

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

AUDIT REPORT
OF
BENTON COMMUNITY SCHOOL CORPORATION
BENTON 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:	
Statement of Activities and Net Assets - Cash and Investment Basis	7-8
Fund Financial Statements:	
Governmental Funds:	
Statement of Assets and Fund Balances and Receipts, Disbursements, and Changes in Fund Balances - Cash and Investment Basis - Governmental Funds	9-10
Fiduciary Funds:	
Statement of Additions, Deductions, and Changes in Cash and Investment Basis - Fiduciary Funds	11-12
Notes to Financial Statements	13-23
Required Supplementary Information:	
Schedule of Funding Progress	24
Supplementary Information:	
Combining Schedule of Assets and Fund Balances and Receipts, Disbursements, and Changes in Fund Balances - Cash and Investment Basis - Other Governmental Funds	25-38
Combining Schedule of Additions, Deductions, and Changes in Cash and Investment Balances - Pension Trust Funds	39-40
Combining Schedule of Additions, Deductions, and Changes in Cash and Investment Balances - Private-Purpose Trust Funds	41-42
Schedule of Capital Assets	43
Schedule of Long-Term Debt	44
Audit Results and Comments:	
Receipt Issuance	45
Average Daily Membership (ADM) - Incorrect Reporting to State	45
Appropriations	46
Federal and State Agencies - Compliance Requirements	46
ECA Educational Fee	47
Public Records Retention	47
Overdrawn Cash Balances	47
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	50-51
Schedule of Expenditures of Federal Awards	52-53
Notes to Schedule of Expenditures of Federal Awards	54
Schedule of Findings and Questioned Costs	55
Auditee Prepared Schedule:	
Summary Schedule of Prior Audit Findings	56
Exit Conference	57

SCHEDULE OF OFFICIALS

<u>Office</u>	<u>Official</u>	<u>Term</u>
Treasurer	Joyce Noble Tracy Albertson	07-01-05 to 06-30-06 07-01-06 to 06-30-08
Superintendent of Schools	Steve R. Wittenauer Ross L. Sloat	07-01-05 to 12-31-07 01-01-08 to 12-31-10
President of the School Board	Edward Schroeder Diane E. Hawkins	01-01-05 to 12-31-06 01-01-07 to 12-31-08



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 BENTON COMMUNITY SCHOOL
CORPORATION, BENTON COUNTY, INDIANA

We have audited the accompanying financial statements of the governmental activities, each major fund, and the aggregate remaining fund information of the Benton 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 12, 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, 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 12, 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 BENTON COMMUNITY SCHOOL
CORPORATION, BENTON COUNTY, INDIANA

We have audited the financial statements of the governmental activities, each major fund, and the aggregate remaining fund information of the Benton 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 12, 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.

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)

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.

We noted certain matters that we reported to management in a separate letter dated March 12, 2008.

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, the School Board of 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 12, 2008

BENTON 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>Net (Disbursement) Receipts and Changes in Net Assets</u>
		<u>Charges for Services</u>	<u>Operating Grants and Contributions</u>	<u>Totals</u>
Governmental activities:				
Instruction	\$ 7,723,315	\$ -	\$ 86,364	\$ (7,636,951)
Support services	15,594,830	423,821	369,919	(14,801,090)
Community services	898	-	-	(898)
Nonprogrammed charges	163,111	-	-	(163,111)
Debt service	<u>5,317,541</u>	<u>-</u>	<u>-</u>	<u>(5,317,541)</u>
Total governmental activities	<u>\$ 28,799,695</u>	<u>\$ 423,821</u>	<u>\$ 456,283</u>	<u>(27,919,591)</u>
General receipts:				
Property taxes				8,577,908
Other local sources				1,444,998
State aid				7,112,451
Bonds and loans				2,870,000
Grants and contributions not restricted to specific programs				385,968
Sale of property, adjustments, and refunds				26,143
Investment earnings				<u>387,570</u>
Total general receipts				<u>20,805,038</u>
Change in net assets				(7,114,553)
Net assets - beginning				<u>15,660,780</u>
Net assets - ending				<u>\$ 8,546,227</u>
<u>Assets</u>				
Cash and investments				\$ 7,679,194
Restricted assets:				
Cash and investments				<u>867,033</u>
Total assets				<u>\$ 8,546,227</u>
<u>Net Assets</u>				
Restricted for:				
Debt service				\$ 867,033
Unrestricted				<u>7,679,194</u>
Total net assets				<u>\$ 8,546,227</u>

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

BENTON 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>
		<u>Charges for Services</u>	<u>Operating Grants and Contributions</u>	<u>Totals</u>
Governmental activities:				
Instruction	\$ 7,804,133	\$ -	\$ 61,678	\$ (7,742,455)
Support services	13,812,783	421,458	355,563	(13,035,762)
Community services	10,113	-	-	(10,113)
Nonprogrammed charges	258,032	-	-	(258,032)
Debt service	<u>5,458,394</u>	<u>-</u>	<u>-</u>	<u>(5,458,394)</u>
Total governmental activities	<u>\$ 27,343,455</u>	<u>\$ 421,458</u>	<u>\$ 417,241</u>	<u>(26,504,756)</u>
General receipts:				
Property taxes				8,881,910
Other local sources				1,458,099
State aid				6,787,799
Bonds and loans				2,885,000
Grants and contributions not restricted to specific programs				413,653
Sale of property, adjustments, and refunds				45,127
Investment earnings				<u>321,882</u>
Total general receipts				<u>20,793,470</u>
Change in net assets				(5,711,286)
Net assets - beginning				<u>8,546,227</u>
Net assets - ending				<u>\$ 2,834,941</u>
<u>Assets</u>				
Cash and investments				\$ 2,631,565
Restricted assets:				
Cash and investments				<u>203,376</u>
Total assets				<u>\$ 2,834,941</u>
<u>Net Assets</u>				
Restricted for:				
Debt service				\$ 203,376
Unrestricted				<u>2,631,565</u>
Total net assets				<u>\$ 2,834,941</u>

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

BENTON 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	Rainy Day	Debt Service	Capital Projects	School Bus Replacement	Construction High School	Other	Totals
Receipts:									
Local sources	\$ 5,056,704	\$ 1,271,787	\$ -	\$ 1,058,516	\$ 1,870,073	\$ 361,494	\$ 208,775	\$ 1,002,808	\$ 10,830,157
Intermediate sources	4,102	-	-	-	-	-	-	38	4,140
State sources	7,171,228	-	-	-	-	-	-	457,464	7,628,692
Federal sources	-	-	-	-	-	-	-	326,010	326,010
Bonds and loans	1,981,000	60,000	-	-	541,000	288,000	-	-	2,870,000
Sale of property, adjustments and refunds	-	-	-	-	-	-	-	26,143	26,143
Total receipts	14,213,034	1,331,787	-	1,058,516	2,411,073	649,494	208,775	1,812,463	21,685,142
Disbursements:									
Current:									
Instruction	7,294,504	-	-	-	-	-	-	428,811	7,723,315
Support services	5,867,340	1,378,680	-	-	1,933,174	704,950	4,521,544	1,189,142	15,594,830
Community services	-	-	-	-	-	-	-	898	898
Nonprogrammed charges	54,793	-	-	-	-	-	-	108,318	163,111
Debt services	3,000,000	750,000	-	660,941	450,000	135,000	-	321,600	5,317,541
Total disbursements	16,216,637	2,128,680	-	660,941	2,383,174	839,950	4,521,544	2,048,769	28,799,695
Excess (deficiency) of receipts and other financing sources over disbursements and other financing uses	(2,003,603)	(796,893)	-	397,575	27,899	(190,456)	(4,312,769)	(236,306)	(7,114,553)
Cash and investments - beginning	4,037,506	1,674,695	240,804	485,450	1,204,875	383,237	6,993,993	640,220	15,660,780
Cash and investments - ending	<u>\$ 2,033,903</u>	<u>\$ 877,802</u>	<u>\$ 240,804</u>	<u>\$ 883,025</u>	<u>\$ 1,232,774</u>	<u>\$ 192,781</u>	<u>\$ 2,681,224</u>	<u>\$ 403,914</u>	<u>\$ 8,546,227</u>
Cash and Investment Assets - Ending									
Cash and investments	\$ 2,033,903	\$ 877,802	\$ 240,804	\$ -	\$ 1,232,774	\$ 192,781	\$ 2,681,224	\$ 419,906	\$ 7,679,194
Restricted assets:									
Cash and investments	-	-	-	883,025	-	-	-	(15,992)	867,033
Total cash and investment assets - ending	<u>\$ 2,033,903</u>	<u>\$ 877,802</u>	<u>\$ 240,804</u>	<u>\$ 883,025</u>	<u>\$ 1,232,774</u>	<u>\$ 192,781</u>	<u>\$ 2,681,224</u>	<u>\$ 403,914</u>	<u>\$ 8,546,227</u>
Cash and Investment Fund Balance - Ending									
Restricted for:									
Debt service	\$ -	\$ -	\$ -	\$ 883,025	\$ -	\$ -	\$ -	\$ (15,992)	\$ 867,033
Unrestricted	<u>2,033,903</u>	<u>877,802</u>	<u>240,804</u>	<u>-</u>	<u>1,232,774</u>	<u>192,781</u>	<u>2,681,224</u>	<u>419,906</u>	<u>7,679,194</u>
Total cash and investment fund balance - ending	<u>\$ 2,033,903</u>	<u>\$ 877,802</u>	<u>\$ 240,804</u>	<u>\$ 883,025</u>	<u>\$ 1,232,774</u>	<u>\$ 192,781</u>	<u>\$ 2,681,224</u>	<u>\$ 403,914</u>	<u>\$ 8,546,227</u>

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

BENTON 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	Rainy Day	Debt Service	Capital Projects	School Bus Replacement	Construction High School	Other	Totals
Receipts:									
Local sources	\$ 5,039,525	\$ 1,171,734	\$ -	\$ 1,766,208	\$ 1,708,188	\$ 444,851	\$ 73,338	\$ 875,535	\$ 11,079,379
Intermediate sources	1,495	-	-	-	-	-	-	2,475	3,970
State sources	6,835,605	-	-	-	-	-	-	430,684	7,266,289
Federal sources	-	-	-	-	-	-	-	352,404	352,404
Bonds and loans	2,026,000	534,000	-	-	86,000	239,000	-	-	2,885,000
Sale of property, adjustments and refunds	-	-	-	-	-	-	-	45,127	45,127
Total receipts	13,902,625	1,705,734	-	1,766,208	1,794,188	683,851	73,338	1,706,225	21,632,169
Disbursements:									
Current:									
Instruction	7,361,164	-	-	-	-	-	-	442,969	7,804,133
Support services	6,247,783	1,360,842	-	-	2,649,502	-	2,509,829	1,044,827	13,812,783
Community services	-	-	-	-	-	-	-	10,113	10,113
Nonprogrammed charges	69,339	-	-	-	-	-	-	188,693	258,032
Debt services	1,981,000	60,000	-	2,375,778	541,000	288,000	-	212,616	5,458,394
Total disbursements	15,659,286	1,420,842	-	2,375,778	3,190,502	288,000	2,509,829	1,899,218	27,343,455
Excess (deficiency) of receipts over disbursements	(1,756,661)	284,892	-	(609,570)	(1,396,314)	395,851	(2,436,491)	(192,993)	(5,711,286)
Other financing sources (uses):									
Transfers in	-	-	750,000	-	-	-	-	-	750,000
Transfers out	-	(500,000)	-	-	(250,000)	-	-	-	(750,000)
Total other financing sources (uses)	-	(500,000)	750,000	-	(250,000)	-	-	-	-
Excess (deficiency) of receipts and other financing sources over disbursements and other financing uses	(1,756,661)	(215,108)	750,000	(609,570)	(1,646,314)	395,851	(2,436,491)	(192,993)	(5,711,286)
Cash and investments - beginning	2,033,903	877,802	240,804	883,025	1,232,774	192,781	2,681,224	403,914	8,546,227
Cash and investments - ending	\$ 277,242	\$ 662,694	\$ 990,804	\$ 273,455	\$ (413,540)	\$ 588,632	\$ 244,733	\$ 210,921	\$ 2,834,941
Cash and Investment Assets - Ending									
Cash and investments	\$ 277,242	\$ 662,694	\$ 990,804	\$ -	\$ (413,540)	\$ 588,632	\$ 244,733	\$ 281,000	\$ 2,631,565
Restricted assets:									
Cash and investments	-	-	-	273,455	-	-	-	(70,079)	203,376
Total cash and investment assets - ending	\$ 277,242	\$ 662,694	\$ 990,804	\$ 273,455	\$ (413,540)	\$ 588,632	\$ 244,733	\$ 210,921	\$ 2,834,941
Cash and Investment Fund Balance - Ending									
Restricted for:									
Debt service	\$ -	\$ -	\$ -	\$ 273,455	\$ -	\$ -	\$ -	\$ (70,079)	\$ 203,376
Unrestricted	277,242	662,694	990,804	-	(413,540)	588,632	244,733	281,000	2,631,565
Total cash and investment fund balance - ending	\$ 277,242	\$ 662,694	\$ 990,804	\$ 273,455	\$ (413,540)	\$ 588,632	\$ 244,733	\$ 210,921	\$ 2,834,941

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

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

	<u>Pension Trust Funds</u>	<u>Private-Purpose Trust Funds</u>	<u>Agency Funds</u>
Additions:			
Contributions:			
Employer	\$ 787,135	\$ -	
Other	<u>328,630</u>	<u>900</u>	
Total contributions	<u>1,115,765</u>	<u>900</u>	
Investment earnings:			
Interest	<u>9,233</u>	<u>-</u>	
Total additions	<u>1,124,998</u>	<u>900</u>	
Deductions:			
Benefits	315,193	-	
Administrative and general	<u>-</u>	<u>1,185</u>	
Total deductions	<u>315,193</u>	<u>1,185</u>	
Excess (deficiency) of total additions over total deductions	809,805	(285)	
Cash and investment fund balance - beginning	<u>1,690,459</u>	<u>326</u>	
Cash and investment fund balance - ending	<u>\$ 2,500,264</u>	<u>\$ 41</u>	
Net assets:			
Cash and investments	<u>\$ 2,500,264</u>	<u>\$ 41</u>	<u>\$ 140,503</u>
Total net assets - cash and investment basis held in trust	<u>\$ 2,500,264</u>	<u>\$ 41</u>	<u>\$ 140,503</u>

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

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

	Pension Trust Funds	Private-Purpose Trust Funds	Agency Funds
Additions:			
Contributions:			
Other	\$ -	\$ 100	
Total contributions	-	100	
Investment earnings:			
Interest	108,906	-	
Total additions	108,906	100	
Deductions:			
Benefits			
Administrative and general	1,650,191	-	
Total deductions	-	141	
Total deductions	1,650,191	141	
Deficiency of total additions over total deductions	(1,541,285)	(41)	
Cash and investment fund balance - beginning	2,500,264	41	
Cash and investment fund balance - ending	\$ 958,979	\$ -	
Net assets:			
Cash and investments	\$ 958,979	\$ -	\$ 170,047
Total net assets - cash and investment basis held in trust	\$ 958,979	\$ -	\$ 170,047

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

BENTON 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: Benton 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 8 other school corporations in a joint venture to operate the Cooperative School Services Program (Co-op) which was created to provide instruction to handicapped children. The Co-op governing board consists of a member selected by each of the participating school corporations. The board has the full authority to manage the Co-op, including responsibility for fiscal matters. The Board determines the rate of contributions to be required from each participant based on the number of students enrolled in the program. Complete financial statements for the Co-op can be obtained from Cooperative School Services, Rensselaer, Indiana.

The School Corporation is a participant with 17 other school corporations in a joint venture to operate the Wabash Valley/West Central Indiana Insurance Trust (Trust) which was created to provide a common and unified program of group health insurance. The Trustees of the plan shall determine the rate of contributions to be required from each participant covered by the plan. Complete financial statements for the Trust can be obtained from Logansport Community School Corporation, Logansport, Indiana.

The School Corporation is a participant with 7 other school corporations in a joint venture to operate the Wildcat Creek Area Vocational Cooperative (Cooperative) which was created to provide vocational and technical education. The Cooperative Board determines the rate of contributions to be required from each participant based on the number of students enrolled in the programs. Complete financial statements for the Cooperative can be obtained from Tippecanoe School Corporation, Lafayette, Indiana.

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.

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

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

The construction high school fund accounts for planned construction, repair, replacement or remodeling of the high school building.

The rainy day fund accounts for receipts and disbursements concerning any necessary expenses of the school corporation.

Additionally, the School Corporation reports the following fund types:

The pension trust funds account for the activities of the retirement/severance bond and post-retirement/severance future debt, which accumulate resources for pension benefit payments.

The private-purpose trust fund reports a trust arrangement under which principal and income provide scholarship funds for students

Agency funds account for assets held by the School Corporation as an agent for various payroll withholdings and serve as control of accounts for certain cash transactions during the time they are a liability of the School Corporation.

BENTON COMMUNITY SCHOOL CORPORATION
NOTES TO FINANCIAL STATEMENTS
(Continued)

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.

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 distributed to the School Corporation on or prior to December 31 of the year collected.

BENTON COMMUNITY SCHOOL CORPORATION
NOTES TO FINANCIAL STATEMENTS
(Continued)

3. Compensated Absences

a. Sick Leave

Employees earn sick leave at the rate of 8 to 10 days per year. Sick leave does accumulate from year to year. Unused sick leave may be accumulated to a maximum of 60 to 130 days. Accumulated sick leave is paid upon retirement to employees through cash payments.

b. Vacation Leave

Noncertified School Corporation employees earn vacation leave at rates from 5 days to 15 days per year based upon the number of years of service. Teachers and certified personnel working under 12 month contracts earn vacation leave at the rate of 10 days per year. Vacation leave does not accumulate from year to year.

c. Personal Leave

School Corporation employees earn personal leave at the rate of 4 days per year. Unused personal leave may be accumulated to a maximum of 6 days with only 2 days that may be carried over to next year. Accumulated personal leave is not paid to employees upon separation.

4. Capital Assets

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

5. Long-Term Debt

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

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."

BENTON COMMUNITY SCHOOL CORPORATION
NOTES TO FINANCIAL STATEMENTS
(Continued)

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. Receipts and Disbursements

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.

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

Government-Wide Financial Statements

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

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

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.

BENTON COMMUNITY SCHOOL CORPORATION
NOTES TO FINANCIAL STATEMENTS
(Continued)

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 January 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. Disbursements in Excess of Appropriations

For the years ended December 31, 2005 and 2006, disbursements exceeded budgeted appropriations in the following funds by the amounts below:

Fund	2006
Preschool Special Education	<u>\$ 9,768</u>

C. 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	2006	2007
Special Education Preschool	\$ 311	\$ 43,941
School Safe Haven	1,940	1,940
Early Intervention Grant	1,421	-
After School Program	3,772	54,561
Benton Community Foundation	3,720	-
Gifted and Talented 04-05	984	984
School Technology	1,537	3,287
Title I 2005-06	2,782	283
Title V PN 02-077	-	198
Title V ESEA SY 04-05	8,155	48,562
Title IV Drug SY 03-248	1,032	104
Title II PN 00-068	204	204
Title II PN 01-061	12	12
Class Size Reduction	22,130	59,920
Pension Bond Debt Service	15,992	70,079
Capital Projects	-	413,540

BENTON COMMUNITY SCHOOL CORPORATION
 NOTES TO FINANCIAL STATEMENTS
 (Continued)

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

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:

<u>Transfer From</u>	<u>Transfer To</u>	<u>2005-2006</u>	<u>2006-2007</u>
Transportation Operating Fund	Rainy Day Fund	\$ -	\$ 500,000
Capital Projects Fund	Rainy Day Fund	-	<u>250,000</u>
Totals		<u>\$ -</u>	<u>\$ 750,000</u>

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

IV. Other Information

A. Risk Management

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

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

BENTON COMMUNITY SCHOOL CORPORATION
NOTES TO FINANCIAL STATEMENTS
(Continued)

Medical Benefits to Employees, Retirees and Dependents

During 1992, the School Corporation joined with other governmental entities to form the Wabash Valley/West Central Indiana Insurance Trust, a public entity risk pool currently operating as a common risk management and insurance program for eighteen member governmental entities. This risk pool was formed in 1992. The purpose of the risk pool is to provide a medium for the funding and administration of medical benefits and life insurance to employees. The risk pool is considered a self-sustaining risk pool that will provide coverage for its members for up to \$150,000 per insured event and \$5,000,000 lifetime. The risk pool obtains independent coverage for insured events in excess of the \$150,000 limit.

B. Holding Corporation

The School Corporation has entered into a capital lease with the Benton School Improvement Building Corporation (the lessor). The lessor was organized as a not-for-profit corporation pursuant to state statute for the purpose of financing and constructing or reconstructing facilities for lease to the School Corporation. Lease payments during the year totaled \$2,236,000.

C. Subsequent Event

The bond issue associated with the capital lease payments for Prairie Crossing Elementary and Benton Central Jr./Sr. High School renovations was refunded on August 15, 2008. The new issue was for \$29,005,000.

D. Postemployment Benefits

In addition to the pension benefits described below, the School Corporation provides postemployment medical benefits, as authorized by Indiana Code 5-10-8, to all employees who retire from the School Corporation on or after attaining age 55 with at least 30 years of service. Currently, 1 retiree meets these eligibility requirements. The School Corporation pays a set amount towards the cost of the group hospitalization and medical insurance program. Disbursements for those postemployment benefits are recognized on a pay-as-you-go basis. During the year ended June 30, 2007, disbursements of \$3,839 were recognized for postemployment benefits.

E. Pension Plans

1. Agent Multiple-Employer and Single-Employer Defined Benefit Pension Plan

a. 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.

BENTON COMMUNITY SCHOOL CORPORATION
 NOTES TO FINANCIAL STATEMENTS
 (Continued)

The PERF retirement benefit consists of the pension provided by employer contributions plus an annuity provided by the member's annuity savings account. The annuity savings account consists of member's contributions, set by state statute at 3% of compensation, plus the interest credited to the member's account. The employer may elect to make the contributions on behalf of the member.

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

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

Funding Policy and Annual Pension Cost

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

Actuarial Information for the Above Plan

	PERF
Annual required contribution	\$ 130,094
Interest on net pension obligation	(25,448)
Adjustment to annual required contribution	29,000
Annual pension cost	133,646
Contributions made	137,425
Decrease in net pension obligation	(3,779)
Net pension obligation, beginning of year	(351,013)
Net pension obligation, end of year	\$ (354,792)

BENTON COMMUNITY SCHOOL CORPORATION
NOTES TO FINANCIAL STATEMENTS
(Continued)

	PERF
Contribution rates:	
School Corporation	5%
Plan members	3%
Actuarial valuation date	07-01-06
Actuarial cost method	Entry age
Amortization method	Level percentage of projected payroll, closed
Amortization period	40 years
Amortization period (from date)	07-01-97
Asset valuation method	75% of expected actuarial value plus 25% of market value

Actuarial Assumptions

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

Three Year Trend Information

	Year Ending	Annual Pension Cost (APC)	Percentage of APC Contributed	Net Pension Obligation
PERF	06-30-04	\$ 78,199	206%	\$ (304,234)
	06-30-05	98,012	148%	(351,013)
	06-30-06	133,646	103%	(354,792)

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

BENTON COMMUNITY SCHOOL CORPORATION
NOTES TO FINANCIAL STATEMENTS
(Continued)

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.

Plan members are required to contribute 3% of their salary and 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 \$239,641, \$224,497, and \$184,384, respectively. The School Corporation actually contributed 100% of the required contribution for each of the fiscal years.

BENTON 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	\$ 2,988,224	\$ 2,703,197	\$ 285,027	111%	\$ 2,402,462	12%
07-01-05	3,102,321	3,067,843	34,478	101%	2,592,028	1%
07-01-06	3,022,583	3,319,937	(297,354)	91%	2,751,111	(11%)

BENTON 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	Cafeteria	Textbook Rental	Scholarship	Levy Excess	Perkins Vocational 04-05	Perkins Vocational 03-04
Receipts:							
Local sources	\$ 3,507	\$ 427,662	\$ 168,844	\$ 365	\$ -	\$ -	\$ -
Intermediate sources	-	-	-	-	-	-	-
State sources	68,245	313,302	39,903	-	-	-	-
Federal sources	-	-	-	-	-	11,275	-
Sale of property, adjustments and refunds	-	-	-	-	-	-	-
Total receipts	71,752	740,964	208,747	365	-	11,275	-
Disbursements:							
Current:							
Instruction	25,455	-	-	-	-	-	-
Support services	-	670,849	329,658	900	-	14,313	8
Community services	-	-	-	-	-	-	-
Nonprogrammed charges	108,318	-	-	-	-	-	-
Debt services	-	-	-	-	-	-	-
Total disbursements	133,773	670,849	329,658	900	-	14,313	8
Excess (deficiency) of receipts and other financing sources over disbursements and other financing uses	(62,021)	70,115	(120,911)	(535)	-	(3,038)	(8)
Cash and investments - beginning	61,710	73,651	187,182	15,384	100,915	10,059	8
Cash and investments - ending	<u>\$ (311)</u>	<u>\$ 143,766</u>	<u>\$ 66,271</u>	<u>\$ 14,849</u>	<u>\$ 100,915</u>	<u>\$ 7,021</u>	<u>\$ -</u>
Cash and Investment Assets - Ending							
Cash and investments	\$ (311)	\$ 143,766	\$ 66,271	\$ 14,849	\$ 100,915	\$ 7,021	\$ -
Restricted assets:							
Cash and investments	-	-	-	-	-	-	-
Total cash and investment assets - ending	<u>\$ (311)</u>	<u>\$ 143,766</u>	<u>\$ 66,271</u>	<u>\$ 14,849</u>	<u>\$ 100,915</u>	<u>\$ 7,021</u>	<u>\$ -</u>
Cash and Investment Fund Balance - Ending							
Restricted for:							
Debt service	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Unrestricted	(311)	143,766	66,271	14,849	100,915	7,021	-
Total cash and investment fund balance - ending	<u>\$ (311)</u>	<u>\$ 143,766</u>	<u>\$ 66,271</u>	<u>\$ 14,849</u>	<u>\$ 100,915</u>	<u>\$ 7,021</u>	<u>\$ -</u>

BENTON 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)

	Perkins Vocational 05-06	Education License Plates	School Safe Haven	Early Intervention Grant	Reading Recovery	Gifts and Donations	After School Program
Receipts:							
Local sources	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 567	\$ 47,899
Intermediate sources	-	38	-	-	-	-	-
State sources	-	-	-	2,000	-	-	-
Federal sources	11,275	-	-	-	-	-	-
Sale of property, adjustments and refunds	-	-	-	-	-	857	-
Total receipts	11,275	38	-	2,000	-	1,424	47,899
Disbursements:							
Current:							
Instruction	-	-	1,940	5,827	308	4,044	48,015
Support services	850	-	-	-	-	34	3,656
Community services	-	-	-	-	-	-	-
Nonprogrammed charges	-	-	-	-	-	-	-
Debt services	-	-	-	-	-	-	-
Total disbursements	850	-	1,940	5,827	308	4,078	51,671
Excess (deficiency) of receipts and other financing sources over disbursements and other financing uses	10,425	38	(1,940)	(3,827)	(308)	(2,654)	(3,772)
Cash and investments - beginning	-	6,289	-	2,406	308	8,778	-
Cash and investments - ending	<u>\$ 10,425</u>	<u>\$ 6,327</u>	<u>\$ (1,940)</u>	<u>\$ (1,421)</u>	<u>\$ -</u>	<u>\$ 6,124</u>	<u>\$ (3,772)</u>
Cash and Investment Assets - Ending							
Cash and investments	\$ 10,425	\$ 6,327	\$ (1,940)	\$ (1,421)	\$ -	\$ 6,124	\$ (3,772)
Restricted assets:							
Cash and investments	-	-	-	-	-	-	-
Total cash and investment assets - ending	<u>\$ 10,425</u>	<u>\$ 6,327</u>	<u>\$ (1,940)</u>	<u>\$ (1,421)</u>	<u>\$ -</u>	<u>\$ 6,124</u>	<u>\$ (3,772)</u>
Cash and Investment Fund Balance - Ending							
Restricted for:							
Debt service	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Unrestricted	10,425	6,327	(1,940)	(1,421)	-	6,124	(3,772)
Total cash and investment fund balance - ending	<u>\$ 10,425</u>	<u>\$ 6,327</u>	<u>\$ (1,940)</u>	<u>\$ (1,421)</u>	<u>\$ -</u>	<u>\$ 6,124</u>	<u>\$ (3,772)</u>

BENTON 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)

	Benton Community Foundation	Technical Initiative	Gifted and Talented 04-05	Gifted and Talented 05-06	Medicaid Reimbursement	School Technology	Buddy System
Receipts:							
Local sources	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Intermediate sources	-	-	-	-	-	-	-
State sources	-	-	13,794	13,794	6,235	-	-
Federal sources	-	-	-	-	117	-	-
Sale of property, adjustments and refunds	-	170	-	-	-	-	-
Total receipts	-	170	13,794	13,794	6,352	-	-
Disbursements:							
Current:							
Instruction	3,720	-	7,701	6,440	-	-	4,922
Support services	-	-	-	-	-	19,080	1,295
Community services	-	-	-	-	-	-	-
Nonprogrammed charges	-	-	-	-	-	-	-
Debt services	-	-	-	-	-	-	-
Total disbursements	3,720	-	7,701	6,440	-	19,080	6,217
Excess (deficiency) of receipts and other financing sources over disbursements and other financing uses	(3,720)	170	6,093	7,354	6,352	(19,080)	(6,217)
Cash and investments - beginning	-	(170)	(7,077)	-	15,108	17,543	6,217
Cash and investments - ending	<u>\$ (3,720)</u>	<u>\$ -</u>	<u>\$ (984)</u>	<u>\$ 7,354</u>	<u>\$ 21,460</u>	<u>\$ (1,537)</u>	<u>\$ -</u>
Cash and Investment Assets - Ending							
Cash and investments	\$ (3,720)	\$ -	\$ (984)	\$ 7,354	\$ 21,460	\$ (1,537)	\$ -
Restricted assets:							
Cash and investments	-	-	-	-	-	-	-
Total cash and investment assets - ending	<u>\$ (3,720)</u>	<u>\$ -</u>	<u>\$ (984)</u>	<u>\$ 7,354</u>	<u>\$ 21,460</u>	<u>\$ (1,537)</u>	<u>\$ -</u>
Cash and Investment Fund Balance - Ending							
Restricted for:							
Debt service	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Unrestricted	(3,720)	-	(984)	7,354	21,460	(1,537)	-
Total cash and investment fund balance - ending	<u>\$ (3,720)</u>	<u>\$ -</u>	<u>\$ (984)</u>	<u>\$ 7,354</u>	<u>\$ 21,460</u>	<u>\$ (1,537)</u>	<u>\$ -</u>

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

	Technology Grant	Buddy System 2000-01	CHANCES For Youth	Action Research Grant	Title I 2003-04	Title I 2004-05	Title I 2005-06
Receipts:							
Local sources	\$ -	\$ -	\$ 4,050	\$ -	\$ -	\$ -	\$ -
Intermediate sources	-	-	-	-	-	-	-
State sources	-	-	-	-	-	-	-
Federal sources	-	-	-	-	-	-	159,619
Sale of property, adjustments and refunds	-	-	-	31	-	-	-
Total receipts	-	-	4,050	31	-	-	159,619
Disbursements:							
Current:							
Instruction	-	-	1,492	-	-	26,283	132,051
Support services	3,589	240	-	-	1,348	7,400	29,842
Community services	-	-	-	-	220	170	508
Nonprogrammed charges	-	-	-	-	-	-	-
Debt services	-	-	-	-	-	-	-
Total disbursements	3,589	240	1,492	-	1,568	33,853	162,401
Excess (deficiency) of receipts and other financing sources over disbursements and other financing uses	(3,589)	(240)	2,558	31	(1,568)	(33,853)	(2,782)
Cash and investments - beginning	3,589	240	7,613	(31)	1,568	33,853	-
Cash and investments - ending	\$ -	\$ -	\$ 10,171	\$ -	\$ -	\$ -	\$ (2,782)
Cash and Investment Assets - Ending							
Cash and investments	\$ -	\$ -	\$ 10,171	\$ -	\$ -	\$ -	\$ (2,782)
Restricted assets:							
Cash and investments	-	-	-	-	-	-	-
Total cash and investment assets - ending	\$ -	\$ -	\$ 10,171	\$ -	\$ -	\$ -	\$ (2,782)
Cash and Investment Fund Balance - Ending							
Restricted for:							
Debt service	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Unrestricted	-	-	10,171	-	-	-	(2,782)
Total cash and investment fund balance - ending	\$ -	\$ -	\$ 10,171	\$ -	\$ -	\$ -	\$ (2,782)

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

	Title V PN 02-077	Title V ESEA SY 04-05	Title V Part A - SY 03-04	Adult Basic Education 04-05	Adult Basic Education 05-06	Title IV Drug SY 03-248
Receipts:						
Local sources	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Intermediate sources	-	-	-	-	-	-
State sources	-	-	-	-	-	-
Federal sources	-	10,388	4,493	5,035	36,394	-
Sale of property, adjustments and refunds	1,605	-	-	-	-	-
Total receipts	<u>1,605</u>	<u>10,388</u>	<u>4,493</u>	<u>5,035</u>	<u>36,394</u>	<u>-</u>
Disbursements:						
Current:						
Instruction	-	18,543	13,493	4,415	17,838	7,366
Support services	-	-	-	573	15,887	-
Community services	-	-	-	-	-	-
Nonprogrammed charges	-	-	-	-	-	-
Debt services	-	-	-	-	-	-
Total disbursements	<u>-</u>	<u>18,543</u>	<u>13,493</u>	<u>4,988</u>	<u>33,725</u>	<u>7,366</u>
Excess (deficiency) of receipts and other financing sources over disbursements and other financing uses	1,605	(8,155)	(9,000)	47	2,669	(7,366)
Cash and investments - beginning	(1,605)	-	9,000	9,507	-	6,334
Cash and investments - ending	<u>\$ -</u>	<u>\$ (8,155)</u>	<u>\$ -</u>	<u>\$ 9,554</u>	<u>\$ 2,669</u>	<u>\$ (1,032)</u>
Cash and Investment Assets - Ending						
Cash and investments	\$ -	\$ (8,155)	\$ -	\$ 9,554	\$ 2,669	\$ (1,032)
Restricted assets:						
Cash and investments	-	-	-	-	-	-
Total cash and investment assets - ending	<u>\$ -</u>	<u>\$ (8,155)</u>	<u>\$ -</u>	<u>\$ 9,554</u>	<u>\$ 2,669</u>	<u>\$ (1,032)</u>
Cash and Investment Fund Balance - Ending						
Restricted for:						
Debt service	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Unrestricted	-	(8,155)	-	9,554	2,669	(1,032)
Total cash and investment fund balance - ending	<u>\$ -</u>	<u>\$ (8,155)</u>	<u>\$ -</u>	<u>\$ 9,554</u>	<u>\$ 2,669</u>	<u>\$ (1,032)</u>

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

	Title II PN 00-068	Title II PN 01-061	Title III ESL	Medicaid Reimbursement	Class Size Reduction	Technology Grant SY 02-03
Receipts:						
Local sources	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Intermediate sources	-	-	-	-	-	-
State sources	-	-	-	191	-	-
Federal sources	-	-	-	10,171	77,243	-
Sale of property, adjustments and refunds	-	-	-	-	-	367
Total receipts	<u>-</u>	<u>-</u>	<u>-</u>	<u>10,362</u>	<u>77,243</u>	<u>367</u>
Disbursements:						
Current:						
Instruction	-	-	7	-	98,951	-
Support services	525	120	-	911	2,210	-
Community services	-	-	-	-	-	-
Nonprogrammed charges	-	-	-	-	-	-
Debt services	-	-	-	-	-	-
Total disbursements	<u>525</u>	<u>120</u>	<u>7</u>	<u>911</u>	<u>101,161</u>	<u>-</u>
Excess (deficiency) of receipts and other financing sources over disbursements and other financing uses	(525)	(120)	(7)	9,451	(23,918)	367
Cash and investments - beginning	<u>321</u>	<u>108</u>	<u>7</u>	<u>44,740</u>	<u>1,788</u>	<u>(367)</u>
Cash and investments - ending	<u><u>\$ (204)</u></u>	<u><u>\$ (12)</u></u>	<u><u>\$ -</u></u>	<u><u>\$ 54,191</u></u>	<u><u>\$ (22,130)</u></u>	<u><u>\$ -</u></u>
<u>Cash and Investment Assets - Ending</u>						
Cash and investments	\$ (204)	\$ (12)	\$ -	\$ 54,191	\$ (22,130)	\$ -
Restricted assets:						
Cash and investments	-	-	-	-	-	-
Total cash and investment assets - ending	<u><u>\$ (204)</u></u>	<u><u>\$ (12)</u></u>	<u><u>\$ -</u></u>	<u><u>\$ 54,191</u></u>	<u><u>\$ (22,130)</u></u>	<u><u>\$ -</u></u>
<u>Cash and Investment Fund Balance - Ending</u>						
Restricted for:						
Debt service	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Unrestricted	<u>(204)</u>	<u>(12)</u>	<u>-</u>	<u>54,191</u>	<u>(22,130)</u>	<u>-</u>
Total cash and investment fund balance - ending	<u><u>\$ (204)</u></u>	<u><u>\$ (12)</u></u>	<u><u>\$ -</u></u>	<u><u>\$ 54,191</u></u>	<u><u>\$ (22,130)</u></u>	<u><u>\$ -</u></u>

BENTON 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)

	English Language	Challenge Technology Grant	Pension Bond Debt Service	Reconstruction	Buddy Grant	Totals
Receipts:						
Local sources	\$ -	\$ -	\$ 344,915	\$ 4,999	\$ -	\$ 1,002,808
Intermediate sources	-	-	-	-	-	38
State sources	-	-	-	-	-	457,464
Federal sources	-	-	-	-	-	326,010
Sale of property, adjustments and refunds	1,024	-	-	4,266	17,823	26,143
Total receipts	<u>1,024</u>	<u>-</u>	<u>344,915</u>	<u>9,265</u>	<u>17,823</u>	<u>1,812,463</u>
Disbursements:						
Current:						
Instruction	-	-	-	-	-	428,811
Support services	-	1,535	83,656	580	83	1,189,142
Community services	-	-	-	-	-	898
Nonprogrammed charges	-	-	-	-	-	108,318
Debt services	-	-	321,600	-	-	321,600
Total disbursements	<u>-</u>	<u>1,535</u>	<u>405,256</u>	<u>580</u>	<u>83</u>	<u>2,048,769</u>
Excess (deficiency) of receipts and other financing sources over disbursements and other financing uses	1,024	(1,535)	(60,341)	8,685	17,740	(236,306)
Cash and investments - beginning	(1,024)	4,692	44,349	(5,033)	(17,740)	640,220
Cash and investments - ending	<u>\$ -</u>	<u>\$ 3,157</u>	<u>\$ (15,992)</u>	<u>\$ 3,652</u>	<u>\$ -</u>	<u>\$ 403,914</u>
Cash and Investment Assets - Ending						
Cash and investments	\$ -	\$ 3,157	\$ -	\$ 3,652	\$ -	\$ 419,906
Restricted assets:						
Cash and investments	-	-	(15,992)	-	-	(15,992)
Total cash and investment assets - ending	<u>\$ -</u>	<u>\$ 3,157</u>	<u>\$ (15,992)</u>	<u>\$ 3,652</u>	<u>\$ -</u>	<u>\$ 403,914</u>
Cash and Investment Fund Balance - Ending						
Restricted for:						
Debt service	\$ -	\$ -	\$ (15,992)	\$ -	\$ -	\$ (15,992)
Unrestricted	-	3,157	-	3,652	-	419,906
Total cash and investment fund balance - ending	<u>\$ -</u>	<u>\$ 3,157</u>	<u>\$ (15,992)</u>	<u>\$ 3,652</u>	<u>\$ -</u>	<u>\$ 403,914</u>

BENTON 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	Cafeteria	Textbook Rental	Scholarship	Levy Excess	Perkins Vocational 04-05	Perkins Vocational 05-06
Receipts:							
Local sources	\$ 11,561	\$ 432,193	\$ 189,361	\$ 494	\$ 19,232	\$ -	\$ -
Intermediate sources	-	-	-	-	-	-	-
State sources	60,238	317,660	35,300	-	-	-	-
Federal sources	-	-	-	-	-	-	11,275
Sale of property, adjustments and refunds	-	-	-	-	-	-	-
Total receipts	71,799	749,853	224,661	494	19,232	-	11,275
Disbursements:							
Current:							
Instruction	33,289	-	-	-	-	-	-
Support services	-	734,424	189,554	900	-	1,383	18,925
Community services	-	-	-	-	-	-	-
Nonprogrammed charges	82,140	-	-	-	100,915	5,638	-
Debt services	-	-	-	-	-	-	-
Total disbursements	115,429	734,424	189,554	900	100,915	7,021	18,925
Excess (deficiency) of receipts over disbursements	(43,630)	15,429	35,107	(406)	(81,683)	(7,021)	(7,650)
Excess (deficiency) of receipts and other financing sources over disbursements and other financing uses	(43,630)	15,429	35,107	(406)	(81,683)	(7,021)	(7,650)
Cash and investments - beginning	(311)	143,766	66,271	14,849	100,915	7,021	10,425
Cash and investments - ending	<u>(43,941)</u>	<u>159,195</u>	<u>101,378</u>	<u>14,443</u>	<u>19,232</u>	<u>-</u>	<u>2,775</u>
Cash and Investment Assets - Ending							
Cash and investments	(43,941)	159,195	101,378	14,443	19,232	-	2,775
Restricted assets:							
Cash and investments	-	-	-	-	-	-	-
Total cash and investment assets - ending	<u>(43,941)</u>	<u>159,195</u>	<u>101,378</u>	<u>14,443</u>	<u>19,232</u>	<u>-</u>	<u>2,775</u>
Cash and Investment Fund Balance - Ending							
Restricted for:							
Debt service	-	-	-	-	-	-	-
Unrestricted	(43,941)	159,195	101,378	14,443	19,232	-	2,775
Total cash and investment fund balance - ending	<u>(43,941)</u>	<u>159,195</u>	<u>101,378</u>	<u>14,443</u>	<u>19,232</u>	<u>-</u>	<u>2,775</u>

BENTON 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)

	Perkins Vocational 06-07	Education License Plates	School Safe Haven	Early Intervention Grant	Gifts and Donations	Unclaimed Cash	After School Program
Receipts:							
Local sources	\$ -	\$ -	\$ -	\$ -	\$ 6,311	\$ -	\$ 40,074
Intermediate sources	-	2,475	-	-	-	-	-
State sources	-	-	-	2,000	-	-	-
Federal sources	14,883	-	-	-	-	-	-
Sale of property, adjustments and refunds	-	-	-	110	725	11,475	-
Total receipts	14,883	2,475	-	2,110	7,036	11,475	40,074
Disbursements:							
Current:							
Instruction	-	-	-	-	7,360	-	79,856
Support services	10,862	-	-	-	546	-	11,007
Community services	-	-	-	-	-	-	-
Nonprogrammed charges	-	-	-	-	-	-	-
Debt services	-	-	-	-	-	-	-
Total disbursements	10,862	-	-	-	7,906	-	90,863
Excess (deficiency) of receipts over disbursements	4,021	2,475	-	2,110	(870)	11,475	(50,789)
Excess (deficiency) of receipts and other financing sources over disbursements and other financing uses	4,021	2,475	-	2,110	(870)	11,475	(50,789)
Cash and investments - beginning	-	6,327	(1,940)	(1,421)	6,124	-	(3,772)
Cash and investments - ending	\$ 4,021	\$ 8,802	\$ (1,940)	\$ 689	\$ 5,254	\$ 11,475	\$ (54,561)
Cash and Investment Assets - Ending							
Cash and investments	\$ 4,021	\$ 8,802	\$ (1,940)	\$ 689	\$ 5,253	\$ 11,475	\$ (54,561)
Restricted assets:							
Cash and investments	-	-	-	-	-	-	-
Total cash and investment assets - ending	\$ 4,021	\$ 8,802	\$ (1,940)	\$ 689	\$ 5,253	\$ 11,475	\$ (54,561)
Cash and Investment Fund Balance - Ending							
Restricted for:							
Debt service	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Unrestricted	4,021	8,802	(1,940)	689	5,253	11,475	(54,561)
Total cash and investment fund balance - ending	\$ 4,021	\$ 8,802	\$ (1,940)	\$ 689	\$ 5,253	\$ 11,475	\$ (54,561)

BENTON 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)

	Benton Community Foundation	Technical Initiative	Gifted and Talented 04-05	Gifted and Talented 05-06	Gifted and Talented 06-07	Medicaid Reimbursement	Non-English Speaking Program
Receipts:							
Local sources	\$ 9,713	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Intermediate sources	-	-	-	-	-	-	-
State sources	-	-	-	-	13,794	-	78
Federal sources	-	-	-	-	-	989	-
Sale of property, adjustments and refunds	-	-	-	-	-	-	-
Total receipts	9,713	-	-	-	13,794	989	78
Disbursements:							
Current:							
Instruction	5,393	-	-	7,354	11,339	-	-
Support services	600	-	-	-	-	-	-
Community services	-	-	-	-	-	-	-
Nonprogrammed charges	-	-	-	-	-	-	-
Debt services	-	-	-	-	-	-	-
Total disbursements	5,993	-	-	7,354	11,339	-	-
Excess (deficiency) of receipts over disbursements	3,720	-	-	(7,354)	2,455	989	78
Excess (deficiency) of receipts and other financing sources over disbursements and other financing uses	3,720	-	-	(7,354)	2,455	989	78
Cash and investments - beginning	(3,720)	-	(984)	7,354	-	21,460	-
Cash and investments - ending	\$ -	\$ -	\$ (984)	\$ -	\$ 2,455	\$ 22,449	\$ 78
Cash and Investment Assets - Ending							
Cash and investments	\$ -	\$ -	\$ (984)	\$ -	\$ 2,455	\$ 22,449	\$ 78
Restricted assets:							
Cash and investments	-	-	-	-	-	-	-
Total cash and investment assets - ending	\$ -	\$ -	\$ (984)	\$ -	\$ 2,455	\$ 22,449	\$ 78
Cash and Investment Fund Balance - Ending							
Restricted for:							
Debt service	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Unrestricted	-	-	(984)	-	2,455	22,449	78
Total cash and investment fund balance - ending	\$ -	\$ -	\$ (984)	\$ -	\$ 2,455	\$ 22,449	\$ 78

BENTON 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)

	School Technology	CHANCES For Youth	Title I 2005-06	Title I 2006-07	Title V PN 02-077	Title V ESEA SY 04-05
Receipts:						
Local sources	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Intermediate sources	-	-	-	-	-	-
State sources	-	-	-	-	-	-
Federal sources	-	-	-	162,461	-	-
Sale of property, adjustments and refunds	-	-	3,814	-	-	-
Total receipts	-	-	3,814	162,461	-	-
Disbursements:						
Current:						
Instruction	-	211	-	123,761	198	40,407
Support services	1,750	28	1,048	16,004	-	-
Community services	-	-	267	953	-	-
Nonprogrammed charges	-	-	-	-	-	-
Debt services	-	-	-	-	-	-
Total disbursements	1,750	239	1,315	140,718	198	40,407
Excess (deficiency) of receipts over disbursements	(1,750)	(239)	2,499	21,743	(198)	(40,407)
Excess (deficiency) of receipts and other financing sources over disbursements and other financing uses	(1,750)	(239)	2,499	21,743	(198)	(40,407)
Cash and investments - beginning	(1,537)	10,171	(2,782)	-	-	(8,155)
Cash and investments - ending	<u>\$ (3,287)</u>	<u>\$ 9,932</u>	<u>\$ (283)</u>	<u>\$ 21,743</u>	<u>\$ (198)</u>	<u>\$ (48,562)</u>
Cash and Investment Assets - Ending						
Cash and investments	\$ (3,287)	\$ 9,932	\$ (283)	\$ 21,743	\$ (198)	\$ (48,562)
Restricted assets:						
Cash and investments	-	-	-	-	-	-
Total cash and investment assets - ending	<u>\$ (3,287)</u>	<u>\$ 9,932</u>	<u>\$ (283)</u>	<u>\$ 21,743</u>	<u>\$ (198)</u>	<u>\$ (48,562)</u>
Cash and Investment Fund Balance - Ending						
Restricted for:						
Debt service	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Unrestricted	(3,287)	9,932	(283)	21,743	(198)	(48,562)
Total cash and investment fund balance - ending	<u>\$ (3,287)</u>	<u>\$ 9,932</u>	<u>\$ (283)</u>	<u>\$ 21,743</u>	<u>\$ (198)</u>	<u>\$ (48,562)</u>

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

	Title V Part A - SY 05-06	Title V Part A - SY 06-07	Title V Part A - SY 05-06	Adult Basic Education 06-07	Adult Basic Education 04-05	Adult Basic Education 05-06
Receipts:						
Local sources	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Intermediate sources	-	-	-	-	-	-
State sources	-	-	-	-	-	-
Federal sources	6,834	3,313	37,395	36,569	-	-
Sale of property, adjustments and refunds	-	-	-	-	-	1,771
Total receipts	6,834	3,313	37,395	36,569	-	1,771
Disbursements:						
Current:						
Instruction	1,086	140	-	28,498	625	-
Support services	-	-	-	7,860	36	4,439
Community services	-	-	-	-	8,893	-
Nonprogrammed charges	-	-	-	-	-	-
Debt services	-	-	-	-	-	-
Total disbursements	1,086	140	-	36,358	9,554	4,439
Excess (deficiency) of receipts over disbursements	5,748	3,173	37,395	211	(9,554)	(2,668)
Excess (deficiency) of receipts and other financing sources over disbursements and other financing uses	5,748	3,173	37,395	211	(9,554)	(2,668)
Cash and investments - beginning	-	-	-	-	9,554	2,669
Cash and investments - ending	<u>\$ 5,748</u>	<u>\$ 3,173</u>	<u>\$ 37,395</u>	<u>\$ 211</u>	<u>\$ -</u>	<u>\$ 1</u>
Cash and Investment Assets - Ending						
Cash and investments	\$ 5,748	\$ 3,173	\$ 37,395	\$ 211	\$ -	\$ 1
Restricted assets:						
Cash and investments	-	-	-	-	-	-
Total cash and investment assets - ending	<u>\$ 5,748</u>	<u>\$ 3,173</u>	<u>\$ 37,395</u>	<u>\$ 211</u>	<u>\$ -</u>	<u>\$ 1</u>
Cash and Investment Fund Balance - Ending						
Restricted for:						
Debt service	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Unrestricted	5,748	3,173	37,395	211	-	1
Total cash and investment fund balance - ending	<u>\$ 5,748</u>	<u>\$ 3,173</u>	<u>\$ 37,395</u>	<u>\$ 211</u>	<u>\$ -</u>	<u>\$ 1</u>

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

	Title IV Drug SY 03-248	Drug Free Schools	Title II PN 00-068	Title II PN 01-061	Medicaid Reimbursement	Class Size Reduction
Receipts:						
Local sources	\$ 243	\$ -	\$ -	\$ -	\$ -	\$ -
Intermediate sources	-	-	-	-	-	-
State sources	-	-	-	-	1,614	-
Federal sources	-	8,029	-	-	-	62,515
Sale of property, adjustments and refunds	685	-	-	-	-	-
Total receipts	928	8,029	-	-	1,614	62,515
Disbursements:						
Current:						
Instruction	-	3,146	-	-	-	100,305
Support services	-	-	-	-	6,500	-
Community services	-	-	-	-	-	-
Nonprogrammed charges	-	-	-	-	-	-
Debt services	-	-	-	-	-	-
Total disbursements	-	3,146	-	-	6,500	100,305
Excess (deficiency) of receipts over disbursements	928	4,883	-	-	(4,886)	(37,790)
Excess (deficiency) of receipts and other financing sources over disbursements and other financing uses	928	4,883	-	-	(4,886)	(37,790)
Cash and investments - beginning	(1,032)	-	(204)	(12)	54,191	(22,130)
Cash and investments - ending	<u>(104)</u>	<u>4,883</u>	<u>(204)</u>	<u>(12)</u>	<u>49,305</u>	<u>(59,920)</u>
Cash and Investment Assets - Ending						
Cash and investments	\$ (104)	\$ 4,883	\$ (204)	\$ (12)	\$ 49,305	\$ (59,920)
Restricted assets:						
Cash and investments	-	-	-	-	-	-
Total cash and investment assets - ending	<u>(104)</u>	<u>4,883</u>	<u>(204)</u>	<u>(12)</u>	<u>49,305</u>	<u>(59,920)</u>
Cash and Investment Fund Balance - Ending						
Restricted for:						
Debt service	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Unrestricted	(104)	4,883	(204)	(12)	49,305	(59,920)
Total cash and investment fund balance - ending	<u>(104)</u>	<u>4,883</u>	<u>(204)</u>	<u>(12)</u>	<u>49,305</u>	<u>(59,920)</u>

BENTON 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)

	Technology Grant SY 05-07	Technology Grant SY 04-06	Challenge Technology Grant	Pension Bond Debt Service	Reconstruction	Totals
Receipts:						
Local sources	\$ -	\$ -	\$ -	\$ 158,529	\$ 7,824	\$ 875,535
Intermediate sources	-	-	-	-	-	2,475
State sources	-	-	-	-	-	430,684
Federal sources	3,525	4,616	-	-	-	352,404
Sale of property, adjustments and refunds	-	-	-	-	26,547	45,127
Total receipts	3,525	4,616	-	158,529	34,371	1,706,225
Disbursements:						
Current:						
Instruction	-	-	-	-	-	442,969
Support services	125	1,367	308	-	37,161	1,044,827
Community services	-	-	-	-	-	10,113
Nonprogrammed charges	-	-	-	-	-	188,693
Debt services	-	-	-	212,616	-	212,616
Total disbursements	125	1,367	308	212,616	37,161	1,899,218
Excess (deficiency) of receipts over disbursements	3,400	3,249	(308)	(54,087)	(2,790)	(192,993)
Excess (deficiency) of receipts and other financing sources over disbursements and other financing uses	3,400	3,249	(308)	(54,087)	(2,790)	(192,993)
Cash and investments - beginning	-	-	3,157	(15,992)	3,652	403,914
Cash and investments - ending	<u>\$ 3,400</u>	<u>\$ 3,249</u>	<u>\$ 2,849</u>	<u>\$ (70,079)</u>	<u>\$ 862</u>	<u>\$ 210,921</u>
Cash and Investment Assets - Ending						
Cash and investments	\$ 3,400	\$ 3,249	\$ 2,849	\$ -	\$ 862	\$ 281,000
Restricted assets:						
Cash and investments	-	-	-	(70,079)	-	(70,079)
Total cash and investment assets - ending	<u>\$ 3,400</u>	<u>\$ 3,249</u>	<u>\$ 2,849</u>	<u>\$ (70,079)</u>	<u>\$ 862</u>	<u>\$ 210,921</u>
Cash and Investment Fund Balance - Ending						
Restricted for:						
Debt service	\$ -	\$ -	\$ -	\$ (70,079)	\$ -	\$ (70,079)
Unrestricted	3,400	3,249	2,849	-	862	281,000
Total cash and investment fund balance - ending	<u>\$ 3,400</u>	<u>\$ 3,249</u>	<u>\$ 2,849</u>	<u>\$ (70,079)</u>	<u>\$ 862</u>	<u>\$ 210,921</u>

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

	Retirement/ Severance Bond	Postretirement/ Severance Future Benefit	Totals
Additions:			
Contributions:			
Employer	\$ 787,135	\$ -	\$ 787,135
Other	-	328,630	328,630
Total contributions	787,135	328,630	1,115,765
Investment earnings:			
Interest	9,233	-	9,233
Total additions	796,368	328,630	1,124,998
Deductions:			
Benefits	221,666	93,527	315,193
Excess of total additions over total deductions	574,702	235,103	809,805
Cash and investment fund balance - beginning	1,925,562	(235,103)	1,690,459
Cash and investment fund balance - ending	\$ 2,500,264	\$ -	\$ 2,500,264
Net assets:			
Cash and investments	\$ 2,500,264	\$ -	\$ 2,500,264
Total net assets - cash and investment basis held in trust	\$ 2,500,264	\$ -	\$ 2,500,264

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

	<u>Retirement/ Severance Bond</u>	<u>Totals</u>
Additions:		
Investment earnings:		
Interest	\$ 108,906	\$ 108,906
Deductions:		
Benefits	<u>1,650,191</u>	<u>1,650,191</u>
Deficiency of total additions over total deductions	(1,541,285)	(1,541,285)
Cash and investment fund balance - beginning	<u>2,500,264</u>	<u>2,500,264</u>
Cash and investment fund balance - ending	<u>\$ 958,979</u>	<u>\$ 958,979</u>
Net assets:		
Cash and investments	<u>\$ 958,979</u>	<u>\$ 958,979</u>
Total net assets - cash and investment basis held in trust	<u>\$ 958,979</u>	<u>\$ 958,979</u>

BENTON 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

	Leadership Training	Tippecanoe Arts Federation	Totals
Additions:			
Contributions:			
Other	\$ -	\$ 900	\$ 900
Deductions:			
Administrative and general	-	1,185	1,185
Deficiency of total additions over total deductions	-	(285)	(285)
Cash and investment fund balance - beginning	41	285	326
Cash and investment fund balance - ending	<u>41</u>	<u>-</u>	<u>41</u>
Net assets:			
Cash and investments	\$ 41	\$ -	\$ 41
Total net assets - cash and investment basis held in trust	<u>\$ 41</u>	<u>\$ -</u>	<u>\$ 41</u>

BENTON 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

	Leadership Training	Tippecanoe Arts Federation	Totals
Additions:			
Contributions:			
Other	\$ -	\$ 100	\$ 100
Deductions:			
Administrative and general	41	100	141
Deficiency of total additions over total deductions	(41)	-	(41)
Cash and investment fund balance - beginning	41	-	41
Cash and investment fund balance - ending	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>
Net assets:			
Cash and investments	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>
Total net assets - cash and investment basis held in trust	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>

BENTON COMMUNITY SCHOOL CORPORATION
 SUPPLEMENTARY INFORMATION
 SCHEDULE OF CAPITAL ASSETS
 For The Year Ended June 30, 2007

Capital assets are reported at actual or estimated historical cost based on appraisals or deflated current replacement cost. Contributed or donated assets are reported at estimated fair value at the time received.

<u>Primary Government</u>	<u>Ending Balance</u>
Governmental activities:	
Capital assets, not being depreciated:	
Land	\$ 413,663
Buildings	47,035,203
Improvements other than buildings	737,230
Machinery and equipment	1,593,728
Transportation equipment	<u>2,900,335</u>
Total governmental activities, capital assets not being depreciated	<u>\$ 52,680,159</u>

BENTON COMMUNITY SCHOOL CORPORATION
 SUPPLEMENTARY INFORMATION
 SCHEDULE OF LONG-TERM DEBT
 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:		
Elementary and High School Buildings	\$ 25,878,023	\$ 2,229,500
Share of Cooperative Building	244,784	22,816
Notes and loans payable	1,127,407	83,297
Temporary Loans	2,885,000	3,008,924
Bonds payable:		
General obligation bonds:		
Pension Bonds 2002	1,635,000	81,034
Pension Bonds 2006	925,000	95,175
Total governmental activities debt	<u>\$ 32,695,214</u>	<u>\$ 5,520,746</u>

BENTON COMMUNITY SCHOOL CORPORATION
AUDIT RESULTS AND COMMENTS

RECEIPT ISSUANCE

Receipts were generally written using the deposit ticket or EFT notice as the source document and were usually written several days after the deposit of the funds. Additionally, negative receipts were written for error corrections and transferring of monies from one fund to another.

Receipts shall be issued and recorded at the time of the transaction; for example, when cash or a check is received, a receipt is to be immediately prepared and given to the person making payment. (Accounting and Uniform Compliance Guidelines Manual for Indiana Public School Corporations, Chapter 9)

Receipts and disbursement corrections or other errors should be corrected by memorandum entry with the issuance of a check and receipt to document the flow of transactions. (Accounting and Uniform Compliance Guidelines Manual for Indiana Public School Corporations, Chapter 9)

AVERAGE DAILY MEMBERSHIP (ADM) - INCORRECT REPORTING TO THE STATE

The information presented for audit indicates enrollment figures on Form 30A, Report of Average Daily Membership (ADM) for State Support, were incorrect for the school years ending June 30, 2006 and 2007.

The enrollment count dates for 2005-2006 year and 2006-2007 year were September 16, 2005 and September 15, 2006, respectively. The difference between the count reported on the ADM and the verified figures are shown below:

<u>School Year</u>	<u>Grade</u>	<u>Count as Reported on Form Number 30A</u>	<u>Actual Enrollment Figures</u>	<u>Difference</u>
2005-2006	Kindergarten	80.5	82	(1.5)
2005-2006	1 Through 12	1,871	1,866	5
2006-2007	Kindergarten	67.5	67.5	0
2006-2007	1 Through 12	1,824	1,819	5

School Officials should contact the Indiana Department of Education, Division of School Finance, to determine possible steps to be taken to correct any overpayment/underpayment applicable to the School Corporation because of incorrect reporting. (Accounting and Uniform Compliance Guidelines Manual for Indiana Public School Corporations, Chapter 8)

BENTON COMMUNITY SCHOOL CORPORATION
 AUDIT RESULTS AND COMMENTS
 (Continued)

APPROPRIATIONS

The records presented for audit indicated the following expenditures in excess of budgeted appropriations:

Fund	Year	Excess Amount Expended
Preschool Special Education	2006	<u>\$ 9,768</u>

Indiana Code 6-1.1-18-4 states in part: ". . . the proper officers of a political subdivision shall appropriate funds in such a manner that the expenditures for a year do not exceed its budget for that year as finally determined under this article."

FEDERAL AND STATE AGENCIES - COMPLIANCE REQUIREMENTS
- Applies to Benton Central Jr./Sr. High School

The High School was not in compliance with directives of the Internal Revenue Service. Form 1099's were not filed for payments to an individual in the amounts of \$5,000 for year ending June 30, 2006, and \$4,775 for year ending June 30, 2007, for providing trainer services to school athletes.

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 Extra-Curricular Accounts, Chapter 7)

Each governmental unit is responsible for compliance with all rules, regulations, guidelines, and directives of the Internal Revenue Service and the Indiana Department of Revenue. All questions concerning taxes should be directed to these agencies. (Accounting and Uniform Compliance Guidelines Manual for Extra-Curricular Accounts, Chapter 7)

Officials and employees have the duty to pay claims and remit taxes in a timely fashion. Failure to pay claims or remit taxes in a timely manner could be an indicator of serious financial problems which should be investigated by the governmental unit.

Additionally, officials and employees have a responsibility to perform duties in a manner which would not result in any unreasonable fees being assessed against the governmental unit.

Any penalties, interest or other charges paid by the governmental unit may be the personal obligation of the responsible official or employee. (Accounting and Uniform Compliance Guidelines Manual for Extra-Curricular Accounts, Chapter 7)

BENTON COMMUNITY SCHOOL CORPORATION
AUDIT RESULTS AND COMMENTS
(Continued)

ECA EDUCATIONAL FEES - Applies to Benton Central Jr./Sr. High School

Some educational fees for general classroom supplies were being receipted to and retained in an extra-curricular fund.

Indiana Code 20-5-3-1(c) (Now Indiana Code 20-26-4-1) concerning duties of the School Corporation Treasurer, states in part: "The treasurer is the official custodian of all funds of the school corporation and is responsible for the proper safeguarding and accounting for all the funds . . ." Therefore, all grant monies and properly authorized fees at an individual building should be transferred to the School Corporation Central Office on a timely and regular basis for receipting into the appropriate school corporation fund. The School Corporation Attorney should provide written guidance concerning whether fees are appropriate in regards to Constitutional provisions. (Accounting and Uniform Compliance Guidelines Manual for Extra-Curricular Accounts, Chapter 6)

PUBLIC RECORDS RETENTION

Detail of the Payroll Withholdings Fund balance as of June 30, 2007, was not presented for audit.

Indiana Code 5-15-6-3(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."

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)

OVERDRAWN CASH BALANCES

The cash balances of the Special Education Preschool Fund, School Safe Haven Fund, Early Intervention Fund, After School Program Fund, Benton Community Foundation Fund, Gifted and Talented 04-05 Fund, School Technology Fund, Title I 2005-06 Fund, Title V ESEA SY 04-05 Fund, Title IV Drug SY 03-248, Title II PN 00-068 Fund, Title II PN 01-061 Fund, Class Size Reduction Fund and the Pension Bond Debt Service Fund were overdrawn at June 30, 2006.

The cash balances of the Special Education Preschool Fund, School Safe Haven Fund, After School Program Fund, Gifted and Talented 04-05 Fund, School Technology Fund, Title I 2005-06 Fund, Title V PN 02-077 Fund, Title V ESEA SY 04-05 Fund, Title IV Drug SY 03-248, Title II PN 00-068 Fund, Title II PN 01-061 Fund, Class Size Reduction Fund, Pension Bond Debt Service Fund, and Capital Projects 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 serious financial problems which should be investigated by the governmental unit. (Accounting and Uniform Compliance Guidelines Manual for Indiana Public School Corporations,

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SUPPLEMENTAL AUDIT OF
FEDERAL AWARDS



STATE OF INDIANA
AN EQUAL OPPORTUNITY EMPLOYER

STATE BOARD OF ACCOUNTS
302 WEST WASHINGTON STREET
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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 BENTON COMMUNITY SCHOOL
CORPORATION, BENTON COUNTY, INDIANA

Compliance

We have audited the compliance of the Benton 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 Board of 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 12, 2008

BENTON COMMUNITY SCHOOL CORPORATATION
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			
		FY 2005-06	\$ 40,001	\$ -
		FY 2006-07	-	48,845
Total for program			<u>40,001</u>	<u>48,845</u>
National School Lunch Program	10.555			
		FY 2005-06	284,281	-
		FY 2006-07	-	285,104
Total for program			<u>284,281</u>	<u>285,104</u>
Total for cluster			<u>324,282</u>	<u>333,949</u>
Total for federal grantor agency			<u>324,282</u>	<u>333,949</u>
<u>U.S. DEPARTMENT OF EDUCATION</u>				
Pass-Through Indiana Department of Education Adult Education - State Grant Program	84.002			
		05-8003	4,988	9,554
		06-8003	33,725	4,439
		07-8003	-	36,358
Total for program			<u>38,713</u>	<u>50,351</u>
Pass-Through Indiana Department of Education Title 1 Grants to Local Educational Agencies	84.010			
		04-395	1,568	-
		05-395	33,853	-
		06-395	162,401	1,315
		07-395	-	140,718
Total for program			<u>197,822</u>	<u>142,033</u>
Pass-Through Wildcat Creek Career and Technical Education Cooperative Vocational Education - Basic Grants to States	84.048			
		04-4700	8	-
		05-4700	14,313	7,021
		06-4700	850	18,925
		07-4700	-	10,862
Total for program			<u>15,171</u>	<u>36,808</u>
Pass-Through Indiana Department of Education Safe and Drug Free Schools and Communities - State Grants	84.186			
		03-248	7,366	-
		05-297	-	3,146
Total for program			<u>7,366</u>	<u>3,146</u>

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

BENTON COMMUNITY SCHOOL CORPORATATION
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 Eisenhower Professional Development State Grants	84.281			
		00-068	525	-
		01-061	120	-
Total for program			<u>645</u>	<u>-</u>
Pass-Through Indiana Department of Education Innovative Education Program Strategies	84.298			
		02-077	-	198
		03-299	13,493	-
		04-245	18,543	40,407
		05-281	-	1,086
		06-395	-	140
Total for program			<u>32,036</u>	<u>41,831</u>
Pass-Through Indiana Department of Education Education Technology State Grants	84.318			
		SY-04-06	-	1,367
		SY-05-07	-	125
		FY 03-04	1,535	308
			-	-
Total for program			<u>1,535</u>	<u>1,800</u>
Pass-Through Indiana Department of Education Improving Teacher Quality State Grants	84.367			
		03-035	1,788	-
		04-234	77,234	-
		07-395	22,130	100,305
Total for program			<u>101,152</u>	<u>100,305</u>
Total for federal grantor agency			<u>394,440</u>	<u>376,274</u>
Total federal awards expended			<u>\$ 718,722</u>	<u>\$ 710,223</u>

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

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

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

II. Noncash Assistance

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

Program Title	Federal CFDA Number	2006	2007
National School Lunch Program	10.555	\$ 21,682	\$ 26,076

BENTON COMMUNITY SCHOOL CORPORATION
SCHEDULE OF FINDINGS AND QUESTIONED COSTS

Section I – Summary of Auditor's Results

Financial Statements:

Type of auditor's report issued: Unqualified

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

Noncompliance material to financial statements noted? no

Federal Awards:

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

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

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

Identification of Major Programs:

Name of Federal Program or Cluster

Child Nutrition Cluster

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

Auditee qualified as low-risk auditee? yes

Section II – Financial Statement Findings

No matters are reportable.

Section III – Federal Award Findings and Questioned Costs

No matters are reportable.

BENTON COMMUNITY SCHOOL CORPORATION
SUMMARY SCHEDULE OF PRIOR AUDIT FINDINGS

No matters are reportable.

BENTON COMMUNITY SCHOOL CORPORATION
EXIT CONFERENCE

The contents of this report were discussed on March 12, 2008, with Pat Besse, Extra-Curricular Treasurer at Benton Central Jr./Sr. High School. The official concurred with our audit findings.

The contents of this report were discussed on March 12, 2008, with Tracy Albertson, Treasurer.