

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

AUDIT REPORT

OF

CLINTON CENTRAL SCHOOL CORPORATION

CLINTON COUNTY, INDIANA

July 1, 2005 to June 30, 2007



FILED

03/31/2008

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SCHEDULE OF OFFICIALS

<u>Office</u>	<u>Official</u>	<u>Term</u>
Treasurer	Mary Clark Robert Lease	07-01-05 to 12-10-07 12-11-07 to 06-30-08
Superintendent of Schools	Philip M. Boley	07-01-05 to 06-30-08
President of the School Board	Deborah Rawlings Clint Orr	07-01-05 to 06-30-06 07-01-06 to 06-30-08



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

TO: THE OFFICIALS OF THE CLINTON CENTRAL SCHOOL
CORPORATION, CLINTON COUNTY, INDIANA

We have audited the accompanying financial statements of the governmental activities, the business-type activities, each major fund, and the aggregate remaining fund information of the Clinton Central 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, the business-type 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 4, 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 4, 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 CLINTON CENTRAL SCHOOL
CORPORATION, CLINTON COUNTY, INDIANA

We have audited the financial statements of the governmental activities, the business-type activities, each major fund, and the aggregate remaining fund information of the Clinton Central 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 4, 2008. We conducted our audit in accordance with auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in Government Auditing Standards, issued by the Comptroller General of the United States.

Internal Control Over Financial Reporting

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

A control deficiency exists when the design or operation of a control does not allow management or employees, in the normal course of performing their assigned functions, to prevent or detect misstatements on a timely basis. A significant deficiency is a control deficiency, or combination of control deficiencies, that adversely affects the entity's ability to initiate, authorize, record, process, or report financial data reliably in accordance with generally accepted accounting principles such that there is more than a remote likelihood that a misstatement of the entity's financial statements that is more than inconsequential will not be prevented or detected by the entity's internal control.

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

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

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

Compliance and Other Matters

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

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

STATE BOARD OF ACCOUNTS

March 4, 2008

CLINTON CENTRAL 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>	Program Receipts		<u>Net (Disbursement) Receipts and Changes in Net Assets</u>
		Charges for Services	Operating Grants and Contributions	<u>Totals</u>
Governmental activities:				
Instruction	\$ 3,360,844	\$ -	\$ 37,958	\$ (3,322,886)
Support services	4,924,649	395,738	124,846	(4,404,065)
Community services	149,625	-	-	(149,625)
Nonprogrammed charges	143,978	-	-	(143,978)
Debt service	496,949	-	-	(496,949)
Total governmental activities	\$ 9,076,045	\$ 395,738	\$ 162,804	(8,517,503)
General receipts:				
Property taxes				3,663,123
Other local sources				347,667
State aid				4,306,018
Grants and contributions not restricted to specific programs				452,186
Sale of property, adjustments, and refunds				356,221
Investment earnings				81,348
Total general receipts				9,206,563
Change in net assets				689,060
Net assets - beginning				2,982,197
Net assets - ending				\$ 3,671,257
<u>Assets</u>				
Cash and investments				\$ 2,931,839
Restricted assets:				
Cash and investments				739,418
Total assets				\$ 3,671,257
<u>Net Assets</u>				
Restricted for:				
Debt service				\$ 215,768
Other purposes				523,650
Unrestricted				2,931,839
Total net assets				\$ 3,671,257

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

CLINTON CENTRAL 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>	Program Receipts		<u>Net (Disbursement) Receipts and Changes in Net Assets</u>
		Charges for Services	Operating Grants and Contributions	<u>Totals</u>
Governmental activities:				
Instruction	\$ 3,444,142	\$ -	\$ 35,555	\$ (3,408,587)
Support services	5,520,571	376,366	152,323	(4,991,882)
Community services	158,417	-	-	(158,417)
Nonprogrammed charges	300,987	-	-	(300,987)
Debt service	451,326	-	-	(451,326)
	<u>\$ 9,875,443</u>	<u>\$ 376,366</u>	<u>\$ 187,878</u>	<u>(9,311,199)</u>
Total governmental activities				
General receipts:				
Property taxes				2,227,863
Other local sources				629,806
State aid				4,104,465
Grants and contributions not restricted to specific programs				423,993
Sale of property, adjustments, and refunds				224,370
Investment earnings				119,129
Total general receipts				<u>7,729,626</u>
Change in net assets				(1,581,573)
Net assets - beginning				<u>3,671,257</u>
Net assets - ending				<u>\$ 2,089,684</u>
<u>Assets</u>				
Cash and investments				\$ 1,461,204
Restricted assets:				
Cash and investments				628,480
Total assets				<u>\$ 2,089,684</u>
<u>Net Assets</u>				
Restricted for:				
Debt service				\$ 95,751
Other purposes				532,729
Unrestricted				1,461,204
Total net assets				<u>\$ 2,089,684</u>

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

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

	General	Transportation Operating	Debt Service	Capital Projects	School Bus Replacement	Other	Totals
Receipts:							
Local sources	\$ 2,078,404	\$ 585,488	\$ 395,964	\$ 721,684	\$ 177,697	\$ 527,386	\$ 4,486,623
Intermediate sources	588	-	-	-	-	657	1,245
State sources	4,331,855	-	-	-	-	58,233	4,390,088
Federal sources	-	-	-	-	-	530,921	530,921
Sale of property, adjustments and refunds	33,480	13,577	-	12,849	-	46,149	106,055
Total receipts	6,444,327	599,065	395,964	734,533	177,697	1,163,346	9,514,932
Disbursements:							
Current:							
Instruction	3,045,853	-	-	-	-	314,991	3,360,844
Support services	2,813,245	574,781	-	749,999	118,935	667,689	4,924,649
Community services	149,445	-	-	-	-	180	149,625
Nonprogrammed charges	112,156	-	-	-	-	28,822	140,978
Debt services	-	-	357,061	-	-	139,888	496,949
Total disbursements	6,120,699	574,781	357,061	749,999	118,935	1,151,570	9,073,045
Excess (deficiency) of receipts over disbursements	323,628	24,284	38,903	(15,466)	58,762	11,776	441,887
Other financing sources (uses):							
Transfers in	-	-	-	-	-	150,450	150,450
Transfers out	(76,655)	(19,325)	(15,239)	(21,685)	(5,514)	(12,032)	(150,450)
Total other financing sources (uses)	(76,655)	(19,325)	(15,239)	(21,685)	(5,514)	138,418	-
Excess (deficiency) of receipts and other financing sources over disbursements and other financing uses	246,973	4,959	23,664	(37,151)	53,248	150,194	441,887
Cash and investments - beginning	260,292	230,257	158,931	1,695,980	171,783	188,477	2,705,720
Cash and investments - ending	\$ 507,265	\$ 235,216	\$ 182,595	\$ 1,658,829	\$ 225,031	\$ 338,671	3,147,607
Amounts reported for governmental activities in the Statement of Cash Activities and Net Assets - Cash and Investment Basis are different because:							
Internal service funds are used by management to charge the costs of certain services to individual funds. The assets and liabilities of the internal service funds are included in governmental activities in the Statement of Activities and Net Assets - Cash and Investment Basis.							
							523,650
Net assets of governmental activities							\$ 3,671,257
Cash and Investment Assets - Ending							
Cash and investments	\$ 507,265	\$ 235,216	\$ -	\$ 1,658,829	\$ 225,031	\$ 305,498	\$ 2,931,839
Restricted assets:							
Cash and investments	-	-	182,595	-	-	33,173	215,768
Total cash and investment assets - ending	\$ 507,265	\$ 235,216	\$ 182,595	\$ 1,658,829	\$ 225,031	\$ 338,671	\$ 3,147,607
Cash and Investment Fund Balance - Ending							
Restricted for:							
Debt service	\$ -	\$ -	\$ 182,595	\$ -	\$ -	\$ 33,173	\$ 215,768
Unrestricted	507,265	235,216	-	1,658,829	225,031	305,498	2,931,839
Total cash and investment fund balance - ending	\$ 507,265	\$ 235,216	\$ 182,595	\$ 1,658,829	\$ 225,031	\$ 338,671	\$ 3,147,607

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

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

	General	Transportation Operating	Debt Service	Capital Projects	School Bus Replacement	Other	Totals
Receipts:							
Local sources	\$ 1,628,802	\$ 395,706	\$ 230,892	\$ 499,717	\$ 129,513	\$ 467,410	\$ 3,352,040
Intermediate sources	392	-	-	-	-	731	1,123
State sources	4,127,324	-	-	-	-	54,735	4,182,059
Federal sources	-	-	-	-	-	534,278	534,278
Sale of property, adjustments and refunds	4,021	13,120	-	-	-	4,350	21,491
Total receipts	5,760,539	408,826	230,892	499,717	129,513	1,061,504	8,090,991
Disbursements:							
Current:							
Instruction	3,105,241	-	-	-	-	338,902	3,444,143
Support services	2,651,369	510,977	-	1,731,628	11,577	615,020	5,520,571
Community services	158,417	-	-	-	-	-	158,417
Nonprogrammed charges	93,386	-	-	-	-	13,800	107,186
Debt services	-	-	356,039	-	-	95,287	451,326
Total disbursements	6,008,413	510,977	356,039	1,731,628	11,577	1,063,009	9,681,643
Excess (deficiency) of receipts over disbursements	(247,874)	(102,151)	(125,147)	(1,231,911)	117,936	(1,505)	(1,590,652)
Other financing sources (uses):							
Transfers in	77,781	19,325	15,239	21,685	5,514	171,615	311,159
Transfers out	(5,576)	(1,550)	(890)	(1,947)	(150,513)	(150,683)	(311,159)
Total other financing sources (uses)	72,205	17,775	14,349	19,738	(144,999)	20,932	-
Excess (deficiency) of receipts and other financing sources over disbursements and other financing uses	(175,669)	(84,376)	(110,798)	(1,212,173)	(27,063)	19,427	(1,590,652)
Cash and investments - beginning	507,265	235,216	182,595	1,658,829	225,031	338,671	3,147,607
Cash and investments - ending	<u>\$ 331,596</u>	<u>\$ 150,840</u>	<u>\$ 71,797</u>	<u>\$ 446,656</u>	<u>\$ 197,968</u>	<u>\$ 358,098</u>	<u>1,556,955</u>
Amounts reported for governmental activities in the Statement of Cash Activities and Net Assets - Cash and Investment Basis are different because:							
Internal service funds are used by management to charge the costs of certain services to individual funds. The assets and liabilities of the internal service funds are included in governmental activities in the Statement of Activities and Net Assets - Cash and Investment Basis.							
							<u>532,729</u>
Net assets of governmental activities							<u>\$ 2,089,684</u>
Cash and Investment Assets - Ending							
Cash and investments	\$ 331,596	\$ 150,840	\$ -	\$ 446,656	\$ 197,968	\$ 334,144	\$ 1,461,204
Restricted assets:							
Cash and investments	-	-	71,797	-	-	23,954	95,751
Total cash and investment assets - ending	<u>\$ 331,596</u>	<u>\$ 150,840</u>	<u>\$ 71,797</u>	<u>\$ 446,656</u>	<u>\$ 197,968</u>	<u>\$ 358,098</u>	<u>\$ 1,556,955</u>
Cash and Investment Fund Balance - Ending							
Restricted for:							
Debt service	\$ -	\$ -	\$ 71,797	\$ -	\$ -	\$ 23,954	\$ 95,751
Unrestricted	331,596	150,840	-	446,656	197,968	334,144	1,461,204
Total cash and investment fund balance - ending	<u>\$ 331,596</u>	<u>\$ 150,840</u>	<u>\$ 71,797</u>	<u>\$ 446,656</u>	<u>\$ 197,968</u>	<u>\$ 358,098</u>	<u>\$ 1,556,955</u>

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

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

	Internal Service Fund
Operating receipts:	
Miscellaneous	\$ 250,166
Operating disbursements:	
Insurance claims and expense	3,000
Excess of operating receipts over operating disbursements	247,166
Cash and investment fund balance - beginning	276,484
Cash and investment fund balance - ending	\$ 523,650
 <u>Cash and Investment Assets - Ending</u>	
Restricted assets:	
Cash and investments	\$ 523,650
 <u>Cash and Investment Fund Balance - Ending</u>	
Restricted for:	
Other purposes	\$ 523,650

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

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

	<u>Internal Service Fund</u>
Operating receipts:	
Miscellaneous	\$ 202,880
Operating disbursements:	
Insurance claims and expense	<u>193,801</u>
Excess of operating receipts over operating disbursements	9,079
Cash and investment fund balance - beginning	<u>523,650</u>
Cash and investment fund balance - ending	<u><u>\$ 532,729</u></u>
 <u>Cash and Investment Assets - Ending</u>	
Restricted assets:	
Cash and investments	<u><u>\$ 532,729</u></u>
 <u>Cash and Investment Fund Balance - Ending</u>	
Restricted for:	
Other purposes	<u><u>\$ 532,729</u></u>

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

CLINTON CENTRAL SCHOOL CORPORATION
STATEMENT OF ADDITIONS, DEDUCTIONS, AND CHANGES IN CASH AND
INVESTMENT BALANCES - FIDUCIARY FUNDS
For the Year Ended June 30, 2006

	<u>Pension Trust Funds</u>	<u>Private-Purpose Trust Funds</u>
Additions:		
Contributions:		
Other	\$ 134,821	\$ 74
Investment earnings:		
Interest	-	798
Total additions	<u>134,821</u>	<u>872</u>
Deductions:		
Benefits	62,899	-
Administrative and general	<u>178,706</u>	<u>100</u>
Total deductions	<u>241,605</u>	<u>100</u>
Excess (deficiency) of total additions over total deductions	(106,784)	772
Cash and investment fund balance - beginning	<u>279,631</u>	<u>27,826</u>
Cash and investment fund balance - ending	<u>\$ 172,847</u>	<u>\$ 28,598</u>
Net assets:		
Cash and investments	<u>\$ 172,847</u>	<u>\$ 28,598</u>
Total net assets - cash and investment basis held in trust	<u>\$ 172,847</u>	<u>\$ 28,598</u>

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

CLINTON CENTRAL SCHOOL CORPORATION
STATEMENT OF ADDITIONS, DEDUCTIONS, AND CHANGES IN CASH AND
INVESTMENT BALANCES - FIDUCIARY FUNDS
For the Year Ended June 30, 2007

	Pension Trust Funds	Private-Purpose Trust Funds
Additions:		
Contributions:		
Other	\$ -	\$ 50
Investment earnings:		
Interest	-	805
Total additions	-	855
Deductions:		
Benefits	65,363	-
Administrative and general	36,473	800
Total deductions	101,836	800
Excess (deficiency) of total additions over total deductions	(101,836)	55
Cash and investment fund balance - beginning	172,847	28,598
Cash and investment fund balance - ending	\$ 71,011	\$ 28,653
Net assets:		
Cash and investments	\$ 71,011	\$ 28,653
Total net assets - cash and investment basis held in trust	\$ 71,011	\$ 28,653

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

CLINTON CENTRAL 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: Clinton Central 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 Venture

The School Corporation is a participant with Clinton Prairie School Corporation, Community Schools of Frankfort, Western Boone School Corporation, Rossville School Corporation, Northwest Hendricks School Corporation, and Lebanon Community Schools Corporation in a Joint Venture to operate the Boone-Clinton Northwest Hendricks County Joint Services (Co-op) which was created to provide instruction to handicapped students. Complete financial statements for the Co-op can be obtained from the Community Schools of Frankfort, 50 S. Marsh Road, Frankfort, IN 46041.

The School Corporation is a participant with Clinton Prairie School Corporation, Community Schools of Frankfort, Rossville School Corporation, Lafayette School Corporation, Tippecanoe School Corporation and West Lafayette Community Schools in a joint venture to operate the Wildcat Creek Vocational (Co-op) which was created to provide instruction for vocational education. Complete financial statements for the Co-op can be obtained from the Tippecanoe School Corporation, 21 Elson Road, Lafayette, IN 47905.

B. Government-Wide and Fund Financial Statements

Government-Wide Financial Statements

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

Fund Financial Statements

Fund financial statements of the reporting entity are organized into funds, each of which is considered to be a separate accounting entity. Each fund is accounted for by providing a separate set of self-balancing accounts that constitutes its assets, liabilities, fund equity, receipts, and disbursements.

CLINTON CENTRAL SCHOOL CORPORATION
NOTES TO FINANCIAL STATEMENTS
(Continued)

Separate financial statements are provided for governmental funds, proprietary funds, and fiduciary funds, even though the latter are excluded from the government-wide financial statements. Major individual governmental funds and major individual enterprise funds are reported as separate columns in the fund financial statements.

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.

Additionally, the School Corporation reports the following fund types:

The internal service fund accounts for excess insurance payments.

The pension trust funds account for bonds and payments anticipated to be made to employees on or after the termination of employment or to pay post-retirement or severance benefits held by the School Corporation in a trustee capacity.

The private-purpose trust fund reports a trust arrangement under which principal and income benefit the students of Clinton Central School Corporation in the form of scholarships.

C. Measurement Focus and Basis of Accounting

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

The cash and investment basis of accounting differs from accounting principles generally accepted in the United States of America in that receipts are recognized when received in cash rather than when earned and disbursements are recognized when paid rather than when a liability is incurred. Investment transactions are not presented on the financial statements.

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

CLINTON CENTRAL SCHOOL CORPORATION
NOTES TO FINANCIAL STATEMENTS
(Continued)

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

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

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

D. Assets and Cash and Investment Balances

1. Cash and Investments

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

2. Property Taxes

Property taxes levied are collected by the County Treasurer and are distributed to the School Corporation in June and in December. State statute (IC 6-1.1-17-16) requires the Indiana Department of Local Government Finance to establish property tax rates and levies by February 15. These rates were based upon the preceding year's March 1 (lien date) assessed valuations adjusted for various tax credits. Taxable property is assessed at 100% of the true tax value (determined in accordance with rules and regulations adopted by the Indiana Department of Local Government Finance). Taxes may be paid in two equal installments which become delinquent if not paid by May 10 and November 10, respectively. All property taxes collected by the County Treasurer and available for distribution were distributed to the School Corporation on or prior to June 30 of the year collected.

3. Compensated Absences

a. Sick Leave

Certified and noncertified employees earn sick leave at the rate of 10 days in the first year and 7 days each year after that. Unused sick leave may be accumulated to a maximum of 260 days for certified employees and 150 days for noncertified employees. Accumulated sick leave is paid to certified employees through cash payments upon retirement.

b. Vacation Leave

Nonteaching or administrative and noncertified School Corporation employees earn vacation leave at rates from 10 days each calendar year during the first fifteen years of employment and 15 days beginning with the sixteenth year of employment. Vacation leave may be accumulated to a maximum of 20 days. Accumulated vacation leave is not paid to employees.

CLINTON CENTRAL SCHOOL CORPORATION
NOTES TO FINANCIAL STATEMENTS
(Continued)

c. Personal Leave

School Corporation employees earn personal leave at the rate of 3 days per year. Unused personal leave may be accumulated to a maximum of 6 days. Accumulated personal leave is not paid to employees.

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."

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

Fund Financial Statements

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

E. Receipts and Disbursements

1. Program Receipts

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

CLINTON CENTRAL SCHOOL CORPORATION
NOTES TO FINANCIAL STATEMENTS
(Continued)

2. Operating Receipts and Disbursements

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

F. Internal and Interfund Balances and Activities

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

Fund Financial Statements

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

Government-Wide Financial Statements

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

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

II. Stewardship, Compliance and Accountability

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.

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

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

B. Disbursements in Excess of Appropriations

For the years ended June 30, 2006 and 2007, disbursements exceeded budgeted appropriations in the following funds by the amounts below:

<u>Fund</u>	<u>2006</u>
Capital Projects	<u>\$ 136,733</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:

<u>Fund</u>	<u>2006</u>	<u>2007</u>
Food Service	<u>\$ 18,970</u>	<u>\$ 899</u>

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 and Investments

1. 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

CLINTON CENTRAL SCHOOL CORPORATION
NOTES TO FINANCIAL STATEMENTS
(Continued)

eligible to receive state funds and has a principal office or branch that qualifies to receive public funds of the political subdivision. The bank balances were insured by the Federal Deposit Insurance Corporation or the Public Deposit Insurance Fund, which covers all public funds held in approved depositories.

2. Investments

Investment Policies

Indiana Code 5-13-9 authorizes the School Corporation to invest in securities backed by the full faith and credit of the United States Treasury or fully guaranteed by the United States of America and issued by the United States Treasury, a federal agency, a federal instrumentality, or a federal government sponsored enterprise. Indiana Code also authorizes the School Corporation to invest in securities fully guaranteed and issued by a federal agency, a federal instrumentality or a federal government sponsored enterprise. These investments are required by statute to have a stated final maturity of not more than two years.

Indiana Code also provides for investment in money market mutual funds that are in the form of securities of, or interest in, an open-end, no-load, management-type investment company or investment trust registered under the provision of the federal Investment Company Act of 1940, as amended. Investments in money market mutual funds may not exceed 50% of the funds held by the School Corporation and available for investment. The portfolio of an investment company or investment trust used must be limited to direct obligations of the United States of America, obligations issued by a federal agency, a federal instrumentality, or a federal government sponsored enterprise or repurchase agreements fully collateralized by direct obligations of the United States of America or obligations issued by a federal agency, a federal instrumentality, or a federal government sponsored enterprise. The form of securities of, or interest in, an investment company or investment trust must be rated as AAA, or its equivalent by Standard and Poor's Corporation or its successor or Aaa, or its equivalent, by Moody's Investors Service, Inc., or its successor. The form of securities in an investment company or investment trust should have a stated final maturity of one day.

Additionally, the School Corporation may enter into repurchase agreements with depositories designated by the State Board of Finance as depositories for state deposits involving the School Corporation's purchase and guaranteed resale of any interest-bearing obligations issued or fully insured or guaranteed by the United States of America, a United States of America government agency, an instrumentality of the United States of America, or a federal government sponsored enterprise. The repurchase agreement is considered to have a stated final maturity of one day. This agreement must be fully collateralized by interest-bearing obligations as determined by their current market value.

Investment Custodial Credit Risk

The custodial credit risk for investments is the risk that, in the event of the failure of the counterparty to a transaction, a government will not be able to recover the value of investment or collateral securities that are in the possession of an outside party. The School Corporation does not have a formal investment policy for custodial credit risk for investments.

CLINTON CENTRAL SCHOOL CORPORATION
 NOTES TO FINANCIAL STATEMENTS
 (Continued)

Interest Rate Risk

Interest rate risk is the risk that changes in interest rates will adversely affect the fair value of an investment. The School Corporation must follow state statute and limit the stated final maturities of the investments to no more than two years.

Credit Risk

Credit risk is the risk that an issuer or other counterparty to an investment will not fulfill its obligations.

Concentration of Credit Risk

Concentration of credit risk is the risk of loss attributed to the magnitude of a government's investment in a single issuer. The School Corporation does not have a policy in regards to concentration of credit risk. United States of America government and United States of America governmental agency securities are exempt from this policy requirement.

Foreign Currency Risk

The School Corporation does not have a formal policy in regards to foreign currency risk.

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>2006</u>	<u>2007</u>
General Fund	Other governmental funds	\$ 76,655	\$ 5,576
Transportation Operating Fund	Other governmental funds	19,325	1,550
Debt Service Fund	Other governmental funds	15,239	890
Capital Projects Fund	Other governmental funds	21,685	1,947
School Bus Replacement Fund	Other governmental funds	5,514	150,513
Other governmental funds	General Fund	-	77,781
Other governmental funds	Major funds	-	61,763
Other governmental funds	Other governmental funds	12,032	11,139
Totals		<u>\$ 150,450</u>	<u>\$ 311,159</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.

CLINTON CENTRAL SCHOOL CORPORATION
NOTES TO FINANCIAL STATEMENTS
(Continued)

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

B. Holding Corporation

The School Corporation has entered into a capital lease with Clinton Central School Building Corporation (the lessor). The lessor was organized as a not-for-profit corporation pursuant to state statute for the purpose of financing and constructing or reconstructing facilities for lease to the School Corporation. The lessor has been determined to be a related party of the School Corporation. Lease payments during the fiscal years 2005-06 and 2006-07 totaled \$356,000 and \$355,000, respectively.

C. Pension Plans

1. Agent Multiple-Employer Defined Benefit Pension Plan

Public Employees' Retirement Fund

Plan Description

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

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

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

Funding Policy and Annual Pension Cost

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

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

CLINTON CENTRAL SCHOOL CORPORATION
NOTES TO FINANCIAL STATEMENTS
(Continued)

Actuarial Information for the Above Plan

	PERF
Annual required contribution	\$ 27,270
Interest on net pension obligation	(4,485)
Adjustment to annual required contribution	5,111
Annual pension cost	27,896
Contributions made	31,495
Decrease in net pension obligation	(3,599)
Net pension obligation, beginning of year	(61,866)
Net pension obligation, end of year	\$ (65,465)
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	\$ 29,880	145%	\$ (63,353)
	06-30-05	33,038	95%	(61,866)
	06-30-06	27,896	95%	(65,465)

CLINTON CENTRAL SCHOOL CORPORATION
NOTES TO FINANCIAL STATEMENTS
(Continued)

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

Teachers' Retirement Fund

Plan Description

The School Corporation contributes to the Indiana Teachers' Retirement Fund (TRF), a defined benefit pension plan. TRF is a cost-sharing multiple-employer public employee retirement system, which provides retirement benefits to plan members and beneficiaries. All employees engaged in teaching or in the supervision of teaching in the public schools of the State of Indiana are eligible to participate in TRF. State statute (IC 5-10.2) governs, through the TRF Board, most requirements of the system and gives the School Corporation authority to contribute to the plan. The TRF retirement benefit consists of the pension provided by employer contributions plus an annuity provided by the member's annuity savings account. The annuity savings account consists of member's contributions, set by state statute at 3% of compensation, plus the interest credited to the member's account. The School Corporation may elect to make the contributions on behalf of the member.

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

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

Funding Policy and Annual Pension Costs

The School Corporation contributes the employer's share to TRF for certified employees employed under a federally funded program and all the certified employees hired after July 1, 1995. The School Corporation currently receives partial funding, through the school funding formula, from the State of Indiana for this contribution. The employer's share of contributions for certified personnel who are not employed under a federally funded program and were hired before July 1, 1995, is considered to be an obligation of, and is paid by, the State of Indiana.

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 \$122,928, \$110,924, and \$83,655, respectively. The School Corporation actually contributed 100% of the required contribution for each of the fiscal years.

CLINTON CENTRAL 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	\$ 829,127	\$ 817,925	\$ 11,202	101%	\$ 678,128	2%
07-01-05	854,322	794,658	59,664	108%	614,576	10%
07-01-06	647,854	735,077	(87,223)	88%	664,348	(13%)

CLINTON CENTRAL 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 Pre-school	Food Services	Textbook Rental	Levy Excess	Educational License	Emerson Fund
Receipts:						
Local sources	\$ 6,270	\$ 320,770	\$ 75,267	\$ -	\$ -	\$ 2,500
Intermediate sources	-	-	-	-	657	-
State sources	24,937	6,924	14,250	-	-	-
Federal sources	-	103,672	-	-	-	-
Sale of property, adjustments and refunds	-	2,264	-	-	-	-
Total receipts	31,207	433,630	89,517	-	657	2,500
Disbursements:						
Current:						
Instruction	215	-	-	-	-	-
Support services	17,630	476,071	85,835	-	-	-
Community services	-	-	-	-	-	-
Nonprogrammed charges	27,322	-	-	-	-	1,500
Debt services	-	-	-	-	-	-
Total disbursements	45,167	476,071	85,835	-	-	1,500
Excess (deficiency) of receipts over disbursements	(13,960)	(42,441)	3,682	-	657	1,000
Other financing sources (uses):						
Transfers in	-	-	-	142,703	-	-
Transfers out	(223)	-	-	-	-	-
Total other financing sources (uses)	(223)	-	-	142,703	-	-
Excess (deficiency) of receipts and other financing sources over disbursements and other financing uses	(14,183)	(42,441)	3,682	142,703	657	1,000
Cash and investments - beginning	68,323	23,471	(759)	-	5,456	1,500
Cash and investments - ending	\$ 54,140	\$ (18,970)	\$ 2,923	\$ 142,703	\$ 6,113	\$ 2,500
<u>Cash and Investment Assets - Ending</u>						
Cash and investments	\$ 54,140	\$ (18,970)	\$ 2,923	\$ 142,703	\$ 6,113	\$ 2,500
Restricted assets:						
Cash and investments	-	-	-	-	-	-
Total cash and investment assets - ending	\$ 54,140	\$ (18,970)	\$ 2,923	\$ 142,703	\$ 6,113	\$ 2,500
<u>Cash and Investment Fund Balance - Ending</u>						
Restricted for:						
Debt service	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Unrestricted	54,140	(18,970)	2,923	142,703	6,113	2,500
Total cash and investment fund balance - ending	\$ 54,140	\$ (18,970)	\$ 2,923	\$ 142,703	\$ 6,113	\$ 2,500

DISBURSEMENTS, AND CHANGES IN FUND BALANCES - CASH AND INVESTMENT BASIS
OTHER GOVERNMENTAL FUNDS
For the Year Ended June 30, 2006
(Continued)

	Mattix Trust	Gifted and Talented FY 05-06	Medicaid Reimbursement Fund	Clinton County Drug Free Fund	Title I FY 04-05	Title I FY 05-06
Receipts:						
Local sources	\$ 605	\$ -	\$ -	\$ -	\$ -	\$ -
Intermediate sources	-	-	-	-	-	-
State sources	-	12,122	-	-	-	-
Federal sources	-	-	-	-	13,700	140,540
Sale of property, adjustments and refunds	-	-	-	-	-	-
Total receipts	<u>605</u>	<u>12,122</u>	<u>-</u>	<u>-</u>	<u>13,700</u>	<u>140,540</u>
Disbursements:						
Current:						
Instruction	292	12,122	-	-	20,018	90,599
Support services	-	-	-	-	8,645	41,097
Community services	-	-	-	-	-	180
Nonprogrammed charges	-	-	-	-	-	-
Debt services	-	-	-	-	-	-
Total disbursements	<u>292</u>	<u>12,122</u>	<u>-</u>	<u>-</u>	<u>28,663</u>	<u>131,876</u>
Excess (deficiency) of receipts over disbursements	<u>313</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>(14,963)</u>	<u>8,664</u>
Other financing sources (uses):						
Transfers in	-	-	-	-	-	7,747
Transfers out	-	-	-	-	(7,747)	-
Total other financing sources (uses)	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>(7,747)</u>	<u>7,747</u>
Excess (deficiency) of receipts and other financing sources over disbursements and other financing uses	<u>313</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>(22,710)</u>	<u>16,411</u>
Cash and investments - beginning	<u>329</u>	<u>-</u>	<u>1,058</u>	<u>178</u>	<u>22,710</u>	<u>-</u>
Cash and investments - ending	<u>\$ 642</u>	<u>\$ -</u>	<u>\$ 1,058</u>	<u>\$ 178</u>	<u>\$ -</u>	<u>\$ 16,411</u>
Cash and Investment Assets - Ending						
Cash and investments	\$ 642	\$ -	\$ 1,058	\$ 178	\$ -	\$ 16,411
Restricted assets:						
Cash and investments	-	-	-	-	-	-
Total cash and investment assets - ending	<u>\$ 642</u>	<u>\$ -</u>	<u>\$ 1,058</u>	<u>\$ 178</u>	<u>\$ -</u>	<u>\$ 16,411</u>
Cash and Investment Fund Balance - Ending						
Restricted for:						
Debt service	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Unrestricted	<u>642</u>	<u>-</u>	<u>1,058</u>	<u>178</u>	<u>-</u>	<u>16,411</u>
Total cash and investment fund balance - ending	<u>\$ 642</u>	<u>\$ -</u>	<u>\$ 1,058</u>	<u>\$ 178</u>	<u>\$ -</u>	<u>\$ 16,411</u>

CLINTON CENTRAL 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 FY 04-05	Title V FY 05-06	Wildcat Creek FY 04-05	Wildcat Creek FY 05-06	Special Education FY 04-05	Special Education FY 05-06
Receipts:						
Local sources	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Intermediate sources	-	-	-	-	-	-
State sources	-	-	-	-	-	-
Federal sources	-	2,949	-	2,900	17,350	169,335
Sale of property, adjustments and refunds	-	-	-	-	-	-
Total receipts	-	2,949	-	2,900	17,350	169,335
Disbursements:						
Current:						
Instruction	1,926	-	635	2,368	26,965	120,660
Support services	-	-	-	-	5,626	26,809
Community services	-	-	-	-	-	-
Nonprogrammed charges	-	-	-	-	-	-
Debt services	-	-	-	-	-	-
Total disbursements	1,926	-	635	2,368	32,591	147,469
Excess (deficiency) of receipts over disbursements	(1,926)	2,949	(635)	532	(15,241)	21,866
Other financing sources (uses):						
Transfers in	-	-	-	-	-	-
Transfers out	-	-	-	-	-	-
Total other financing sources (uses)	-	-	-	-	-	-
Excess (deficiency) of receipts and other financing sources over disbursements and other financing uses	(1,926)	2,949	(635)	532	(15,241)	21,866
Cash and investments - beginning	4,490	-	635	-	15,242	-
Cash and investments - ending	\$ 2,564	\$ 2,949	\$ -	\$ 532	\$ 1	\$ 21,866
<u>Cash and Investment Assets - Ending</u>						
Cash and investments	\$ 2,564	\$ 2,949	\$ -	\$ 532	\$ 1	\$ 21,866
Restricted assets:						
Cash and investments	-	-	-	-	-	-
Total cash and investment assets - ending	\$ 2,564	\$ 2,949	\$ -	\$ 532	\$ 1	\$ 21,866
<u>Cash and Investment Fund Balance - Ending</u>						
Restricted for:						
Debt service	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Unrestricted	2,564	2,949	-	532	1	21,866
Total cash and investment fund balance - ending	\$ 2,564	\$ 2,949	\$ -	\$ 532	\$ 1	\$ 21,866

CLINTON CENTRAL 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)

	Drug Free Schools FY 04-05	Drug Free Schools FY 05-06	Eisenhower Grant FY 03-04	Carl Perkins FY 05-06	Carl Perkins FY 04-05	Medicaid Reimbursement Federal
Receipts:						
Local sources	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Intermediate sources	-	-	-	-	-	-
State sources	-	-	-	-	-	-
Federal sources	-	5,732	-	22,494	7,469	-
Sale of property, adjustments and refunds	-	-	-	-	-	-
Total receipts	-	5,732	-	22,494	7,469	-
Disbursements:						
Current:						
Instruction	5,723	893	2,031	19,843	5,286	-
Support services	-	-	-	3,722	686	1,186
Community services	-	-	-	-	-	-
Nonprogrammed charges	-	-	-	-	-	-
Debt services	-	-	-	-	-	-
Total disbursements	5,723	893	2,031	23,565	5,972	1,186
Excess (deficiency) of receipts over disbursements	(5,723)	4,839	(2,031)	(1,071)	1,497	(1,186)
Other financing sources (uses):						
Transfers in	-	-	-	-	-	-
Transfers out	-	-	-	-	-	-
Total other financing sources (uses)	-	-	-	-	-	-
Excess (deficiency) of receipts and other financing sources over disbursements and other financing uses	(5,723)	4,839	(2,031)	(1,071)	1,497	(1,186)
Cash and investments - beginning	5,723	-	4,192	-	6,414	12,454
Cash and investments - ending	\$ -	\$ 4,839	\$ 2,161	\$ (1,071)	\$ 7,911	\$ 11,268
<u>Cash and Investment Assets - Ending</u>						
Cash and investments	\$ -	\$ 4,839	\$ 2,161	\$ (1,071)	\$ 7,911	\$ 11,268
Restricted assets:						
Cash and investments	-	-	-	-	-	-
Total cash and investment assets - ending	\$ -	\$ 4,839	\$ 2,161	\$ (1,071)	\$ 7,911	\$ 11,268
<u>Cash and Investment Fund Balance - Ending</u>						
Restricted for:						
Debt service	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Unrestricted	-	4,839	2,161	(1,071)	7,911	11,268
Total cash and investment fund balance - ending	\$ -	\$ 4,839	\$ 2,161	\$ (1,071)	\$ 7,911	\$ 11,268

CLINTON CENTRAL 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 Part A FY 04-05	Title II Part D	Title II Part A	Retirement Severance Bond	Totals
Receipts:					
Local sources	\$ -	\$ -	\$ -	\$ 121,974	\$ 527,386
Intermediate sources	-	-	-	-	657
State sources	-	-	-	-	58,233
Federal sources	-	3,166	41,614	-	530,921
Sale of property, adjustments and refunds	-	-	-	43,885	46,149
Total receipts	-	3,166	41,614	165,859	1,163,346
Disbursements:					
Current:					
Instruction	5,415	-	-	-	314,991
Support services	382	-	-	-	667,689
Community services	-	-	-	-	180
Nonprogrammed charges	-	-	-	-	28,822
Debt services	-	-	-	139,888	139,888
Total disbursements	5,797	-	-	139,888	1,151,570
Excess (deficiency) of receipts over disbursements	(5,797)	3,166	41,614	25,971	11,776
Other financing sources (uses):					
Transfers in	-	-	-	-	150,450
Transfers out	-	-	-	(4,062)	(12,032)
Total other financing sources (uses)	-	-	-	(4,062)	138,418
Excess (deficiency) of receipts and other financing sources over disbursements and other financing uses	(5,797)	3,166	41,614	21,909	150,194
Cash and investments - beginning	5,797	-	-	11,264	188,477
Cash and investments - ending	<u>\$ -</u>	<u>\$ 3,166</u>	<u>\$ 41,614</u>	<u>\$ 33,173</u>	<u>\$ 338,671</u>
<u>Cash and Investment Assets - Ending</u>					
Cash and investments	\$ -	\$ 3,166	\$ 41,614	\$ -	\$ 305,498
Restricted assets:					
Cash and investments	-	-	-	33,173	33,173
Total cash and investment assets - ending	<u>\$ -</u>	<u>\$ 3,166</u>	<u>\$ 41,614</u>	<u>\$ 33,173</u>	<u>\$ 338,671</u>
<u>Cash and Investment Fund Balance - Ending</u>					
Restricted for:					
Debt service	\$ -	\$ -	\$ -	\$ 33,173	\$ 33,173
Unrestricted	-	3,166	41,614	-	305,498
Total cash and investment fund balance - ending	<u>\$ -</u>	<u>\$ 3,166</u>	<u>\$ 41,614</u>	<u>\$ 33,173</u>	<u>\$ 338,671</u>

CLINTON CENTRAL 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 Pre-School	Rainy Day	Food Services	Textbook Rental	Levy Excess	Educational License	Emerson Fund
Receipts:							
Local sources	\$ 4,237	\$ -	\$ 308,658	\$ 68,151	\$ -	\$ -	\$ 2,500
Intermediate sources	-	-	-	-	-	731	-
State sources	19,177	-	6,889	11,694	-	-	-
Federal sources	-	-	132,375	-	-	-	-
Sale of property, adjustments and refunds	-	-	4,350	-	-	-	-
Total receipts	23,414	-	452,272	79,845	-	731	2,500
Disbursements:							
Current:							
Instruction	21,911	-	-	-	-	-	-
Support services	2,165	-	434,202	72,264	-	-	-
Nonprogrammed charges	10,300	-	-	-	-	-	3,500
Debt services	-	-	-	-	-	-	-
Total disbursements	34,376	-	434,202	72,264	-	-	3,500
Excess (deficiency) of receipts over disbursements	(10,962)	-	18,070	7,581	-	731	(1,000)
Other financing sources (uses):							
Transfers in	223	150,000	-	-	10,830	-	-
Transfers out	(15)	-	-	-	(142,703)	-	-
Total other financing sources (uses)	208	150,000	-	-	(131,873)	-	-
Excess (deficiency) of receipts and other financing sources over disbursements and other financing uses	(10,754)	150,000	18,070	7,581	(131,873)	731	(1,000)
Cash and investments - beginning	54,140	-	(18,969)	2,923	142,703	6,113	2,500
Cash and investments - ending	\$ 43,386	\$ 150,000	\$ (899)	\$ 10,504	\$ 10,830	\$ 6,844	\$ 1,500
Cash and Investment Assets - Ending							
Cash and investments	\$ 43,386	\$ 150,000	\$ (899)	\$ 10,504	\$ 10,830	\$ 6,844	\$ 1,500
Restricted assets:							
Cash and investments	-	-	-	-	-	-	-
Total cash and investment assets - ending	\$ 43,386	\$ 150,000	\$ (899)	\$ 10,504	\$ 10,830	\$ 6,844	\$ 1,500
Cash and Investment Fund Balance - Ending							
Restricted for:							
Debt service	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Unrestricted	43,386	150,000	(899)	10,504	10,830	6,844	1,500
Total cash and investment fund balance - ending	\$ 43,386	\$ 150,000	\$ (899)	\$ 10,504	\$ 10,830	\$ 6,844	\$ 1,500

CLINTON CENTRAL 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)

	Mattix Trust	Gifted and Talented FY 06-07	Medical Reimbursement	ESL Grant	Clinton County Drug Free Fund	Clinton County Community Endowment	Global Indiana
Receipts:							
Local sources	\$ 519	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 1,000
Intermediate sources	-	-	-	-	-	-	-
State sources	-	12,122	518	575	-	3,760	-
Federal sources	-	-	-	-	-	-	-
Sale of property, adjustments and refunds	-	-	-	-	-	-	-
Total receipts	<u>519</u>	<u>12,122</u>	<u>518</u>	<u>575</u>	<u>-</u>	<u>3,760</u>	<u>1,000</u>
Disbursements:							
Current:							
Instruction	656	12,595	-	-	-	-	-
Support services	-	-	-	-	-	3,353	-
Nonprogrammed charges	-	-	-	-	-	-	-
Debt services	-	-	-	-	-	-	-
Total disbursements	<u>656</u>	<u>12,595</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>3,353</u>	<u>-</u>
Excess (deficiency) of receipts over disbursements	<u>(137)</u>	<u>(473)</u>	<u>518</u>	<u>575</u>	<u>-</u>	<u>407</u>	<u>1,000</u>
Other financing sources (uses):							
Transfers in	-	-	-	-	-	-	-
Transfers out	-	-	(1,126)	-	-	-	-
Total other financing sources (uses)	<u>-</u>	<u>-</u>	<u>(1,126)</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Excess (deficiency) of receipts and other financing sources over disbursements and other financing uses	<u>(137)</u>	<u>(473)</u>	<u>(608)</u>	<u>575</u>	<u>-</u>	<u>407</u>	<u>1,000</u>
Cash and investments - beginning	<u>642</u>	<u>-</u>	<u>1,058</u>	<u>-</u>	<u>178</u>	<u>-</u>	<u>-</u>
Cash and investments - ending	<u>\$ 505</u>	<u>\$ (473)</u>	<u>\$ 450</u>	<u>\$ 575</u>	<u>\$ 178</u>	<u>\$ 407</u>	<u>\$ 1,000</u>
Cash and Investment Assets - Ending							
Cash and investments	\$ 505	\$ (473)	\$ 450	\$ 575	\$ 178	\$ 407	\$ 1,000
Restricted assets:							
Cash and investments	-	-	-	-	-	-	-
Total cash and investment assets - ending	<u>\$ 505</u>	<u>\$ (473)</u>	<u>\$ 450</u>	<u>\$ 575</u>	<u>\$ 178</u>	<u>\$ 407</u>	<u>\$ 1,000</u>
Cash and Investment Fund Balance - Ending							
Restricted for:							
Debt service	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Unrestricted	505	(473)	450	575	178	407	1,000
Total cash and investment fund balance - ending	<u>\$ 505</u>	<u>\$ (473)</u>	<u>\$ 450</u>	<u>\$ 575</u>	<u>\$ 178</u>	<u>\$ 407</u>	<u>\$ 1,000</u>

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

	Title I FY 06-07	Title I FY 05-06	Title V FY 04-06	Title V FY 05-06	Wildcat Creek FY 06-07	Wildcat Creek FY 05-06	Special Education FY 06-07
Receipts:							
Local sources	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Intermediate sources	-	-	-	-	-	-	-
State sources	-	-	-	-	-	-	-
Federal sources	160,136	12,862	-	-	4,505	-	176,801
Sale of property, adjustments and refunds	-	-	-	-	-	-	-
Total receipts	160,136	12,862	-	-	4,505	-	176,801
Disbursements:							
Current:							
Instruction	97,530	19,322	2,564	-	4,274	300	108,620
Support services	36,768	3,451	-	-	-	-	29,936
Nonprogrammed charges	-	-	-	-	-	-	-
Debt services	-	-	-	-	-	-	-
Total disbursements	134,298	22,773	2,564	-	4,274	300	138,556
Excess (deficiency) of receipts over disbursements	25,838	(9,911)	(2,564)	-	231	(300)	38,245
Other financing sources (uses):							
Transfers in	6,500	-	-	-	-	-	-
Transfers out	-	(6,500)	-	-	-	-	-
Total other financing sources (uses)	6,500	(6,500)	-	-	-	-	-
Excess (deficiency) of receipts and other financing sources over disbursements and other financing uses	32,338	(16,411)	(2,564)	-	231	(300)	38,245
Cash and investments - beginning	-	16,411	2,564	2,949	-	532	-
Cash and investments - ending	\$ 32,338	\$ -	\$ -	\$ 2,949	\$ 231	\$ 232	\$ 38,245
Cash and Investment Assets - Ending							
Cash and investments	\$ 32,338	\$ -	\$ -	\$ 2,949	\$ 231	\$ 232	\$ 38,245
Restricted assets:							
Cash and investments	-	-	-	-	-	-	-
Total cash and investment assets - ending	\$ 32,338	\$ -	\$ -	\$ 2,949	\$ 231	\$ 232	\$ 38,245
Cash and Investment Fund Balance - Ending							
Restricted for:							
Debt service	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Unrestricted	32,338	-	-	2,949	231	232	38,245
Total cash and investment fund balance - ending	\$ 32,338	\$ -	\$ -	\$ 2,949	\$ 231	\$ 232	\$ 38,245

CLINTON CENTRAL 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)

	Special Education FY 05-06	Drug Free Schools FY 05-06	Drug Free Schools FY 06-07	Eisenhower Grant FY 03-04	Carl Perkins FY 05-06	Carl Perkins FY 06-07
Receipts:						
Local sources	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Intermediate sources	-	-	-	-	-	-
State sources	-	-	-	-	-	-
Federal sources	15,394	-	4,261	-	7,380	19,717
Sale of property, adjustments and refunds	-	-	-	-	-	-
Total receipts	<u>15,394</u>	<u>-</u>	<u>4,261</u>	<u>-</u>	<u>7,380</u>	<u>19,717</u>
Disbursements:						
Current:						
Instruction	34,487	3,842	-	2,161	5,866	24,774
Support services	2,773	-	-	-	443	1,457
Nonprogrammed charges	-	-	-	-	-	-
Debt services	-	-	-	-	-	-
Total disbursements	<u>37,260</u>	<u>3,842</u>	<u>-</u>	<u>2,161</u>	<u>6,309</u>	<u>26,231</u>
Excess (deficiency) of receipts over disbursements	<u>(21,866)</u>	<u>(3,842)</u>	<u>4,261</u>	<u>(2,161)</u>	<u>1,071</u>	<u>(6,514)</u>
Other financing sources (uses):						
Transfers in	-	-	-	-	-	-
Transfers out	-	-	-	-	-	-
Total other financing sources (uses)	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Excess (deficiency) of receipts and other financing sources over disbursements and other financing uses	<u>(21,866)</u>	<u>(3,842)</u>	<u>4,261</u>	<u>(2,161)</u>	<u>1,071</u>	<u>(6,514)</u>
Cash and investments - beginning	<u>21,866</u>	<u>4,839</u>	<u>-</u>	<u>2,161</u>	<u>(1,071)</u>	<u>-</u>
Cash and investments - ending	<u>\$ -</u>	<u>\$ 997</u>	<u>\$ 4,261</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ (6,514)</u>
Cash and Investment Assets - Ending						
Cash and investments	\$ -	\$ 997	\$ 4,261	\$ -	\$ -	\$ (6,514)
Restricted assets:						
Cash and investments	-	-	-	-	-	-
Total cash and investment assets - ending	<u>\$ -</u>	<u>\$ 997</u>	<u>\$ 4,261</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ (6,514)</u>
Cash and Investment Fund Balance - Ending						
Restricted for:						
Debt service	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Unrestricted	-	997	4,261	-	-	(6,514)
Total cash and investment fund balance - ending	<u>\$ -</u>	<u>\$ 997</u>	<u>\$ 4,261</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ (6,514)</u>

CLINTON CENTRAL 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)

	Carl Perkins FY 04-05	Medicaid Reimbursement Federal	Title II Part D	Title II Part A	Retirement Severance Bond	Totals
Receipts:						
Local sources	\$ -	\$ -	\$ -	\$ -	\$ 82,345	\$ 467,410
Intermediate sources	-	-	-	-	-	731
State sources	-	-	-	-	-	54,735
Federal sources	-	847	-	-	-	534,278
Sale of property, adjustments and refunds	-	-	-	-	-	4,350
Total receipts	-	847	-	-	82,345	1,061,504
Disbursements:						
Current:						
Instruction	-	-	-	-	-	338,902
Support services	-	135	-	28,073	-	615,020
Nonprogrammed charges	-	-	-	-	-	13,800
Debt services	-	-	-	-	95,287	95,287
Total disbursements	-	135	-	28,073	95,287	1,063,009
Excess (deficiency) of receipts over disbursements	-	712	-	(28,073)	(12,942)	(1,505)
Other financing sources (uses):						
Transfers in	-	-	-	-	4,062	171,615
Transfers out	-	-	-	-	(339)	(150,683)
Total other financing sources (uses)	-	-	-	-	3,723	20,932
Excess (deficiency) of receipts and other financing sources over disbursements and other financing uses	-	712	-	(28,073)	(9,219)	19,427
Cash and investments - beginning	7,911	11,268	3,166	41,614	33,173	338,671
Cash and investments - ending	<u>\$ 7,911</u>	<u>\$ 11,980</u>	<u>\$ 3,166</u>	<u>\$ 13,541</u>	<u>\$ 23,954</u>	<u>\$ 358,098</u>
Cash and Investment Assets - Ending						
Cash and investments	\$ 7,911	\$ 11,980	\$ 3,166	\$ 13,541	\$ -	\$ 334,144
Restricted assets:						
Cash and investments	-	-	-	-	23,954	23,954
Total cash and investment assets - ending	<u>\$ 7,911</u>	<u>\$ 11,980</u>	<u>\$ 3,166</u>	<u>\$ 13,541</u>	<u>\$ 23,954</u>	<u>\$ 358,098</u>
Cash and Investment Fund Balance - Ending						
Restricted for:						
Debt service	\$ -	\$ -	\$ -	\$ -	\$ 23,954	\$ 23,954
Unrestricted	7,911	11,980	3,166	13,541	-	334,144
Total cash and investment fund balance - ending	<u>\$ 7,911</u>	<u>\$ 11,980</u>	<u>\$ 3,166</u>	<u>\$ 13,541</u>	<u>\$ 23,954</u>	<u>\$ 358,098</u>

CLINTON CENTRAL 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:			
Other	\$ -	\$ 134,821	\$ 134,821
Deductions:			
Benefits	925	61,974	62,899
Administrative and general	178,706	-	178,706
Total deductions	179,631	61,974	241,605
Excess (deficiency) of total additions over total deductions	(179,631)	72,847	(106,784)
Cash and investment fund balance - beginning	279,631	-	279,631
Cash and investment fund balance - ending	\$ 100,000	\$ 72,847	\$ 172,847
Net assets:			
Cash and investments	\$ 100,000	\$ 72,847	\$ 172,847
Total net assets - cash and investment basis held in trust	\$ 100,000	\$ 72,847	\$ 172,847

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

	Retirement/ Severance Bond	Postretirement/ Severance Future Benefit	Totals
Additions:			
Contributions:			
Employer	\$ -	\$ -	\$ -
Deductions:			
Benefits	65,363	-	65,363
Administrative and general	-	36,473	36,473
Total deductions	65,363	36,473	101,836
Deficiency of total additions over total deductions	(65,363)	(36,473)	(101,836)
Cash and investment fund balance - beginning	100,000	72,847	172,847
Cash and investment fund balance - ending	\$ 34,637	\$ 36,374	\$ 71,011
Net assets:			
Cash and investments	\$ 34,637	\$ 36,374	\$ 71,011
Total net assets - cash and investment basis held in trust	\$ 34,637	\$ 36,374	\$ 71,011

CLINTON CENTRAL 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

	Falls Scholarship Fund	Julia Pearson Scholarship Fund	Jenny Butler Scholarship Fund	Class of 1967 Scholarship Fund	Totals
Additions:					
Contributions:					
Other	\$ -	\$ 74	\$ -	\$ -	\$ 74
Investment earnings:					
Interest	20	778	-	-	798
Total additions	<u>20</u>	<u>852</u>	<u>-</u>	<u>-</u>	<u>872</u>
Deductions:					
Administrative and general	<u>100</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>100</u>
Excess (deficiency) of total additions over total deductions	(80)	852	-	-	772
Cash and investment fund balance - beginning	<u>1,171</u>	<u>26,153</u>	<u>402</u>	<u>100</u>	<u>27,826</u>
Cash and investments - June 30	<u>\$ 1,091</u>	<u>\$ 27,005</u>	<u>\$ 402</u>	<u>\$ 100</u>	<u>\$ 28,598</u>
Net assets:					
Cash and investments	<u>\$ 1,091</u>	<u>\$ 27,005</u>	<u>\$ 402</u>	<u>\$ 100</u>	<u>\$ 28,598</u>
Total net assets - cash and investment basis held in trust	<u>\$ 1,091</u>	<u>\$ 27,005</u>	<u>\$ 402</u>	<u>\$ 100</u>	<u>\$ 28,598</u>

CLINTON CENTRAL 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

	Falls Scholarship Fund	Julia Pearson Scholarship Fund	Jenny Butler Scholarship Fund	Class of 1967 Scholarship Fund	Totals
Additions:					
Contributions:					
Other	\$ -	\$ 50	\$ -	\$ -	\$ 50
Investment earnings:					
Interest	-	805	-	-	805
Total additions	-	855	-	-	855
Deductions:					
Administrative and general	300	500	-	-	800
Excess (deficiency) of total additions over total deductions	(300)	355	-	-	55
Cash and investment fund balance - beginning	1,091	27,005	402	100	28,598
Cash and investments - June 30	<u>\$ 791</u>	<u>\$ 27,360</u>	<u>\$ 402</u>	<u>\$ 100</u>	<u>\$ 28,653</u>
Net assets:					
Cash and investments	<u>\$ 791</u>	<u>\$ 27,360</u>	<u>\$ 402</u>	<u>\$ 100</u>	<u>\$ 28,653</u>
Total net assets - cash and investment basis held in trust	<u>\$ 791</u>	<u>\$ 27,360</u>	<u>\$ 402</u>	<u>\$ 100</u>	<u>\$ 28,653</u>

CLINTON CENTRAL 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	\$ 250,000
Infrastructure	450,000
Buildings	42,000,000
Machinery and equipment	<u>2,662,000</u>
 Total governmental activities, capital assets not being depreciated	 <u>\$ 45,362,000</u>

CLINTON CENTRAL SCHOOL CORPORATION
 SUPPLEMENTARY INFORMATION
 SCHEDULE OF LONG-TERM DEBT
 For The year Ended June 30, 2007

The School Corporation has entered into the following debt:

Description of Debt	Ending Principal Balance	Principal and Interest Due Within One Year
Governmental Activities:		
Capital leases:		
School Building Capital Lease	\$ 2,950,000	\$ 175,000
Energy Savings Contract	1,786,330	156,229
Bonds payable:		
General obligation bonds:		
Pension Bonds of 2004	<u>945,000</u>	<u>25,000</u>
Total governmental activities debt	<u>\$ 5,681,330</u>	<u>\$ 356,229</u>

CLINTON CENTRAL SCHOOL CORPORATION
AUDIT RESULTS AND COMMENTS

NONUSE OF TICKET SALES FORM SA-4 AND PRENUMBERED
TICKETS (Applies to Clinton Central Elementary)

Form SA-4 and prenumbered tickets were not used by the School Corporation to account for the revenue generated by admission to athletic and social events. Cash payments are taken at the time of admittance and no tickets are issued. As a result, full accountability for all money received from admissions could not be determined.

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

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

Ticket sales conducted by any activity should be accounted for as follows:

The treasurer should be responsible for the proper accounting for all tickets and should keep a record of the number purchased, the number issued for sale, and the number returned. The treasurer should see that proper accounting is made for the cash received from those sold. All tickets shall be prenumbered, with a different ticket color and numerical series for each price group. When cash for ticket sales is deposited with the treasurer, the treasurer's receipt issued therefore should show the number of tickets issued to the seller, the number returned unsold and the balance remitted in cash. All tickets (including free or reduced) must be listed and accounted for on the SA-4 Ticket Sales Form. (Accounting and Uniform Compliance Guidelines Manual for Extra-Curricular Accounts, Chapter 2)

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

Tickets for each price group should be different colors and/or different in their series number. (Accounting and Uniform Compliance Guidelines Manual for Extra-Curricular Accounts, Chapter 2)

PRENUMBERED TICKETS NOT USED AT ALL SPORTING
EVENTS (Applies to Clinton Central Jr/Sr High School)

Prenumbered tickets were not used by the Jr/Sr High School to account for revenue generated by admission to Softball, Baseball, or Track events. Cash payments are taken at the time of admittance. As a result, full accountability for all money received from admissions to these events could not be determined.

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

CLINTON CENTRAL SCHOOL CORPORATION
 AUDIT RESULTS AND COMMENTS
 (Continued)

Ticket sales conducted by any activity should be accounted for as follows:

The treasurer should be responsible for the proper accounting for all tickets and should keep a record of the number purchased, the number issued for sale, and the number returned. The treasurer should see that proper accounting is made for the cash received from those sold. All tickets shall be prenumbered, with a different ticket color and numerical series for each price group. When cash for ticket sales is deposited with the treasurer, the treasurer's receipt issued therefore should show the number of tickets issued to the seller, the number returned unsold and the balance remitted in cash. All tickets (including free or reduced) must be listed and accounted for on the SA-4. (Accounting and Uniform Compliance Guidelines Manual Extra-Curricular Accounts, Chapter 2)

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

Tickets for each price group should be different colors and/or different in their series number. (Accounting and Uniform Compliance Guidelines Manual for Extra-Curricular Accounts, Chapter 2)

PREScribed FORMS - TICKET SALES, FORM SA-4 (Applies to Clinton Central Jr/Sr High School)

Ticket Sales, form SA-4, was not signed by the Athletic Director, or other designated official, to verify his approval.

Officials and employees are required to use State Board of Accounts prescribed or approved forms in the manner prescribed. (Accounting and Uniform Compliance Guidelines Manual for Indiana Public School Corporations, Chapter 9) (Accounting and Uniform Compliance Guidelines Manual for Extra-Curricular Accounts, Chapter 7)

APPROPRIATION

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

Fund	Year	Excess Amount Expended
Capital Projects	2006	<u>\$ 136,733</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."

CLINTON CENTRAL SCHOOL CORPORATION
AUDIT RESULTS AND COMMENTS
(Continued)

BANK ACCOUNT RECONCILIATIONS

The Treasurer does not reconcile the bank records to the School Corporation's monthly fund report. For the fiscal period ending June 30, 2007, the records are showing a cash short of \$2,277.93.

Indiana Code 5-13-6-1(e) states: "All local investment officers shall reconcile at least monthly the balance of public funds, as disclosed by the records of the local officers, with the balance statements provided by the respective depositories."

OVERDRAWN FUND BALANCES

The Food Service Fund was overdrawn \$18,970 on June 30, 2006, and \$899 on June 30, 2007.

The 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, Chapter 9)

2006 SALARY RESOLUTION

The School Board approved the 2006 Salary Schedule for noncertified personnel on April 3, 2006, retroactive back to January 1, 2006. The Deputy Treasurer, (along with other personnel), was made a salaried employee with the approval of the Salary Schedule. Her salary was approved at \$26,600 for 2006. An "hourly rate" of \$13.80 and a "Length of Year" of 250 days at 8 hours per day, was also approved on the same schedule. Based on the annual salary, the length of the year, and the hours per day, the hourly rate actually computes to \$13.30. The Deputy Treasurer began employment on January 25, 2006, and her salary was computed from the hourly rate of \$13.80, not from the annual salary of \$26,600 which created a difference of \$896 in pay during the calendar year.

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

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

ONGOING INVESTIGATION

Mary Clark, School Corporation Treasurer from July 1, 2005 to December 10, 2007, is currently under investigation by the Indiana State Police related to various payroll irregularities.

SUPPLEMENTAL AUDIT OF
FEDERAL AWARDS



STATE OF INDIANA
AN EQUAL OPPORTUNITY EMPLOYER

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

Telephone: (317) 232-2513
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Web Site: www.in.gov/sboa

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

TO: THE OFFICIALS OF THE CLINTON CENTRAL SCHOOL
CORPORATION, CLINTON COUNTY, INDIANA

Compliance

We have audited the compliance of the Clinton Central 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, 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 4, 2008

CLINTON CENTRAL SCHOOL CORPORATION
SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS
For The Years Ended June 30, 2006 and 2007

Federal Grantor Agency/Pass-Through Entity Cluster Title/Program Title/Project Title	Federal CFDA Number	Pass-Through Entity (or Other) Identifying Number	Total Federal Awards Expended 06-30-06	Total Federal Awards Expended 06-30-07
<u>U.S. DEPARTMENT OF AGRICULTURE</u>				
Pass-Through Indiana Department of Education				
Child Nutrition Cluster				
School Breakfast Program	10.553		\$ 10,727	\$ 15,200
National School Lunch Program	10.555		<u>110,192</u>	<u>128,906</u>
Total for cluster			<u>120,919</u>	<u>144,106</u>
<u>U.S. DEPARTMENT OF EDUCATION</u>				
Pass-Through Indiana Department of Education				
Title I Grants to Local Educational Agencies	84.010			
		05-1150	28,663	-
		06-1150	131,876	22,773
		07-1150	<u>-</u>	<u>134,298</u>
Total for program			<u>160,539</u>	<u>157,071</u>
Pass-Through Community Schools of Frankfort				
Special Education - Grants to States	84.027			
		05-1150	32,592	-
		06-1150	147,469	37,260
		07-1150	<u>-</u>	<u>138,556</u>
Total for program			<u>180,061</u>	<u>175,816</u>
Pass-Through Tippecanoe School Corporation				
Vocational Education - Basic Grants to States	84.048			
		FY 2004-05	5,972	-
		FY 2005-06	23,565	6,309
		FY 2006-07	<u>-</u>	<u>26,231</u>
Total for program			<u>29,537</u>	<u>32,540</u>
Pass-Through Indiana Department of Education				
Safe and Drug Free Schools and Communities - State Grants	84.186			
		FY 2004-05	5,723	-
		FY 2005-06	<u>893</u>	<u>3,842</u>
Total for program			<u>6,616</u>	<u>3,842</u>
State Grants for Innovative Programs	84.298			
		04-272	<u>1,926</u>	<u>2,564</u>
Education Technology State Grants	84.318			
		05-1150	<u>2,031</u>	<u>2,161</u>
Improving Teacher Quality State Grants	84.367			
		05-242	5,797	-
		06-1150	<u>-</u>	<u>28,073</u>
Total for program			<u>5,797</u>	<u>28,073</u>
Total for federal grantor agency			<u>386,507</u>	<u>402,067</u>
Total federal awards expended			<u>\$ 507,426</u>	<u>\$ 546,173</u>

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

CLINTON CENTRAL 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 Clinton Central 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 the school corporation 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
Child Nutrition Cluster	10.555	<u>\$ 16,849</u>	<u>\$ 23,866</u>

CLINTON CENTRAL 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:

CFDA Number	Name of Federal Program or Cluster
84.010	Title I Grants to Local Educational Agencies
84.027	Special Education - Grants to State

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

Auditee qualified as low-risk auditee? no

Section II – Financial Statement Findings

No matters are reportable.

Section III – Federal Award Findings and Questioned Costs

No matters are reportable.

CLINTON CENTRAL SCHOOL CORPORATION
SUMMARY SCHEDULE OF PRIOR AUDIT FINDINGS

No matters are reportable.

CLINTON CENTRAL SCHOOL CORPORATION
CORRECTIVE ACTION PLAN

No matters are reportable.

CLINTON CENTRAL SCHOOL CORPORATION
EXIT CONFERENCE

The contents of this report were discussed on March 4, 2008, with Philip M. Boley, Superintendent of Schools, Clint Orr, President of the School Board; and Robert Lease, Treasurer.