

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

EXAMINATION REPORT
OF
ROCKVILLE COMMUNITY SCHOOL CORPORATION
PARKE COUNTY, INDIANA
July 1, 2005 to June 30, 2007



FILED
05/13/2008

TABLE OF CONTENTS

<u>Description</u>	<u>Page</u>
Officials	2
Independent Accountant's Report.....	3
Financial Information:	
Government-Wide Financial Information:	
Schedule of Activities and Net Assets – Cash and Investment Basis	4-5
Fund Financial Information:	
Governmental Funds:	
Schedule of Assets and Fund Balances and Receipts, Disbursements and Changes in Fund Balances – Cash and Investment Basis – Governmental Funds	6-7
Fiduciary Funds:	
Schedule of Additions, Deductions, and Changes in Cash and Investment Balances – Fiduciary Funds.....	8-9
Notes to Financial Information	10-14
Required Supplementary Information:	
Schedule of Funding Progress	15
Supplementary Information:	
Combining Schedule of Assets and Fund Balances and Receipts, Disbursements, and Changes in Fund Balances – Cash and Investment Basis – Other Governmental Funds	16-25
Combining Schedule of Additions, Deductions, and Changes in Cash and Investment Balances – Agency Funds.....	26-27
Schedule of Long-Term Debt	28
Examination Results and Comments:	
Condition of Records	29
Investment Transactions	29-30
Internal Controls - Free and Reduced Lunches	30
Internal Controls - Textbook Rental.....	30-31
Errors on Claims	31-32
Contracts	32
Payroll Withholding Clearing Accounts	32
Deposits.....	32
Exit Conference.....	33

OFFICIALS

<u>Office</u>	<u>Official</u>	<u>Term</u>
Treasurer	Deborah Hopkins Teresa L. Veach	07-01-05 to 12-31-05 01-01-06 to 06-30-08
Superintendent of Schools	Gary L. Storie	07-01-05 to 06-30-08
President of the School Board	Gregory A. Harbison Pamela Ferguson	07-01-05 to 12-31-06 01-01-07 to 06-30-08



STATE OF INDIANA
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INDEPENDENT ACCOUNTANT'S REPORT

TO: THE OFFICIALS OF THE ROCKVILLE COMMUNITY
SCHOOL CORPORATION, PARKE COUNTY, INDIANA

We have examined the financial information presented herein of the Rockville Community School Corporation (School Corporation), for the period of July 1, 2005 to June 30, 2007. The School Corporation's management is responsible for the financial information presented herein. Our responsibility is to express an opinion based on our examination.

Our examination was conducted in accordance with attestation standards established by the American Institute of Certified Public Accountants and, accordingly, included examining, on a test basis, evidence supporting the financial information presented herein and performing such other procedures as we considered necessary in the circumstances. We believe that our examination provides a reasonable basis for our opinion.

In our opinion, the financial information referred to above presents fairly, in all material respects, the financial information of the School Corporation for the years ended June 30, 2006 and 2007, based on the criteria set forth in the uniform compliance guidelines established by the Indiana State Board of Accounts.

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 Schedule of Long-Term Debt, as listed in the Table of Contents, is presented for additional analysis and is not a required part of the basic financial information. It has not been subjected to the examination procedures applied to the basic financial information and, accordingly, we express no opinion on it.

STATE BOARD OF ACCOUNTS

February 26, 2008

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

<u>Functions/Programs</u>	<u>Disbursements</u>	<u>Program Receipts</u>		<u>Totals</u>
		<u>Charges for Services</u>	<u>Operating Grants and Contributions</u>	<u>Net (Disbursement) Receipts and Changes in Net Assets</u>
Governmental activities:				
Instruction	\$ 2,611,065	\$ -	\$ 36,702	\$ (2,574,363)
Support services	4,730,585	263,418	123,029	(4,344,138)
Community services	119,297	-	-	(119,297)
Nonprogrammed charges	2,245,694	-	-	(2,245,694)
Debt service	984,713	-	-	(984,713)
Total governmental activities	<u>\$ 10,691,354</u>	<u>\$ 263,418</u>	<u>\$ 159,731</u>	<u>(10,268,205)</u>
General receipts:				
Property taxes				3,064,611
Other local sources				733,801
State aid				3,778,728
Grants and contributions not restricted to specific programs				219,364
Sale of property, adjustments, and refunds				4,613,465
Investment earnings				43,824
Total general receipts				<u>12,453,793</u>
Change in net assets				2,185,588
Net assets - beginning				<u>1,701,468</u>
Net assets - ending				<u>\$ 3,887,056</u>
<u>Assets</u>				
Cash and investments				\$ 3,567,612
Restricted assets:				
Cash and investments				<u>319,444</u>
Total assets				<u>\$ 3,887,056</u>
<u>Net Assets</u>				
Restricted for:				
Debt service				\$ 319,444
Unrestricted				<u>3,567,612</u>
Total net assets				<u>\$ 3,887,056</u>

The accompanying notes are an integral part of the financial information.

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

<u>Functions/Programs</u>	<u>Disbursements</u>	<u>Program Receipts</u>		<u>Net (Disbursement) Receipts and Changes in Net Assets</u>
		<u>Charges for Services</u>	<u>Operating Grants and Contributions</u>	<u>Totals</u>
Governmental activities:				
Instruction	\$ 2,732,440	\$ -	\$ 37,382	\$ (2,695,058)
Support services	4,972,807	240,859	183,217	(4,548,731)
Community services	115,818	-	-	(115,818)
Nonprogrammed charges	1,093,043	-	-	(1,093,043)
Debt service	819,246	-	-	(819,246)
Total governmental activities	\$ 9,733,354	\$ 240,859	\$ 220,599	(9,271,896)
General receipts:				
Property taxes				2,014,040
Other local sources				432,530
State aid				3,812,145
Bonds and loans				590,000
Grants and contributions not restricted to specific programs				250,258
Sale of property, adjustments, and refunds				1,764,228
Investment earnings				120,576
Total general receipts				8,983,777
Change in net assets				(288,119)
Net assets - beginning				3,887,056
Net assets - ending				\$ 3,598,937
<u>Assets</u>				
Cash and investments				\$ 2,887,904
Restricted assets:				
Cash and investments				711,033
Total assets				\$ 3,598,937
<u>Net Assets</u>				
Restricted for:				
Debt service				\$ 711,033
Unrestricted				2,887,904
Total net assets				\$ 3,598,937

The accompanying notes are an integral part of the financial information.

ROCKVILLE COMMUNITY SCHOOL CORPORATION
SCHEDULE 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	Construction	Other	Totals
Receipts:								
Local sources	\$ 1,733,054	\$ 266,566	\$ 1,035,327	\$ 617,665	\$ 45,371	\$ -	\$ 407,170	\$ 4,105,153
Intermediate sources	294	-	-	-	-	-	206	500
State sources	3,803,683	-	-	-	-	-	64,888	3,868,571
Federal sources	-	-	-	-	-	-	289,253	289,253
Sale of property, adjustments and refunds	1,352,351	300,932	-	150,850	200,000	2,000,000	609,332	4,613,465
Total receipts	6,889,382	567,498	1,035,327	768,515	245,371	2,000,000	1,370,849	12,876,942
Disbursements:								
Current:								
Instruction	2,492,697	-	-	-	-	-	118,368	2,611,065
Support services	2,408,718	324,021	-	579,773	-	522,624	895,449	4,730,585
Community services	119,237	-	-	-	-	-	60	119,297
Nonprogrammed charges	1,552,381	300,000	-	150,000	200,000	-	43,313	2,245,694
Debt services	100,000	-	797,764	-	-	-	86,949	984,713
Total disbursements	6,673,033	624,021	797,764	729,773	200,000	522,624	1,144,139	10,691,354
Excess (deficiency) of receipts over disbursements	216,349	(56,523)	237,563	38,742	45,371	1,477,376	226,710	2,185,588
Other financing sources (uses):								
Transfers in	131,385	-	-	-	-	2,941	285	134,611
Transfers out	-	-	-	-	-	-	(134,611)	(134,611)
Total other financing sources (uses)	131,385	-	-	-	-	2,941	(134,326)	-
Excess (deficiency) of receipts and other financing sources over disbursements and other financing uses	347,734	(56,523)	237,563	38,742	45,371	1,480,317	92,384	2,185,588
Cash and investments - beginning	672,877	297,234	53,844	214,205	71,913	2,159	389,236	1,701,468
Cash and investments - ending	\$ 1,020,611	\$ 240,711	\$ 291,407	\$ 252,947	\$ 117,284	\$ 1,482,476	\$ 481,620	\$ 3,887,056
Cash and Investment Assets - Ending								
Cash and investments	\$ 1,020,611	\$ 240,711	\$ -	\$ 252,947	\$ 117,284	\$ 1,482,476	\$ 453,583	\$ 3,567,612
Restricted assets:								
Cash and investments	-	-	291,407	-	-	-	28,037	319,444
Total cash and investment assets - ending	\$ 1,020,611	\$ 240,711	\$ 291,407	\$ 252,947	\$ 117,284	\$ 1,482,476	\$ 481,620	\$ 3,887,056
Cash and Investment Fund Balance - Ending								
Restricted for:								
Debt service	\$ -	\$ -	\$ 291,407	\$ -	\$ -	\$ -	\$ 28,037	\$ 319,444
Unrestricted	1,020,611	240,711	-	252,947	117,284	1,482,476	453,583	3,567,612
Total cash and investment fund balance - ending	\$ 1,020,611	\$ 240,711	\$ 291,407	\$ 252,947	\$ 117,284	\$ 1,482,476	\$ 481,620	\$ 3,887,056

The accompanying notes are an integral part of the financial information.

ROCKVILLE COMMUNITY SCHOOL CORPORATION
SCHEDULE 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	Construction	Other	Totals
Receipts:								
Local sources	\$ 1,111,988	\$ 181,071	\$ 667,009	\$ 406,873	\$ 11,833	\$ 65,559	\$ 363,115	\$ 2,807,448
Intermediate sources	147	-	-	-	-	-	412	559
State sources	3,837,748	-	-	-	-	-	85,896	3,923,644
Federal sources	8,000	-	-	-	-	-	351,356	359,356
Bonds and loans	-	-	478,000	111,000	-	-	1,000	590,000
Sale of property, adjustments and refunds	534,593	135,010	-	151,500	125,000	519,436	298,689	1,764,228
Total receipts	5,492,476	316,081	1,145,009	669,373	136,833	584,995	1,100,468	9,445,235
Disbursements:								
Current:								
Instruction	2,582,363	-	-	-	-	-	150,077	2,732,440
Support services	2,495,644	348,908	-	644,214	-	532,872	951,169	4,972,807
Community services	115,802	-	-	-	-	-	16	115,818
Nonprogrammed charges	669,168	125,000	-	150,000	125,000	-	23,875	1,093,043
Debt services	-	-	776,013	-	-	-	43,233	819,246
Total disbursements	5,862,977	473,908	776,013	794,214	125,000	532,872	1,168,370	9,733,354
Excess (deficiency) of receipts over disbursements	(370,501)	(157,827)	368,996	(124,841)	11,833	52,123	(67,902)	(288,119)
Other financing sources (uses):								
Transfers in	-	-	-	-	-	-	93,682	93,682
Transfers out	(79,840)	(857)	(3,167)	(1,836)	(54)	-	(7,928)	(93,682)
Total other financing sources (uses)	(79,840)	(857)	(3,167)	(1,836)	(54)	-	85,754	-
Excess (deficiency) of receipts and other financing sources over disbursements and other financing uses	(450,341)	(158,684)	365,829	(126,677)	11,779	52,123	17,852	(288,119)
Cash and investments - beginning	1,020,611	240,711	291,407	252,947	117,284	1,482,476	481,620	3,887,056
Cash and investments - ending	\$ 570,270	\$ 82,027	\$ 657,236	\$ 126,270	\$ 129,063	\$ 1,534,599	\$ 499,472	\$ 3,598,937
Cash and Investment Assets - Ending								
Cash and investments	\$ 570,270	\$ 82,027	\$ -	\$ 126,270	\$ 129,063	\$ 1,534,599	\$ 445,675	\$ 2,887,904
Restricted assets:								
Cash and investments	-	-	657,236	-	-	-	53,797	711,033
Total cash and investment assets - ending	\$ 570,270	\$ 82,027	\$ 657,236	\$ 126,270	\$ 129,063	\$ 1,534,599	\$ 499,472	\$ 3,598,937
Cash and Investment Fund Balance - Ending								
Restricted for:								
Debt service	\$ -	\$ -	\$ 657,236	\$ -	\$ -	\$ -	\$ 53,797	\$ 711,033
Unrestricted	570,270	82,027	-	126,270	129,063	1,534,599	445,675	2,887,904
Total cash and investment fund balance - ending	\$ 570,270	\$ 82,027	\$ 657,236	\$ 126,270	\$ 129,063	\$ 1,534,599	\$ 499,472	\$ 3,598,937

The accompanying notes are an integral part of the financial information.

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

	Retirement/ Severance Bond	Agency Funds
Deductions:		
Benefits	\$ <u>18,905</u>	
Excess of total additions over total deductions	(18,905)	
Cash and investment fund balance - beginning	<u>63,525</u>	
Cash and investment fund balance - ending	<u>\$ 44,620</u>	
Net assets:		
Cash and investments	<u>\$ 44,620</u>	<u>\$ 88,355</u>
Total net assets - cash and investment basis held in trust	<u>\$ 44,620</u>	<u>\$ 88,355</u>

The accompanying notes are an integral part of the financial information.

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

	Retirement/ Severance Bond	Agency Funds
Deductions:		
Benefits	\$ <u>7,250</u>	
Excess (deficiency) of total additions over total deductions	(7,250)	
Cash and investment fund balance - beginning	<u>44,620</u>	
Cash and investment fund balance - ending	<u>\$ 37,370</u>	
Net assets:		
Cash and investments	\$ <u>37,370</u>	\$ <u>108,378</u>
Total net assets - cash and investment basis held in trust	<u>\$ 37,370</u>	<u>\$ 108,378</u>

The accompanying notes are an integral part of the financial information.

ROCKVILLE COMMUNITY SCHOOL CORPORATION
NOTES TO FINANCIAL INFORMATION

Note 1. Introduction

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.

Note 2. Fund Accounting

A. Government-Wide and Fund Financial Schedules

Government-Wide Financial Schedules

The Schedule 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 Schedules

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

The School Corporation reports the following major governmental funds:

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

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

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

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

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

ROCKVILLE COMMUNITY SCHOOL CORPORATION
NOTES TO FINANCIAL INFORMATION
(Continued)

The construction fund is used to account for receipts and disbursements related to the high school remodeling project.

Additionally, the School Corporation reports the following fund type:

The pension trust funds account for the activities of the retirement/severance bond fund which accumulate resources for pension benefit payments.

Agency funds account for assets held by the School Corporation as an agent for federal and state agencies and also serve as control accounts for certain cash transactions during the time they are a liability to the School Corporation.

B. Measurement Focus and Basis of Accounting

The government-wide, governmental fund, and fiduciary fund financial schedules 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 schedules.

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

Private-sector standards of accounting and financial reporting issued prior to December 1, 1989, generally are followed in the enterprise fund schedules to the extent that those standards do not conflict with or contradict guidance of the Governmental Accounting Standards Board. Governments also have the option of following subsequent private-sector guidance for their enterprise funds, subject to this same limitation. The School Corporation has elected not to follow subsequent private-sector guidance.

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

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.

Note 3. Budgets

The operating budget is initially prepared and approved at the local level. In addition, funds for which property taxes are levied are subject to final approval by the Indiana Department of Local Government Finance.

ROCKVILLE COMMUNITY SCHOOL CORPORATION
NOTES TO FINANCIAL INFORMATION
(Continued)

Note 4. Property Taxes

Property taxes levied are collected by the County Treasurer and are distributed to the School Corporation in June and December. State statute (IC 6-1.1-17-16) requires the Indiana Department of Local Government Finance to establish property tax rates and levies by February 15. These rates were based upon the preceding year's March 1 (lien date) assessed valuations adjusted for various tax credits. Taxable property is assessed at 100% of the true tax value (determined in accordance with rules and regulations adopted by the Indiana Department of Local Government Finance). Taxes may be paid in two equal installments which become delinquent if not paid by May 10 and November 10, respectively. All property taxes collected by the County Treasurer and available for distribution were distributed to the School Corporation on or prior to December 31 of the year collected.

Note 5. Deposits and Investments

Deposits, made in accordance with Indiana Code 5-13, with financial institutions in the State of Indiana at year end were entirely insured by the Federal Depository Insurance Corporation or by the Indiana Public Deposit Insurance Fund. This includes any deposit accounts issued or offered by a qualifying financial institution.

State statute (IC 5-13-9) authorizes the School Corporation to invest in securities including, but not limited to, federal government securities, repurchase agreements, and certain money market mutual funds. Certain other statutory restrictions apply to all investments made by local governmental units.

Note 6. Interfund Transfers

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

Transfer From	Transfer To	2006	2007
General Fund	Other governmental funds	\$ -	\$ 79,840
Transportation Operating Fund	Other governmental funds	-	857
Debt Service Fund	Other governmental funds	-	3,167
Capital Projects Fund	Other governmental funds	-	1,836
School Bus Replacement Fund	Other governmental funds	-	54
Other governmental funds	Other governmental funds	285	7,928
	General Fund	131,385	-
	Construction Fund	2,941	-
		<u> </u>	<u> </u>
Totals		<u>\$ 134,611</u>	<u>\$ 93,682</u>

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

ROCKVILLE COMMUNITY SCHOOL CORPORATION
NOTES TO FINANCIAL INFORMATION
(Continued)

Note 7. Pension Plans

A. Public Employees' Retirement Fund

Plan Description

The School Corporation contributes to the Indiana Public Employees' Retirement Fund (PERF), a defined benefit pension plan. PERF is an agent multiple-employer public employee retirement system, which provides retirement benefits to plan members and beneficiaries. All full-time employees are eligible to participate in this 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 members' 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. That 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 the plan members for PERF are established by the Board of Trustees of PERF.

B. 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 members' 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.

ROCKVILLE COMMUNITY SCHOOL CORPORATION
NOTES TO FINANCIAL INFORMATION
(Continued)

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

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

Funding Policy and Annual Pension Cost

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.

ROCKVILLE COMMUNITY SCHOOL CORPORATION
 REQUIRED SUPPLEMENTARY INFORMATION
 SCHEDULE OF FUNDING PROGRESS

Public Employees' Retirement Fund

Actuarial Valuation Date	Actuarial Value of Assets (a)	Actuarial Accrued Liability (AAL) (b)	Excess of Assets Over (Unfunded) AAL (a-b)	Funded Ratio (a/b)	Covered Payroll (c)	Excess (Unfunded) AAL as a Percentage of Covered Payroll ((a-b)/c)
07-01-06	\$ 668,109	\$ 653,989	\$ 14,120	102%	\$ 627,437	2%
07-01-05	707,265	657,607	49,658	108%	595,356	8%
07-01-04	576,320	640,560	(64,240)	90%	634,809	(10%)

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

	Special Education Preschool	School Lunch	Textbook Rental	Levy Excess	Educational License Plate	School Library Printed Materials
Receipts:						
Local sources	\$ 4,796	\$ 200,143	\$ 63,275	\$ -	\$ -	\$ -
Intermediate sources	-	-	-	-	206	-
State sources	30,313	4,633	16,126	-	-	-
Federal sources	-	102,270	-	-	-	-
Sale of property, adjustments and refunds	-	1,283	-	-	-	-
Total receipts	35,109	308,329	79,401	-	206	-
Disbursements:						
Current:						
Instruction	-	-	-	-	-	-
Support services	-	333,902	117,261	-	637	-
Community services	-	-	-	-	-	-
Nonprogrammed charges	43,313	-	-	-	-	-
Debt services	-	-	-	-	-	-
Total disbursements	43,313	333,902	117,261	-	637	-
Excess (deficiency) of receipts over disbursements	(8,204)	(25,573)	(37,860)	-	(431)	-
Other financing sources (uses):						
Transfers in	-	-	-	-	74	-
Transfers out	-	-	-	(94,901)	-	(74)
Total other financing sources (uses)	-	-	-	(94,901)	74	(74)
Excess (deficiency) of receipts and other financing sources over disbursements and other financing uses	(8,204)	(25,573)	(37,860)	(94,901)	(357)	(74)
Cash and investments - beginning	32,968	75,113	77,872	94,901	2,025	74
Cash and investments - ending	<u>\$ 24,764</u>	<u>\$ 49,540</u>	<u>\$ 40,012</u>	<u>\$ -</u>	<u>\$ 1,668</u>	<u>\$ -</u>
<u>Cash and Investment Assets - Ending</u>						
Cash and investments	\$ 24,764	\$ 49,540	\$ 40,012	\$ -	\$ 1,668	\$ -
Restricted assets:						
Cash and investments	-	-	-	-	-	-
Total cash and investment assets - ending	<u>\$ 24,764</u>	<u>\$ 49,540</u>	<u>\$ 40,012</u>	<u>\$ -</u>	<u>\$ 1,668</u>	<u>\$ -</u>
<u>Cash and Investment Fund Balance - Ending</u>						
Restricted for:						
Debt service	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Unrestricted	24,764	49,540	40,012	-	1,668	-
Total cash and investment fund balance - ending	<u>\$ 24,764</u>	<u>\$ 49,540</u>	<u>\$ 40,012</u>	<u>\$ -</u>	<u>\$ 1,668</u>	<u>\$ -</u>

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

	Gifted and Talented Grant	School Improvement Grant	Non-English Speaking Program	Phone Refunds	Technology Planning Grant	Performance Based Awards
Receipts:						
Local sources	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Intermediate sources	-	-	-	-	-	-
State sources	11,778	-	190	-	-	-
Federal sources	-	-	-	-	-	-
Sale of property, adjustments and refunds	-	-	-	11,042	-	-
Total receipts	11,778	-	190	11,042	-	-
Disbursements:						
Current:						
Instruction	660	-	-	-	-	163
Support services	-	-	-	5,189	-	-
Community services	-	-	-	-	-	-
Nonprogrammed charges	-	-	-	-	-	-
Debt services	-	-	-	-	-	-
Total disbursements	660	-	-	5,189	-	163
Excess (deficiency) of receipts over disbursements	11,118	-	190	5,853	-	(163)
Other financing sources (uses):						
Transfers in	-	-	-	-	-	163
Transfers out	-	(991)	-	-	-	-
Total other financing sources (uses)	-	(991)	-	-	-	163
Excess (deficiency) of receipts and other financing sources over disbursements and other financing uses	11,118	(991)	190	5,853	-	-
Cash and investments - beginning	-	991	236	-	2,019	-
Cash and investments - ending	\$ 11,118	\$ -	\$ 426	\$ 5,853	\$ 2,019	\$ -
<u>Cash and Investment Assets - Ending</u>						
Cash and investments	\$ 11,118	\$ -	\$ 426	\$ 5,853	\$ 2,019	\$ -
Restricted assets:						
Cash and investments	-	-	-	-	-	-
Total cash and investment assets - ending	\$ 11,118	\$ -	\$ 426	\$ 5,853	\$ 2,019	\$ -
<u>Cash and Investment Fund Balance - Ending</u>						
Restricted for:						
Debt service	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Unrestricted	11,118	-	426	5,853	2,019	-
Total cash and investment fund balance - ending	\$ 11,118	\$ -	\$ 426	\$ 5,853	\$ 2,019	\$ -

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

	Technology Planning	Professional Development	Student Motivation	Gender Equity Project	Principals' Technology	Title I
Receipts:						
Local sources	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Intermediate sources	-	-	-	-	-	-
State sources	1,848	-	-	-	-	-
Federal sources	-	-	-	-	-	142,346
Sale of property, adjustments and refunds	-	-	-	-	-	7
Total receipts	1,848	-	-	-	-	142,353
Disbursements:						
Current:						
Instruction	1,848	-	-	-	90	105,898
Support services	-	-	-	-	-	61,435
Community services	-	-	-	-	-	60
Nonprogrammed charges	-	-	-	-	-	-
Debt services	-	-	-	-	-	-
Total disbursements	1,848	-	-	-	90	167,393
Excess (deficiency) of receipts over disbursements	-	-	-	-	(90)	(25,040)
Other financing sources (uses):						
Transfers in	-	38	-	-	10	-
Transfers out	-	-	(152)	(3)	-	-
Total other financing sources (uses)	-	38	(152)	(3)	10	-
Excess (deficiency) of receipts and other financing sources over disbursements and other financing uses	-	38	(152)	(3)	(80)	(25,040)
Cash and investments - beginning	-	(38)	152	3	80	41,937
Cash and investments - ending	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 16,897
<u>Cash and Investment Assets - Ending</u>						
Cash and investments	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 16,897
Restricted assets:						
Cash and investments	-	-	-	-	-	-
Total cash and investment assets - ending	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 16,897
<u>Cash and Investment Fund Balance - Ending</u>						
Restricted for:						
Debt service	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Unrestricted	-	-	-	-	-	16,897
Total cash and investment fund balance - ending	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 16,897

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

	Title V	REMC Technology Grant	Drug Free Schools and Communities	Before School Program	Title II Improving Teacher Quality	Title II Part D
Receipts:						
Local sources	\$ -	\$ 4,841	\$ -	\$ -	\$ -	\$ -
Intermediate sources	-	-	-	-	-	-
State sources	-	-	-	-	-	-
Federal sources	3,454	-	3,852	-	32,475	4,856
Sale of property, adjustments and refunds	-	-	-	-	-	-
Total receipts	3,454	4,841	3,852	-	32,475	4,856
Disbursements:						
Current:						
Instruction	-	-	1,831	-	5,806	-
Support services	2,704	4,659	2,591	-	28,796	5,989
Community services	-	-	-	-	-	-
Nonprogrammed charges	-	-	-	-	-	-
Debt services	-	-	-	-	-	-
Total disbursements	2,704	4,659	4,422	-	34,602	5,989
Excess (deficiency) of receipts over disbursements	750	182	(570)	-	(2,127)	(1,133)
Other financing sources (uses):						
Transfers in	-	-	-	-	-	-
Transfers out	-	-	-	(100)	-	-
Total other financing sources (uses)	-	-	-	(100)	-	-
Excess (deficiency) of receipts and other financing sources over disbursements and other financing uses	750	182	(570)	(100)	(2,127)	(1,133)
Cash and investments - beginning	1,067	-	(60)	100	20,346	3,724
Cash and investments - ending	<u>\$ 1,817</u>	<u>\$ 182</u>	<u>\$ (630)</u>	<u>\$ -</u>	<u>\$ 18,219</u>	<u>\$ 2,591</u>
<u>Cash and Investment Assets - Ending</u>						
Cash and investments	\$ 1,817	\$ 182	\$ (630)	\$ -	\$ 18,219	\$ 2,591
Restricted assets:						
Cash and investments	-	-	-	-	-	-
Total cash and investment assets - ending	<u>\$ 1,817</u>	<u>\$ 182</u>	<u>\$ (630)</u>	<u>\$ -</u>	<u>\$ 18,219</u>	<u>\$ 2,591</u>
<u>Cash and Investment Fund Balance - Ending</u>						
Restricted for:						
Debt service	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Unrestricted	1,817	182	(630)	-	18,219	2,591
Total cash and investment fund balance - ending	<u>\$ 1,817</u>	<u>\$ 182</u>	<u>\$ (630)</u>	<u>\$ -</u>	<u>\$ 18,219</u>	<u>\$ 2,591</u>

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

	Retirement/ Severance Bond Fund	Other Construction	Supplemental Construction	Telephone Refunds-JANA	Interest	Totals
Receipts:						
Local sources	\$ 99,681	\$ -	\$ -	\$ -	\$ 34,434	\$ 407,170
Intermediate sources	-	-	-	-	-	206
State sources	-	-	-	-	-	64,888
Federal sources	-	-	-	-	-	289,253
Sale of property, adjustments and refunds	-	-	597,000	-	-	609,332
Total receipts	99,681	-	597,000	-	34,434	1,370,849
Disbursements:						
Current:						
Instruction	-	-	-	2,072	-	118,368
Support services	-	-	327,581	3,000	1,705	895,449
Community services	-	-	-	-	-	60
Nonprogrammed charges	-	-	-	-	-	43,313
Debt services	86,949	-	-	-	-	86,949
Total disbursements	86,949	-	327,581	5,072	1,705	1,144,139
Excess (deficiency) of receipts over disbursements	12,732	-	269,419	(5,072)	32,729	226,710
Other financing sources (uses):						
Transfers in	-	-	-	-	-	285
Transfers out	-	(2,941)	-	-	(35,449)	(134,611)
Total other financing sources (uses)	-	(2,941)	-	-	(35,449)	(134,326)
Excess (deficiency) of receipts and other financing sources over disbursements and other financing uses	12,732	(2,941)	269,419	(5,072)	(2,720)	92,384
Cash and investments - beginning	15,305	2,941	-	5,155	12,325	389,236
Cash and investments - ending	\$ 28,037	\$ -	\$ 269,419	\$ 83	\$ 9,605	\$ 481,620
<u>Cash and Investment Assets - Ending</u>						
Cash and investments	\$ -	\$ -	\$ 269,419	\$ 83	\$ 9,605	\$ 453,583
Restricted assets:						
Cash and investments	28,037	-	-	-	-	28,037
Total cash and investment assets - ending	\$ 28,037	\$ -	\$ 269,419	\$ 83	\$ 9,605	\$ 481,620
<u>Cash and Investment Fund Balance - Ending</u>						
Restricted for:						
Debt service	\$ 28,037	\$ -	\$ -	\$ -	\$ -	\$ 28,037
Unrestricted	-	-	269,419	83	9,605	453,583
Total cash and investment fund balance - ending	\$ 28,037	\$ -	\$ 269,419	\$ 83	\$ 9,605	\$ 481,620

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

	Special Education Preschool	Rainy Day	School Lunch	Textbook Rental	Levy Excess	Educational License Plate
Receipts:						
Local sources	\$ 3,000	\$ -	\$ 169,764	\$ 71,096	\$ -	\$ -
Intermediate sources	-	-	-	-	-	412
State sources	26,034	-	-	16,106	-	-
Federal sources	-	-	159,110	-	-	-
Bonds and loans	-	-	-	-	-	-
Sale of property, adjustments and refunds	-	-	28,572	-	-	-
Total receipts	29,034	-	357,446	87,202	-	412
Disbursements:						
Current:						
Instruction	-	-	-	-	-	-
Support services	-	-	357,107	99,847	-	380
Community services	-	-	-	-	-	-
Nonprogrammed charges	23,375	-	-	-	-	-
Debt services	-	-	-	-	-	-
Total disbursements	23,375	-	357,107	99,847	-	380
Excess (deficiency) of receipts over disbursements	5,659	-	339	(12,645)	-	32
Other financing sources (uses):						
Transfers in	-	75,000	-	-	11,128	-
Transfers out	(14)	-	-	-	-	-
Total other financing sources (uses)	(14)	75,000	-	-	11,128	-
Excess (deficiency) of receipts and other financing sources over disbursements and other financing uses	5,645	75,000	339	(12,645)	11,128	32
Cash and investments - beginning	24,764	-	49,540	40,012	-	1,668
Cash and investments - ending	\$ 30,409	\$ 75,000	\$ 49,879	\$ 27,367	\$ 11,128	\$ 1,700
Cash and Investment Assets - Ending						
Cash and investments	\$ 30,409	\$ 75,000	\$ 49,879	\$ 27,367	\$ 11,128	\$ 1,700
Restricted assets:						
Cash and investments	-	-	-	-	-	-
Total cash and investment assets - ending	\$ 30,409	\$ 75,000	\$ 49,879	\$ 27,367	\$ 11,128	\$ 1,700
Cash and Investment Fund Balance - Ending						
Restricted for:						
Debt service	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Unrestricted	30,409	75,000	49,879	27,367	11,128	1,700
Total cash and investment fund balance - ending	\$ 30,409	\$ 75,000	\$ 49,879	\$ 27,367	\$ 11,128	\$ 1,700

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

	Early Intervention Grant	Donations, Gifts and Trusts	Gifted and Talented Grant	Non-English Speaking Program	Phone Refunds	Technology Planning Grant
Receipts:						
Local sources	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Intermediate sources	-	-	-	-	-	-
State sources	31,978	-	11,778	-	-	-
Federal sources	-	-	-	-	-	-
Bonds and loans	-	-	-	-	-	-
Sale of property, adjustments and refunds	-	4,877	-	-	15,240	-
Total receipts	31,978	4,877	11,778	-	15,240	-
Disbursements:						
Current:						
Instruction	19,293	-	21,521	-	-	-
Support services	451	-	-	-	4,474	-
Community services	-	-	-	-	-	-
Nonprogrammed charges	-	-	-	-	-	-
Debt services	-	-	-	-	-	-
Total disbursements	19,744	-	21,521	-	4,474	-
Excess (deficiency) of receipts over disbursements	12,234	4,877	(9,743)	-	10,766	-
Other financing sources (uses):						
Transfers in	-	-	-	-	83	-
Transfers out	-	-	-	-	-	-
Total other financing sources (uses)	-	-	-	-	83	-
Excess (deficiency) of receipts and other financing sources over disbursements and other financing uses	12,234	4,877	(9,743)	-	10,849	-
Cash and investments - beginning	-	-	11,118	426	5,853	2,019
Cash and investments - ending	\$ 12,234	\$ 4,877	\$ 1,375	\$ 426	\$ 16,702	\$ 2,019
Cash and Investment Assets - Ending						
Cash and investments	\$ 12,234	\$ 4,877	\$ 1,375	\$ 426	\$ 16,702	\$ 2,019
Restricted assets:						
Cash and investments	-	-	-	-	-	-
Total cash and investment assets - ending	\$ 12,234	\$ 4,877	\$ 1,375	\$ 426	\$ 16,702	\$ 2,019
Cash and Investment Fund Balance - Ending						
Restricted for:						
Debt service	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Unrestricted	12,234	4,877	1,375	426	16,702	2,019
Total cash and investment fund balance - ending	\$ 12,234	\$ 4,877	\$ 1,375	\$ 426	\$ 16,702	\$ 2,019

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

	Title I 2005-2006	Title I 2006-2007	Title V 2005-2006	Title V 2006-2007	REMC Technology Grant	Drug Free Schools and Communities 2005-2006
Receipts:						
Local sources	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Intermediate sources	-	-	-	-	-	-
State sources	-	-	-	-	-	-
Federal sources	11,820	126,717	186	3,491	-	1,320
Bonds and loans	-	-	-	-	-	-
Sale of property, adjustments and refunds	-	-	-	-	-	-
Total receipts	11,820	126,717	186	3,491	-	1,320
Disbursements:						
Current:						
Instruction	13,649	90,447	-	-	-	567
Support services	15,068	31,355	2,003	-	-	123
Community services	-	16	-	-	-	-
Nonprogrammed charges	-	-	-	-	-	-
Debt services	-	-	-	-	-	-
Total disbursements	28,717	121,818	2,003	-	-	690
Excess (deficiency) of receipts over disbursements	(16,897)	4,899	(1,817)	3,491	-	630
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	(16,897)	4,899	(1,817)	3,491	-	630
Cash and investments - beginning	16,897	-	1,817	-	182	(630)
Cash and investments - ending	\$ -	\$ 4,899	\$ -	\$ 3,491	\$ 182	\$ -
Cash and Investment Assets - Ending						
Cash and investments	\$ -	\$ 4,899	\$ -	\$ 3,491	\$ 182	\$ -
Restricted assets:						
Cash and investments	-	-	-	-	-	-
Total cash and investment assets - ending	\$ -	\$ 4,899	\$ -	\$ 3,491	\$ 182	\$ -
Cash and Investment Fund Balance - Ending						
Restricted for:						
Debt service	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Unrestricted	-	4,899	-	3,491	182	-
Total cash and investment fund balance - ending	\$ -	\$ 4,899	\$ -	\$ 3,491	\$ 182	\$ -

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

	Drug Free Schools and Communities 2006-2007	Title II Part A	Title II Improving Teacher Quality	Title II Part D 2005-2006	Title II Part D 2006-2007	Retirement/ Severance Bond Fund
Receipts:						
Local sources	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 68,353
Intermediate sources	-	-	-	-	-	-
State sources	-	-	-	-	-	-
Federal sources	6,847	38,791	-	-	3,074	-
Bonds and loans	-	-	-	-	-	1,000
Sale of property, adjustments and refunds	-	-	-	-	-	-
Total receipts	6,847	38,791	-	-	3,074	69,353
Disbursements:						
Current:						
Instruction	2,198	1,864	538	-	-	-
Support services	2,492	21,019	10,210	1,609	1,827	-
Community services	-	-	-	-	-	-
Nonprogrammed charges	-	-	-	-	-	-
Debt services	-	-	-	-	-	43,233
Total disbursements	4,690	22,883	10,748	1,609	1,827	43,233
Excess (deficiency) of receipts over disbursements	2,157	15,908	(10,748)	(1,609)	1,247	26,120
Other financing sources (uses):						
Transfers in	-	7,471	-	-	-	-
Transfers out	-	-	(7,471)	-	-	(360)
Total other financing sources (uses)	-	7,471	(7,471)	-	-	(360)
Excess (deficiency) of receipts and other financing sources over disbursements and other financing uses	2,157	23,379	(18,219)	(1,609)	1,247	25,760
Cash and investments - beginning	-	-	18,219	2,591	-	28,037
Cash and investments - ending	\$ 2,157	\$ 23,379	\$ -	\$ 982	\$ 1,247	\$ 53,797
Cash and Investment Assets - Ending						
Cash and investments	\$ 2,157	\$ 23,379	\$ -	\$ 982	\$ 1,247	\$ -
Restricted assets:						
Cash and investments	-	-	-	-	-	53,797
Total cash and investment assets - ending	\$ 2,157	\$ 23,379	\$ -	\$ 982	\$ 1,247	\$ 53,797
Cash and Investment Fund Balance - Ending						
Restricted for:						
Debt service	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 53,797
Unrestricted	2,157	23,379	-	982	1,247	-
Total cash and investment fund balance - ending	\$ 2,157	\$ 23,379	\$ -	\$ 982	\$ 1,247	\$ 53,797

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

	Supplemental Construction	Scholarships and Awards	Telephone Refunds	Interest	PCCF Donation for Technology	Totals
Receipts:						
Local sources	\$ 10,124	\$ 500	\$ -	\$ 36,178	\$ 4,100	\$ 363,115
Intermediate sources	-	-	-	-	-	412
State sources	-	-	-	-	-	85,896
Federal sources	-	-	-	-	-	351,356
Bonds and loans	-	-	-	-	-	1,000
Sale of property, adjustments and refunds	250,000	-	-	-	-	298,689
Total receipts	260,124	500	-	36,178	4,100	1,100,468
Disbursements:						
Current:						
Instruction	-	-	-	-	-	150,077
Support services	398,434	-	-	670	4,100	951,169
Community services	-	-	-	-	-	16
Nonprogrammed charges	-	500	-	-	-	23,875
Debt services	-	-	-	-	-	43,233
Total disbursements	398,434	500	-	670	4,100	1,168,370
Excess (deficiency) of receipts over disbursements	(138,310)	-	-	35,508	-	(67,902)
Other financing sources (uses):						
Transfers in	-	-	-	-	-	93,682
Transfers out	-	-	(83)	-	-	(7,928)
Total other financing sources (uses)	-	-	(83)	-	-	85,754
Excess (deficiency) of receipts and other financing sources over disbursements and other financing uses	(138,310)	-	(83)	35,508	-	17,852
Cash and investments - beginning	269,419	-	83	9,605	-	481,620
Cash and investments - ending	\$ 131,109	\$ -	\$ -	\$ 45,113	\$ -	\$ 499,472
Cash and Investment Assets - Ending						
Cash and investments	\$ 131,109	\$ -	\$ -	\$ 45,113	\$ -	\$ 445,675
Restricted assets:						
Cash and investments	-	-	-	-	-	53,797
Total cash and investment assets - ending	\$ 131,109	\$ -	\$ -	\$ 45,113	\$ -	\$ 499,472
Cash and Investment Fund Balance - Ending						
Restricted for:						
Debt service	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 53,797
Unrestricted	131,109	-	-	45,113	-	445,675
Total cash and investment fund balance - ending	\$ 131,109	\$ -	\$ -	\$ 45,113	\$ -	\$ 499,472

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

	<u>Payroll Withholdings</u>	<u>Medicaid Reimbursement</u>	<u>Totals</u>
Net assets:			
Cash and investments	\$ 69,117	\$ 19,238	\$ 88,355
Total net assets - cash and investment basis held in trust	<u>\$ 69,117</u>	<u>\$ 19,238</u>	<u>\$ 88,355</u>

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

	<u>Payroll</u> <u>Withholdings</u>	<u>Prepaid</u> <u>Meals</u>	<u>Medicaid</u> <u>Reimbursement</u>	<u>Totals</u>
Net assets:				
Cash and investments	\$ 95,268	\$ (6,128)	\$ 19,238	\$ 108,378
Total net assets - cash and investment basis held in trust	<u>\$ 95,268</u>	<u>\$ (6,128)</u>	<u>\$ 19,238</u>	<u>\$ 108,378</u>

ROCKVILLE COMMUNITY SCHOOL CORPORATION
 SUPPLEMENTARY INFORMATION
 SCHEDULE OF LONG-TERM DEBT
 For the Year Ended June 30, 2007

The School Corporation has entered into the following debt:

Description of Debt	Ending Principal Balance	Principal and Interest Due Within One Year
Governmental Activities:		
Capital leases:		
Adams Union	\$ 40,000	\$ 41,570
1999 Grade school remodeling project	5,375,000	544,000
2006 High school remodeling project	8,790,000	428,000
Notes and loans payable		
Energy savings contract	544,000	232,878
Tax anticipation warrants	600,000	614,868
Bonds payable:		
General obligation bonds:		
Pension bonds	495,000	86,208
Athletic field bonds	155,000	64,225
Total governmental activities debt	<u>\$ 15,999,000</u>	<u>\$ 2,011,749</u>

ROCKVILLE COMMUNITY SCHOOL CORPORATION
EXAMINATION RESULTS AND COMMENTS

CONDITION OF RECORDS

The following deficiencies relating to the recordkeeping were noted:

1. Bank reconcilements were attempted but were not complete.
2. There were a considerable number of posting errors. These errors included receipts not posted, receipts posted twice, checks and receipts not recorded in the proper amounts, nonsufficient funds checks incorrectly posted, and errors on posting corrections.
3. A number of transactions did not have adequate supporting documentation to verify the validity of the transaction.
4. Form 9 reports did not agree to the unit's records.
5. Fund reports were not always printed after all transactions were entered. There were several instances of ending balances shown on the monthly fund report which were not the same as beginning balances shown on the next monthly fund report. The month to date totals on these same reports for receipts and disbursements did not agree to totals on the revenue history and the budget history which made reconciling very difficult.
6. Not all check registers were printed and retained.

Correcting entries were given to the officials to bring the book balances into agreement with the bank balances as of December 31, 2007.

Indiana Code 5-13-6-1(e) states in part: "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."

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 Indiana Public School Corporations, Chapter 9)

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

At all times, the manual and/or computerized records, subsidiary ledgers, control ledger, and reconciled bank balance should agree. If the reconciled bank balance is less than the subsidiary or control ledgers, then the responsible official or employee may be held personally responsible for the amount needed to balance the fund. (Accounting and Uniform Compliance Guidelines Manual for Indiana Public School Corporations, Chapter 9)

INVESTMENT TRANSACTIONS

The following conditions were noted on the review of investment transactions:

1. Several instances of investments being automatically renewed with interest earned being included in the new amount.

ROCKVILLE COMMUNITY SCHOOL CORPORATION
EXAMINATION RESULTS AND COMMENTS
(Continued)

2. Not all transactions were recorded on the investment register.
3. There were several investments that did not have supporting documentation.
4. There were several instances of interest not posted to the records.
5. There were several instances of interest posted twice which occurred when investments were automatically renewed. The interest was posted at the time of renewal and then posted again when the investment was sold.
6. There were several instances of interest posted to the wrong fund.
7. One entry was recorded in the revenue history which was to "correct 2006 interest." There was no supporting documentation for this transaction.

Interest on investments should not be automatically added into the investment. Instead, interest on investments should be paid to the governmental unit at each maturity date and posted to the appropriate fund. (Accounting and Uniform Compliance Guidelines Manual for Indiana Public School Corporations, Chapter 9)

Governmental units should have internal controls in effect which provide reasonable assurance regarding the reliability of financial information and records, effectiveness and efficiency of operations, proper execution of management objectives, and compliance with laws and regulations. Among other things, segregation of duties, safeguarding controls over cash and all other assets and all forms of information processing are necessary for proper internal control. (Accounting and Uniform Compliance Guidelines Manual for Indiana Public School Corporations, Chapter 9)

INTERNAL CONTROLS - FREE AND REDUCED LUNCHES

Procedures were not in place to insure that claims for school lunch reimbursements were made timely. The School Corporation has 60 days after the close of the month to submit claims for reimbursement and is allowed one exception within any 36 month time frame. Claims for April and May of 2006 were not submitted within the 60 day period which resulted in the School Corporation not being reimbursed for May of 2006. The loss to the School Corporation was approximately \$13,720.

Governmental units should have internal controls in effect which provide reasonable assurance regarding the reliability of financial information and records, effectiveness and efficiency of operations, proper execution of management objectives, and compliance with laws and regulations. Among other things, segregation of duties, safeguarding controls over cash and all other assets and all forms of information processing are necessary for proper internal control. (Accounting and Uniform Compliance Guidelines Manual for Indiana Public School Corporations, Chapter 9)

INTERNAL CONTROLS - TEXTBOOK RENTAL

The following is a list of internal control weaknesses identified in the review of textbook rental:

1. A computer generated receipt is printed and given to the individual making the payment. Copies of the receipts are not retained by the School Corporation and reconciled to the day's collections.

ROCKVILLE COMMUNITY SCHOOL CORPORATION
EXAMINATION RESULTS AND COMMENTS
(Continued)

2. A summary report of the day's collections is not generated.
3. Collections during the textbook rental collection period are not remitted to the School Corporation Treasurer on a daily basis. Collections are remitted to the School Corporation Treasurer at the end of the textbook rental collection period with no supporting documentation.
4. The School Corporation Treasurer writes one receipt combining both the High School collections and the Elementary School collections.
5. The number of students claimed for state reimbursement was six more than the number of applications on file.

Governmental units should have internal controls in effect which provide reasonable assurance regarding the reliability of financial information and records, effectiveness and efficiency of operations, proper execution of management objectives, and compliance with laws and regulations. Among other things, segregation of duties, safeguarding controls over cash and all other assets and all forms of information processing are necessary for proper internal control. (Accounting and Uniform Compliance Guidelines Manual for Indiana Public School Corporations, Chapter 9)

ERRORS ON CLAIMS

The following deficiencies were noted on claims reviewed for the examination period:

1. The Treasurer did not certify all claims.
2. Two claims could not be found on file.
3. Contracts for Kinetic Leasing, Accu Scan, and Xerox were not presented for review.
4. The School Board did not sign the allowance of claims for nine claims.
5. The allowance of claims presented to the School Board for signing did not include the identifying check number or accounts payable voucher number. Fourteen claims were identified only by the vendor, date and amount.
6. Two checks to B&B foods were used to pay claims 37730 and 27731 on one claim form, however the amount on the claim and on the supporting invoices did not agree to the amount paid.

Indiana Code 5-11-10-1.6 states in part:

"(b) As used in this section, 'claim' means a bill or an invoice submitted to a governmental entity for goods or services.

(c) The fiscal officer of a governmental entity may not draw a warrant or check for payment of a claim unless:

- (1) there is a fully itemized invoice or bill for the claim;

ROCKVILLE COMMUNITY SCHOOL CORPORATION
EXAMINATION RESULTS AND COMMENTS
(Continued)

- (2) the invoice or bill is approved by the officer or person receiving the goods and services;
- (3) the invoice or bill is filed with the governmental entity's fiscal officer;
- (4) the fiscal officer audits and certifies before payment that the invoice or bill is true and correct; and
- (5) payment of the claim is allowed by the governmental entity's legislative body or the board or official having jurisdiction over allowance of payment of the claim."

CONTRACTS

Records presented for examination indicate payments were made to two part-time teachers in 2006 without a contract.

Payments made or received for contractual services should be supported by a written contract. Each governmental unit is responsible for complying with the provisions of its contracts. (Accounting and Uniform Compliance Guidelines Manual for Indiana Public School Corporations, Chapter 9)

PAYROLL WITHHOLDING CLEARING ACCOUNTS

The following conditions were noted during the review of payroll withholding clearing accounts:

1. Two claims for payment of withholdings could not be located for review.
2. The Teacher Retirement fund had a negative cash balance as of June 30, 2007.
3. Several payroll withholding funds had unidentified cash balances as of June 30, 2007.

Governmental units should have internal controls in effect which provide reasonable assurance regarding the reliability of financial information and records, effectiveness and efficiency of operations, proper execution of management objectives, and compliance with laws and regulations. Among other things, segregation of duties, safeguarding controls over cash and all other assets and all forms of information processing are necessary for proper internal control. (Accounting and Uniform Compliance Guidelines Manual for Indiana Public School Corporations, Chapter 9)

DEPOSITS

We noted several instances of textbook rental and local tax distributions not being deposited on a daily basis. Textbook rental receipts were deposited at the end of the collecting period. Local tax distributions receipted to the records February 23, 2006, were not deposited until March 2, 2006. Local tax distributions receipted to the records December 19, 2006, were not deposited until December 28, 2006.

Indiana Code 5-13-6-1(c) states in part: ". . . all local officers . . . who collect public funds of their respective political subdivisions shall deposit funds not later than the business day following the receipt of funds on business days of the depository in the depository or depositories selected by the . . . local boards of finance. . ."

ROCKVILLE COMMUNITY SCHOOL CORPORATION
EXIT CONFERENCE

The contents of this report were discussed on February 26, 2008, with Gary L. Storie, Superintendent of Schools; Ronald Wheeler, School Board member; and Teresa L. Veach, Treasurer. The officials concurred with our findings.