

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

AUDIT REPORT
OF
SOUTH BEND COMMUNITY SCHOOL CORPORATION
ST. JOSEPH COUNTY, INDIANA
July 1, 2005 to June 30, 2007



FILED
05/22/2008

TABLE OF CONTENTS

<u>Description</u>	<u>Page</u>
Schedule of Officials	3
Independent Auditor's Report on Financial Statements and Supplementary Schedule of Expenditures of Federal Awards	4-5
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	6-7
Basic Financial Statements:	
Government-Wide Financial Statements:	
Statement of Activities and Net Assets - Cash and Investment Basis	8-9
Fund Financial Statements:	
Governmental Funds:	
Statement of Assets and Fund Balances and Receipts, Disbursements, and Changes in Fund Balances - Cash and Investment Basis - Governmental Funds	10-11
Proprietary Funds:	
Statement of Assets and Fund Balances and Receipts, Disbursements, and Changes in Fund Balances - Cash and Investment Basis - Proprietary Funds	12-13
Fiduciary Funds:	
Statement of Additions, Deductions, and Changes in Cash and Investment Balances - Fiduciary Funds	14-15
Notes to Financial Statements	16-28
Required Supplementary Information:	
Schedule of Funding Progress	29
Supplementary Information:	
Combining Schedule of Assets and Fund Balances and Receipts, Disbursements, and Changes in Fund Balances – Cash and Investment Basis – Other Governmental Funds	30-68
Combining Schedule of Additions, Deductions, and Changes in Cash and Investment Balances – Pension Trust Funds	69
Combining Schedule of Additions, Deductions, and Changes in Cash and Investment Balances – Private-Purpose Trust Funds	70-73
Schedule of Capital Assets	74
Schedule of Long-Term Debt	75

TABLE OF CONTENTS
(Continued)

<u>Description</u>	<u>Page</u>
Audit Results and Comments:	
Internal Controls - School Lunch	76
Overdrawn Cash Balances	76-77
Receipt Issuance	77
Receipt Issuance/Depositing Intact	77
Extra-Curricular Account Deposits	78
Fundraisers	78-79
Nonuse of From SA-8 - Summary of Collections and Form SA-9 Accountable Items Review	79
Completion of Form SA-8 - Summary of Collections and Form SA-9 - Accountable Items Review	79
Completion of Form SA-8 - Summary of Collections and Form SA-4 - Ticket Sale Reports	79-80
Extra-Curricular Disbursements Supporting Documentation	80
Form SA-7 - Claim For Payment	80
Penalties, Interest and Other Charges	80-81
Sales Tax	81
Computer Input	81
Overdrawn Bank Account	81
Overdrawn Fund Balance	82
Condition of Records	82
Personal Checks Cashied	83
Prescribed Forms	83
Supplemental Audit of Federal Awards:	
Independent Auditor's Report on Compliance With Requirements Applicable to Each Major Program and Internal Control Over Compliance in Accordance With OMB Circular A-133	86-87
Schedule of Expenditures of Federal Awards	88-90
Notes to Schedule of Expenditures of Federal Awards	91
Schedule of Findings and Questioned Costs	92
Auditee Prepared Schedule:	
Summary Schedule of Prior Audit Findings	93-94
Exit Conference	95

SCHEDULE OF OFFICIALS

<u>Office</u>	<u>Official</u>	<u>Term</u>
Treasurer	Robert M. Orlowski	07-01-05 to 06-30-08
Superintendent of Schools	Dr. Joan M. Raymond Dr. Robert Zimmerman	07-01-05 to 09-30-06 10-01-06 to 06-30-08
President of the School Board	Marcia M. Hummel Dawn M. Jones Sheila A. Bergeron	01-01-05 to 12-31-05 01-01-06 to 12-31-07 01-01-08 to 12-31-08



STATE OF INDIANA
AN EQUAL OPPORTUNITY EMPLOYER

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

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

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

TO: THE OFFICIALS OF THE SOUTH BEND COMMUNITY
SCHOOL CORPORATION, ST. JOSEPH COUNTY, INDIANA

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

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

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

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

In accordance with Government Auditing Standards, we have also issued a report dated March 27, 2008, on our consideration of the School Corporation's internal control over financial reporting and our tests of its compliance with certain provisions of laws, regulations, contracts and grants. Our report on compliance and on internal control over financial reporting should be read along with this report.

Our audit was performed for the purpose of forming an opinion on the basic financial statements of the School Corporation taken as a whole. The accompanying Schedule of Expenditures of Federal Awards is presented for purposes of additional analysis as required by the U.S. Office of Management

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

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 27, 2008



STATE OF INDIANA
AN EQUAL OPPORTUNITY EMPLOYER

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

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

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 SOUTH BEND COMMUNITY
SCHOOL CORPORATION, ST. JOSEPH COUNTY, INDIANA

We have audited the financial statements of the governmental activities, each major fund, and the aggregate remaining fund information of the South Bend Community School Corporation (School Corporation), as of and for the years ended June 30, 2006 and 2007, which collectively comprise the School Corporation's basic financial statements and have issued our report thereon dated March 27, 2008. We conducted our audit in accordance with auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in Government Auditing Standards, issued by the Comptroller General of the United States.

Internal Control Over Financial Reporting

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

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

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

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

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

Compliance and Other Matters

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

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

STATE BOARD OF ACCOUNTS

March 27, 2008

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

<u>Functions/Programs</u>	<u>Disbursements</u>	Program Receipts		<u>Totals</u>
		Charges for Services	Operating Grants and Contributions	<u>Net (Disbursement) Receipts and Changes in Net Assets</u>
Governmental activities:				
Instruction	\$ 78,459,290	\$ -	\$ 877,732	\$ (77,581,558)
Support services	147,670,494	2,662,249	7,435,573	(137,572,672)
Community services	2,378,355	-	-	(2,378,355)
Nonprogrammed charges	357,596	-	-	(357,596)
Debt service	61,196,940	-	-	(61,196,940)
Total governmental activities	<u>\$ 290,062,675</u>	<u>\$ 2,662,249</u>	<u>\$ 8,313,305</u>	<u>(279,087,121)</u>
General receipts:				
Property taxes				91,072,916
Other local sources				11,519,561
State aid				100,300,664
Bonds and loans				29,574,196
Grants and contributions not restricted to specific programs				27,976,321
Sale of property, adjustments, and refunds				5,168,223
Investment earnings				<u>2,270,025</u>
Total general receipts				<u>267,881,906</u>
Change in net assets				(11,205,215)
Net assets - beginning				<u>43,246,167</u>
Net assets - ending				<u>\$ 32,040,952</u>
<u>Assets</u>				
Cash and investments				\$ 12,251,938
Restricted assets:				
Cash and investments				15,141,974
Cash with fiscal agent				<u>4,647,040</u>
Total assets				<u>\$ 32,040,952</u>
<u>Net Assets</u>				
Restricted for:				
Debt service				\$ 2,836,663
Other purposes				16,952,351
Unrestricted				<u>12,251,938</u>
Total net assets				<u>\$ 32,040,952</u>

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

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

Functions/Programs	Disbursements	Program Receipts		Totals	Net (Disbursement) Receipts and Changes in Net Assets
		Charges for Services	Operating Grants and Contributions		
Governmental activities:					
Instruction	\$ 80,146,673	\$ -	\$ 797,988	\$ (79,348,685)	
Support services	134,391,064	2,481,127	7,353,354	(124,556,583)	
Community services	2,463,684	-	-	(2,463,684)	
Nonprogrammed charges	420,364	-	-	(420,364)	
Debt service	37,441,449	-	-	(37,441,449)	
Total governmental activities	\$ 254,863,234	\$ 2,481,127	\$ 8,151,342	(244,230,765)	
General receipts:					
Property taxes				67,727,241	
Other local sources				4,588,489	
State aid				102,350,388	
Bonds and loans				22,660,181	
Grants and contributions not restricted to specific programs				30,375,838	
Sale of property, adjustments, and refunds				4,413,713	
Investment earnings				2,469,556	
Total general receipts				234,585,406	
Change in net assets				(9,645,359)	
Net assets - beginning				32,040,952	
Net assets - ending				\$ 22,395,593	
<u>Assets</u>					
Cash and investments				\$ 8,087,029	
Restricted assets:					
Cash and investments				9,474,751	
Cash with fiscal agent				4,833,813	
Total assets				\$ 22,395,593	
<u>Net Assets</u>					
Restricted for:					
Other purposes				\$ 14,352,062	
Unrestricted				8,043,531	
Total net assets				\$ 22,395,593	

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

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

	General	Transportation Operating	Universal Service	Debt Service	Capital Projects	School Bus Replacement	Construction	Other	Totals
Receipts:									
Local sources	\$ 44,863,633	\$ 13,464,790	\$ -	\$ 20,945,288	\$ 19,414,517	\$ 2,098,898	\$ 581,018	\$ 5,695,962	\$ 107,064,106
State sources	100,748,460	-	-	-	-	-	-	3,451,799	104,200,259
Federal sources	134,105	-	-	-	-	-	-	32,255,926	32,390,031
Bonds and loans	25,778,486	3,795,710	-	-	-	-	-	-	29,574,196
Sale of property, adjustments and refunds	177,706	710,967	592,736	-	128,256	-	1,840,575	637,220	4,087,460
Interfund loans	1,815,414	-	-	-	-	-	-	-	1,815,414
Total receipts	173,517,804	17,971,467	592,736	20,945,288	19,542,773	2,098,898	2,421,593	42,040,907	279,131,466
Disbursements:									
Current:									
Instruction	66,560,849	-	-	-	-	-	-	17,442,520	84,003,369
Support services	65,687,509	12,563,539	606,783	263,748	18,769,259	1,754,237	22,848,641	21,980,740	144,474,456
Community services	1,129,173	-	-	-	-	-	-	1,249,184	2,378,357
Nonprogrammed charges	189,182	-	-	-	-	-	-	168,414	357,596
Debt services	38,330,382	3,263,803	-	17,959,399	-	-	-	1,643,356	61,196,940
Interfund loans	-	-	-	-	1,815,414	-	-	-	1,815,414
Total disbursements	171,897,095	15,827,342	606,783	18,223,147	20,584,673	1,754,237	22,848,641	42,484,214	294,226,132
Excess (deficiency) of receipts over disbursements	1,620,709	2,144,125	(14,047)	2,722,141	(1,041,900)	344,661	(20,427,048)	(443,307)	(15,094,666)
Other financing sources (uses):									
Transfers in	472,865	-	-	-	-	-	-	292,972	765,837
Transfers out	(2,153,072)	-	-	-	-	-	-	(765,837)	(2,918,909)
Total other financing sources (uses)	(1,680,207)	-	-	-	-	-	-	(472,865)	(2,153,072)
Excess (deficiency) of receipts and other financing sources over disbursements and other financing uses	(59,498)	2,144,125	(14,047)	2,722,141	(1,041,900)	344,661	(20,427,048)	(916,172)	(17,247,738)
Cash and investments - beginning	60,148	277,589	975,699	(162,210)	3,644,735	239,653	29,649,357	(2,348,632)	32,336,339
Cash and investments - ending	\$ 650	\$ 2,421,714	\$ 961,652	\$ 2,559,931	\$ 2,602,835	\$ 584,314	\$ 9,222,309	\$ (3,264,804)	15,088,601
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.									16,952,351
Net assets of governmental activities									\$ 32,040,952
Cash and Investment Assets - Ending									
Cash and investments	\$ 650	\$ 2,421,714	\$ 961,652	\$ -	\$ 2,602,835	\$ 584,314	\$ 9,222,309	\$ (3,541,536)	\$ 12,251,938
Restricted assets:									
Cash and investments	-	-	-	2,559,931	-	-	-	276,732	2,836,663
Total cash and investment assets - ending	\$ 650	\$ 2,421,714	\$ 961,652	\$ 2,559,931	\$ 2,602,835	\$ 584,314	\$ 9,222,309	\$ (3,264,804)	\$ 15,088,601
Cash and Investment Fund Balance - Ending									
Restricted for:									
Debt service	\$ -	\$ -	\$ -	\$ 2,559,931	\$ -	\$ -	\$ -	\$ 276,732	\$ 2,836,663
Unrestricted	650	2,421,714	961,652	-	2,602,835	584,314	9,222,309	(3,541,536)	12,251,938
Total cash and investment fund balance - ending	\$ 650	\$ 2,421,714	\$ 961,652	\$ 2,559,931	\$ 2,602,835	\$ 584,314	\$ 9,222,309	\$ (3,264,804)	\$ 15,088,601

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

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

	General	Transportation Operating	Universal Service	Debt Service	Capital Projects	School Bus Replacement	Construction	Other	Totals
Receipts:									
Local sources	\$ 30,905,599	\$ 9,766,208	\$ -	\$ 15,074,221	\$ 14,513,610	\$ 1,397,080	\$ 136,718	\$ 4,999,872	\$ 76,793,308
Intermediate sources	5,744	-	-	-	-	-	-	-	5,744
State sources	102,642,056	-	479,863	-	-	-	-	3,332,825	106,454,744
Federal sources	138,228	-	-	-	-	-	-	34,284,595	34,422,823
Bonds and loans	16,267,934	4,394,658	-	763,681	-	1,233,908	-	-	22,660,181
Sale of property, adjustments and refunds	131,399	331,230	-	-	24,748	-	596,667	575,316	1,659,360
Interfund loans	517,082	-	-	808,882	1,815,414	321,897	-	176,071	3,639,346
Total receipts	150,608,042	14,492,096	479,863	16,646,784	16,353,772	2,952,885	733,385	43,368,679	245,635,506
Disbursements:									
Current:									
Instruction	67,375,137	-	-	-	-	-	-	17,510,493	84,885,630
Support services	64,875,321	12,839,665	132,880	-	16,536,653	3,537,199	4,582,727	21,325,659	123,830,104
Community services	1,163,060	-	-	-	-	-	-	1,300,624	2,463,684
Nonprogrammed charges	257,293	-	-	-	-	-	-	163,071	420,364
Debt services	13,121,817	3,795,710	-	18,882,251	-	-	-	1,641,671	37,441,449
Interfund loans	1,815,414	-	-	-	1,823,931	-	-	-	3,639,345
Total disbursements	148,608,042	16,635,375	132,880	18,882,251	18,360,584	3,537,199	4,582,727	41,941,518	252,680,576
Excess (deficiency) of receipts over disbursements	2,000,000	(2,143,279)	346,983	(2,235,467)	(2,006,812)	(584,314)	(3,849,342)	1,427,161	(7,045,070)
Other financing sources (uses):									
Transfers in	-	-	-	-	-	-	-	2,587,445	2,587,445
Transfers out	(2,000,000)	-	-	(324,464)	-	-	-	(262,981)	(2,587,445)
Total other financing sources (uses)	(2,000,000)	-	-	(324,464)	-	-	-	2,324,464	-
Excess (deficiency) of receipts and other financing sources over disbursements and other financing uses	-	(2,143,279)	346,983	(2,559,931)	(2,006,812)	(584,314)	(3,849,342)	3,751,625	(7,045,070)
Cash and investments - beginning	650	2,421,714	961,652	2,559,931	2,602,835	584,314	9,222,309	(3,264,804)	15,088,601
Cash and investments - ending	\$ 650	\$ 278,435	\$ 1,308,635	\$ -	\$ 596,023	\$ -	\$ 5,372,967	\$ 486,821	8,043,531
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.									
									14,352,062
Net assets of governmental activities									\$ 22,395,593
Cash and Investment Assets - Ending									
Cash and investments	\$ 650	\$ 278,435	\$ 1,308,635	\$ -	\$ 596,023	\$ -	\$ 5,372,967	\$ 530,319	\$ 8,087,029
Restricted assets:									
Cash and investments	-	-	-	-	-	-	-	(43,498)	(43,498)
Total cash and investment assets - ending	\$ 650	\$ 278,435	\$ 1,308,635	\$ -	\$ 596,023	\$ -	\$ 5,372,967	\$ 486,821	\$ 8,043,531
Cash and Investment Fund Balance - Ending									
Unrestricted	\$ 650	\$ 278,435	\$ 1,308,635	\$ -	\$ 596,023	\$ -	\$ 5,372,967	\$ 486,821	\$ 8,043,531

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

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

	<u>Internal Service Fund</u>
Operating receipts:	
Charges for services	\$ 35,212,264
Miscellaneous	<u>1,541,419</u>
Total operating receipts	<u>36,753,683</u>
Operating disbursements:	
Insurance claims and expense	<u>32,864,232</u>
Excess of operating receipts over operating disbursements	3,889,451
Transfers in	<u>2,153,072</u>
Change in net assets	6,042,523
Cash and investment fund balance - beginning	<u>10,909,828</u>
Cash and investment fund balance - ending	<u>\$ 16,952,351</u>
<u>Cash and Investment Assets - Ending</u>	
Restricted assets:	
Cash and investments	\$ 12,305,311
Cash with fiscal agent	<u>4,647,040</u>
Total cash and investment assets - ending	<u>\$ 16,952,351</u>
<u>Cash and Investment Fund Balance - Ending</u>	
Restricted for:	
Other purposes	<u>\$ 16,952,351</u>
Total cash and investment fund balance - ending	<u>\$ 16,952,351</u>

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

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

	<u>Internal Service Fund</u>
Operating receipts:	
Charges for services	\$ 30,107,730
Miscellaneous	<u>3,221,714</u>
Total operating receipts	<u>33,329,444</u>
Operating disbursements:	
Insurance claims and expense	<u>35,929,733</u>
Deficiency of operating receipts over operating disbursements	(2,600,289)
Cash and investment fund balance - beginning	<u>16,952,351</u>
Cash and investment fund balance - ending	<u>\$ 14,352,062</u>
<u>Cash and Investment Assets - Ending</u>	
Restricted assets:	
Cash and investments	\$ 9,518,249
Cash with fiscal agent	<u>4,833,813</u>
Total cash and investment assets - ending	<u>\$ 14,352,062</u>
<u>Cash and Investment Fund Balance - Ending</u>	
Restricted for:	
Other purposes	<u>\$ 14,352,062</u>
Total cash and investment fund balance - ending	<u>\$ 14,352,062</u>

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

SOUTH BEND COMMUNITY 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 Fund</u>	<u>Private-Purpose Trust Fund</u>	<u>Agency Fund</u>
Additions:			
Contributions:			
Bonds and loans	\$ 15,787,200	\$ -	
Other	<u>-</u>	<u>115,208</u>	
Total contributions	<u>15,787,200</u>	<u>115,208</u>	
Investment earnings:			
Interest	<u>640,202</u>	<u>-</u>	
Total additions	<u>16,427,402</u>	<u>115,208</u>	
Deductions:			
Benefits	1,633,701	-	
Administrative and general	<u>-</u>	<u>96,844</u>	
Total deductions	<u>1,633,701</u>	<u>96,844</u>	
Excess of total additions over total deductions	14,793,701	18,364	
Cash and investment fund balance - beginning	<u>14,193,056</u>	<u>91,731</u>	
Cash and investment fund balance - ending	<u>\$ 28,986,757</u>	<u>\$ 110,095</u>	
Net assets:			
Cash and investments	<u>\$ 28,986,757</u>	<u>\$ 110,095</u>	<u>\$ 709,139</u>
Total net assets - cash and investment basis held in trust	<u>\$ 28,986,757</u>	<u>\$ 110,095</u>	<u>\$ 709,139</u>

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

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

	Pension Trust Fund	Private-Purpose Trust Fund	Agency Fund
Additions:			
Contributions:			
Employer	\$ 2,000,000	\$ -	
Other	<u>-</u>	<u>134,391</u>	
Total contributions	<u>2,000,000</u>	<u>134,391</u>	
Investment earnings:			
Interest	<u>1,697,069</u>	<u>-</u>	
Total additions	<u>3,697,069</u>	<u>134,391</u>	
Deductions:			
Benefits	1,851,711	-	
Refunds of contributions	130	-	
Administrative and general	<u>-</u>	<u>145,383</u>	
Total deductions	<u>1,851,841</u>	<u>145,383</u>	
Excess (deficiency) of total additions over total deductions	1,845,228	(10,992)	
Cash and investment fund balance - beginning	<u>28,986,757</u>	<u>110,094</u>	
Cash and investment fund balance - ending	<u>\$ 30,831,985</u>	<u>\$ 99,102</u>	
Net assets:			
Cash and investments	<u>\$ 30,831,985</u>	<u>\$ 99,102</u>	<u>\$ 2,263,690</u>
Total net assets - cash and investment basis held in trust	<u>\$ 30,831,985</u>	<u>\$ 99,102</u>	<u>\$ 2,263,690</u>

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

SOUTH BEND COMMUNITY SCHOOL CORPORATION
NOTES TO FINANCIAL STATEMENTS

I. Summary of Significant Accounting Policies

A. Reporting Entity

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

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

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

Primary Government: South Bend Community School Corporation

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

Joint Venture

The School Corporation is a participant with 11 other school corporations of Elkhart and St. Joseph Counties in a joint venture to operate a Head Start Consortium (Consortium) which was created to develop, operate, participate and supervise a Head Start Program to serve the pre-school student populations of the participating corporations. The Consortium's continued existence depends on continued funding through a federal grant program. Participating school corporations are required to provide "in-kind" services (transportation and classroom, gymnasium and playground space) to meet the grant requirements. No fees are assessed the schools corporation for the operation of this program. The School Corporation may be obligated for the debts of the Consortium should they not be covered by the grant. The School Corporation is the Treasurer for the Consortium and the Consortium's financial transactions are included in the other governmental funds of the School Corporation's financial statements.

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, fund equity, receipts, and disbursements. Separate financial statements are provided for governmental funds, proprietary funds, and fiduciary funds, even though the latter are excluded from the government-wide financial

SOUTH BEND COMMUNITY SCHOOL CORPORATION
NOTES TO FINANCIAL STATEMENTS
(Continued)

statements. Major individual governmental funds and major individual enterprise funds are reported as separate columns in the fund financial statements. However, at this time, the School Corporation has not established any enterprise funds.

The School Corporation reports the following major governmental funds:

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

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

The universal service fund is used to account for technological disbursements funded by telecommunication companies.

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

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

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

The construction fund is used to account for disbursements for capital outlay from receipts derived from the sale of general obligation bonds or other outside sources.

Additionally, the School Corporation reports the following fund types:

The internal service fund accounts for employee/retiree medical benefits financed by payroll deductions, employer contributions transferred from other funds, and retiree contributions.

The pension trust funds account for bonds and payments anticipated to be made to employees on or after retirement or to pay postretirement or severance benefits held by the School Corporation in a trustee capacity. The activities of the retirement/severance bond fund and the postretirement/severance future benefit fund accumulate resources for pension benefit payments.

Private-purpose trust funds report a trust arrangement under which principal and income benefit the students.

The agency fund accounts for assets held by the School Corporation as an agent for payroll deductions and serves as a control of accounts for certain cash transactions during the time they are a liability to the School Corporation.

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

SOUTH BEND COMMUNITY SCHOOL CORPORATION
NOTES TO FINANCIAL STATEMENTS
(Continued)

and investment basis and budget laws of the State of Indiana, which is a comprehensive basis of accounting other than accounting principles generally accepted in the United States of America. Receipts are recorded when received and disbursements are recorded when paid.

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

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

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

Proprietary funds are used to account for activities similar to those found in the private sector, where the determination of net income is necessary or useful to sound financial administration. Goods or services from such activities are provided to 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.

SOUTH BEND COMMUNITY SCHOOL CORPORATION
NOTES TO FINANCIAL STATEMENTS
(Continued)

3. Compensated Absences

a. Sick Leave

Employees earn sick leave at the rate of 10 to 12 days per year based on months of service. Unused sick leave may be accumulated indefinitely, except for paraprofessionals who accumulate to a maximum of 235 days. Accumulated sick leave is paid to employees upon retirement.

b. Vacation Leave

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

c. Personal Leave

School Corporation employees earn personal leave at the rate of 2 or 3 days per year. Unused personal leave may be accumulated to a maximum of 5 days for certified personnel and 3 days for all other personnel. Unused personal leave in excess of these limits are credited to the employee's sick leave at year end.

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.

SOUTH BEND COMMUNITY SCHOOL CORPORATION
NOTES TO FINANCIAL STATEMENTS
(Continued)

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

Program Receipts

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

F. Internal and Interfund Balances and Activities

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

Fund Financial Statements

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

Government-Wide Financial Statements

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

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

II. Stewardship, Compliance and Accountability

A. Budgetary Information

Annual budgets are adopted on the cash basis, which is not consistent with accounting principles generally accepted in the United States of America. All annual appropriations lapse at calendar year end.

SOUTH BEND COMMUNITY SCHOOL CORPORATION
NOTES TO FINANCIAL STATEMENTS
(Continued)

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

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

B. Cash and Investment Balance Deficits

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

Fund	FY 2006	FY 2007
Preschool	\$ 243,996	\$ -
Cafeteria	1,820,437	1,238,687
Textbook Rental	5,389,979	3,253,572
Retirement Debt	-	43,498

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

SOUTH BEND COMMUNITY SCHOOL CORPORATION
NOTES TO FINANCIAL STATEMENTS
(Continued)

2. Investments

Authorization for investment activity is stated in Indiana Code 5-13. As of June 30, 2007, the School Corporation had the following investments:

Investment Type	Primary Government Market Value
U.S. treasuries and securities	\$ 554,007

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.

SOUTH BEND COMMUNITY SCHOOL CORPORATION
NOTES TO FINANCIAL STATEMENTS
(Continued)

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. At June 30, 2007, the School Corporation held investments in U.S. Treasuries and Securities in the amount of \$554,007. Of these investments \$554,007 were held by the counterparty's trust department or agent but not in the School Corporation's name.

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.

Investment Type	Investment Maturities (in Years)		
	Less Than 1	1-2	More Than 2
U.S. treasuries and securities	\$ 554,007	\$ -	\$ -

Credit Risk

Credit risk is the risk that an issuer or other counterparty to an investment will not fulfill its obligations. The distribution of securities with credit ratings is summarized below.

Standard and Poor's Rating	School Corporation's Investments	
	Moody's Rating	Government Sponsored Enterprises
AAA	Aaa	\$ 554,007

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.

B. Interfund Transfers

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

SOUTH BEND COMMUNITY SCHOOL CORPORATION
NOTES TO FINANCIAL STATEMENTS
(Continued)

<u>Transfer From</u>	<u>Transfer To</u>	<u>FY 2006</u>	<u>FY 2007</u>
General Fund	Other governmental funds	\$ -	\$ 2,000,000
General Fund	Internal Service Fund	2,153,072	-
Debt Service Fund	Other governmental funds	-	324,464
Other governmental funds	General Fund	472,865	-
Other governmental funds	Other governmental funds	<u>292,972</u>	<u>262,981</u>
Totals		<u>\$ 2,918,909</u>	<u>\$ 2,587,445</u>

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

IV. Other Information

A. Risk Management

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

The risks of torts; errors and omissions; and natural disasters are covered by commercial insurance from independent third parties. Settled claims from these risks have not exceeded commercial insurance coverage for the past three years. There were no significant reductions in insurance by major category of risk.

Medical Benefits to Employees, Retirees, and Dependents (Excluding Postemployment Benefits)

The School Corporation has chosen to establish a risk financing fund for risks associated with medical benefits to employees, retirees, and dependents. The risk financing fund is accounted for in the Self-Insurance Fund, an internal service fund, where assets are set aside for claim settlements. An excess policy through commercial insurance covers individual claims in excess of \$250,000 per year. Settled claims resulting from this risk did not exceed commercial insurance coverage in the past three years. Amounts are paid into the fund by all funds with payrolls and are available to pay claims, claim reserves, and administrative costs of the program. Interfund premiums are based upon an overall premium percentage which is applied to each fund's gross wages, and are reported as quasi-external interfund transactions.

Job Related Illnesses or Injuries to Employees

The School Corporation has chosen to self fund for risks associated with job related illnesses or injuries to employees. The risk financing is accounted for in the General Fund where assets are set aside for claim settlements. An excess policy through commercial insurance covers individual claims in excess of \$225,000 per year. Settled claims resulting from this risk did not exceed commercial insurance coverage in the past three years.

SOUTH BEND COMMUNITY SCHOOL CORPORATION
NOTES TO FINANCIAL STATEMENTS
(Continued)

Theft of, Damage To, and Destruction of Assets

The School Corporation has chosen to self fund for risks associated with theft of, damage to, and destruction of assets. The risk financing is accounted for in the General Fund where assets are set aside for claim settlements. An excess policy through commercial insurance covers individual claims in excess of \$100,000 per year. Settled claims resulting from this risk did not exceed commercial insurance coverage in the past three years.

B. Holding Corporations

The School Corporation has entered into multiple capital leases with South Bend Community School Corporation related holding corporations (the lessors). The lessors were organized as not-for-profit corporations pursuant to state statute for the purpose of financing and constructing or reconstructing facilities for lease to the School Corporation. The lessors have been determined to be related parties of the School Corporation. Lease payments during the year totaled \$16,268,500.

C. Subsequent Events

On February 21, 2008, the School Corporation received approval from the School Property Tax Control Board to proceed with the construction of a new Marquette Primary Center, extensive renovations to Monroe Primary Center and other renovations to Clay and Washington High Schools. The approved estimated maximum outlays for these four projects is \$36,165,000.

On March 4, 2008, the School Corporation disbursed \$15,147,024 to Metropolitan Life to establish individual accounts for eligible employees in settlement of severance, retirement and supplemental benefits. After this disbursement the Retirement/Severance Bond Fund has a cash balance of \$13,390,021 being held to satisfy the remainder of the actuarially determined pension benefit obligation.

D. Postemployment Benefits

In addition to the pension benefits described below, the School Corporation provides postemployment medical benefits, which includes medical, dental and vision, as authorized by Indiana Code 5-10-8, to all employees who retire from the School Corporation that are eligible to receive benefits under the Indiana State Teachers' Retirement Fund and under the Indiana Public Employees Retirement Fund. Currently, there are 124 retirees under medical, 273 retirees under dental, and 136 retirees under vision, that meet these eligibility requirements. The School Corporation and certified retirees provide approximately 90% and 10%, respectively, of the medical postemployment benefits. Noncertified retirees pay 100% of the medical benefits. All retirees pay 100% of the dental and vision benefits. Disbursements for these postemployment benefits are recognized on a pay-as-you-go basis. Disbursements for postemployment benefits cannot be reasonably estimated.

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

SOUTH BEND COMMUNITY SCHOOL CORPORATION
NOTES TO FINANCIAL STATEMENTS
(Continued)

V. 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.

Actuarial Information for the Above Plan

	PERF
Annual required contribution	\$ 1,844,375
Interest on net pension obligation	(171,157)
Adjustment to annual required contribution	195,047
Annual pension cost	1,868,265
Contributions made	2,004,910
Decrease in net pension obligation	(136,645)
Net pension obligation, beginning of year	(2,360,786)
Net pension obligation, end of year	\$ (2,497,431)

SOUTH BEND COMMUNITY SCHOOL CORPORATION
NOTES TO FINANCIAL STATEMENTS
(Continued)

	PERF
Contribution rates:	
School Corporation	6.38%
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	\$ 1,343,879	140%	\$ (1,985,056)
	06-30-05	1,566,101	124%	(2,360,786)
	06-30-06	1,868,265	107%	(2,497,431)

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.

SOUTH BEND COMMUNITY SCHOOL CORPORATION
NOTES TO FINANCIAL STATEMENTS
(Continued)

The annuity savings account consists of member's contributions, set by state statute at 3% of compensation, plus the interest credited to the member's account. The School Corporation may elect to make the contributions on behalf of the member.

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

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

Funding Policy and Annual Pension Costs

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

The School Corporation is to contribute at an actuarially determined rate. The current rate has been actuarially determined under the entry age normal cost method to be 6.82% of covered wages. The School Corporation's required contributions to the plan for the fiscal years ended June 30, 2005, 2006, and 2007, were \$2,273,681, \$2,546,809, and \$2,705,519, respectively. The School Corporation actually contributed 100% of the required contribution for each of the fiscal years.

SOUTH BEND 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)	Unfunded AAL (a-b)	Funded Ratio (a/b)	Covered Payroll (c)	Unfunded AAL as a Percentage of Covered Payroll ((a-b)/c)
07-01-04	\$ 26,761,958	\$ 29,682,413	\$ (2,920,455)	90%	\$ 26,504,712	(11%)
07-01-05	28,305,781	33,089,530	(4,783,749)	86%	28,058,950	(17%)
07-01-06	29,988,481	34,802,489	(4,814,008)	86%	29,740,001	(16%)

SOUTH BEND 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

	Pre-School	Cafeteria	Textbook Rental	Levy Excess	CMM Funds
Receipts:					
Local sources	\$ 140,314	\$ 2,017,112	\$ 799,676	\$ -	\$ -
State sources	1,150,296	277,771	504,096	-	-
Federal sources	-	6,457,376	-	-	-
Sale of property, adjustments and refunds	3,071	11,122	277,749	-	-
Total receipts	1,293,681	8,763,381	1,581,521	-	-
Disbursements:					
Current:					
Instruction	766,797	-	18,816	-	-
Support services	615,960	8,247,284	1,341,422	-	-
Community services	-	-	-	-	-
Nonprogrammed charges	-	-	-	-	-
Debt services	-	-	-	-	-
Total disbursements	1,382,757	8,247,284	1,360,238	-	-
Excess (deficiency) of receipts over disbursements	(89,076)	516,097	221,283	-	-
Other financing sources (uses):					
Transfers in	-	-	-	-	-
Transfers out	-	-	-	(472,865)	-
Total other financing sources (uses)	-	-	-	(472,865)	-
Excess (deficiency) of receipts and other financing sources over disbursements and other financing uses	(89,076)	516,097	221,283	(472,865)	-
Cash and investments - beginning	(154,920)	(2,336,534)	(5,611,262)	472,865	171
Cash and investments - ending	<u>\$ (243,996)</u>	<u>\$ (1,820,437)</u>	<u>\$ (5,389,979)</u>	<u>\$ -</u>	<u>\$ 171</u>
Cash and Investment Assets - Ending					
Cash and investments	\$ (243,996)	\$ (1,820,437)	\$ (5,389,979)	\$ -	\$ 171
Restricted assets:					
Cash and investments	-	-	-	-	-
Total cash and investment assets - ending	\$ (243,996)	\$ (1,820,437)	\$ (5,389,979)	\$ -	\$ 171
Cash and Investment Fund Balance - Ending					
Restricted for:					
Debt service	\$ -	\$ -	\$ -	\$ -	\$ -
Unrestricted	(243,996)	(1,820,437)	(5,389,979)	-	171
Total cash and investment fund balance - ending	\$ (243,996)	\$ (1,820,437)	\$ (5,389,979)	\$ -	\$ 171

SOUTH BEND 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)

	Insurance Reimbursement	Print Shop	Team Nutrition	Voyagers Program	Vocational Career Expo
Receipts:					
Local sources	\$ 1,950	\$ 12,586	\$ -	\$ -	\$ -
State sources	-	-	-	-	-
Federal sources	-	-	-	-	-
Sale of property, adjustments and refunds	-	-	-	-	-
	<hr/>	<hr/>	<hr/>	<hr/>	<hr/>
Total receipts	1,950	12,586	-	-	-
Disbursements:					
Current:					
Instruction	-	-	-	-	-
Support services	1,950	3,934	2,109	-	-
Community services	-	-	-	-	-
Nonprogrammed charges	-	-	-	-	-
Debt services	-	-	-	-	-
	<hr/>	<hr/>	<hr/>	<hr/>	<hr/>
Total disbursements	1,950	3,934	2,109	-	-
Excess (deficiency) of receipts over disbursements	<hr/>	<hr/>	<hr/>	<hr/>	<hr/>
	-	8,652	(2,109)	-	-
Other financing sources (uses):					
Transfers in	-	-	-	-	-
Transfers out	-	-	-	-	-
	<hr/>	<hr/>	<hr/>	<hr/>	<hr/>
Total other financing sources (uses)	-	-	-	-	-
Excess (deficiency) of receipts and other financing sources over disbursements and other financing uses	<hr/>	<hr/>	<hr/>	<hr/>	<hr/>
	-	8,652	(2,109)	-	-
Cash and investments - beginning	<hr/>	<hr/>	<hr/>	<hr/>	<hr/>
	-	37,763	2,218	-	137
Cash and investments - ending	<hr/>	<hr/>	<hr/>	<hr/>	<hr/>
	\$ -	\$ 46,415	\$ 109	\$ -	\$ 137
<u>Cash and Investment Assets - Ending</u>					
Cash and investments	\$ -	\$ 46,415	\$ 109	\$ -	\$ 137
Restricted assets:					
Cash and investments	<hr/>	<hr/>	<hr/>	<hr/>	<hr/>
	-	-	-	-	-
Total cash and investment assets - ending	<hr/>	<hr/>	<hr/>	<hr/>	<hr/>
	\$ -	\$ 46,415	\$ 109	\$ -	\$ 137
<u>Cash and Investment Fund Balance - Ending</u>					
Restricted for:					
Debt service	\$ -	\$ -	\$ -	\$ -	\$ -
Unrestricted	<hr/>	<hr/>	<hr/>	<hr/>	<hr/>
	-	46,415	109	-	137
Total cash and investment fund balance - ending	<hr/>	<hr/>	<hr/>	<hr/>	<hr/>
	\$ -	\$ 46,415	\$ 109	\$ -	\$ 137

SOUTH BEND 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)

	Summer Remediation	Governor Money	Bilingual Tests	Alumni Association	Early Child Center
Receipts:					
Local sources	\$ -	\$ -	\$ -	\$ -	\$ 46,147
State sources	-	150,287	-	-	870
Federal sources	-	-	-	-	-
Sale of property, adjustments and refunds	-	-	510	2,736	4,140
Total receipts	<u>-</u>	<u>150,287</u>	<u>510</u>	<u>2,736</u>	<u>51,157</u>
Disbursements:					
Current:					
Instruction	6,951	121,623	-	-	49,302
Support services	896	13,880	-	2,144	13,020
Community services	-	-	-	-	7,088
Nonprogrammed charges	-	-	-	-	-
Debt services	-	-	-	-	-
Total disbursements	<u>7,847</u>	<u>135,503</u>	<u>-</u>	<u>2,144</u>	<u>69,410</u>
Excess (deficiency) of receipts over disbursements	<u>(7,847)</u>	<u>14,784</u>	<u>510</u>	<u>592</u>	<u>(18,253)</u>
Other financing sources (uses):					
Transfers in	-	-	-	-	-
Transfers out	-	-	-	-	-
Total other financing sources (uses)	<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>(7,847)</u>	<u>14,784</u>	<u>510</u>	<u>592</u>	<u>(18,253)</u>
Cash and investments - beginning	<u>649,173</u>	<u>101,387</u>	<u>7,942</u>	<u>1,988</u>	<u>51,418</u>
Cash and investments - ending	<u>\$ 641,326</u>	<u>\$ 116,171</u>	<u>\$ 8,452</u>	<u>\$ 2,580</u>	<u>\$ 33,165</u>
Cash and Investment Assets - Ending					
Cash and investments	\$ 641,326	\$ 116,171	\$ 8,452	\$ 2,580	\$ 33,165
Restricted assets:					
Cash and investments	-	-	-	-	-
Total cash and investment assets - ending	<u>\$ 641,326</u>	<u>\$ 116,171</u>	<u>\$ 8,452</u>	<u>\$ 2,580</u>	<u>\$ 33,165</u>
Cash and Investment Fund Balance - Ending					
Restricted for:					
Debt service	\$ -	\$ -	\$ -	\$ -	\$ -
Unrestricted	<u>641,326</u>	<u>116,171</u>	<u>8,452</u>	<u>2,580</u>	<u>33,165</u>
Total cash and investment fund balance - ending	<u>\$ 641,326</u>	<u>\$ 116,171</u>	<u>\$ 8,452</u>	<u>\$ 2,580</u>	<u>\$ 33,165</u>

SOUTH BEND 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)

	<u>School Library</u>	<u>Alternative Education</u>	<u>Early Intervention</u>	<u>Language Arts Mini Grant</u>	<u>Education Leader Grant</u>
Receipts:					
Local sources	\$ -	\$ -	\$ -	\$ 2,000	\$ -
State sources	10,000	234,311	-	-	-
Federal sources	-	-	-	-	-
Sale of property, adjustments and refunds	-	-	-	-	-
Total receipts	<u>10,000</u>	<u>234,311</u>	<u>-</u>	<u>2,000</u>	<u>-</u>
Disbursements:					
Current:					
Instruction	-	205,574	50	1,965	1,168
Support services	48	83,674	-	-	231
Community services	-	-	-	-	-
Nonprogrammed charges	-	-	-	-	-
Debt services	-	-	-	-	-
Total disbursements	<u>48</u>	<u>289,248</u>	<u>50</u>	<u>1,965</u>	<u>1,399</u>
Excess (deficiency) of receipts over disbursements	<u>9,952</u>	<u>(54,937)</u>	<u>(50)</u>	<u>35</u>	<u>(1,399)</u>
Other financing sources (uses):					
Transfers in	-	-	-	-	-
Transfers out	-	-	-	-	-
Total other financing sources (uses)	<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>9,952</u>	<u>(54,937)</u>	<u>(50)</u>	<u>35</u>	<u>(1,399)</u>
Cash and investments - beginning	<u>3,231</u>	<u>346,365</u>	<u>50</u>	<u>1,000</u>	<u>1,822</u>
Cash and investments - ending	<u>\$ 13,183</u>	<u>\$ 291,428</u>	<u>\$ -</u>	<u>\$ 1,035</u>	<u>\$ 423</u>
Cash and Investment Assets - Ending					
Cash and investments	\$ 13,183	\$ 291,428	\$ -	\$ 1,035	\$ 423
Restricted assets:					
Cash and investments	-	-	-	-	-
Total cash and investment assets - ending	<u>\$ 13,183</u>	<u>\$ 291,428</u>	<u>\$ -</u>	<u>\$ 1,035</u>	<u>\$ 423</u>
Cash and Investment Fund Balance - Ending					
Restricted for:					
Debt service	\$ -	\$ -	\$ -	\$ -	\$ -
Unrestricted	<u>13,183</u>	<u>291,428</u>	<u>-</u>	<u>1,035</u>	<u>423</u>
Total cash and investment fund balance - ending	<u>\$ 13,183</u>	<u>\$ 291,428</u>	<u>\$ -</u>	<u>\$ 1,035</u>	<u>\$ 423</u>

SOUTH BEND 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)

	Explorers/Lips Wilson Grant	Gifted and Talented	Tech Assistance	Indiana Math Initiative	Medicaid Reimbursement
Receipts:					
Local sources	\$ 53,000	\$ -	\$ -	\$ -	\$ -
State sources	-	52,188	-	-	-
Federal sources	-	-	-	-	97,352
Sale of property, adjustments and refunds	600	-	-	-	3,117
	<u>53,600</u>	<u>52,188</u>	<u>-</u>	<u>-</u>	<u>100,469</u>
Disbursements:					
Current:					
Instruction	-	-	-	-	60,157
Support services	182,253	59,171	-	78	187,152
Community services	-	-	-	-	-
Nonprogrammed charges	-	-	-	-	-
Debt services	-	-	-	-	-
	<u>182,253</u>	<u>59,171</u>	<u>-</u>	<u>78</u>	<u>247,309</u>
Excess (deficiency) of receipts over disbursements	<u>(128,653)</u>	<u>(6,983)</u>	<u>-</u>	<u>(78)</u>	<u>(146,840)</u>
Other financing sources (uses):					
Transfers in	-	-	-	-	-
Transfers out	-	-	-	-	-
	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Total other financing sources (uses)	<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>(128,653)</u>	<u>(6,983)</u>	<u>-</u>	<u>(78)</u>	<u>(146,840)</u>
Cash and investments - beginning	<u>170,000</u>	<u>41,766</u>	<u>491</u>	<u>215</u>	<u>(13,528)</u>
Cash and investments - ending	<u>\$ 41,347</u>	<u>\$ 34,783</u>	<u>\$ 491</u>	<u>\$ 137</u>	<u>\$ (160,368)</u>
<u>Cash and Investment Assets - Ending</u>					
Cash and investments	\$ 41,347	\$ 34,783	\$ 491	\$ 137	\$ (160,368)
Restricted assets:					
Cash and investments	-	-	-	-	-
Total cash and investment assets - ending	<u>\$ 41,347</u>	<u>\$ 34,783</u>	<u>\$ 491</u>	<u>\$ 137</u>	<u>\$ (160,368)</u>
<u>Cash and Investment Fund Balance - Ending</u>					
Restricted for:					
Debt service	\$ -	\$ -	\$ -	\$ -	\$ -
Unrestricted	<u>41,347</u>	<u>34,783</u>	<u>491</u>	<u>137</u>	<u>(160,368)</u>
Total cash and investment fund balance - ending	<u>\$ 41,347</u>	<u>\$ 34,783</u>	<u>\$ 491</u>	<u>\$ 137</u>	<u>\$ (160,368)</u>

SOUTH BEND 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)

	Public Law 221	Link Latchkey	Vision Athena	Intelenet	Art Center
Receipts:					
Local sources	\$ -	\$ 182,599	\$ -	\$ -	\$ 216,848
State sources	247,796	-	-	-	-
Federal sources	-	-	-	-	-
Sale of property, adjustments and refunds	-	686	-	-	-
Total receipts	<u>247,796</u>	<u>183,285</u>	<u>-</u>	<u>-</u>	<u>216,848</u>
Disbursements:					
Current:					
Instruction	137,019	-	-	-	-
Support services	10,326	34,582	12,388	1,439	-
Community services	-	186,248	-	-	216,848
Nonprogrammed charges	-	-	-	-	-
Debt services	-	-	-	-	-
Total disbursements	<u>147,345</u>	<u>220,830</u>	<u>12,388</u>	<u>1,439</u>	<u>216,848</u>
Excess (deficiency) of receipts over disbursements	<u>100,451</u>	<u>(37,545)</u>	<u>(12,388)</u>	<u>(1,439)</u>	<u>-</u>
Other financing sources (uses):					
Transfers in	-	-	-	-	-
Transfers out	-	-	-	-	-
Total other financing sources (uses)	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Excess (deficiency) of receipts and other financing sources over disbursements and other financing uses	100,451	(37,545)	(12,388)	(1,439)	-
Cash and investments - beginning	<u>448,413</u>	<u>220,670</u>	<u>12,388</u>	<u>1,439</u>	<u>-</u>
Cash and investments - ending	<u>\$ 548,864</u>	<u>\$ 183,125</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>
Cash and Investment Assets - Ending					
Cash and investments	\$ 548,864	\$ 183,125	\$ -	\$ -	\$ -
Restricted assets:					
Cash and investments	-	-	-	-	-
Total cash and investment assets - ending	<u>\$ 548,864</u>	<u>\$ 183,125</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>
Cash and Investment Fund Balance - Ending					
Restricted for:					
Debt service	\$ -	\$ -	\$ -	\$ -	\$ -
Unrestricted	<u>548,864</u>	<u>183,125</u>	<u>-</u>	<u>-</u>	<u>-</u>
Total cash and investment fund balance - ending	<u>\$ 548,864</u>	<u>\$ 183,125</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>

SOUTH BEND 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)

	Historical Society	Kennedy	Project 4R's	Homeless Pupil Services	Buddy Summer Program
Receipts:					
Local sources	\$ 216,848	\$ -	\$ -	\$ -	\$ -
State sources	-	-	-	-	-
Federal sources	-	-	-	10,000	-
Sale of property, adjustments and refunds	-	-	-	-	-
Total receipts	216,848	-	-	10,000	-
Disbursements:					
Current:					
Instruction	-	-	11,878	-	-
Support services	-	-	9,846	56,314	-
Community services	216,848	-	-	-	-
Nonprogrammed charges	-	-	-	-	-
Debt services	-	-	-	-	-
Total disbursements	216,848	-	21,724	56,314	-
Excess (deficiency) of receipts over disbursements	-	-	(21,724)	(46,314)	-
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	-	-	(21,724)	(46,314)	-
Cash and investments - beginning	-	429	37,994	55,375	222
Cash and investments - ending	<u>\$ -</u>	<u>\$ 429</u>	<u>\$ 16,270</u>	<u>\$ 9,061</u>	<u>\$ 222</u>
Cash and Investment Assets - Ending					
Cash and investments	\$ -	\$ 429	\$ 16,270	\$ 9,061	\$ 222
Restricted assets:					
Cash and investments	-	-	-	-	-
Total cash and investment assets - ending	<u>\$ -</u>	<u>\$ 429</u>	<u>\$ 16,270</u>	<u>\$ 9,061</u>	<u>\$ 222</u>
Cash and Investment Fund Balance - Ending					
Restricted for:					
Debt service	\$ -	\$ -	\$ -	\$ -	\$ -
Unrestricted	-	429	16,270	9,061	222
Total cash and investment fund balance - ending	<u>\$ -</u>	<u>\$ 429</u>	<u>\$ 16,270</u>	<u>\$ 9,061</u>	<u>\$ 222</u>

SOUTH BEND 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)

	CISCO Academy	Non-English Program	Buddy Grant	State Tech Loan	Indiana School Improvement Award
Receipts:					
Local sources	\$ -	\$ -	\$ -	\$ -	\$ -
State sources	-	42,107	-	728,326	-
Federal sources	-	-	-	-	-
Sale of property, adjustments and refunds	-	-	-	-	-
Total receipts	-	42,107	-	728,326	-
Disbursements:					
Current:					
Instruction	-	47,647	-	-	-
Support services	-	10,015	-	352,904	458
Community services	-	-	-	-	-
Nonprogrammed charges	-	564	-	-	-
Debt services	-	-	-	-	-
Total disbursements	-	58,226	-	352,904	458
Excess (deficiency) of receipts over disbursements	-	(16,119)	-	375,422	(458)
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	-	(16,119)	-	375,422	(458)
Cash and investments - beginning	7,000	27,484	500	(368,076)	1,862
Cash and investments - ending	<u>\$ 7,000</u>	<u>\$ 11,365</u>	<u>\$ 500</u>	<u>\$ 7,346</u>	<u>\$ 1,404</u>
Cash and Investment Assets - Ending					
Cash and investments	\$ 7,000	\$ 11,365	\$ 500	\$ 7,346	\$ 1,404
Restricted assets:					
Cash and investments	-	-	-	-	-
Total cash and investment assets - ending	<u>\$ 7,000</u>	<u>\$ 11,365</u>	<u>\$ 500</u>	<u>\$ 7,346</u>	<u>\$ 1,404</u>
Cash and Investment Fund Balance - Ending					
Restricted for:					
Debt service	\$ -	\$ -	\$ -	\$ -	\$ -
Unrestricted	7,000	11,365	500	7,346	1,404
Total cash and investment fund balance - ending	<u>\$ 7,000</u>	<u>\$ 11,365</u>	<u>\$ 500</u>	<u>\$ 7,346</u>	<u>\$ 1,404</u>

SOUTH BEND 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)

	School Technology Advance Grant	High Tech Schools	Indiana 2000	Insurance Claims Replacement	Promoting Positive Values
Receipts:					
Local sources	\$ -	\$ -	\$ -	\$ -	\$ -
State sources	-	-	-	-	-
Federal sources	-	-	-	-	-
Sale of property, adjustments and refunds	-	-	-	-	-
Total receipts	-	-	-	-	-
Disbursements:					
Current:					
Instruction	-	-	397	-	-
Support services	-	1,768	49	-	-
Community services	-	-	-	-	-
Nonprogrammed charges	-	-	-	-	-
Debt services	-	-	-	-	-
Total disbursements	-	1,768	446	-	-
Excess (deficiency) of receipts over disbursements	-	(1,768)	(446)	-	-
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	-	(1,768)	(446)	-	-
Cash and investments - beginning	1,778	1,768	9,897	369	526
Cash and investments - ending	<u>\$ 1,778</u>	<u>\$ -</u>	<u>\$ 9,451</u>	<u>\$ 369</u>	<u>\$ 526</u>
Cash and Investment Assets - Ending					
Cash and investments	\$ 1,778	\$ -	\$ 9,451	\$ 369	\$ 526
Restricted assets:					
Cash and investments	-	-	-	-	-
Total cash and investment assets - ending	<u>\$ 1,778</u>	<u>\$ -</u>	<u>\$ 9,451</u>	<u>\$ 369</u>	<u>\$ 526</u>
Cash and Investment Fund Balance - Ending					
Restricted for:					
Debt service	\$ -	\$ -	\$ -	\$ -	\$ -
Unrestricted	1,778	-	9,451	369	526
Total cash and investment fund balance - ending	<u>\$ 1,778</u>	<u>\$ -</u>	<u>\$ 9,451</u>	<u>\$ 369</u>	<u>\$ 526</u>

SOUTH BEND 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)

	PASS Grant	CLASS	Moody Foundation	Safe Haven	Tele- communication Grant
Receipts:					
Local sources	\$ -	\$ -	\$ -	\$ -	\$ -
State sources	-	-	-	32,936	-
Federal sources	-	-	-	-	-
Sale of property, adjustments and refunds	-	-	-	-	-
Total receipts	-	-	-	32,936	-
Disbursements:					
Current:					
Instruction	-	-	-	25,618	-
Support services	-	-	-	3,983	-
Community services	-	-	-	1,804	-
Nonprogrammed charges	-	-	-	-	-
Debt services	-	-	-	-	-
Total disbursements	-	-	-	31,405	-
Excess (deficiency) of receipts over disbursements	-	-	-	1,531	-
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	-	-	-	1,531	-
Cash and investments - beginning	712	757	6,256	4,159	2,532
Cash and investments - ending	<u>\$ 712</u>	<u>\$ 757</u>	<u>\$ 6,256</u>	<u>\$ 5,690</u>	<u>\$ 2,532</u>
Cash and Investment Assets - Ending					
Cash and investments	\$ 712	\$ 757	\$ 6,256	\$ 5,690	\$ 2,532
Restricted assets:					
Cash and investments	-	-	-	-	-
Total cash and investment assets - ending	<u>\$ 712</u>	<u>\$ 757</u>	<u>\$ 6,256</u>	<u>\$ 5,690</u>	<u>\$ 2,532</u>
Cash and Investment Fund Balance - Ending					
Restricted for:					
Debt service	\$ -	\$ -	\$ -	\$ -	\$ -
Unrestricted	712	757	6,256	5,690	2,532
Total cash and investment fund balance - ending	<u>\$ 712</u>	<u>\$ 757</u>	<u>\$ 6,256</u>	<u>\$ 5,690</u>	<u>\$ 2,532</u>

SOUTH BEND 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)

	Vocational Education School Improvement	Civic Education Program	Title I	Title I Program Improvement	Title I Delinquent
Receipts:					
Local sources	\$ 2,988	\$ -	\$ -	\$ -	\$ -
State sources	-	-	-	-	-
Federal sources	-	33,000	7,877,277	-	-
Sale of property, adjustments and refunds	-	-	906	-	-
Total receipts	2,988	33,000	7,878,183	-	-
Disbursements:					
Current:					
Instruction	1,768	43,377	4,302,625	104,079	-
Support services	-	4,417	3,917,440	24,413	-
Community services	-	-	482,861	-	-
Nonprogrammed charges	-	650	75,434	-	-
Debt services	-	-	-	-	-
Total disbursements	1,768	48,444	8,778,360	128,492	-
Excess (deficiency) of receipts over disbursements	1,220	(15,444)	(900,177)	(128,492)	-
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	1,220	(15,444)	(900,177)	(128,492)	-
Cash and investments - beginning	(1,165)	22,367	1,701,032	128,492	5,984
Cash and investments - ending	\$ 55	\$ 6,923	\$ 800,855	\$ -	\$ 5,984
Cash and Investment Assets - Ending					
Cash and investments	\$ 55	\$ 6,923	\$ 800,855	\$ -	\$ 5,984
Restricted assets:					
Cash and investments	-	-	-	-	-
Total cash and investment assets - ending	\$ 55	\$ 6,923	\$ 800,855	\$ -	\$ 5,984
Cash and Investment Fund Balance - Ending					
Restricted for:					
Debt service	\$ -	\$ -	\$ -	\$ -	\$ -
Unrestricted	55	6,923	800,855	-	5,984
Total cash and investment fund balance - ending	\$ 55	\$ 6,923	\$ 800,855	\$ -	\$ 5,984

SOUTH BEND 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 Part A	Fall Migrant	Summer Migrant	Strike Settlement	Community Foundation Dream Team
Receipts:					
Local sources	\$ -	\$ -	\$ -	\$ -	\$ 3,183
State sources	-	-	-	-	-
Federal sources	198,572	190,000	129,081	-	-
Sale of property, adjustments and refunds	6,185	927	-	-	-
Total receipts	204,757	190,927	129,081	-	3,183
Disbursements:					
Current:					
Instruction	254,506	150,620	66,227	-	-
Support services	190,787	60,069	20,515	-	-
Community services	-	-	-	-	1,937
Nonprogrammed charges	10,195	2,546	1,313	-	-
Debt services	-	-	-	-	-
Total disbursements	455,488	213,235	88,055	-	1,937
Excess (deficiency) of receipts over disbursements	(250,731)	(22,308)	41,026	-	1,246
Other financing sources (uses):					
Transfers in	216,000	-	-	-	-
Transfers out	-	-	-	-	-
Total other financing sources (uses)	216,000	-	-	-	-
Excess (deficiency) of receipts and other financing sources over disbursements and other financing uses	(34,731)	(22,308)	41,026	-	1,246
Cash and investments - beginning	73,203	15,783	27,622	244,872	11,089
Cash and investments - ending	<u>\$ 38,472</u>	<u>\$ (6,525)</u>	<u>\$ 68,648</u>	<u>\$ 244,872</u>	<u>\$ 12,335</u>
Cash and Investment Assets - Ending					
Cash and investments	\$ 38,472	\$ (6,525)	\$ 68,648	\$ 244,872	\$ 12,335
Restricted assets:					
Cash and investments	-	-	-	-	-
Total cash and investment assets - ending	\$ 38,472	\$ (6,525)	\$ 68,648	\$ 244,872	\$ 12,335
Cash and Investment Fund Balance - Ending					
Restricted for:					
Debt service	\$ -	\$ -	\$ -	\$ -	\$ -
Unrestricted	38,472	(6,525)	68,648	244,872	12,335
Total cash and investment fund balance - ending	\$ 38,472	\$ (6,525)	\$ 68,648	\$ 244,872	\$ 12,335

SOUTH BEND 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)

	Rainbow Child	Memorial Hospital	Adult Education Impact Contract	Adult Education Family Literacy	Adult Education Child Care
Receipts:					
Local sources	\$ -	\$ -	\$ -	\$ -	\$ -
State sources	-	16,536	-	-	-
Federal sources	-	-	-	-	-
Sale of property, adjustments and refunds	-	58,050	-	-	-
Total receipts	-	74,586	-	-	-
Disbursements:					
Current:					
Instruction	-	106,865	-	133	-
Support services	-	6,300	-	-	-
Community services	-	-	-	-	-
Nonprogrammed charges	-	-	-	-	-
Debt services	-	-	-	-	-
Total disbursements	-	113,165	-	133	-
Excess (deficiency) of receipts over disbursements	-	(38,579)	-	(133)	-
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	-	(38,579)	-	(133)	-
Cash and investments - beginning	150	58,878	31	12,166	2,919
Cash and investments - ending	<u>\$ 150</u>	<u>\$ 20,299</u>	<u>\$ 31</u>	<u>\$ 12,033</u>	<u>\$ 2,919</u>
Cash and Investment Assets - Ending					
Cash and investments	\$ 150	\$ 20,299	\$ 31	\$ 12,033	\$ 2,919
Restricted assets:					
Cash and investments	-	-	-	-	-
Total cash and investment assets - ending	<u>\$ 150</u>	<u>\$ 20,299</u>	<u>\$ 31</u>	<u>\$ 12,033</u>	<u>\$ 2,919</u>
Cash and Investment Fund Balance - Ending					
Restricted for:					
Debt service	\$ -	\$ -	\$ -	\$ -	\$ -
Unrestricted	150	20,299	31	12,033	2,919
Total cash and investment fund balance - ending	<u>\$ 150</u>	<u>\$ 20,299</u>	<u>\$ 31</u>	<u>\$ 12,033</u>	<u>\$ 2,919</u>

SOUTH BEND 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)

	Impact Start	Adult Education Food Stamps	I Read Program	Adult Education Business and Industry	ABE Money
Receipts:					
Local sources	\$ -	\$ -	\$ -	\$ -	\$ -
State sources	-	-	-	-	-
Federal sources	-	-	-	-	-
Sale of property, adjustments and refunds	-	-	287	170	-
Total receipts	-	-	287	170	-
Disbursements:					
Current:					
Instruction	(40,312)	3,038	-	2,030	-
Support services	5,264	440	-	99	-
Community services	-	-	-	-	-
Nonprogrammed charges	-	-	-	-	-
Debt services	-	-	-	-	-
Total disbursements	(35,048)	3,478	-	2,129	-
Excess (deficiency) of receipts over disbursements	35,048	(3,478)	287	(1,959)	-
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	35,048	(3,478)	287	(1,959)	-
Cash and investments - beginning	(46,566)	34,822	-	29,535	2,363
Cash and investments - ending	<u>\$ (11,518)</u>	<u>\$ 31,344</u>	<u>\$ 287</u>	<u>\$ 27,576</u>	<u>\$ 2,363</u>
<u>Cash and Investment Assets - Ending</u>					
Cash and investments	\$ (11,518)	\$ 31,344	\$ 287	\$ 27,576	\$ 2,363
Restricted assets:					
Cash and investments	-	-	-	-	-
Total cash and investment assets - ending	<u>\$ (11,518)</u>	<u>\$ 31,344</u>	<u>\$ 287</u>	<u>\$ 27,576</u>	<u>\$ 2,363</u>
<u>Cash and Investment Fund Balance - Ending</u>					
Restricted for:					
Debt service	\$ -	\$ -	\$ -	\$ -	\$ -
Unrestricted	(11,518)	31,344	287	27,576	2,363
Total cash and investment fund balance - ending	<u>\$ (11,518)</u>	<u>\$ 31,344</u>	<u>\$ 287</u>	<u>\$ 27,576</u>	<u>\$ 2,363</u>

SOUTH BEND 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)

	Adult Education No. 1	Adult Education No. 2	Adult Education No. 6	Serve/Learn Perley	Adult Education Outreach
Receipts:					
Local sources	\$ 11,435	\$ -	\$ 55,860	\$ -	\$ -
State sources	-	-	-	-	-
Federal sources	-	-	-	1,500	28,000
Sale of property, adjustments and refunds	-	-	105	-	-
Total receipts	<u>11,435</u>	<u>-</u>	<u>55,965</u>	<u>1,500</u>	<u>28,000</u>
Disbursements:					
Current:					
Instruction	8,345	144	-	1,745	-
Support services	270	-	19,772	171	3,358
Community services	-	-	-	-	24,632
Nonprogrammed charges	-	-	-	-	300
Debt services	-	-	-	-	-
Total disbursements	<u>8,615</u>	<u>144</u>	<u>19,772</u>	<u>1,916</u>	<u>28,290</u>
Excess (deficiency) of receipts over disbursements	<u>2,820</u>	<u>(144)</u>	<u>36,193</u>	<u>(416)</u>	<u>(290)</u>
Other financing sources (uses):					
Transfers in	-	-	-	-	-
Transfers out	-	-	-	-	-
Total other financing sources (uses)	<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>2,820</u>	<u>(144)</u>	<u>36,193</u>	<u>(416)</u>	<u>(290)</u>
Cash and investments - beginning	<u>12,760</u>	<u>2,877</u>	<u>18,211</u>	<u>1,928</u>	<u>3,816</u>
Cash and investments - ending	<u>\$ 15,580</u>	<u>\$ 2,733</u>	<u>\$ 54,404</u>	<u>\$ 1,512</u>	<u>\$ 3,526</u>
<u>Cash and Investment Assets - Ending</u>					
Cash and investments	\$ 15,580	\$ 2,733	\$ 54,404	\$ 1,512	\$ 3,526
Restricted assets:					
Cash and investments	-	-	-	-	-
Total cash and investment assets - ending	<u>\$ 15,580</u>	<u>\$ 2,733</u>	<u>\$ 54,404</u>	<u>\$ 1,512</u>	<u>\$ 3,526</u>
<u>Cash and Investment Fund Balance - Ending</u>					
Restricted for:					
Debt service	\$ -	\$ -	\$ -	\$ -	\$ -
Unrestricted	<u>15,580</u>	<u>2,733</u>	<u>54,404</u>	<u>1,512</u>	<u>3,526</u>
Total cash and investment fund balance - ending	<u>\$ 15,580</u>	<u>\$ 2,733</u>	<u>\$ 54,404</u>	<u>\$ 1,512</u>	<u>\$ 3,526</u>

SOUTH BEND 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)

	Pre-School Grant	Special Education IDEA	Special Education IDEA Carryover	Special Education Carryover	Adult Education Basic
Receipts:					
Local sources	\$ -	\$ -	\$ -	\$ -	\$ -
State sources	-	-	-	-	-
Federal sources	373,176	6,516,751	90,996	-	354,522
Sale of property, adjustments and refunds	-	-	-	-	-
Total receipts	<u>373,176</u>	<u>6,516,751</u>	<u>90,996</u>	<u>-</u>	<u>354,522</u>
Disbursements:					
Current:					
Instruction	361,833	3,667,861	84,615	59,319	133,612
Support services	79,090	2,461,551	13,210	51,605	156,528
Community services	-	-	-	-	-
Nonprogrammed charges	5,027	-	1,200	4,489	4,245
Debt services	-	-	-	-	-
Total disbursements	<u>445,950</u>	<u>6,129,412</u>	<u>99,025</u>	<u>115,413</u>	<u>294,385</u>
Excess (deficiency) of receipts over disbursements	<u>(72,774)</u>	<u>387,339</u>	<u>(8,029)</u>	<u>(115,413)</u>	<u>60,137</u>
Other financing sources (uses):					
Transfers in	-	-	-	-	-
Transfers out	-	-	-	-	-
Total other financing sources (uses)	<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>(72,774)</u>	<u>387,339</u>	<u>(8,029)</u>	<u>(115,413)</u>	<u>60,137</u>
Cash and investments - beginning	<u>(72,216)</u>	<u>(16,532)</u>	<u>(4,787)</u>	<u>115,534</u>	<u>56,199</u>
Cash and investments - ending	<u>\$ (144,990)</u>	<u>\$ 370,807</u>	<u>\$ (12,816)</u>	<u>\$ 121</u>	<u>\$ 116,336</u>
<u>Cash and Investment Assets - Ending</u>					
Cash and investments	\$ (144,990)	\$ 370,807	\$ (12,816)	\$ 121	\$ 116,336
Restricted assets:					
Cash and investments	-	-	-	-	-
Total cash and investment assets - ending	<u>\$ (144,990)</u>	<u>\$ 370,807</u>	<u>\$ (12,816)</u>	<u>\$ 121</u>	<u>\$ 116,336</u>
<u>Cash and Investment Fund Balance - Ending</u>					
Restricted for:					
Debt service	\$ -	\$ -	\$ -	\$ -	\$ -
Unrestricted	<u>(144,990)</u>	<u>370,807</u>	<u>(12,816)</u>	<u>121</u>	<u>116,336</u>
Total cash and investment fund balance - ending	<u>\$ (144,990)</u>	<u>\$ 370,807</u>	<u>\$ (12,816)</u>	<u>\$ 121</u>	<u>\$ 116,336</u>

SOUTH BEND 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)

	Targeted Projects	English Works	Minority Health	Substance Abuse	Title II
Receipts:					
Local sources	\$ -	\$ -	\$ -	\$ -	\$ -
State sources	-	-	-	-	-
Federal sources	10,000	-	10,000	148,000	-
Sale of property, adjustments and refunds	6,370	-	-	-	-
Total receipts	16,370	-	10,000	148,000	-
Disbursements:					
Current:					
Instruction	525	58,590	-	-	-
Support services	12,658	16,530	6,117	26,599	6,274
Community services	-	-	-	110,918	-
Nonprogrammed charges	131	-	-	6,855	-
Debt services	-	-	-	-	-
Total disbursements	13,314	75,120	6,117	144,372	6,274
Excess (deficiency) of receipts over disbursements	3,056	(75,120)	3,883	3,628	(6,274)
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	3,056	(75,120)	3,883	3,628	(6,274)
Cash and investments - beginning	19,501	76,208	4,917	75,727	10,434
Cash and investments - ending	<u>\$ 22,557</u>	<u>\$ 1,088</u>	<u>\$ 8,800</u>	<u>\$ 79,355</u>	<u>\$ 4,160</u>
Cash and Investment Assets - Ending					
Cash and investments	\$ 22,557	\$ 1,088	\$ 8,800	\$ 79,355	\$ 4,160
Restricted assets:					
Cash and investments	-	-	-	-	-
Total cash and investment assets - ending	<u>\$ 22,557</u>	<u>\$ 1,088</u>	<u>\$ 8,800</u>	<u>\$ 79,355</u>	<u>\$ 4,160</u>
Cash and Investment Fund Balance - Ending					
Restricted for:					
Debt service	\$ -	\$ -	\$ -	\$ -	\$ -
Unrestricted	22,557	1,088	8,800	79,355	4,160
Total cash and investment fund balance - ending	<u>\$ 22,557</u>	<u>\$ 1,088</u>	<u>\$ 8,800</u>	<u>\$ 79,355</u>	<u>\$ 4,160</u>

SOUTH BEND 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)

	Vocational Education Perkins Grant	Energy Grant	Child Care	Magnet School Grant	Emergency Immigrant
Receipts:					
Local sources	\$ -	\$ -	\$ -	\$ -	\$ -
State sources	-	-	-	-	-
Federal sources	517,912	-	-	1,926,750	87,750
Sale of property, adjustments and refunds	3,300	-	-	2,059	-
Total receipts	<u>521,212</u>	<u>-</u>	<u>-</u>	<u>1,928,809</u>	<u>87,750</u>
Disbursements:					
Current:					
Instruction	455,665	-	-	1,465,053	11,308
Support services	65,033	-	-	792,349	46,874
Community services	-	-	-	-	-
Nonprogrammed charges	24,338	-	-	-	1,176
Debt services	-	-	-	-	-
Total disbursements	<u>545,036</u>	<u>-</u>	<u>-</u>	<u>2,257,402</u>	<u>59,358</u>
Excess (deficiency) of receipts over disbursements	<u>(23,824)</u>	<u>-</u>	<u>-</u>	<u>(328,593)</u>	<u>28,392</u>
Other financing sources (uses):					
Transfers in	-	-	-	-	-
Transfers out	-	-	-	-	-
Total other financing sources (uses)	<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>(23,824)</u>	<u>-</u>	<u>-</u>	<u>(328,593)</u>	<u>28,392</u>
Cash and investments - beginning	<u>130,400</u>	<u>1,565</u>	<u>923</u>	<u>1,623</u>	<u>-</u>
Cash and investments - ending	<u>\$ 106,576</u>	<u>\$ 1,565</u>	<u>\$ 923</u>	<u>\$ (326,970)</u>	<u>\$ 28,392</u>
<u>Cash and Investment Assets - Ending</u>					
Cash and investments	\$ 106,576	\$ 1,565	\$ 923	\$ (326,970)	\$ 28,392
Restricted assets:					
Cash and investments	-	-	-	-	-
Total cash and investment assets - ending	<u>\$ 106,576</u>	<u>\$ 1,565</u>	<u>\$ 923</u>	<u>\$ (326,970)</u>	<u>\$ 28,392</u>
<u>Cash and Investment Fund Balance - Ending</u>					
Restricted for:					
Debt service	\$ -	\$ -	\$ -	\$ -	\$ -
Unrestricted	<u>106,576</u>	<u>1,565</u>	<u>923</u>	<u>(326,970)</u>	<u>28,392</u>
Total cash and investment fund balance - ending	<u>\$ 106,576</u>	<u>\$ 1,565</u>	<u>\$ 923</u>	<u>\$ (326,970)</u>	<u>\$ 28,392</u>

SOUTH BEND 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)

	Small Learnings Grant	Head Start	Head Start	WDS School to Work	Title II Part A
Receipts:					
Local sources	\$ -	\$ -	\$ (14,284)	\$ -	\$ -
State sources	-	-	-	-	-
Federal sources	71,271	105,518	5,364,975	-	918,983
Sale of property, adjustments and refunds	1,000	1,052	59,141	-	-
Total receipts	<u>72,271</u>	<u>106,570</u>	<u>5,409,832</u>	<u>-</u>	<u>918,983</u>
Disbursements:					
Current:					
Instruction	64,288	92,595	3,211,025	1,536	849,218
Support services	7,100	9,884	2,296,117	-	247,459
Community services	-	-	-	-	-
Nonprogrammed charges	-	-	-	-	21,295
Debt services	-	-	-	-	-
Total disbursements	<u>71,388</u>	<u>102,479</u>	<u>5,507,142</u>	<u>1,536</u>	<u>1,117,972</u>
Excess (deficiency) of receipts over disbursements	<u>883</u>	<u>4,091</u>	<u>(97,310)</u>	<u>(1,536)</u>	<u>(198,989)</u>
Other financing sources (uses):					
Transfers in	-	-	-	-	76,972
Transfers out	-	-	-	-	(216,000)
Total other financing sources (uses)	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>(139,028)</u>
Excess (deficiency) of receipts and other financing sources over disbursements and other financing uses	<u>883</u>	<u>4,091</u>	<u>(97,310)</u>	<u>(1,536)</u>	<u>(338,017)</u>
Cash and investments - beginning	<u>(883)</u>	<u>3</u>	<u>3,461</u>	<u>18,081</u>	<u>509,646</u>
Cash and investments - ending	<u>\$ -</u>	<u>\$ 4,094</u>	<u>\$ (93,849)</u>	<u>\$ 16,545</u>	<u>\$ 171,629</u>
<u>Cash and Investment Assets - Ending</u>					
Cash and investments	\$ -	\$ 4,094	\$ (93,849)	\$ 16,545	\$ 171,629
Restricted assets:					
Cash and investments	-	-	-	-	-
Total cash and investment assets - ending	<u>\$ -</u>	<u>\$ 4,094</u>	<u>\$ (93,849)</u>	<u>\$ 16,545</u>	<u>\$ 171,629</u>
<u>Cash and Investment Fund Balance - Ending</u>					
Restricted for:					
Debt service	\$ -	\$ -	\$ -	\$ -	\$ -
Unrestricted	-	4,094	(93,849)	16,545	171,629
Total cash and investment fund balance - ending	<u>\$ -</u>	<u>\$ 4,094</u>	<u>\$ (93,849)</u>	<u>\$ 16,545</u>	<u>\$ 171,629</u>

SOUTH BEND 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)

	<u>Title II Part D</u>	<u>Math and Science</u>	<u>Title III</u>	<u>Judgment Bond</u>	<u>Retirement Debt</u>
Receipts:					
Local sources	\$ -	\$ -	\$ -	\$ -	\$ 1,947,700
State sources	-	-	-	-	-
Federal sources	150,322	73,470	513,372	-	-
Sale of property, adjustments and refunds	-	-	193,937	-	-
	<u>150,322</u>	<u>73,470</u>	<u>707,309</u>	<u>-</u>	<u>1,947,700</u>
Disbursements:					
Current:					
Instruction	40,473	18,979	405,873	-	-
Support services	23,743	1,731	157,058	-	-
Community services	-	-	-	-	-
Nonprogrammed charges	1,285	492	6,879	-	-
Debt services	-	-	-	-	1,643,356
	<u>65,501</u>	<u>21,202</u>	<u>569,810</u>	<u>-</u>	<u>1,643,356</u>
Excess (deficiency) of receipts over disbursements	<u>84,821</u>	<u>52,268</u>	<u>137,499</u>	<u>-</u>	<u>304,344</u>
Other financing sources (uses):					
Transfers in	-	-	-	-	-
Transfers out	<u>(76,972)</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Total other financing sources (uses)	<u>(76,972)</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Excess (deficiency) of receipts and other financing sources over disbursements and other financing uses	7,849	52,268	137,499	-	304,344
Cash and investments - beginning	<u>86,637</u>	<u>15,656</u>	<u>25,677</u>	<u>523</u>	<u>(27,612)</u>
Cash and investments - ending	<u>\$ 94,486</u>	<u>\$ 67,924</u>	<u>\$ 163,176</u>	<u>\$ 523</u>	<u>\$ 276,732</u>
<u>Cash and Investment Assets - Ending</u>					
Cash and investments	\$ 94,486	\$ 67,924	\$ 163,176	\$ 523	\$ -
Restricted assets:					
Cash and investments	-	-	-	-	276,732
Total cash and investment assets - ending	<u>\$ 94,486</u>	<u>\$ 67,924</u>	<u>\$ 163,176</u>	<u>\$ 523</u>	<u>\$ 276,732</u>
<u>Cash and Investment Fund Balance - Ending</u>					
Restricted for:					
Debt service	\$ -	\$ -	\$ -	\$ -	\$ 276,732
Unrestricted	<u>94,486</u>	<u>67,924</u>	<u>163,176</u>	<u>523</u>	<u>-</u>
Total cash and investment fund balance - ending	<u>\$ 94,486</u>	<u>\$ 67,924</u>	<u>\$ 163,176</u>	<u>\$ 523</u>	<u>\$ 276,732</u>

SOUTH BEND 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)

	Indiana 2000 Planning	Technology Grant	School Tech Advancement	Principal Tech	Totals
Receipts:					
Local sources	\$ -	\$ -	\$ -	\$ -	\$ 5,695,962
State sources	-	4,279	-	-	3,451,799
Federal sources	-	-	-	-	32,255,926
Sale of property, adjustments and refunds	-	-	-	-	637,220
Total receipts	-	4,279	-	-	42,040,907
Disbursements:					
Current:					
Instruction	-	-	-	-	17,442,520
Support services	-	-	-	637	21,980,740
Community services	-	-	-	-	1,249,184
Nonprogrammed charges	-	-	-	-	168,414
Debt services	-	-	-	-	1,643,356
Total disbursements	-	-	-	637	42,484,214
Excess (deficiency) of receipts over disbursements	-	4,279	-	(637)	(443,307)
Other financing sources (uses):					
Transfers in	-	-	-	-	292,972
Transfers out	-	-	-	-	(765,837)
Total other financing sources (uses)	-	-	-	-	(472,865)
Excess (deficiency) of receipts and other financing sources over disbursements and other financing uses	-	4,279	-	(637)	(916,172)
Cash and investments - beginning	410	-	7,578	1,314	(2,348,632)
Cash and investments - ending	<u>\$ 410</u>	<u>\$ 4,279</u>	<u>\$ 7,578</u>	<u>\$ 677</u>	<u>\$ (3,264,804)</u>
Cash and Investment Assets - Ending					
Cash and investments	\$ 410	\$ 4,279	\$ 7,578	\$ 677	\$ (3,541,536)
Restricted assets:					
Cash and investments	-	-	-	-	276,732
Total cash and investment assets - ending	<u>\$ 410</u>	<u>\$ 4,279</u>	<u>\$ 7,578</u>	<u>\$ 677</u>	<u>\$ (3,264,804)</u>
Cash and Investment Fund Balance - Ending					
Restricted for:					
Debt service	\$ -	\$ -	\$ -	\$ -	\$ 276,732
Unrestricted	410	4,279	7,578	677	(3,541,536)
Total cash and investment fund balance - ending	<u>\$ 410</u>	<u>\$ 4,279</u>	<u>\$ 7,578</u>	<u>\$ 677</u>	<u>\$ (3,264,804)</u>

SOUTH BEND 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

	Pre-School	Cafeteria	Textbook Rental	Levy Excess	CAMM Funds	Insurance Reimbursement
Receipts:						
Local sources	\$ 97,883	\$ 1,879,007	\$ 792,716	\$ 265,885	\$ -	\$ 700
State sources	1,122,714	262,940	490,158	-	-	-
Federal sources	-	6,266,604	-	-	-	-
Sale of property, adjustments and refunds	132,037	69,348	15,986	-	-	-
Interfund loans	176,071	-	-	-	-	-
Total receipts	1,528,705	8,477,899	1,298,860	265,885	-	700
Disbursements:						
Current:						
Instruction	710,551	-	10,960	-	-	-
Support services	574,158	7,896,149	1,475,957	-	-	700
Community services	-	-	-	-	-	-
Nonprogrammed charges	-	-	-	-	-	-
Debt services	-	-	-	-	-	-
Interfund loans	-	-	-	-	-	-
Total disbursements	1,284,709	7,896,149	1,486,917	-	-	700
Excess (deficiency) of receipts over disbursements	243,996	581,750	(188,057)	265,885	-	-
Other financing sources (uses):						
Transfers in	-	-	2,324,464	-	-	-
Transfers out	-	-	-	-	-	-
Total other financing sources (uses)	-	-	2,324,464	-	-	-
Excess (deficiency) of receipts and other financing sources over disbursements and other financing uses	243,996	581,750	2,136,407	265,885	-	-
Cash and investments - beginning	(243,996)	(1,820,437)	(5,389,979)	-	171	-
Cash and investments - ending	\$ -	\$ (1,238,687)	\$ (3,253,572)	\$ 265,885	\$ 171	\$ -

SOUTH BEND 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)

	Print Shop	Team Nutrition	Voyagers Program	Vocational Career Expo	Summer Remediation	Governor Money
Receipts:						
Local sources	\$ 15,617	\$ -	\$ 20,855	\$ -	\$ -	\$ -
State sources	-	-	-	-	-	288,704
Federal sources	-	-	-	-	-	-
Sale of property, adjustments and refunds	-	-	-	4,000	-	765
Interfund loans	-	-	-	-	-	-
Total receipts	15,617	-	20,855	4,000	-	289,469
Disbursements:						
Current:						
Instruction	-	-	15,594	-	-	121,272
Support services	10,298	109	1,193	4,000	-	14,463
Community services	-	-	-	-	-	-
Nonprogrammed charges	-	-	-	-	-	-
Debt services	-	-	-	-	-	-
Interfund loans	-	-	-	-	-	-
Total disbursements	10,298	109	16,787	4,000	-	135,735
Excess (deficiency) of receipts over disbursements	5,319	(109)	4,068	-	-	153,734
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	5,319	(109)	4,068	-	-	153,734
Cash and investments - beginning	46,415	109	-	137	641,326	116,171
Cash and investments - ending	\$ 51,734	\$ -	\$ 4,068	\$ 137	\$ 641,326	\$ 269,905
<u>Cash and Investment Assets - Ending</u>						
Cash and investments	\$ 51,734	\$ -	\$ 4,068	\$ 137	\$ 641,326	\$ 269,905
Restricted assets:						
Cash and investments	-	-	-	-	-	-
Total cash and investment assets - ending	\$ 51,734	\$ -	\$ 4,068	\$ 137	\$ 641,326	\$ 269,905
<u>Cash and Investment Fund Balance - Ending</u>						
Restricted for:						
Debt service	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Unrestricted	51,734	-	4,068	137	641,326	269,905
Total cash and investment fund balance - ending	\$ 51,734	\$ -	\$ 4,068	\$ 137	\$ 641,326	\$ 269,905

SOUTH BEND 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)

	Bilingual Tests	Alumni Association	Early Child Center	School Library	Alternative Education	Language Arts Mini Grant
Receipts:						
Local sources	\$ -	\$ -	\$ 42,447	\$ -	\$ -	\$ -
State sources	-	-	500	-	210,133	-
Federal sources	-	-	-	-	-	-
Sale of property, adjustments and refunds	3,290	4,269	-	89	124	-
Interfund loans	-	-	-	-	-	-
Total receipts	3,290	4,269	42,947	89	210,257	-
Disbursements:						
Current:						
Instruction	-	-	34,520	-	210,262	27
Support services	-	2,708	10,813	10,810	85,784	-
Community services	-	-	277	-	-	-
Nonprogrammed charges	-	-	-	-	-	-
Debt services	-	-	-	-	-	-
Interfund loans	-	-	-	-	-	-
Total disbursements	-	2,708	45,610	10,810	296,046	27
Excess (deficiency) of receipts over disbursements	3,290	1,561	(2,663)	(10,721)	(85,789)	(27)
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	3,290	1,561	(2,663)	(10,721)	(85,789)	(27)
Cash and investments - beginning	8,452	2,580	33,165	13,183	291,428	1,035
Cash and investments - ending	\$ 11,742	\$ 4,141	\$ 30,502	\$ 2,462	\$ 205,639	\$ 1,008
Cash and Investment Assets - Ending						
Cash and investments	\$ 11,742	\$ 4,141	\$ 30,502	\$ 2,462	\$ 205,639	\$ 1,008
Restricted assets:						
Cash and investments	-	-	-	-	-	-
Total cash and investment assets - ending	\$ 11,742	\$ 4,141	\$ 30,502	\$ 2,462	\$ 205,639	\$ 1,008
Cash and Investment Fund Balance - Ending						
Restricted for:						
Debt service	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Unrestricted	11,742	4,141	30,502	2,462	205,639	1,008
Total cash and investment fund balance - ending	\$ 11,742	\$ 4,141	\$ 30,502	\$ 2,462	\$ 205,639	\$ 1,008

SOUTH BEND 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)

	Education Leader Grant	School Improvement Marquette	Explorers/Lips Wilson Grant	Gifted and Talented	Tech Assistance	Indiana Math Initiative
Receipts:						
Local sources	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
State sources	-	1,000	-	52,188	-	-
Federal sources	-	-	-	-	-	-
Sale of property, adjustments and refunds	-	-	-	2,090	-	-
Interfund loans	-	-	-	-	-	-
Total receipts	-	1,000	-	54,278	-	-
Disbursements:						
Current:						
Instruction	-	423	-	-	-	-
Support services	-	20	24,053	62,540	-	137
Community services	-	-	-	-	-	-
Nonprogrammed charges	-	-	-	-	-	-
Debt services	-	-	-	-	-	-
Interfund loans	-	-	-	-	-	-
Total disbursements	-	443	24,053	62,540	-	137
Excess (deficiency) of receipts over disbursements	-	557	(24,053)	(8,262)	-	(137)
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	-	557	(24,053)	(8,262)	-	(137)
Cash and investments - beginning	423	-	41,347	34,783	491	137
Cash and investments - ending	\$ 423	\$ 557	\$ 17,294	\$ 26,521	\$ 491	\$ -
Cash and Investment Assets - Ending				588		
Cash and investments	\$ 423	\$ 557	\$ 17,294	\$ 26,521	\$ 491	\$ -
Restricted assets:						
Cash and investments	-	-	-	-	-	-
Total cash and investment assets - ending	\$ 423	\$ 557	\$ 17,294	\$ 26,521	\$ 491	\$ -
Cash and Investment Fund Balance - Ending						
Restricted for:						
Debt service	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Unrestricted	423	557	17,294	26,521	491	-
Total cash and investment fund balance - ending	\$ 423	\$ 557	\$ 17,294	\$ 26,521	\$ 491	\$ -

SOUTH BEND 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)

	Medicaid Reimbursement	Public Law 221	Link Latchkey	Art Center	Historical Society	Kennedy
Receipts:						
Local sources	\$ -	\$ -	\$ 198,365	\$ 151,860	\$ 151,860	\$ -
State sources	-	243,046	-	-	-	-
Federal sources	177,429	-	-	-	-	-
Sale of property, adjustments and refunds	6,154	388	376	-	-	-
Interfund loans	-	-	-	-	-	-
Total receipts	183,583	243,434	198,741	151,860	151,860	-
Disbursements:						
Current:						
Instruction	53,252	148,915	-	-	-	-
Support services	57,998	8,186	41,297	-	-	-
Community services	-	-	185,695	151,800	151,860	75
Nonprogrammed charges	-	-	-	-	-	-
Debt services	-	-	-	-	-	-
Interfund loans	-	-	-	-	-	-
Total disbursements	111,250	157,101	226,992	151,800	151,860	75
Excess (deficiency) of receipts over disbursements	72,333	86,333	(28,251)	60	-	(75)
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	72,333	86,333	(28,251)	60	-	(75)
Cash and investments - beginning	(160,368)	548,864	183,125	-	-	429
Cash and investments - ending	\$ (88,035)	\$ 635,197	\$ 154,874	\$ 60	\$ -	\$ 354
Cash and Investment Assets - Ending						
Cash and investments	\$ (88,035)	\$ 635,197	\$ 154,874	\$ 60	\$ -	\$ 354
Restricted assets:						
Cash and investments	-	-	-	-	-	-
Total cash and investment assets - ending	\$ (88,035)	\$ 635,197	\$ 154,874	\$ 60	\$ -	\$ 354
Cash and Investment Fund Balance - Ending						
Restricted for:						
Debt service	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Unrestricted	(88,035)	635,197	154,874	60	-	354
Total cash and investment fund balance - ending	\$ (88,035)	\$ 635,197	\$ 154,874	\$ 60	\$ -	\$ 354

SOUTH BEND 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)

	Project 4R's	Homeless Pupil Services	Buddy Summer Grant	CISCO Academy	Non-English Program	Buddy Grant
Receipts:						
Local sources	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
State sources	-	-	-	-	37,447	-
Federal sources	-	-	-	-	-	-
Sale of property, adjustments and refunds	-	700	-	-	-	-
Interfund loans	-	-	-	-	-	-
Total receipts	-	700	-	-	37,447	-
Disbursements:						
Current:						
Instruction	6,382	-	-	-	9,179	-
Support services	-	5,730	-	-	2,085	-
Community services	-	-	-	-	-	-
Nonprogrammed charges	-	-	-	-	-	-
Debt services	-	-	-	-	-	-
Interfund loans	-	-	-	-	-	-
Total disbursements	6,382	5,730	-	-	11,264	-
Excess (deficiency) of receipts over disbursements	(6,382)	(5,030)	-	-	26,183	-
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	(6,382)	(5,030)	-	-	26,183	-
Cash and investments - beginning	16,270	9,061	222	7,000	11,365	500
Cash and investments - ending	<u>\$ 9,888</u>	<u>\$ 4,031</u>	<u>\$ 222</u>	<u>\$ 7,000</u>	<u>\$ 37,548</u>	<u>\$ 500</u>
Cash and Investment Assets - Ending						
Cash and investments	\$ 9,888	\$ 4,031	\$ 222	\$ 7,000	\$ 37,548	\$ 500
Restricted assets:						
Cash and investments	-	-	-	-	-	-
Total cash and investment assets - ending	<u>\$ 9,888</u>	<u>\$ 4,031</u>	<u>\$ 222</u>	<u>\$ 7,000</u>	<u>\$ 37,548</u>	<u>\$ 500</u>
Cash and Investment Fund Balance - Ending						
Restricted for:						
Debt service	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Unrestricted	9,888	4,031	222	7,000	37,548	500
Total cash and investment fund balance - ending	<u>\$ 9,888</u>	<u>\$ 4,031</u>	<u>\$ 222</u>	<u>\$ 7,000</u>	<u>\$ 37,548</u>	<u>\$ 500</u>

SOUTH BEND 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)

	State Tech Loan	Indiana School Improvement Award	School Technology Advance Grant	Indiana 2000	Insurance Claims Replacement	Promoting Positive Values
Receipts:						
Local sources	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
State sources	557,121	-	-	-	-	-
Federal sources	-	-	-	-	-	-
Sale of property, adjustments and refunds	-	-	-	-	-	-
Interfund loans	-	-	-	-	-	-
Total receipts	557,121	-	-	-	-	-
Disbursements:						
Current:						
Instruction	-	-	-	47	-	-
Support services	455,040	-	-	-	-	-
Community services	-	-	-	-	-	-
Nonprogrammed charges	-	-	-	-	-	-
Debt services	-	-	-	-	-	-
Interfund loans	-	-	-	-	-	-
Total disbursements	455,040	-	-	47	-	-
Excess (deficiency) of receipts over disbursements	102,081	-	-	(47)	-	-
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	102,081	-	-	(47)	-	-
Cash and investments - beginning	7,346	1,404	1,778	9,451	369	526
Cash and investments - ending	<u>\$ 109,427</u>	<u>\$ 1,404</u>	<u>\$ 1,778</u>	<u>\$ 9,404</u>	<u>\$ 369</u>	<u>\$ 526</u>
Cash and Investment Assets - Ending						
Cash and investments	\$ 109,427	\$ 1,404	\$ 1,778	\$ 9,404	\$ 369	\$ 526
Restricted assets:						
Cash and investments	-	-	-	-	-	-
Total cash and investment assets - ending	<u>\$ 109,427</u>	<u>\$ 1,404</u>	<u>\$ 1,778</u>	<u>\$ 9,404</u>	<u>\$ 369</u>	<u>\$ 526</u>
Cash and Investment Fund Balance - Ending						
Restricted for:						
Debt service	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Unrestricted	109,427	1,404	1,778	9,404	369	526
Total cash and investment fund balance - ending	<u>\$ 109,427</u>	<u>\$ 1,404</u>	<u>\$ 1,778</u>	<u>\$ 9,404</u>	<u>\$ 369</u>	<u>\$ 526</u>

SOUTH BEND 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)

	PASS Grant	CLASS	Moody Foundation	Safe Haven	Tele- communication Grant	Vocational Education School Improvement
Receipts:						
Local sources	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
State sources	-	-	-	23,766	-	-
Federal sources	-	-	-	-	-	-
Sale of property, adjustments and refunds	-	-	-	305	-	-
Interfund loans	-	-	-	-	-	-
Total receipts	-	-	-	24,071	-	-
Disbursements:						
Current:						
Instruction	-	16	470	39,236	-	55
Support services	-	-	35	9,761	-	-
Community services	-	-	-	-	-	-
Nonprogrammed charges	-	-	-	-	-	-
Debt services	-	-	-	-	-	-
Interfund loans	-	-	-	-	-	-
Total disbursements	-	16	505	48,997	-	55
Excess (deficiency) of receipts over disbursements	-	(16)	(505)	(24,926)	-	(55)
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)	(505)	(24,926)	-	(55)
Cash and investments - beginning	712	757	6,256	5,690	2,532	55
Cash and investments - ending	<u>\$ 712</u>	<u>\$ 741</u>	<u>\$ 5,751</u>	<u>\$ (19,236)</u>	<u>\$ 2,532</u>	<u>\$ -</u>
Cash and Investment Assets - Ending						
Cash and investments	\$ 712	\$ 741	\$ 5,751	\$ (19,236)	\$ 2,532	\$ -
Restricted assets:						
Cash and investments	-	-	-	-	-	-
Total cash and investment assets - ending	<u>\$ 712</u>	<u>\$ 741</u>	<u>\$ 5,751</u>	<u>\$ (19,236)</u>	<u>\$ 2,532</u>	<u>\$ -</u>
Cash and Investment Fund Balance - Ending						
Restricted for:						
Debt service	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Unrestricted	712	741	5,751	(19,236)	2,532	-
Total cash and investment fund balance - ending	<u>\$ 712</u>	<u>\$ 741</u>	<u>\$ 5,751</u>	<u>\$ (19,236)</u>	<u>\$ 2,532</u>	<u>\$ -</u>

SOUTH BEND 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)

	Civic Education Program	Title I	Title I Program Improvement	Title I Delinquent	Title V Part A	Fall Migrant
Receipts:						
Local sources	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
State sources	-	-	-	-	-	-
Federal sources	33,000	7,815,951	282,024	-	95,574	360,000
Sale of property, adjustments and refunds	-	9,061	-	-	-	-
Interfund loans	-	-	-	-	-	-
Total receipts	<u>33,000</u>	<u>7,825,012</u>	<u>282,024</u>	<u>-</u>	<u>95,574</u>	<u>360,000</u>
Disbursements:						
Current:						
Instruction	25,436	3,456,373	90,325	-	227,661	258,022
Support services	2,628	3,990,097	101,060	-	118,297	70,976
Community services	-	629,254	-	-	-	8,736
Nonprogrammed charges	480	82,488	-	-	3,848	7,308
Debt services	-	-	-	-	-	-
Interfund loans	-	-	-	-	-	-
Total disbursements	<u>28,544</u>	<u>8,158,212</u>	<u>191,385</u>	<u>-</u>	<u>349,806</u>	<u>345,042</u>
Excess (deficiency) of receipts over disbursements	<u>4,456</u>	<u>(333,200)</u>	<u>90,639</u>	<u>-</u>	<u>(254,232)</u>	<u>14,958</u>
Other financing sources (uses):						
Transfers in	-	-	-	-	209,410	-
Transfers out	-	-	-	-	-	-
Total other financing sources (uses)	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>209,410</u>	<u>-</u>
Excess (deficiency) of receipts and other financing sources over disbursements and other financing uses	<u>4,456</u>	<u>(333,200)</u>	<u>90,639</u>	<u>-</u>	<u>(44,822)</u>	<u>14,958</u>
Cash and investments - beginning	<u>6,923</u>	<u>800,855</u>	<u>-</u>	<u>5,984</u>	<u>38,472</u>	<u>(6,525)</u>
Cash and investments - ending	<u>\$ 11,379</u>	<u>\$ 467,655</u>	<u>\$ 90,639</u>	<u>\$ 5,984</u>	<u>\$ (6,350)</u>	<u>\$ 8,433</u>
<u>Cash and Investment Assets - Ending</u>						
Cash and investments	\$ 11,379	\$ 467,655	\$ 90,639	\$ 5,984	\$ (6,350)	\$ 8,433
Restricted assets:						
Cash and investments	-	-	-	-	-	-
Total cash and investment assets - ending	<u>\$ 11,379</u>	<u>\$ 467,655</u>	<u>\$ 90,639</u>	<u>\$ 5,984</u>	<u>\$ (6,350)</u>	<u>\$ 8,433</u>
<u>Cash and Investment Fund Balance - Ending</u>						
Restricted for:						
Debt service	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Unrestricted	11,379	467,655	90,639	5,984	(6,350)	8,433
Total cash and investment fund balance - ending	<u>\$ 11,379</u>	<u>\$ 467,655</u>	<u>\$ 90,639</u>	<u>\$ 5,984</u>	<u>\$ (6,350)</u>	<u>\$ 8,433</u>

SOUTH BEND 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)

	Summer Migrant	Migrant Education	Strike Settlement	Community Foundation Dream Team	Rainbow Child	Memorial Hospital
Receipts:						
Local sources	\$ -	\$ -	\$ -	\$ 1,700	\$ -	\$ -
State sources	-	-	-	-	-	43,108
Federal sources	156,250	475,000	-	-	-	-
Sale of property, adjustments and refunds	-	13,000	-	378	-	73,612
Interfund loans	-	-	-	-	-	-
Total receipts	156,250	488,000	-	2,078	-	116,720
Disbursements:						
Current:						
Instruction	96,171	52,829	-	-	-	121,296
Support services	21,958	-	-	-	-	-
Community services	-	-	-	1,686	-	-
Nonprogrammed charges	1,039	-	-	-	-	-
Debt services	-	-	-	-	-	-
Interfund loans	-	-	-	-	-	-
Total disbursements	119,168	52,829	-	1,686	-	121,296
Excess (deficiency) of receipts over disbursements	37,082	435,171	-	392	-	(4,576)
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	37,082	435,171	-	392	-	(4,576)
Cash and investments - beginning	68,648	-	244,872	12,335	150	20,299
Cash and investments - ending	\$ 105,730	\$ 435,171	\$ 244,872	\$ 12,727	\$ 150	\$ 15,723
Cash and Investment Assets - Ending						
Cash and investments	\$ 105,730	\$ 435,171	\$ 244,872	\$ 12,727	\$ 150	\$ 15,723
Restricted assets:						
Cash and investments	-	-	-	-	-	-
Total cash and investment assets - ending	\$ 105,730	\$ 435,171	\$ 244,872	\$ 12,727	\$ 150	\$ 15,723
Cash and Investment Fund Balance - Ending						
Restricted for:						
Debt service	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Unrestricted	105,730	435,171	244,872	12,727	150	15,723
Total cash and investment fund balance - ending	\$ 105,730	\$ 435,171	\$ 244,872	\$ 12,727	\$ 150	\$ 15,723

SOUTH BEND 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)

	Adult Education Impact Contract	Adult Education Family Literacy	Adult Education Child Care	Impact Start	Adult Education Food Stamps	I Read Program
Receipts:						
Local sources	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
State sources	-	-	-	-	-	-
Federal sources	-	-	-	-	-	-
Sale of property, adjustments and refunds	-	-	-	-	-	-
Interfund loans	-	-	-	-	-	-
Total receipts	-	-	-	-	-	-
Disbursements:						
Current:						
Instruction	31	1,319	-	(8,453)	5,749	-
Support services	-	-	-	(3,065)	1,030	-
Community services	-	-	-	-	-	-
Nonprogrammed charges	-	-	-	-	-	-
Debt services	-	-	-	-	-	-
Interfund loans	-	-	-	-	-	-
Total disbursements	31	1,319	-	(11,518)	6,779	-
Excess (deficiency) of receipts over disbursements	(31)	(1,319)	-	11,518	(6,779)	-
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	(31)	(1,319)	-	11,518	(6,779)	-
Cash and investments - beginning	31	12,033	2,919	(11,518)	31,344	287
Cash and investments - ending	\$ -	\$ 10,714	\$ 2,919	\$ -	\$ 24,565	\$ 287
Cash and Investment Assets - Ending						
Cash and investments	\$ -	\$ 10,714	\$ 2,919	\$ -	\$ 24,565	\$ 287
Restricted assets:						
Cash and investments	-	-	-	-	-	-
Total cash and investment assets - ending	\$ -	\$ 10,714	\$ 2,919	\$ -	\$ 24,565	\$ 287
Cash and Investment Fund Balance - Ending						
Restricted for:						
Debt service	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Unrestricted	-	10,714	2,919	-	24,565	287
Total cash and investment fund balance - ending	\$ -	\$ 10,714	\$ 2,919	\$ -	\$ 24,565	\$ 287

SOUTH BEND 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)

	Adult Education Business and Industry	ABE Money	Adult Education No. 1	Adult Education No. 2	Adult Education No. 6	Serve/Learn Perley
Receipts:						
Local sources	\$ -	\$ -	\$ 13,890	\$ -	\$ 45,646	\$ -
State sources	-	-	-	-	-	-
Federal sources	-	-	-	-	-	-
Sale of property, adjustments and refunds	9,489	-	200	210	660	-
Interfund loans	-	-	-	-	-	-
Total receipts	9,489	-	14,090	210	46,306	-
Disbursements:						
Current:						
Instruction	2,848	-	21,098	-	570	815
Support services	322	-	1,962	-	38,750	69
Community services	-	-	-	-	-	-
Nonprogrammed charges	-	-	-	-	-	-
Debt services	-	-	-	-	-	-
Interfund loans	-	-	-	-	-	-
Total disbursements	3,170	-	23,060	-	39,320	884
Excess (deficiency) of receipts over disbursements	6,319	-	(8,970)	210	6,986	(884)
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	6,319	-	(8,970)	210	6,986	(884)
Cash and investments - beginning	27,576	2,363	15,580	2,733	54,404	1,512
Cash and investments - ending	<u>\$ 33,895</u>	<u>\$ 2,363</u>	<u>\$ 6,610</u>	<u>\$ 2,943</u>	<u>\$ 61,390</u>	<u>\$ 628</u>
Cash and Investment Assets - Ending						
Cash and investments	\$ 33,895	\$ 2,363	\$ 6,610	\$ 2,943	\$ 61,390	\$ 628
Restricted assets:						
Cash and investments	-	-	-	-	-	-
Total cash and investment assets - ending	<u>\$ 33,895</u>	<u>\$ 2,363</u>	<u>\$ 6,610</u>	<u>\$ 2,943</u>	<u>\$ 61,390</u>	<u>\$ 628</u>
Cash and Investment Fund Balance - Ending						
Restricted for:						
Debt service	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Unrestricted	33,895	2,363	6,610	2,943	61,390	628
Total cash and investment fund balance - ending	<u>\$ 33,895</u>	<u>\$ 2,363</u>	<u>\$ 6,610</u>	<u>\$ 2,943</u>	<u>\$ 61,390</u>	<u>\$ 628</u>

SOUTH BEND 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)

	Adult Education Outreach	Pre-School Grant	Special Education IDEA	Special Education IDEA Carryover	Special Education Carryover
Receipts:					
Local sources	\$ -	\$ -	\$ -	\$ -	\$ -
State sources	-	-	-	-	-
Federal sources	28,000	333,612	6,048,987	-	-
Sale of property, adjustments and refunds	-	-	-	-	-
Interfund loans	-	-	-	-	-
Total receipts	<u>28,000</u>	<u>333,612</u>	<u>6,048,987</u>	<u>-</u>	<u>-</u>
Disbursements:					
Current:					
Instruction	24,102	208,511	3,616,474	(7,526)	121
Support services	5,896	159,554	2,298,931	(6,089)	-
Community services	-	-	-	-	-
Nonprogrammed charges	300	4,133	-	799	-
Debt services	-	-	-	-	-
Interfund loans	-	-	-	-	-
Total disbursements	<u>30,298</u>	<u>372,198</u>	<u>5,915,405</u>	<u>(12,816)</u>	<u>121</u>
Excess (deficiency) of receipts over disbursements	<u>(2,298)</u>	<u>(38,586)</u>	<u>133,582</u>	<u>12,816</u>	<u>(121)</u>
Other financing sources (uses):					
Transfers in	-	-	-	-	-
Transfers out	-	-	-	-	-
Total other financing sources (uses)	<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>(2,298)</u>	<u>(38,586)</u>	<u>133,582</u>	<u>12,816</u>	<u>(121)</u>
Cash and investments - beginning	<u>3,526</u>	<u>(144,990)</u>	<u>370,807</u>	<u>(12,816)</u>	<u>121</u>
Cash and investments - ending	<u>\$ 1,228</u>	<u>\$ (183,576)</u>	<u>\$ 504,389</u>	<u>\$ -</u>	<u>\$ -</u>
Cash and Investment Assets - Ending					
Cash and investments	\$ 1,228	\$ (183,576)	\$ 504,389	\$ -	\$ -
Restricted assets:					
Cash and investments	-	-	-	-	-
Total cash and investment assets - ending	<u>\$ 1,228</u>	<u>\$ (183,576)</u>	<u>\$ 504,389</u>	<u>\$ -</u>	<u>\$ -</u>
Cash and Investment Fund Balance - Ending					
Restricted for:					
Debt service	\$ -	\$ -	\$ -	\$ -	\$ -
Unrestricted	<u>1,228</u>	<u>(183,576)</u>	<u>504,389</u>	<u>-</u>	<u>-</u>
Total cash and investment fund balance - ending	<u>\$ 1,228</u>	<u>\$ (183,576)</u>	<u>\$ 504,389</u>	<u>\$ -</u>	<u>\$ -</u>

SOUTH BEND 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)

	Adult Education Basic	Targeted Projects	English Works	Minority Health	Substance Abuse
Receipts:					
Local sources	\$ -	\$ -	\$ -	\$ -	\$ -
State sources	-	-	-	-	-
Federal sources	374,336	10,000	-	-	203,610
Sale of property, adjustments and refunds	-	8,550	-	11,404	140
Interfund loans	-	-	-	-	-
Total receipts	<u>374,336</u>	<u>18,550</u>	<u>-</u>	<u>11,404</u>	<u>203,750</u>
Disbursements:					
Current:					
Instruction	171,798	525	7,499	-	-
Support services	190,705	25,079	3,812	11,703	26,950
Community services	-	-	-	-	170,810
Nonprogrammed charges	3,875	110	-	-	6,473
Debt services	-	-	-	-	-
Interfund loans	-	-	-	-	-
Total disbursements	<u>366,378</u>	<u>25,714</u>	<u>11,311</u>	<u>11,703</u>	<u>204,233</u>
Excess (deficiency) of receipts over disbursements	<u>7,958</u>	<u>(7,164)</u>	<u>(11,311)</u>	<u>(299)</u>	<u>(483)</u>
Other financing sources (uses):					
Transfers in	-	-	-	-	-
Transfers out	-	-	-	-	-
Total other financing sources (uses)	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Excess (deficiency) of receipts and other financing sources over disbursements and other financing uses	7,958	(7,164)	(11,311)	(299)	(483)
Cash and investments - beginning	<u>116,336</u>	<u>22,557</u>	<u>1,088</u>	<u>8,800</u>	<u>79,355</u>
Cash and investments - ending	<u>\$ 124,294</u>	<u>\$ 15,393</u>	<u>\$ (10,223)</u>	<u>\$ 8,501</u>	<u>\$ 78,872</u>
Cash and Investment Assets - Ending					
Cash and investments	\$ 124,294	\$ 15,393	\$ (10,223)	\$ 8,501	\$ 78,872
Restricted assets:					
Cash and investments	-	-	-	-	-
Total cash and investment assets - ending	<u>\$ 124,294</u>	<u>\$ 15,393</u>	<u>\$ (10,223)</u>	<u>\$ 8,501</u>	<u>\$ 78,872</u>
Cash and Investment Fund Balance - Ending					
Restricted for:					
Debt service	\$ -	\$ -	\$ -	\$ -	\$ -
Unrestricted	<u>124,294</u>	<u>15,393</u>	<u>(10,223)</u>	<u>8,501</u>	<u>78,872</u>
Total cash and investment fund balance - ending	<u>\$ 124,294</u>	<u>\$ 15,393</u>	<u>\$ (10,223)</u>	<u>\$ 8,501</u>	<u>\$ 78,872</u>

SOUTH BEND 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 II	Vocational Education Perkins Grant	Energy Grant	Child Care	Magnet School Grant
Receipts:					
Local sources	\$ -	\$ -	\$ -	\$ -	\$ -
State sources	-	-	-	-	-
Federal sources	-	493,040	-	-	2,547,740
Sale of property, adjustments and refunds	-	200	-	-	29,055
Interfund loans	-	-	-	-	-
Total receipts	-	493,240	-	-	2,576,795
Disbursements:					
Current:					
Instruction	-	413,756	-	-	1,418,040
Support services	-	62,381	-	-	818,920
Community services	-	-	-	431	-
Nonprogrammed charges	-	23,929	-	-	-
Debt services	-	-	-	-	-
Interfund loans	-	-	-	-	-
Total disbursements	-	500,066	-	431	2,236,960
Excess (deficiency) of receipts over disbursements	-	(6,826)	-	(431)	339,835
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	-	(6,826)	-	(431)	339,835
Cash and investments - beginning	4,160	106,576	1,565	923	(326,970)
Cash and investments - ending	<u>\$ 4,160</u>	<u>\$ 99,750</u>	<u>\$ 1,565</u>	<u>\$ 492</u>	<u>\$ 12,865</u>
<u>Cash and Investment Assets - Ending</u>					
Cash and investments	\$ 4,160	\$ 99,750	\$ 1,565	\$ 492	\$ 12,865
Restricted assets:					
Cash and investments	-	-	-	-	-
Total cash and investment assets - ending	<u>\$ 4,160</u>	<u>\$ 99,750</u>	<u>\$ 1,565</u>	<u>\$ 492</u>	<u>\$ 12,865</u>
<u>Cash and Investment Fund Balance - Ending</u>					
Restricted for:					
Debt service	\$ -	\$ -	\$ -	\$ -	\$ -
Unrestricted	4,160	99,750	1,565	492	12,865
Total cash and investment fund balance - ending	<u>\$ 4,160</u>	<u>\$ 99,750</u>	<u>\$ 1,565</u>	<u>\$ 492</u>	<u>\$ 12,865</u>

SOUTH BEND 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)

	Emergency Immigrant	Small Learnings Grant	Head Start	Head Start	WDS School to Work
Receipts:					
Local sources	\$ -	\$ -	\$ -	\$ -	\$ -
State sources	-	-	-	-	-
Federal sources	142,728	269,256	-	5,246,511	-
Sale of property, adjustments and refunds	-	-	-	38,412	-
Interfund loans	-	-	-	-	-
Total receipts	<u>142,728</u>	<u>269,256</u>	<u>-</u>	<u>5,284,923</u>	<u>-</u>
Disbursements:					
Current:					
Instruction	1,503	263,249	-	3,295,910	635
Support services	86,805	9,163	88	1,976,540	-
Community services	-	-	-	-	-
Nonprogrammed charges	2,398	-	-	-	-
Debt services	-	-	-	-	-
Interfund loans	-	-	-	-	-
Total disbursements	<u>90,706</u>	<u>272,412</u>	<u>88</u>	<u>5,272,450</u>	<u>635</u>
Excess (deficiency) of receipts over disbursements	<u>52,022</u>	<u>(3,156)</u>	<u>(88)</u>	<u>12,473</u>	<u>(635)</u>
Other financing sources (uses):					
Transfers in	-	-	-	-	-
Transfers out	-	-	-	-	-
Total other financing sources (uses)	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Excess (deficiency) of receipts and other financing sources over disbursements and other financing uses	52,022	(3,156)	(88)	12,473	(635)
Cash and investments - beginning	<u>28,392</u>	<u>-</u>	<u>4,094</u>	<u>(93,849)</u>	<u>16,545</u>
Cash and investments - ending	<u>\$ 80,414</u>	<u>\$ (3,156)</u>	<u>\$ 4,006</u>	<u>\$ (81,376)</u>	<u>\$ 15,910</u>
<u>Cash and Investment Assets - Ending</u>					
Cash and investments	\$ 80,414	\$ (3,156)	\$ 4,006	\$ (81,376)	\$ 15,910
Restricted assets:					
Cash and investments	-	-	-	-	-
Total cash and investment assets - ending	<u>\$ 80,414</u>	<u>\$ (3,156)</u>	<u>\$ 4,006</u>	<u>\$ (81,376)</u>	<u>\$ 15,910</u>
<u>Cash and Investment Fund Balance - Ending</u>					
Restricted for:					
Debt service	\$ -	\$ -	\$ -	\$ -	\$ -
Unrestricted	<u>80,414</u>	<u>(3,156)</u>	<u>4,006</u>	<u>(81,376)</u>	<u>15,910</u>
Total cash and investment fund balance - ending	<u>\$ 80,414</u>	<u>\$ (3,156)</u>	<u>\$ 4,006</u>	<u>\$ (81,376)</u>	<u>\$ 15,910</u>

SOUTH BEND 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 II Part A	Title II Part D	Math and Science	Title III	Judgment Bond	Retirement Debt
Receipts:						
Local sources	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 1,321,441
State sources	-	-	-	-	-	-
Federal sources	2,180,867	160,566	-	583,510	-	-
Sale of property, adjustments and refunds	1,422	-	-	139,602	-	-
Interfund loans	-	-	-	-	-	-
Total receipts	<u>2,182,289</u>	<u>160,566</u>	<u>-</u>	<u>723,112</u>	<u>-</u>	<u>1,321,441</u>
Disbursements:						
Current:						
Instruction	1,761,550	80,311	31,068	509,716	-	-
Support services	350,029	40,310	2,467	164,307	-	-
Community services	-	-	-	-	-	-
Nonprogrammed charges	15,378	710	-	9,803	-	-
Debt services	-	-	-	-	-	1,641,671
Interfund loans	-	-	-	-	-	-
Total disbursements	<u>2,126,957</u>	<u>121,331</u>	<u>33,535</u>	<u>683,826</u>	<u>-</u>	<u>1,641,671</u>
Excess (deficiency) of receipts over disbursements	<u>55,332</u>	<u>39,235</u>	<u>(33,535)</u>	<u>39,286</u>	<u>-</u>	<u>(320,230)</u>
Other financing sources (uses):						
Transfers in	53,571	-	-	-	-	-
Transfers out	<u>(209,410)</u>	<u>(53,571)</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Total other financing sources (uses)	<u>(155,839)</u>	<u>(53,571)</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Excess (deficiency) of receipts and other financing sources over disbursements and other financing uses	(100,507)	(14,336)	(33,535)	39,286	-	(320,230)
Cash and investments - beginning	<u>171,629</u>	<u>94,486</u>	<u>67,924</u>	<u>163,176</u>	<u>523</u>	<u>276,732</u>
Cash and investments - ending	<u>\$ 71,122</u>	<u>\$ 80,150</u>	<u>\$ 34,389</u>	<u>\$ 202,462</u>	<u>\$ 523</u>	<u>\$ (43,498)</u>
Cash and Investment Assets - Ending						
Cash and investments	\$ 71,122	\$ 80,150	\$ 34,389	\$ 202,462	\$ 523	\$ -
Restricted assets:						
Cash and investments	-	-	-	-	-	(43,498)
Total cash and investment assets - ending	<u>\$ 71,122</u>	<u>\$ 80,150</u>	<u>\$ 34,389</u>	<u>\$ 202,462</u>	<u>\$ 523</u>	<u>\$ (43,498)</u>
Cash and Investment Fund Balance - Ending						
Restricted for:						
Debt service	\$ -	\$ -	\$ -	\$ -	\$ -	\$ (43,498)
Unrestricted	<u>71,122</u>	<u>80,150</u>	<u>34,389</u>	<u>202,462</u>	<u>523</u>	<u>-</u>
Total cash and investment fund balance - ending	<u>\$ 71,122</u>	<u>\$ 80,150</u>	<u>\$ 34,389</u>	<u>\$ 202,462</u>	<u>\$ 523</u>	<u>\$ (43,498)</u>

SOUTH BEND 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)

	Indiana 2000 Planning	Technology Grant	School Tech Advancement	Principal Tech	Totals
Receipts:					
Local sources	\$ -	\$ -	\$ -	\$ -	\$ 4,999,872
State sources	-	-	-	-	3,332,825
Federal sources	-	-	-	-	34,284,595
Sale of property, adjustments and refunds	-	-	-	-	575,316
Interfund loans	-	-	-	-	176,071
Total receipts	-	-	-	-	43,368,679
Disbursements:					
Current:					
Instruction	-	-	-	-	17,510,493
Support services	-	-	-	-	21,325,659
Community services	-	-	-	-	1,300,624
Nonprogrammed charges	-	-	-	-	163,071
Debt services	-	-	-	-	1,641,671
Interfund loans	-	-	-	-	-
Total disbursements	-	-	-	-	41,941,518
Excess (deficiency) of receipts over disbursements	-	-	-	-	1,427,161
Other financing sources (uses):					
Transfers in	-	-	-	-	2,587,445
Transfers out	-	-	-	-	(262,981)
Total other financing sources (uses)	-	-	-	-	2,324,464
Excess (deficiency) of receipts and other financing sources over disbursements and other financing uses	-	-	-	-	3,751,625
Cash and investments - beginning	410	4,279	7,578	677	(3,264,804)
Cash and investments - ending	<u>\$ 410</u>	<u>\$ 4,279</u>	<u>\$ 7,578</u>	<u>\$ 677</u>	<u>\$ 486,821</u>
Cash and Investment Assets - Ending					
Cash and investments	\$ 410	\$ 4,279	\$ 7,578	\$ 677	\$ 530,319
Restricted assets:					
Cash and investments	-	-	-	-	(43,498)
Total cash and investment assets - ending	<u>\$ 410</u>	<u>\$ 4,279</u>	<u>\$ 7,578</u>	<u>\$ 677</u>	<u>\$ 486,821</u>
Cash and Investment Fund Balance - Ending					
Restricted for:					
Debt service	\$ -	\$ -	\$ -	\$ -	\$ (43,498)
Unrestricted	410	4,279	7,578	677	530,319
Total cash and investment fund balance - ending	<u>\$ 410</u>	<u>\$ 4,279</u>	<u>\$ 7,578</u>	<u>\$ 677</u>	<u>\$ 486,821</u>

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

	Retirement/ Severance Bond	Postretirement/ Severance Future Benefit	Totals
Additions:			
Contributions:			
Transfer in	\$ -	\$ 2,000,000	\$ 2,000,000
Investment earnings:			
Interest	1,623,366	73,703	1,697,069
Total additions	1,623,366	2,073,703	3,697,069
Deductions:			
Benefits	1,851,711	-	1,851,711
Refunds of contributions	130	-	130
Total deductions	1,851,841	-	1,851,841
Excess (deficiency) of total additions over total deductions	(228,475)	2,073,703	1,845,228
Cash and investment fund balance - beginning	28,986,757	-	28,986,757
Cash and investment fund balance - ending	\$ 28,758,282	\$ 2,073,703	\$ 30,831,985
Net assets:			
Cash and investments	\$ 28,758,282	\$ 2,073,703	\$ 30,831,985
Total net assets - cash and investment basis held in trust	\$ 28,758,282	\$ 2,073,703	\$ 30,831,985

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

	Gift Fund Instruction	Gift Fund Adult and Continuing Ed	Gift Fund Extra-Curricular	Extra-Curricular	Gift Fund Culture Arts
Additions:					
Contributions:					
Other	\$ 85,879	\$ 100	\$ 9,000	\$ -	\$ -
Deductions:					
Administrative and general	71,021	3,716	8,026	-	-
Excess (deficiency) of total additions over total deductions	14,858	(3,616)	974	-	-
Cash and investment fund balance - beginning	52,720	11,062	11,584	(17,608)	569
Cash and investments - June 30	<u>\$ 67,578</u>	<u>\$ 7,446</u>	<u>\$ 12,558</u>	<u>\$ (17,608)</u>	<u>\$ 569</u>
Net assets:					
Cash and investments	\$ 67,578	\$ 7,446	\$ 12,558	\$ (17,608)	\$ 569
Total net assets - cash and investment basis held in trust	<u>\$ 67,578</u>	<u>\$ 7,446</u>	<u>\$ 12,558</u>	<u>\$ (17,608)</u>	<u>\$ 569</u>

SOUTH BEND COMMUNITY SCHOOL CORPORATION
 COMBINING SCHEDULE OF ADDITIONS, DEDUCTIONS, AND CHANGES IN CASH AND INVESTMENT BALANCES
 PRIVATE-PURPOSE TRUST FUNDS
 For the Year Ended June 30, 2006
 (Continued)

	Gift Fund Welfare Activities	Gift Fund Scholarships and Awards	Gift Fund Construction Remodeling	Gift Fund Miscellaneous	Totals
Additions:					
Contributions:					
Other	\$ -	\$ -	\$ -	\$ 20,229	\$ 115,208
Deductions:					
Administrative and general	-	-	-	14,081	96,844
Excess (deficiency) of total additions over total deductions	-	-	-	6,148	18,364
Cash and investment fund balance - beginning	660	200	75	32,469	91,731
Cash and investments - June 30	<u>\$ 660</u>	<u>\$ 200</u>	<u>\$ 75</u>	<u>\$ 38,617</u>	<u>\$ 110,095</u>
Net assets:					
Cash and investments	<u>\$ 660</u>	<u>\$ 200</u>	<u>\$ 75</u>	<u>\$ 38,617</u>	<u>\$ 110,095</u>
Total net assets - cash and investment basis held in trust	<u>\$ 660</u>	<u>\$ 200</u>	<u>\$ 75</u>	<u>\$ 38,617</u>	<u>\$ 110,095</u>

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

	Gift Fund Instruction	Gift Fund Adult and Continuing Ed	Gift Fund Extra-Curricular	Extra-Curricular	Gift Fund Culture Arts
Additions:					
Contributions:					
Other	\$ 91,302	\$ 3,500	\$ 11,000	\$ 2,950	\$ 5,000
Deductions:					
Administrative and general	114,648	4,697	9,027	2,950	3,761
Excess (deficiency) of total additions over total deductions	(23,346)	(1,197)	1,973	-	1,239
Cash and investment fund balance - beginning	67,578	7,446	12,558	(17,608)	569
Cash and investments - June 30	<u>\$ 44,232</u>	<u>\$ 6,249</u>	<u>\$ 14,531</u>	<u>\$ (17,608)</u>	<u>\$ 1,808</u>
Net assets:					
Cash and investments	\$ 44,232	\$ 6,249	\$ 14,531	\$ (17,608)	\$ 1,808
Total net assets - cash and investment basis held in trust	<u>\$ 44,232</u>	<u>\$ 6,249</u>	<u>\$ 14,531</u>	<u>\$ (17,608)</u>	<u>\$ 1,808</u>

SOUTH BEND COMMUNITY SCHOOL CORPORATION
 COMBINING SCHEDULE OF ADDITIONS, DEDUCTIONS, AND CHANGES IN CASH AND INVESTMENT BALANCES
 PRIVATE-PURPOSE TRUST FUNDS
 For the Year Ended June 30, 2007
 (Continued)

	Gift Fund Welfare Activities	Gift Fund Scholarships and Awards	Gift Fund Construction Remodeling	Gift Fund Miscellaneous	Totals
Additions:					
Contributions:					
Other	\$ -	\$ -	\$ 10,000	\$ 10,639	\$ 134,391
Deductions:					
Administrative and general	-	-	-	10,300	145,383
Excess (deficiency) of total additions over total deductions	-	-	10,000	339	(10,992)
Cash and investment fund balance - beginning	660	200	75	38,617	110,095
Cash and investments - June 30	<u>\$ 660</u>	<u>\$ 200</u>	<u>\$ 10,075</u>	<u>\$ 38,956</u>	<u>\$ 99,103</u>
Net assets:					
Cash and investments	<u>\$ 660</u>	<u>\$ 200</u>	<u>\$ 10,075</u>	<u>\$ 38,956</u>	<u>\$ 99,103</u>
Total net assets - cash and investment basis held in trust	<u>\$ 660</u>	<u>\$ 200</u>	<u>\$ 10,075</u>	<u>\$ 38,956</u>	<u>\$ 99,103</u>

SOUTH BEND COMMUNITY SCHOOL CORPORATION
SUPPLEMENTARY INFORMATION
SCHEDULE OF CAPITAL ASSETS

For the Year Ended June 30, 2007

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

<u>Primary Government</u>	<u>Ending Balance</u>
Governmental activities:	
Capital assets, not being depreciated:	
Land	\$ 1,924,680
Buildings	592,664,449
Machinery and equipment	94,560,590
Construction in progress	<u>8,975,734</u>
Total governmental activities, capital assets not being depreciated	<u>\$ 698,125,453</u>

SOUTH BEND COMMUNITY SCHOOL CORPORATION
 SUPPLEMENTARY INFORMATION
 SCHEDULE OF LONG-TERM DEBT
 June 30, 2007

Description of Debt	Ending Principal Balance	Principal and Interest Due Within One Year
Governmental Activities:		
Capital leases:		
Harrison Primary Center/Adams High School	\$ 60,615,000	\$ 5,373,000
Riley High School	31,660,000	3,568,000
Wilson Primary Center/Edison Intermediate Center	13,015,000	2,347,500
Brown/Greene Intermediate Centers	53,915,000	4,974,000
Loans payable	1,079,473	567,213
General obligation bonds:		
To fund retirement/severance obligations	14,075,000	1,644,762
To fund retirement/severance obligations	16,000,000	1,455,654
Construction of Lincoln Primary Elementary School	12,650,000	986,838
Total governmental activities long-term debt	<u>\$ 203,009,473</u>	<u>\$ 20,916,967</u>

SOUTH BEND COMMUNITY SCHOOL CORPORATION
AUDIT RESULTS AND COMMENTS

INTERNAL CONTROLS - SCHOOL LUNCH

A receipt is written daily at each school for the collections of school lunch monies and a subsequent deposit is made to the bank. An official receipt is written at the School Corporation office for one or more weeks worth of collections. Each school completes monthly sale and meal count reports and sends the reports to the Food Service office.

A comparison of the sale and meal count reports to the receipts posted to the School Corporation records was performed for the school year 2006-2007. There were differences in every month. Some months more money was received by the School Corporation than was included on the sale and meal count reports. Other months more money was recorded on the sale and meal count reports than was received by the School Corporation. Adams, Clay and Riley High Schools had \$501.64, \$5,241.41, and \$854.32, respectively, more receipted to the School Corporation records than was reported on the sale and meal count reports for the school year 2006-2007. Washington High School had \$23.51 less receipted to the School Corporation records than was reported on the sale and meal count reports.

We expanded our review of school lunch receipts to include the month of January 2007 for Adams, Clay, and Riley High Schools, and the month of February 2007 for Washington High School. The daily receipts written at each of the high schools were compared to the monthly sale and meal count reports. The school's reports did not agree to the official receipts written at the School Corporation office.

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

OVERDRAWN CASH BALANCES

The School Corporation had four funds with negative cash balances as of June 30, 2007. A similar comment was included in the previous Report B26590.

The cash balances in the School Lunch and Textbook Rental Funds were overdrawn \$1,461,547 and \$1,736,315, respectively, as of January 31, 2008. The following schedule shows the past ten year-end cash balances in these two funds:

<u>Date</u>	<u>School Lunch</u>	<u>Textbook Rental</u>
06-30-98	\$ (1,025,768)	\$ (2,385,743)
06-30-99	(1,156,030)	(2,271,663)
06-30-00	(1,195,615)	(2,386,902)
06-30-01	(1,508,304)	(2,858,303)
06-30-02	(1,802,523)	(2,490,593)
06-30-03	(1,153,920)	(4,020,389)
06-30-04	(2,443,979)	(5,166,906)
06-30-05	(2,368,912)	(5,611,263)
06-30-06	(1,820,437)	(5,389,979)
06-30-07	(1,238,687)	(3,253,572)

SOUTH BEND COMMUNITY SCHOOL CORPORATION
AUDIT RESULTS AND COMMENTS
(Continued)

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

RECEIPT ISSUANCE (Applies to Lincoln Primary Center, Tarkington Traditional School, Brown and Edison Intermediate Centers)

We used inquiries, observations, inspections, and/or test of controls to determine that receipts were not being issued at the time of the transaction but rather at a later date at Brown Intermediate Center. We noted, during our review of receipts for the month of March that according to the date on the Form SA-8, Summary of Collections, collections were given to the Treasurer on February 20, 2007, but were not posted to the records until March 7, 2007, and then were not deposited until March 13, 2007. Additionally, we noted that during the month of March a deposit was made on March 13, 2007, and not again until March 27, 2007.

Receipts were not always issued or recorded at the time of the transaction at Tarkington Traditional School. We noted during a review of receipts for the month of May receipt number series 5637 through 5647, totaling \$960.92, were deposited on May 21, 2007, but the receipts were not recorded on the ledger until May 23, 2007.

We noted at Lincoln Primary Center, during our review of receipts for the month of March that Receipt 56605 dated March 5, 2007, in the amount of \$871.23, was actually deposited on February 26, 2007, seven days before it was posted.

We noted at Edison Intermediate Center, during our review of receipts for the month of March that Receipt 1218 in the amount of \$524 dated March 5, 2007, was deposited on March 2, 2007.

Receipts shall be issued and recorded at the time of the transaction; for example, when cash or a check is received, a receipt is to be immediately prepared and given to the person making payment. (Accounting and Uniform Compliance Guidelines Manual for Extra-Curricular Accounts, Chapter 7)

The treasurer shall deposit without unreasonable delay, all receipts in one bank account to be known as the "(name of school) School Extra-Curricular Account." (Accounting and Uniform Compliance Guidelines Manual for Extra-Curricular Accounts, Chapter 1)

RECEIPT ISSUANCE/DEPOSITING INTACT (Applies to Perley Primary Center and Adams High School)

We found instances at Perley Primary Center where monies collected were not deposited in the same form as received. Cash and check determination on receipts did not always agree with the deposit slip.

A majority of receipts written at Adams High School during the 2006-2007 school year did not indicate the amounts of cash and/or checks being received. Therefore, determining whether monies were intact when deposited could not be verified to bank deposits.

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

SOUTH BEND COMMUNITY SCHOOL CORPORATION
AUDIT RESULTS AND COMMENTS
(Continued)

EXTRA-CURRICULAR ACCOUNT DEPOSITS (Applies to Brown and Dickinson Intermediate Centers, and Young Adult Service Program)

Receipts were not always deposited within a reasonable time as follows:

A review of receipts at Brown Intermediate Center for May 2007 revealed that monies collected on May 23, 2007, were not deposited until June 5, 2007.

Receipts were held for periods in excess of one month before being deposited at Dickinson Intermediate Center. A hand written receipt was issued on November 20, 2006, in the amount of \$148. However, the receipt was not posted to the computerized accounting system until December 1, 2006, and not deposited until December 15, 2006.

Receipts for the Young Adult Services Program were held for periods in excess of four months before being deposited. We noted Receipt 61294 dated August 26, 2006, was not deposited until May 31, 2007.

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

The treasurer shall deposit without unreasonable delay, all receipts in one bank account to be known as the "(name of school) School Extra-Curricular Account." (Accounting and Uniform Compliance Guidelines Manual for Extra-Curricular Accounts, Chapter 1-2)

FUNDRAISERS (Applies to Adams, Clay and Washington High Schools)

The controls over the financial receipting, disbursing, recording, and accounting for the fund-raising activities were insufficient. The schools noted did not regularly complete Form SA-8, Summary Collection Form, or regularly prepare records regarding sales, collections, and disposition of inventory related to fundraising events.

The Clay High School Band had five fundraisers approved by the School Board during the 2005-2006 school year. Minimal deposits representing collections for these fundraisers were made to the school extra-curricular bank account. Clay High School and School Corporation officials conducted an investigation of the Band fundraisers and have instituted better controls to assure all fundraising receipts and disbursements will now be recorded on the records of the Clay High School Extra-Curricular Funds Ledger and within the Clay High School Extra-Curricular Bank Account.

Governmental units which conduct fund raising events should have the express permission of the governing body for conducting the fund raiser as well as procedures in place concerning the internal controls and the responsibility of employees or officials. (Accounting and Uniform Compliance Guidelines Manual for Extra-Curricular Accounts, Chapter 7)

Internal controls over vending operations, concessions or other sales should include, at a minimum, a regular reconciliation of the beginning inventory, purchases, distributions, items sold and ending inventory to the amount received. Any discrepancies noted should be immediately documented in writing to proper officials. The reconciliation should provide an accurate accounting. (Accounting and Uniform Compliance Guidelines Manual for Extra-Curricular Accounts, Chapter 7)

SOUTH BEND COMMUNITY SCHOOL CORPORATION
AUDIT RESULTS AND COMMENTS
(Continued)

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)

NONUSE OF FORM SA-8, SUMMARY OF COLLECTIONS AND FORM SA-9, ACCOUNTABLE ITEMS REVIEW (Applies to Lafayette Preschool, Darden, Greene, Harrison, McKinley, Madison, Swanson, Lincoln, Wilson, Muessel Primary Centers, Brown, Dickinson, Marshall Intermediate Centers, and LaSalle Academy)

Form SA-8, Summary of Collections, was not always used when monies were remitted to the Extra-Curricular Treasurer. Additionally, Form SA-9, Accountable Items Review, was not in use for the period audited.

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)

COMPLETION OF FORM SA-8, SUMMARY OF COLLECTIONS AND FORM SA-9, ACCOUNTABLE ITEMS REVIEW (Applies to Monroe Primary Center and Jackson Intermediate Center)

We noted in some instances at Monroe Primary Center that the Form SA-8, Summary of Collections, was completed and signed by the Extra-Curricular Treasurer rather than by the sponsoring teacher or individual conducting the fundraising activity. The SA-8, Summary of Collections, was not completely filled out in other instances.

We noted that the Form SA-8's, Summary of Collections, were completed after receipts were posted to the records and deposited at Jackson Intermediate Center. A Form SA-8 for funds received on May 9, 2007, was dated May 23, 2007. Additionally, Form SA-9, Accountable Items Review, was not always completed properly. The beginning inventory balance in some instances was not recorded.

The Summary of Collection Form (SA-8) should be completed in its entirety and should bear the signature of the fund representative. (Accounting and Uniform Compliance Guidelines for Extra-Curricular Accounts, Chapter 2)

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)

COMPLETION OF FORM SA-8, SUMMARY OF COLLECTIONS, AND FORM SA-4, TICKET SALE REPORT (Applies to Navarre Intermediate Center)

We noted several instances in which the Summary Collection Form (SA-8) was not completed and signed by the Extra-Curricular Treasurer. Also, the Ticket Sale Report (SA-4) was not being verified and/or approved by the Athletic Director.

SOUTH BEND COMMUNITY SCHOOL CORPORATION
AUDIT RESULTS AND COMMENTS
(Continued)

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)

EXTRA-CURRICULAR DISBURSEMENTS SUPPORTING DOCUMENTATION (Applies to Wilson Primary Center, Brown, Dickinson and Marshall Intermediate Centers)

We noted several instances at Wilson Primary Center and Dickinson Intermediate Center in which payments did not contain adequate support documentation, such as invoices, and other public records. Due to the lack of supporting information the validity and accountability for some money disbursed could not be established.

We noted payments at Brown Intermediate Center made to DMI Fundraisers in the amounts of \$10,203.75 and \$1,900.00, dated November 15, and October 18, 2005, respectively, which did not contain adequate supporting documentation, such as receipts, invoices, and other public records. We also noted at Marshall Intermediate Center a payment made to DMI Fundraisers in the amount of \$7,662.70 on November 7, 2006, as well as a payment to Herff Jones in the amount of \$963.48 on May 31, 2007, which did not contain adequate documentation, such as receipts, invoices, and other public records. Due to the lack of supporting information, the validity and accountability for some money disbursed could not be established.

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

FORM SA-7, CLAIM FOR PAYMENT (Applies to Nuner Primary Center)

Claim forms do not contain all information necessary to constitute a valid claim. We noted that proper signatures were not always evident on the Form SA-1 and/or Form SA-7s reviewed.

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)

PENALTIES, INTEREST AND OTHER CHARGES (Applies to Hamilton Intermediate Center)

Information presented for audit indicates that, in some cases, amounts payable to vendors and other suppliers of goods and services are not being paid until four months after the invoice dates.

Penalties and interest totaling \$15.64 were paid to vendors for the fiscal year ended June 30, 2007.

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

SOUTH BEND COMMUNITY SCHOOL CORPORATION
AUDIT RESULTS AND COMMENTS
(Continued)

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

Any penalties, interest or other charges paid by the governmental unit may be the personal obligation of the responsible official or employee.

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

SALES TAX (Applies to Harrison Primary Center)

We reviewed all claims paid for the period of May and June 2007. We noted several claims in which sales taxes were paid.

Governmental funds generally are exempt from the payment of sales tax on qualifying purchases. Respective tax agencies should always be contacted concerning tax exemptions and payments. (Accounting and Uniform Compliance Guidelines Manual for Extra-Curricular Accounts, Chapter 7)

COMPUTER INPUT (Applies to Adams High School)

The school's receipts and expenditures inputted into the computer system were limited to one classification. All monies receipted in and disbursed out in the 2006-2007 school year were classified as "General".

Public records, financial statement information and supporting information generated through a computer system . . . must be maintained in a manner that will allow access for audit and public inquiry on equipment of the governmental unit. (Accounting and Uniform Compliance Guidelines Manual for Extra-Curricular Accounts, Chapter 8)

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)

OVERDRAWN BANK ACCOUNT (Applies to Dickinson Intermediate Center)

The financial institution charged the Extra-Curricular Account Non-Return fees and a Continuous Overdraft fee in June 2007, both fees combined totaled \$68.00. The Non-Return fee was incurred when the bank honored several checks when there were nonsufficient funds in the account, and the Continuous Overdraft fee was incurred due to the bank account having a continuous negative balance.

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

SOUTH BEND COMMUNITY SCHOOL CORPORATION
AUDIT RESULTS AND COMMENTS
(Continued)

OVERDRAWN FUND BALANCES (Applies to Unified Athletics)

The Riley High School Fund in the Unified Athletics Extra-Curricular Account was overdrawn in the 2005-2006 and 2006-2007 school years, \$35,410.55 and \$44,807.60, respectively. A similar comment was made in the prior Report B26590.

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 Extra-Curricular Accounts, Chapter 7)

CONDITION OF RECORDS (Applies to Muessel and Perley Primary Centers, Dickinson Intermediate Center)

The following deficiencies relating to the recordkeeping were noted at Muessel Primary Center:

- (1) There were a considerable number of posting errors. These errors included an excessive number of voided receipts and checks. There was no explanation in some instances included to substantiate the reason for the void.
- (2) Some transactions were recorded as "negative" receipts and disbursements.

The following deficiencies relating to the recordkeeping were noted at Perley Primary Center:

- (1) There were a considerable number of posting errors. These errors included an excessive number of voided receipts and checks. An explanation could not be provided in most instances.
- (2) Receipts in several instances did not indicate the source from which funds were received.

We noted at Dickinson Intermediate Center that there were a considerable number of posting errors. The errors included several receipts that were voided and reposted at a later date; i.e. on February 12, 2007, Receipt 4146 in the amount of \$855 was posted to the computerized accounting system, voided, and then reposted on March 1, 2007. A review of bank records indicated that funds were actually deposited on March 1, 2007.

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)

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)

SOUTH BEND COMMUNITY SCHOOL CORPORATION
AUDIT RESULTS AND COMMENTS
(Continued)

PERSONAL CHECKS CASHED (Applies to Brown Intermediate Center)

Personal checks written by the Treasurer were cashed from the daily cash collections. As a result, cash collections were not deposited in the same form as the collections were received.

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

PRESCRIBED FORMS (Applies to Dickinson Intermediate Center)

Purchase Order and Accounts Payable Vouchers, Form SA-1, were not filled out completely. Proper signatures and dates were lacking from the purchase orders.

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)

(This page intentionally left blank.)

SUPPLEMENTAL AUDIT OF
FEDERAL AWARDS



STATE OF INDIANA
AN EQUAL OPPORTUNITY EMPLOYER

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

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

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 SOUTH BEND COMMUNITY
SCHOOL CORPORATION, ST. JOSEPH COUNTY, INDIANA

Compliance

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

We conducted our audit of compliance in accordance with auditing standards generally accepted in the United States of America; the standards applicable to financial audits contained in Government Auditing Standards, issued by the Comptroller General of the United States; and OMB Circular A-133, Audits of States, Local Governments, and Non-Profit Organizations. Those standards and OMB Circular A-133 require that we plan and perform the audit to obtain reasonable assurance about whether noncompliance with the types of compliance requirements referred to above that could have a direct and material effect on a major federal program occurred. An audit includes examining, on a test basis, evidence about the School Corporation's compliance with those requirements and performing such other procedures as we considered necessary in the circumstances. We believe that our audit provides a reasonable basis for our opinion. Our audit does not provide a legal determination of the School Corporation's compliance with those requirements.

In our opinion, the School Corporation complied in all material respects with the requirements referred to above that are applicable to each of its major federal programs for the years ended June 30, 2006 and 2007.

Internal Control Over Compliance

The management of the School Corporation is responsible for establishing and maintaining effective internal control over compliance with requirements of laws, regulations, contracts and grants applicable to federal programs. In planning and performing our audit, we considered the School Corporation's internal control over compliance with requirements that could have a direct and material effect on a major federal program in order to determine our auditing procedures for the purpose of expressing our

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)

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.

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 27, 2008

SOUTH BEND COMMUNITY SCHOOL CORPORATION
SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS
For The Years Ended June 30, 2006 and 2007

Federal Grantor Agency/Pass-Through Entity Cluster Title/Program Title/Project Title	Federal CFDA Number	Pass-Through Entity (or Other) Identifying Number	Total Federal Awards Expended 06-30-06	Total Federal Awards Expended 06-30-07
<u>U.S. DEPARTMENT OF AGRICULTURE</u>				
Pass-Through Indiana Department of Education Child Nutrition Cluster				
School Breakfast Program	10.553		\$ 1,459,366	\$ 1,563,998
National School Lunch Program	10.555		4,802,364	5,132,116
Summer Food Service Program for Children	10.559		<u>277,771</u>	<u>262,940</u>
Total for federal grantor agency			<u>6,539,501</u>	<u>6,959,054</u>
<u>U.S. DEPARTMENT OF DEFENSE</u>				
Direct Grant				
Junior Reserve Officer Training Corp	12.999		<u>124,697</u>	<u>117,476</u>
<u>U.S. DEPARTMENT OF LABOR</u>				
Pass-Through Indiana Department of Education One-Stop Career Center Initiative	17.257	Incentive Grant 2	<u>75,121</u>	<u>11,312</u>
<u>U.S. DEPARTMENT OF EDUCATION</u>				
Pass-Through Indiana Department of Education Special Education Cluster				
Special Education - Grants to States	84.027			
		14204-055-PN01	383,468	-
		14206-055-PN01	5,594,243	522,508
		14207-055-PN01	-	5,544,599
		14205-055-DY01	90,996	-
		14204-055-PY02	115,413	121
		14204-023-DY06	21,871	-
		14205-055-DY09	12,455	24,406
		14206-041-DY08	<u>-</u>	<u>17,115</u>
Total for program			<u>6,218,446</u>	<u>6,108,749</u>
Special Education - Preschool Grants	84.173			
		45706-055-PN01	373,176	-
		45707-055-PN01	<u>-</u>	<u>517,188</u>
Total for program			<u>373,176</u>	<u>517,188</u>
Total for cluster			<u>6,591,622</u>	<u>6,625,937</u>
Direct Grant				
Magnet Schools Assistance	84.165			
		U165A040072-06	2,257,401	197,054
		U165A040072-05A	<u>-</u>	<u>2,039,905</u>
Total for Program			<u>2,257,401</u>	<u>2,236,959</u>
Direct Grant				
Fund for the Improvement of Education	84.215			
		V215L040072	71,388	699
		S215L 060023	<u>-</u>	<u>271,713</u>
Total for Program			<u>71,388</u>	<u>272,412</u>

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

SOUTH BEND COMMUNITY SCHOOL CORPORATION
SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS
For The Years Ended June 30, 2006 and 2007
(Continued)

Federal Grantor Agency/Pass-Through Entity Cluster Title/Program Title/Project Title	Federal CFDA Number	Pass-Through Entity (or Other) Identifying Number	Total Federal Awards Expended 06-30-06	Total Federal Awards Expended 06-30-07
U.S. DEPARTMENT OF EDUCATION (continued)				
Pass-Through Indiana Department of Education				
Adult Education - State Grant Program				
	84.002			
		FY 2005-8129	3,815	-
		FY 2006-8133	24,474	3,526
		FY 2007-8133	-	26,772
		FY 2005-8032	56,196	3
		FY 2006-8032	238,190	116,332
		FY 2007-8032	-	250,043
		FY 2005-8407	22,367	-
		FY 2006-8408	26,078	6,922
		FY 2007-8408	-	21,623
Total for Program			<u>371,120</u>	<u>425,221</u>
Title I Grants to Local Educational Agencies				
	84.010			
		05-7205	2,623,772	-
		06-7205	6,153,724	1,330,538
		07-7205	-	6,827,673
		06-7205	128,492	-
		07-7205	-	191,385
Total for Program			<u>8,905,988</u>	<u>8,349,596</u>
Migrant Education - State Grant Program				
	84.011			
		FY 04-05/SM-7	20	-
		FY 05-06	82,808	-
		FY 06-07/SM-5	5,227	68,648
		FY 07-08/SM-3	-	50,519
		FY 06-07/RM-20	-	52,829
		FY 04-05/FM-19	15,783	-
		FY 05-06/RM21	190,927	-
		FY 06-07/RM20	-	351,568
Total for Program			<u>294,765</u>	<u>523,564</u>
Vocational Education - Basic Grants to States (Perkins III)				
	84.048			
		05-4700-07-7205	259,830	-
		06-4700-7205	285,206	228,057
		07-4700-7205	-	272,009
Total for Program			<u>545,036</u>	<u>500,066</u>
Safe and Drug Free Schools and Communities - State Grants				
	84.186			
		02-043	-	96
		03-077	25,922	712
		04-056	118,368	77,668
		05-167	82	125,755
Total for Program			<u>144,372</u>	<u>204,231</u>

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

SOUTH BEND COMMUNITY SCHOOL CORPORATION
SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS
For The Years Ended June 30, 2006 and 2007
(Continued)

Federal Grantor Agency/Pass-Through Entity Cluster Title/Program Title/Project Title	Federal CFDA Number	Pass-Through Entity (or Other) Identifying Number	Total Federal Awards Expended 06-30-06	Total Federal Awards Expended 06-30-07
<u>U.S. DEPARTMENT OF EDUCATION (continued)</u>				
Pass-Through Indiana Department of Education (continued)				
Eisenhower Professional Development State Grants	84.281	00-130	6,275	-
State Grants for Innovative Programs	84.298	03303 04-290 05-274	127,203 328,285 -	- 32,287 316,931
Total for Program			455,488	349,218
Education Technology State Grants	84.318	S318X030014 S318X040014 S318X050014	76,972 27,836 -	- 84,520 24,166
Total for Program			104,808	108,686
English Language Acquisition Grants	84.365	SY 2005-06 SY 2006-07 FY 04-05 SY 2005-06 SY 2006-07	59,358 - 22,090 547,720 -	28,392 62,314 - 159,589 524,236
Total for Program			629,168	774,531
Improving Teacher Quality State Grants	84.367	6000/182500 03-291 04-346 05-286	21,201 994,437 339,534 -	33,536 - 1,249,643 1,086,724
Total for Program			1,355,172	2,369,903
Total for federal grantor agency			21,732,603	22,740,324
<u>U.S. DEPARTMENT OF HEALTH AND HUMAN SERVICES</u>				
Direct Grant				
Headstart	93.600	FY 05-06 05CH8262/01 05CH8262/02 05CH8262/03	102,479 2,280,143 3,226,999 -	88 11,595 1,999,482 3,261,372
Total for federal grantor agency			5,609,621	5,272,537
<u>CORPORATION FOR NATIONAL AND COMMUNITY SERVICE</u>				
Direct Grant				
Learn and Serve America - School and Community Based Programs	94.004	2004-05 2004-05	1,150 766	155 729
Total for federal grantor agency			1,916	884
Total federal awards expended			<u>\$ 34,083,459</u>	<u>\$ 35,101,587</u>

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

SOUTH BEND COMMUNITY SCHOOL CORPORATION
NOTES TO SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS

I. Basis of Presentation

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

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

II. Noncash Assistance

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

Program Title	Federal CFDA Number	2006	2007
School Breakfast Program	10.553	\$ 84,945	\$ 101,551
National School Lunch Program	10.555	281,675	340,222

SOUTH BEND COMMUNITY SCHOOL CORPORATION
SCHEDULE OF FINDINGS AND QUESTIONED COSTS

Section I – Summary of Auditor's Results

Financial Statements:

Type of auditor's report issued: Unqualified

Internal control over financial reporting:

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

Noncompliance material to financial statements noted? no

Federal Awards:

Internal control over major programs:

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

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

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

Identification of Major Programs:

CFDA Number	Name of Federal Program or Cluster
	Child Nutrition Cluster
	Special Education Cluster
84.165	Magnet Schools Assistance
84.367	Improving Teacher Quality State Grants
93.600	Headstart

Dollar threshold used to distinguish between Type A and Type B programs: \$2,051,300

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.



SOUTH BEND COMMUNITY SCHOOL CORPORATION

215 SOUTH ST. JOSEPH STREET SOUTH BEND, INDIANA 46601
TELEPHONE: (574) 283-8000

October 8, 2007

SUMMARY SCHEDULE OF PRIOR AUDIT FINDINGS

Finding No. 2005-1, Allowable Costs

Original SBA Audit Report Number:	B26590
Fiscal Year	July 1, 2003 - June 1, 2005
Auditee Contact Person	Robert M. Orlowski <i>Robert M. Orlowski</i>
Title of Contact Person	Assistant Superintendent Administrative Services
Phone Number	574-283-8111
Status of Finding:	Corrected

Meetings between the South Bend Community School Corporation and the Head Start Administration took place in March, 2005. Head Start Administration was informed that cash advances on the credit card were not allowed. Guidelines and procedures were developed for travel reimbursement that would meet the State Board of Accounts Standards.

At this time no further cash advances on the credit cards have occurred since the audit period. Travel claims have been monitored to meet State Board of Account requirements.



SOUTH BEND COMMUNITY SCHOOL CORPORATION
215 SOUTH ST. JOSEPH STREET SOUTH BEND, INDIANA 46601
TELEPHONE: (574) 283-8000

October 8, 2007

SUMMARY SCHEDULE OF PRIOR AUDIT FINDINGS

Finding No. 2005-2, Cash Management

Original SBA Audit Report Number:	B26590
Fiscal Year	July 1, 2003 - June 1, 2005
Auditee Contact Person	Robert M. Orlowski <i>Robert M. Orlowski</i>
Title of Contact Person	Assistant Superintendent Administrative Services
Phone Number	574-283-8111
Status of Finding:	Partially Corrected

The South Bend Community School Corporation will review and revise the current Improving Teacher Quality State Grant to meet Federal Cash Management guidelines. Cash flows and cost projections will be analyzed on a monthly basis. A revised cash request form will be sent to the State in January, 2006. All future grant applications will be monitored to maintain a fund balance below the allowable 10% amount.

The corrective action plan for this finding is ongoing. The communications between the Curriculum Department and the Supervisor for Budget and Grants needs refining. The time lapse between the review of monthly balances and the revised request for cash draws remains problematic.

SOUTH BEND COMMUNITY SCHOOL CORPORATION
EXIT CONFERENCE

The contents of this report were discussed on March 27, 2008, with Robert M. Orłowski, Treasurer, Sheila A. Bergeron, President of the School Board; and Robert Zimmerman, Superintendent of Schools. The officials concurred with our audit findings.