FINANCIAL STATEMENTS  
(Continued)

The risks of torts; theft of, damage to, and destruction of assets; errors and omissions; job related illnesses or injuries to employees; medical benefits to employees, retirees, and dependents (excluding postemployment benefits); and natural disasters 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.

B. Holding Corporations

The School Corporation has entered into a capital lease with Mt. Pleasant Township Community School Building Corporation and the Mt. Pleasant Township Multi-School Building Corporation (the lessors). The lessors were organized as 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 \$1,457,000.

C. 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.

MT. PLEASANT TOWNSHIP COMMUNITY SCHOOL CORPORATION  
NOTES TO FINANCIAL STATEMENTS  
(Continued)

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

Actuarial Information for the Above Plan

	PERF
Annual required contribution	\$ 116,365
Interest on net pension obligation	(31,280)
Adjustment to annual required contribution	35,646
Annual pension cost	120,731
Contributions made	113,698
Increase in net pension obligation	7,033
Net pension obligation, beginning of year	(431,445)
Net pension obligation, end of year	\$ (424,412)
Contribution rates:	
School Corporation	4.75%
Plan members	3%
Actuarial valuation date	07-01-06
Actuarial cost method	Entry age
Amortization method	Level percentage of projected payroll, closed
Amortization period	40 years
Amortization period (from date)	07-01-97
Asset valuation method	75% of expected actuarial value plus 25% of market value
Actuarial Assumptions	
Investment rate of return	7.25%
Projected future salary increases:	
Total	5%
Attributed to inflation	4%
Attributed to merit/seniority	1%
Cost-of-living adjustments	2%

MT. PLEASANT TOWNSHIP COMMUNITY SCHOOL CORPORATION  
 NOTES TO FINANCIAL STATEMENTS  
 (Continued)

Three Year Trend Information

	<u>Year Ending</u>	<u>Annual Pension Cost (APC)</u>	<u>Percentage of APC Contributed</u>	<u>Net Pension Obligation</u>
PERF	06-30-04	\$ 67,867	179%	\$ (400,312)
	06-30-05	84,563	137%	(431,445)
	06-30-06	120,731	94%	(424,412)

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.

MT. PLEASANT TOWNSHIP COMMUNITY SCHOOL CORPORATION  
NOTES TO FINANCIAL STATEMENTS  
(Continued)

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 \$311,896, \$289,083, and \$251,800, respectively. The School Corporation actually contributed 100% of the required contribution for each of the fiscal years, respectively.

MT. PLEASANT TOWNSHIP COMMUNITY SCHOOL CORPORATION  
 REQUIRED SUPPLEMENTARY INFORMATION  
 SCHEDULE OF FUNDING PROGRESS

Public Employees' Retirement Fund						
Actuarial Valuation Date	Actuarial Value of Assets (a)	Actuarial Accrued Liability (AAL) (b)	Excess of Assets Over (Unfunded) AAL (a-b)	Funded Ratio (a/b)	Covered Payroll (c)	Excess (Unfunded) AAL as a Percentage of Covered Payroll ((a-b)/c)
07-01-04	\$ 1,909,929	\$ 1,766,295	\$ 143,634	108%	\$ 1,867,647	8%
07-01-05	2,001,955	2,099,954	(97,999)	95%	2,084,681	(5%)
07-01-06	2,756,073	2,454,389	301,684	112%	2,375,289	13%

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

	Special Education Preschool	School Lunch and Breakfast	Levy Excess	Alternative Education	Special Education Training	Student Council/ United Way	2004-2005 Team Nutrition
<b>Receipts:</b>							
Local sources	\$ 14,856	\$ 552,716	\$ -	\$ -	\$ -	\$ -	\$ -
State sources	51,390	-	-	-	-	-	-
Federal sources	-	149,968	-	-	-	-	-
Sale of property, adjustments and refunds	-	2,158	-	-	4,579	-	2,072
<b>Total receipts</b>	<b>66,246</b>	<b>704,842</b>	<b>-</b>	<b>-</b>	<b>4,579</b>	<b>-</b>	<b>2,072</b>
<b>Disbursements:</b>							
<b>Current:</b>							
Instruction	36,439	-	-	-	4,579	-	1,109
Support services	4,051	667,955	-	-	-	-	-
Nonprogrammed charges	51,911	-	-	-	-	-	-
Interfund loans	-	-	-	-	-	-	-
<b>Total disbursements</b>	<b>92,401</b>	<b>667,955</b>	<b>-</b>	<b>-</b>	<b>4,579</b>	<b>-</b>	<b>1,109</b>
<b>Excess (deficiency) of receipts over disbursements</b>	<b>(26,155)</b>	<b>36,887</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>963</b>
<b>Other financing sources (uses):</b>							
Transfers in	-	4,846	155,977	-	-	-	-
Transfers out	(231)	(25,001)	(125,441)	-	-	-	-
<b>Total other financing sources (uses)</b>	<b>(231)</b>	<b>(20,155)</b>	<b>30,536</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>(26,386)</b>	<b>16,732</b>	<b>30,536</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>963</b>
<b>Cash and investments - beginning</b>	<b>140,133</b>	<b>2,922</b>	<b>125,441</b>	<b>2,049</b>	<b>-</b>	<b>500</b>	<b>(963)</b>
<b>Cash and investments - ending</b>	<b>\$ 113,747</b>	<b>\$ 19,654</b>	<b>\$ 155,977</b>	<b>\$ 2,049</b>	<b>\$ -</b>	<b>\$ 500</b>	<b>\$ -</b>
<b>Cash and Investment Assets - Ending</b>							
<b>Cash and investments</b>	<b>\$ 113,747</b>	<b>\$ 19,654</b>	<b>\$ 155,977</b>	<b>\$ 2,049</b>	<b>\$ -</b>	<b>\$ 500</b>	<b>\$ -</b>
<b>Cash and Investment Fund Balance - Ending</b>							
<b>Unrestricted</b>	<b>\$ 113,747</b>	<b>\$ 19,654</b>	<b>\$ 155,977</b>	<b>\$ 2,049</b>	<b>\$ -</b>	<b>\$ 500</b>	<b>\$ -</b>

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

	2005-2006 Econ Education	1997 Summer School	County Wide School Safety Commission	Mt. Pleasant Educational Foundation Grant	YMCA PV Grant	2004-2005 Gifted and Talented	1998-1999 Gifted and Talented
<b>Receipts:</b>							
Local sources	\$ -	\$ -	\$ -	\$ 2,733	\$ -	\$ -	\$ -
State sources	500	-	-	-	-	-	14,332
Federal sources	-	-	-	-	-	-	-
Sale of property, adjustments and refunds	-	-	-	-	-	-	-
<b>Total receipts</b>	<b>500</b>	<b>-</b>	<b>-</b>	<b>2,733</b>	<b>-</b>	<b>-</b>	<b>14,332</b>
<b>Disbursements:</b>							
<b>Current:</b>							
Instruction	500	-	-	1,963	1,750	10,427	10,000
Support services	-	-	2,000	-	-	-	-
Nonprogrammed charges	-	-	-	-	-	-	-
Interfund loans	-	-	-	-	-	-	-
<b>Total disbursements</b>	<b>500</b>	<b>-</b>	<b>2,000</b>	<b>1,963</b>	<b>1,750</b>	<b>10,427</b>	<b>10,000</b>
<b>Excess (deficiency) of receipts over disbursements</b>	<b>-</b>	<b>-</b>	<b>(2,000)</b>	<b>770</b>	<b>(1,750)</b>	<b>(10,427)</b>	<b>4,332</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>-</b>	<b>-</b>	<b>(2,000)</b>	<b>770</b>	<b>(1,750)</b>	<b>(10,427)</b>	<b>4,332</b>
<b>Cash and investments - beginning</b>	<b>-</b>	<b>741</b>	<b>2,000</b>	<b>637</b>	<b>1,750</b>	<b>10,427</b>	<b>-</b>
<b>Cash and investments - ending</b>	<b>\$ -</b>	<b>\$ 741</b>	<b>\$ -</b>	<b>\$ 1,407</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ 4,332</b>
<b>Cash and Investment Assets - Ending</b>							
<b>Cash and investments</b>	<b>\$ -</b>	<b>\$ 741</b>	<b>\$ -</b>	<b>\$ 1,407</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ 4,332</b>
<b>Cash and Investment Fund Balance - Ending</b>							
<b>Unrestricted</b>	<b>\$ -</b>	<b>\$ 741</b>	<b>\$ -</b>	<b>\$ 1,407</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ 4,332</b>

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

	Child Care Grant	Non-English Speaking Program	1998-1999 PBA	1999 Technology Plan Grant	2005-2006 Extended Day Care	2005 Ball Brothers Foundation Grant	Joint Council Economic Ed - PV
<b>Receipts:</b>							
Local sources	\$ -	\$ -	\$ -	\$ -	\$ 19,300	\$ 20,000	\$ -
State sources	-	22	-	-	-	-	-
Federal sources	-	-	-	-	-	-	-
Sale of property, adjustments and refunds	-	-	-	-	-	-	-
<b>Total receipts</b>	<b>-</b>	<b>22</b>	<b>-</b>	<b>-</b>	<b>19,300</b>	<b>20,000</b>	<b>-</b>
<b>Disbursements:</b>							
<b>Current:</b>							
Instruction	111	-	-	-	12,994	12,901	-
Support services	-	-	-	-	1,348	-	-
Nonprogrammed charges	-	-	-	-	-	-	-
Interfund loans	-	-	-	-	-	-	-
<b>Total disbursements</b>	<b>111</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>14,342</b>	<b>12,901</b>	<b>-</b>
<b>Excess (deficiency) of receipts over disbursements</b>	<b>(111)</b>	<b>22</b>	<b>-</b>	<b>-</b>	<b>4,958</b>	<b>7,099</b>	<b>-</b>
<b>Other financing sources (uses):</b>							
Transfers in	-	-	-	-	-	-	-
Transfers out	-	(759)	(51)	-	-	-	(145)
<b>Total other financing sources (uses)</b>	<b>-</b>	<b>(759)</b>	<b>(51)</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>(145)</b>
<b>Excess (deficiency) of receipts and other financing sources over disbursements and other financing uses</b>	<b>(111)</b>	<b>(737)</b>	<b>(51)</b>	<b>-</b>	<b>4,958</b>	<b>7,099</b>	<b>(145)</b>
<b>Cash and investments - beginning</b>	<b>111</b>	<b>737</b>	<b>51</b>	<b>1,684</b>	<b>-</b>	<b>-</b>	<b>145</b>
<b>Cash and investments - ending</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ 1,684</b>	<b>\$ 4,958</b>	<b>\$ 7,099</b>	<b>\$ -</b>
<b>Cash and Investment Assets - Ending</b>							
<b>Cash and investments</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ 1,684</b>	<b>\$ 4,958</b>	<b>\$ 7,099</b>	<b>\$ -</b>
<b>Cash and Investment Fund Balance - Ending</b>							
<b>Unrestricted</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ 1,684</b>	<b>\$ 4,958</b>	<b>\$ 7,099</b>	<b>\$ -</b>

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

	1999-2000 Title I	2004-2005 Title I	2005-2006 Title I	2003-2004 Title V	Summer Youth Employment	1999-2000 IASEP Project	2004-2005 Special Education
<b>Receipts:</b>							
Local sources	\$ -	\$ -	\$ -	\$ -	\$ 24,265	\$ -	\$ -
State sources	-	-	-	-	-	-	-
Federal sources	-	-	56,942	-	-	-	-
Sale of property, adjustments and refunds	-	-	-	-	20,550	-	-
<b>Total receipts</b>	<b>-</b>	<b>-</b>	<b>56,942</b>	<b>-</b>	<b>44,815</b>	<b>-</b>	<b>-</b>
<b>Disbursements:</b>							
<b>Current:</b>							
Instruction	-	2,831	23,789	-	-	-	36,439
Support services	-	5,719	2,432	7,000	39,969	-	27,487
Nonprogrammed charges	-	-	-	-	-	-	-
Interfund loans	-	-	-	-	-	-	-
<b>Total disbursements</b>	<b>-</b>	<b>8,550</b>	<b>26,221</b>	<b>7,000</b>	<b>39,969</b>	<b>-</b>	<b>63,926</b>
<b>Excess (deficiency) of receipts over disbursements</b>	<b>-</b>	<b>(8,550)</b>	<b>30,721</b>	<b>(7,000)</b>	<b>4,846</b>	<b>-</b>	<b>(63,926)</b>
<b>Other financing sources (uses):</b>							
Transfers in	-	-	3,692	-	-	-	-
Transfers out	(1,482)	(2,210)	-	-	(4,846)	(304)	-
<b>Total other financing sources (uses)</b>	<b>(1,482)</b>	<b>(2,210)</b>	<b>3,692</b>	<b>-</b>	<b>(4,846)</b>	<b>(304)</b>	<b>-</b>
<b>Excess (deficiency) of receipts and other financing sources over disbursements and other financing uses</b>	<b>(1,482)</b>	<b>(10,760)</b>	<b>34,413</b>	<b>(7,000)</b>	<b>-</b>	<b>(304)</b>	<b>(63,926)</b>
<b>Cash and investments - beginning</b>	<b>1,482</b>	<b>10,760</b>	<b>-</b>	<b>7,000</b>	<b>-</b>	<b>304</b>	<b>63,926</b>
<b>Cash and investments - ending</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ 34,413</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ -</b>
<b>Cash and Investment Assets - Ending</b>							
<b>Cash and investments</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ 34,413</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ -</b>
<b>Cash and Investment Fund Balance - Ending</b>							
<b>Unrestricted</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ 34,413</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ -</b>

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

	Extended Year 2004-2005 Special Education	2005-2006 Special Education	Title II 2005-06	Title II Part D	2005-2006 Title II Part A	Repair and Replacement	Totals
<b>Receipts:</b>							
Local sources	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 633,870
State sources	-	-	-	-	-	-	66,244
Federal sources	-	410,245	11,376	3,192	5,688	-	637,411
Sale of property, adjustments and refunds	-	-	-	-	-	-	29,359
<b>Total receipts</b>	<b>-</b>	<b>410,245</b>	<b>11,376</b>	<b>3,192</b>	<b>5,688</b>	<b>-</b>	<b>1,366,884</b>
<b>Disbursements:</b>							
<b>Current:</b>							
Instruction	1,394	249,726	-	2,265	-	-	409,217
Support services	-	89,170	-	-	-	-	847,131
Nonprogrammed charges	-	-	-	-	-	-	51,911
Interfund loans	-	-	-	-	-	-	-
<b>Total disbursements</b>	<b>1,394</b>	<b>338,896</b>	<b>-</b>	<b>2,265</b>	<b>-</b>	<b>-</b>	<b>1,308,259</b>
<b>Excess (deficiency) of receipts over disbursements</b>	<b>(1,394)</b>	<b>71,349</b>	<b>11,376</b>	<b>927</b>	<b>5,688</b>	<b>-</b>	<b>58,625</b>
<b>Other financing sources (uses):</b>							
Transfers in	-	-	-	-	-	-	164,515
Transfers out	-	-	-	-	-	(560)	(161,030)
<b>Total other financing sources (uses)</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>(560)</b>	<b>3,485</b>
<b>Excess (deficiency) of receipts and other financing sources over disbursements and other financing uses</b>	<b>(1,394)</b>	<b>71,349</b>	<b>11,376</b>	<b>927</b>	<b>5,688</b>	<b>(560)</b>	<b>62,110</b>
<b>Cash and investments - beginning</b>	<b>1,395</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>560</b>	<b>373,792</b>
<b>Cash and investments - ending</b>	<b>\$ 1</b>	<b>\$ 71,349</b>	<b>\$ 11,376</b>	<b>\$ 927</b>	<b>\$ 5,688</b>	<b>\$ -</b>	<b>\$ 435,902</b>
<b>Cash and Investment Assets - Ending</b>							
<b>Cash and investments</b>	<b>\$ 1</b>	<b>\$ 71,349</b>	<b>\$ 11,376</b>	<b>\$ 927</b>	<b>\$ 5,688</b>	<b>\$ -</b>	<b>\$ 435,902</b>
<b>Cash and Investment Fund Balance - Ending</b>							
<b>Unrestricted</b>	<b>\$ 1</b>	<b>\$ 71,349</b>	<b>\$ 11,376</b>	<b>\$ 927</b>	<b>\$ 5,688</b>	<b>\$ -</b>	<b>\$ 435,902</b>

MT. PLEASANT TOWNSHIP COMMUNITY SCHOOL CORPORATION  
 COMBINING SCHEDULE OF ASSETS AND FUND BALANCES AND RECEIPTS,  
 DISBURSEMENTS, AND CHANGES IN FUND BALANCES - CASH AND INVESTMENT BASIS  
 OTHER GOVERNMENTAL FUNDS  
 For the Year Ended June 30, 2007

	Special Education Preschool	School Lunch and Breakfast	Levy Excess	After School Child Care	Alternative Education	Student Council/ United Way	2005-2006 Econ Education
<b>Receipts:</b>							
Local sources	\$ 8,694	\$ 591,680	\$ -	\$ 55,111	\$ -	\$ -	\$ -
State sources	41,444	35,532	-	-	-	-	1,035
Federal sources	-	170,187	-	-	-	-	-
Sale of property, adjustments and refunds	-	4,085	-	-	-	-	-
<b>Total receipts</b>	<b>50,138</b>	<b>801,484</b>	<b>-</b>	<b>55,111</b>	<b>-</b>	<b>-</b>	<b>1,035</b>
<b>Disbursements:</b>							
<b>Current:</b>							
Instruction	39,075	-	-	-	-	-	1,035
Support services	5,918	719,940	-	3,234	-	-	-
Community services	-	-	-	48,432	-	-	-
<b>Total disbursements</b>	<b>44,993</b>	<b>719,940</b>	<b>-</b>	<b>51,666</b>	<b>-</b>	<b>-</b>	<b>1,035</b>
Excess (deficiency) of receipts over disbursements	5,145	81,544	-	3,445	-	-	-
<b>Other financing sources (uses):</b>							
Transfers in	231	-	-	49,282	-	-	-
Transfers out	-	-	(155,977)	-	-	-	-
<b>Total other financing sources (uses)</b>	<b>231</b>	<b>-</b>	<b>(155,977)</b>	<b>49,282</b>	<b>-</b>	<b>-</b>	<b>-</b>
Excess (deficiency) of receipts and other financing sources over disbursements and other financing uses	5,376	81,544	(155,977)	52,727	-	-	-
Cash and investments - beginning	113,747	19,654	155,977	-	2,049	500	-
Cash and investments - ending	<u>\$ 119,123</u>	<u>\$ 101,198</u>	<u>\$ -</u>	<u>\$ 52,727</u>	<u>\$ 2,049</u>	<u>\$ 500</u>	<u>\$ -</u>
<b>Cash and Investment Assets - Ending</b>							
Cash and investments	<u>\$ 119,123</u>	<u>\$ 101,198</u>	<u>\$ -</u>	<u>\$ 52,727</u>	<u>\$ 2,049</u>	<u>\$ 500</u>	<u>\$ -</u>
<b>Cash and Investment Fund Balance - Ending</b>							
Unrestricted	<u>\$ 119,123</u>	<u>\$ 101,198</u>	<u>\$ -</u>	<u>\$ 52,727</u>	<u>\$ 2,049</u>	<u>\$ 500</u>	<u>\$ -</u>

MT. PLEASANT TOWNSHIP COMMUNITY SCHOOL CORPORATION  
 COMBINING SCHEDULE OF ASSETS AND FUND BALANCES AND RECEIPTS,  
 DISBURSEMENTS, AND CHANGES IN FUND BALANCES - CASH AND INVESTMENT BASIS  
 OTHER GOVERNMENTAL FUNDS  
 For the Year Ended June 30, 2007  
 (Continued)

	1997 Summer School	Internship Program	Mt. Pleasant Educational Foundation Grant	2006-2007 Stewart Grant	2006-2007 Gifted and Talented	2005-2006 Gifted and Talented	1999 Technology Plan Grant
Receipts:							
Local sources	\$ -	\$ -	\$ 3,356	\$ 1,350	\$ -	\$ -	\$ -
State sources	-	-	-	-	14,332	-	-
Federal sources	-	-	-	-	-	-	-
Sale of property, adjustments and refunds	-	3,120	-	-	567	-	-
	<u>-</u>	<u>3,120</u>	<u>-</u>	<u>-</u>	<u>567</u>	<u>-</u>	<u>-</u>
Total receipts	-	3,120	3,356	1,350	14,899	-	-
Disbursements:							
Current:							
Instruction	-	3,120	2,233	1,350	5,683	4,332	-
Support services	-	-	-	-	-	-	1,312
Community services	-	-	-	-	-	-	-
	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Total disbursements	-	3,120	2,233	1,350	5,683	4,332	1,312
Excess (deficiency) of receipts over disbursements	-	-	1,123	-	9,216	(4,332)	(1,312)
Other financing sources (uses):							
Transfers in	-	-	-	-	-	-	-
Transfers out	-	-	-	-	-	-	-
	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Total other financing sources (uses)	-	-	-	-	-	-	-
Excess (deficiency) of receipts and other financing sources over disbursements and other financing uses	-	-	1,123	-	9,216	(4,332)	(1,312)
Cash and investments - beginning	741	-	1,407	-	-	4,332	1,684
Cash and investments - ending	<u>\$ 741</u>	<u>\$ -</u>	<u>\$ 2,530</u>	<u>\$ -</u>	<u>\$ 9,216</u>	<u>\$ -</u>	<u>\$ 372</u>
<u>Cash and Investment Assets - Ending</u>							
Cash and investments	<u>\$ 741</u>	<u>\$ -</u>	<u>\$ 2,530</u>	<u>\$ -</u>	<u>\$ 9,216</u>	<u>\$ -</u>	<u>\$ 372</u>
<u>Cash and Investment Fund Balance - Ending</u>							
Unrestricted	<u>\$ 741</u>	<u>\$ -</u>	<u>\$ 2,530</u>	<u>\$ -</u>	<u>\$ 9,216</u>	<u>\$ -</u>	<u>\$ 372</u>

MT. PLEASANT TOWNSHIP COMMUNITY SCHOOL CORPORATION  
 COMBINING SCHEDULE OF ASSETS AND FUND BALANCES AND RECEIPTS,  
 DISBURSEMENTS, AND CHANGES IN FUND BALANCES - CASH AND INVESTMENT BASIS  
 OTHER GOVERNMENTAL FUNDS  
 For the Year Ended June 30, 2007  
 (Continued)

	2005-2006 Extended Day Care	2005 Ball Brothers Foundation Grant	2005-2006 Title I	2006-2007 Title I	2005-2007 Title V	Extended Year 2004-2005 Special Education	2005-2006 Special Education
<b>Receipts:</b>							
Local sources	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
State sources	-	-	-	-	-	-	-
Federal sources	-	-	6,000	44,869	5,849	-	-
Sale of property, adjustments and refunds	-	-	-	-	-	-	-
<b>Total receipts</b>	<b>-</b>	<b>-</b>	<b>6,000</b>	<b>44,869</b>	<b>5,849</b>	<b>-</b>	<b>-</b>
<b>Disbursements:</b>							
<b>Current:</b>							
Instruction	-	6,524	2,884	61,428	-	-	30,938
Support services	98	-	2,033	1,342	879	-	40,411
Community services	-	-	-	-	-	-	-
<b>Total disbursements</b>	<b>98</b>	<b>6,524</b>	<b>4,917</b>	<b>62,770</b>	<b>879</b>	<b>-</b>	<b>71,349</b>
Excess (deficiency) of receipts over disbursements	(98)	(6,524)	1,083	(17,901)	4,970	-	(71,349)
<b>Other financing sources (uses):</b>							
Transfers in	-	-	-	35,496	-	-	-
Transfers out	(4,860)	-	(35,496)	-	-	-	-
<b>Total other financing sources (uses)</b>	<b>(4,860)</b>	<b>-</b>	<b>(35,496)</b>	<b>35,496</b>	<b>-</b>	<b>-</b>	<b>-</b>
Excess (deficiency) of receipts and other financing sources over disbursements and other financing uses	(4,958)	(6,524)	(34,413)	17,595	4,970	-	(71,349)
Cash and investments - beginning	4,958	7,099	34,413	-	-	1	71,349
Cash and investments - ending	\$ -	\$ 575	\$ -	\$ 17,595	\$ 4,970	\$ 1	\$ -
<b><u>Cash and Investment Assets - Ending</u></b>							
Cash and investments	\$ -	\$ 575	\$ -	\$ 17,595	\$ 4,970	\$ 1	\$ -
<b><u>Cash and Investment Fund Balance - Ending</u></b>							
Unrestricted	\$ -	\$ 575	\$ -	\$ 17,595	\$ 4,970	\$ 1	\$ -

MT. PLEASANT TOWNSHIP COMMUNITY SCHOOL CORPORATION  
 COMBINING SCHEDULE OF ASSETS AND FUND BALANCES AND RECEIPTS,  
 DISBURSEMENTS, AND CHANGES IN FUND BALANCES - CASH AND INVESTMENT BASIS  
 OTHER GOVERNMENTAL FUNDS  
 For the Year Ended June 30, 2007  
 (Continued)

	2006-2007 Special Education	Emergency Impact	Title II 2005-2006	Title II Part D	2005-2006 Title II Part A	Totals
<b>Receipts:</b>						
Local sources	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 660,191
State sources	-	-	-	-	-	92,343
Federal sources	414,052	9,000	-	-	28,443	678,400
Sale of property, adjustments and refunds	-	-	-	-	-	7,772
<b>Total receipts</b>	<b>414,052</b>	<b>9,000</b>	<b>-</b>	<b>-</b>	<b>28,443</b>	<b>1,438,706</b>
<b>Disbursements:</b>						
<b>Current:</b>						
Instruction	261,957	-	11,376	-	27,441	459,376
Support services	96,619	-	-	-	-	871,786
Community services	-	-	-	-	-	48,432
<b>Total disbursements</b>	<b>358,576</b>	<b>-</b>	<b>11,376</b>	<b>-</b>	<b>27,441</b>	<b>1,379,594</b>
Excess (deficiency) of receipts over disbursements	55,476	9,000	(11,376)	-	1,002	59,112
<b>Other financing sources (uses):</b>						
Transfers in	-	-	-	-	-	85,009
Transfers out	-	-	-	-	-	(196,333)
<b>Total other financing sources (uses)</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>(111,324)</b>
Excess (deficiency) of receipts and other financing sources over disbursements and other financing uses	55,476	9,000	(11,376)	-	1,002	(52,212)
Cash and investments - beginning	-	-	11,376	927	5,688	435,902
Cash and investments - ending	<u>\$ 55,476</u>	<u>\$ 9,000</u>	<u>\$ -</u>	<u>\$ 927</u>	<u>\$ 6,690</u>	<u>\$ 383,690</u>
<b><u>Cash and Investment Assets - Ending</u></b>						
Cash and investments	<u>\$ 55,476</u>	<u>\$ 9,000</u>	<u>\$ -</u>	<u>\$ 927</u>	<u>\$ 6,690</u>	<u>\$ 383,690</u>
<b><u>Cash and Investment Fund Balance - Ending</u></b>						
Unrestricted	<u>\$ 55,476</u>	<u>\$ 9,000</u>	<u>\$ -</u>	<u>\$ 927</u>	<u>\$ 6,690</u>	<u>\$ 383,690</u>

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

	Library Literal Arts	YMS Homework Help	YES Homework Help	Totals
Additions:				
Contributions:				
Other	\$ 22	\$ 1,620	\$ 940	\$ 2,582
Deductions:				
Administrative and general	<u>-</u>	<u>3,510</u>	<u>585</u>	<u>4,095</u>
Excess (deficiency) of total additions over total deductions	22	(1,890)	355	(1,513)
Cash and investment fund balance - beginning	<u>2,612</u>	<u>2,598</u>	<u>-</u>	<u>5,210</u>
Cash and investments - June 30	<u>\$ 2,634</u>	<u>\$ 708</u>	<u>\$ 355</u>	<u>\$ 3,697</u>
Net assets:				
Cash and investments	<u>\$ 2,634</u>	<u>\$ 708</u>	<u>\$ 355</u>	<u>\$ 3,697</u>
Total net assets - cash and investment basis held in trust	<u>\$ 2,634</u>	<u>\$ 708</u>	<u>\$ 355</u>	<u>\$ 3,697</u>

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

	Library Literal Arts	YMS Homework Help	YES Homework Help	Totals
Additions:				
Contributions:				
Other	\$ 39	\$ 3,470	\$ -	\$ 3,509
Deductions:				
Administrative and general	-	3,715	-	3,715
Excess (deficiency) of total additions over total deductions	39	(245)	-	(206)
Cash and investment fund balance - beginning	2,634	708	355	3,697
Cash and investments - June 30	<u>\$ 2,673</u>	<u>\$ 463</u>	<u>\$ 355</u>	<u>\$ 3,491</u>
Net assets:				
Cash and investments	<u>\$ 2,673</u>	<u>\$ 463</u>	<u>\$ 355</u>	<u>\$ 3,491</u>
Total net assets - cash and investment basis held in trust	<u>\$ 2,673</u>	<u>\$ 463</u>	<u>\$ 355</u>	<u>\$ 3,491</u>

MT. PLEASANT TOWNSHIP COMMUNITY SCHOOL CORPORATION  
 SUPPLEMENTARY INFORMATION  
 SCHEDULE OF CAPITAL ASSETS  
 For The Year Ended June 30, 2007

<u>Primary Government</u>	<u>Ending Balance</u>
Governmental activities:	
Capital assets, not being depreciated:	
Land	\$ 560,751
Buildings	22,038,988
Improvements other than buildings	1,524,750
Machinery and equipment	<u>3,036,715</u>
Total governmental activities, capital assets not being depreciated	<u><u>\$ 27,161,204</u></u>

MT. PLEASANT TOWNSHIP COMMUNITY SCHOOL CORPORATION  
 SUPPLEMENTARY INFORMATION  
 SCHEDULE OF LONG-TERM DEBT  
 For The Year Ended June 30, 2007

The School Corporation has entered into the following debt:

Description of Debt	Ending Principal Balance	Principal and Interest Due Within One Year
Governmental Activities:		
Capital leases:		
Mt. Pleasant Twp. Comm. Sch. Bldg. Corp.	\$ 5,604,804	\$ 997,000
Mt. Pleasant Twp. Multi-School Bldg. Corp.	3,949,874	459,500
Energy Savings Lease 1999	503,424	215,941
Energy Savings Lease 2000	675,147	171,408
Computer Lease-Purchase April 2007	114,651	62,521
Notes and loans payable	412,500	98,625
Bonds payable:		
General obligation bonds:		
Maintenance & Concession Facility	430,000	98,750
Pension Obligations	<u>3,710,000</u>	<u>493,628</u>
Total governmental activities debt	<u>\$ 15,400,400</u>	<u>\$ 2,597,373</u>

MT. PLEASANT TOWNSHIP COMMUNITY SCHOOL CORPORATION  
AUDIT RESULTS AND COMMENTS

TRAVEL EXPENSES

The School Corporation paid some travel expenses for the former Superintendent that did not comply with the School Corporation's travel policy. The travel policy requires that travel expenses be supported by original bills (receipts) and must be fully itemized, and must be ordinary and necessary expenses. Travel expenses paid by the School Corporation that did not comply with local policy included a hotel bill for one extra day after a conference, a meal during the extra day, errors in itemizing travel expenses resulting in duplicate reimbursements, and lack of two original bills (receipts). The total amount paid for the expenses was \$485.72.

Public funds may not be used to pay for personal items or for expenses which do not relate to the functions and purposes of the governmental unit. Any personal expenses paid by the government entity may be the personal obligation of the responsible official or employee. (Accounting and Uniform Compliance Guidelines Manual for Indiana Public School Corporations, Chapter 9)

Each governmental unit is responsible for complying with the ordinances, resolutions, and policies it adopts. Accounting and Uniform Compliance Guidelines Manual for Indiana Public School Corporation, Chapter 9)

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 Corporation, Chapter 9)

PROMOTION OF BUSINESS EXPENSES

The School Corporation spent \$55,339 for promotion of business during the period examined as follows:

Harmony Publishing – newsletter and postage	\$ 37,762
Faculty gowns, flu shots, superintendent search (1), YHS shirts, etc.	7,632
EP student snacks and other student-related expenses	4,720
Miscellaneous meals, supplies, ads, etc.	<u>5,225</u>
Total promotion of business expenses, July 1, 2005 to June 30, 2007	<u>\$ 55,339</u>

(1) Expense for Superintendent Search incurred after \$3,000 minimum had already been exceeded.

Public funds may not be used to pay for personal items or for expenses which do not relate to the functions and purposes of the governmental unit. Any personal expenses paid by the government entity may be the personal obligation of the responsible official or employee. (Accounting and Uniform Compliance Guidelines Manual for Indiana Public School Corporations, Chapter 9)

MT. PLEASANT TOWNSHIP COMMUNITY SCHOOL CORPORATION  
AUDIT RESULTS AND COMMENTS  
(Continued)

Indiana Code 20-26-5-4 states in part:

"In carrying out the school purposes of a school corporation, the governing body acting on the school corporation's behalf has the following specific powers: . . .

(3) To appropriate from the school corporation's general fund an amount, not to exceed the greater of three thousand dollars (\$3,000) per budget year or one dollar (\$1) per pupil, not to exceed twelve thousand five hundred dollars (\$12,500), based on the school corporation's previous year's ADM, to promote the best interests of the school corporation through:

- (A) the purchase of meals, decorations, memorabilia, or awards;
- (B) provision for expenses incurred in interviewing job applicants; or
- (C) developing relations with other governmental units.

OVERDRAWN CASH BALANCES

The cash balances of the Retirement/Severance Bond Debt Service Fund and School Bus Replacement Fund were overdrawn at June 30, 2007.

The cash balance of any fund may not be reduced below zero. Routinely overdrawn funds could be an indicator of financial problems which should be investigated by the governmental unit. (Accounting and Uniform Compliance Guidelines Manual for Indiana Public School Corporations, Chapter 9)

MILEAGE CLAIMS

Some claims did not use the proper claim form to document miles traveled. Some claims for which the proper claim form was used for mileage reimbursement did not list each trip made, but summarized travel for the period by type of trip made.

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 Indiana Public School Corporations, Chapter 9)

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

SUPPLEMENTAL AUDIT OF  
FEDERAL AWARDS



# STATE OF INDIANA

AN EQUAL OPPORTUNITY EMPLOYER

STATE BOARD OF ACCOUNTS  
302 WEST WASHINGTON STREET  
ROOM E418  
INDIANAPOLIS, INDIANA 46204-2769

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

## 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 MT. PLEASANT TOWNSHIP COMMUNITY  
SCHOOL CORPORATION, DELAWARE COUNTY, INDIANA

### Compliance

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

We conducted our audit of compliance in accordance with auditing standards generally accepted in the United States of America; the standards applicable to financial audits contained in Government Auditing Standards, issued by the Comptroller General of the United States; and OMB Circular A-133, Audits of States, Local Governments, and Non-Profit Organizations. Those standards and OMB Circular A-133 require that we plan and perform the audit to obtain reasonable assurance about whether noncompliance with the types of compliance requirements referred to above that could have a direct and material effect on a major federal program occurred. An audit includes examining, on a test basis, evidence about the School Corporation's compliance with those requirements and performing such other procedures as we considered necessary in the circumstances. We believe that our audit provides a reasonable basis for our opinion. 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.

### Internal Control Over Compliance

The management of the School Corporation is responsible for establishing and maintaining effective internal control over compliance with requirements of laws, regulations, contracts and grants applicable to federal programs. In planning and performing our audit, we considered the School Corporation's internal control over compliance with requirements that could have a direct and material effect on a major federal program in order to determine our auditing procedures for the purpose of expressing our opinion on compliance, but not for the purpose of expressing an opinion on the effectiveness of internal control over compliance. Accordingly, we do not express an opinion on the effectiveness of the School Corporation's internal control over compliance.

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)

A control deficiency in a School Corporation's internal control over compliance exists when the design or operation of a control does not allow management or employees, in the normal course of performing their assigned functions, to prevent or detect noncompliance with a type of compliance requirement of a federal program on a timely basis. A significant deficiency is a control deficiency, or combination of control deficiencies, that adversely affects the entity's ability to administer a federal program such that there is more than a remote likelihood that noncompliance with a type of compliance requirement of a federal program that is more than inconsequential will not be prevented or detected by the entity's internal control.

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

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

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

March 18, 2008

MT. PLEASANT TOWNSHIP COMMUNITY SCHOOL CORPORATION  
SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS  
For The Years Ended June 30, 2006 and 2007

Federal Grantor Agency/Pass-Through Entity Cluster Title/Program Title/Project Title	Federal CFDA Number	Pass-Through Entity (or Other) Identifying Number	Total Federal Awards Expended 06-30-06	Total Federal Awards Expended 06-30-07
<u>U.S. DEPARTMENT OF AGRICULTURE</u>				
Pass-Through Indiana Department of Education Child Nutrition Cluster School Breakfast Program	10.553			
		2006-2007	\$ -	\$ 5,099
National School Lunch Program	10.555		178,480	-
		2005-2006 2006-2007	-	219,615
Total for federal grantor agency			178,480	224,714
<u>U.S. DEPARTMENT OF EDUCATION</u>				
Pass-Through Muncie Community Schools Special Education Cluster Special Education - Grants to States P.L. 105-17 (IDEA, Part B) LEA Capacity Building (Sliver) Grants	84.027			
		2004-05	63,926	-
		2004-05	1,394	-
		2005-06	338,896	71,349
		2006-07	-	358,576
Total for cluster			404,216	429,925
Pass-Through Indiana Department of Education Title I Grants to Local Educational Agencies	84.010			
		05-1910	8,550	-
		06-1910	26,221	4,917
		07-1910	-	62,769
Total for program			34,771	67,686
Pass-Through Indiana Department of Education Title II, Part D - Enhancing Education Through Technology	84.318			
		2003-04	1,034	-
		2004-05	1,231	-
Total for program			2,265	-
Pass-Through Indiana Department of Education State Grants for Innovative Programs	84.298			
		2003-04	7,000	-
		2005-07	-	879
Total for program			7,000	879
Pass-Through Indiana Department of Education Improving Teacher Quality State Grants Title II, Part A - Improving Teacher Quality State Grants	84.367			
		05-262	-	27,441
Pass-Through Indiana Department of Education Emergency Impact Aid Hurricane Education Recovery Act Programs	84.938			
		2005-06	9,000	-
Total for federal grantor agency			457,252	525,931
Total federal awards expended			\$ 635,732	\$ 750,645

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

MT. PLEASANT TOWNSHIP COMMUNITY SCHOOL CORPORATION  
NOTES TO SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS

I. Basis of Presentation

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

Circular A-133 requires an annual audit of nonfederal entities expending a total amount of federal awards equal to or in excess of \$500,000 in any fiscal year unless by constitution or statute a less frequent audit is required. In accordance with the Indiana Code (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	2005-2006	2006-2007
National School Lunch Program	10.555	\$ 28,513	\$ 57,599

MT. PLEASANT TOWNSHIP COMMUNITY SCHOOL CORPORATION  
SCHEDULE OF FINDINGS AND QUESTIONED COSTS

Section I – Summary of Auditor's Results

Financial Statements:

Type of auditor's report issued: Unqualified

Internal control over financial reporting:

Material weaknesses identified?	no
Reportable conditions identified that are not considered to be material weaknesses?	none reported

Noncompliance material to financial statements noted? no

Federal Awards:

Internal control over major programs:

Material weaknesses identified?	no
Reportable conditions identified that are not considered to be material weaknesses?	none reported

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

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

Identification of Major Programs:

Name of Federal Program or Cluster

Special Education – Cluster

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

Auditee qualified as low-risk auditee? no

Section II – Financial Statement Findings

No matters are reportable.

Section III – Federal Award Findings and Questioned Costs

No matters are reportable.

MT. PLEASANT TOWNSHIP COMMUNITY SCHOOL CORPORATION  
EXIT CONFERENCE

The contents of this report were discussed on March 18, 2008, with Sandra L. Donovan, Treasurer; and William Roberson, Superintendent of Schools. The official response has been made a part of this report and may be found on pages 46 and 47.

March 26, 2008

**Via Hand Delivery**

Indiana State Board of Accounts  
302 West Washington Street, Room E418  
Indianapolis, Indiana 46204

Re: Official Response regarding the audit of Mt. Pleasant Township Community School Corporation for period July 1, 2005 to December 31, 2007

To Whom It May Concern:

We are legal counsel for the Mount Pleasant Township Community School Corporation. On behalf of our client, we are submitting this official response to the audit report conducted by Robert Anderson of the Indiana State Board of Accounts for the time period July 1, 2005 through December 31, 2007.

Below are the responses of the Mount Pleasant Township Community School Corporation (the "School Corporation") to the "Audit Results and Comments" provided to the School Corporation on March 18, 2008.

July 1, 2005-June 30, 2007

1. **TRAVEL EXPENSES**: In regard to travel expenses, the School Corporation is currently updating its travel policy so that documentation relating to travel expenses will be recorded in accordance with the State Board's recommendations.
2. **PROMOTION OF BUSINESS EXPENSES**: This error has been corrected. The School Corporation has discontinued the newsletter, which was the largest expense causing this account to be overspent.
3. **OVERDRAWN CASH BALANCES**: The two overdrawn fund balances were not an indicator of financial problems. Property tax draws were very late in Delaware County, which created a cash flow problem. These funds were in the black on December 31, 2007. Tax anticipation warrants were not pursued by the School Corporation to avoid interest that would be incurred on the debt, which would have to be paid through tax revenue. The same levy payment schedule or worse will exist in 2008 so tax anticipation warrants may have to be pursued, if necessary.

Indiana State Board of Accounts

March 26, 2008

Page 2

4. MILEAGE CLAIMS: The employee in question is now driving a School Corporation vehicle (instead of his personal vehicle). Therefore, he is no longer submitting claims for mileage reimbursement. To avoid the reoccurrence of this issue, the School Corporation is currently updating its travel policy so that documentation relating to travel expenses will be recorded in accordance with the State Board's recommendations.

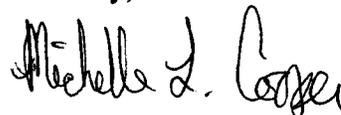
The Indiana State Board of Accounts also audited several records dated between the time period June 30, 2007 through December 31, 2007. Specifically, the School Corporation provided the following records to the auditor for this time period:

1. Copies of documents relating to Mr. Jim Ingermann's current employment position.
2. W-2 records for Mr. Jim Ingermann for the years 2005, 2006 and 2007.
3. Dr. William Roberson's Independent Contractor Agreement with the School Corporation.
4. Dr. William Roberson's Conflict of Interest Disclosure that was filed by Dr. Roberson and approved by the School Board.
5. A complete vendor history report from July 1, 2007 through December 31, 2007.

The Audit Results and Comments do not identify any concerns or problems in regard to these records; therefore, the School Corporation assumes that all of these records are in compliance with the requirements and guidelines of the Indiana State Board of Accounts.

If the School Corporation can provide any additional information to the Indiana State Board of Accounts, then please feel free to let us know.

Sincerely,



Michelle L. Cooper

cc: Dr. William Roberson  
Mr. Tom Simpson