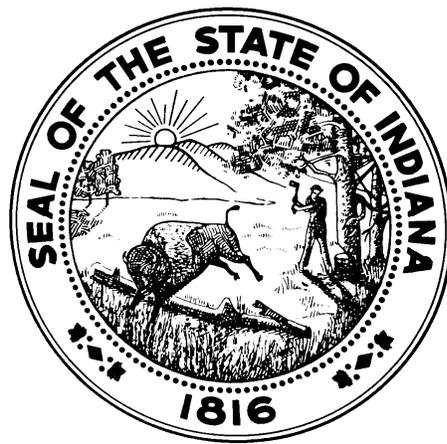


STATE BOARD OF ACCOUNTS
302 West Washington Street
Room E418
INDIANAPOLIS, INDIANA 46204-2769

EXAMINATION REPORT
OF
RANDOLPH SOUTHERN SCHOOL CORPORATION
RANDOLPH COUNTY, INDIANA
July 1, 2006 to June 30, 2008



FILED
03/16/2009

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OFFICIALS

<u>Office</u>	<u>Official</u>	<u>Term</u>
Treasurer	Pamela D. Welch	07-01-06 to 6-30-09
Superintendent of Schools	Michael J. Necessary	07-01-06 to 6-30-10
President of the School Board	Russ Isenbarger Barbara Hines Ronald Stephen	07-01-06 to 6-30-07 07-01-07 to 6-30-08 07-01-08 to 6-30-09



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INDEPENDENT ACCOUNTANT'S REPORT

TO: THE OFFICIALS OF RANDOLPH SOUTHERN SCHOOL
CORPORATION, RANDOLPH COUNTY, INDIANA

We have examined the financial statements presented herein of Randolph Southern School Corporation (School Corporation), for the period of July 1, 2006 to June 30, 2008. The School Corporation's management is responsible for the financial statements presented herein. Our responsibility is to express an opinion based on our examination.

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

In our opinion, the financial statements referred to above present fairly, in all material respects, the financial information of the School Corporation for the years ended June 30, 2007 and 2008, based on the criteria set forth in the uniform compliance guidelines established by the Indiana State Board of Accounts.

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 examination procedures applied in the examination of the basic financial statements and, in our opinion, are fairly stated in all material respects in relations 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 examination procedures applied by us in the examination of the basic financial statements and, accordingly, we express no opinion on them.

STATE BOARD OF ACCOUNTS

January 20, 2009

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

<u>Functions/Programs</u>	<u>Disbursements</u>	<u>Program Receipts</u>		<u>Net (Disbursement) Receipts and Changes in Net Assets</u>
		<u>Charges for Services</u>	<u>Operating Grants and Contributions</u>	<u>Totals</u>
Governmental activities:				
Instruction	\$ 2,956,214	\$ -	\$ 30,570	\$ (2,925,644)
Support services	2,055,008	138,484	109,004	(1,807,520)
Community services	78,792	-	-	(78,792)
Nonprogrammed charges	68,605	-	-	(68,605)
Debt service	302,644	-	-	(302,644)
Total governmental activities	\$ 5,461,263	\$ 138,484	\$ 139,574	(5,183,205)
General receipts:				
Property taxes				1,375,460
Other local sources				282,012
State aid				2,591,098
Bonds and loans				913,786
Grants and contributions not restricted to specific programs				316,385
Sale of property, adjustments, and refunds				27,875
Investment earnings				31,009
Total general receipts				5,537,625
Change in net assets				354,420
Net assets - beginning				960,461
Net assets - ending				\$ 1,314,881
<u>Assets</u>				
Cash and investments				\$ 1,223,676
Restricted assets:				
Cash and investments				91,205
Total assets				\$ 1,314,881
<u>Net Assets</u>				
Restricted for:				
Debt service				\$ 91,205
Unrestricted				1,223,676
Total net assets				\$ 1,314,881

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

RANDOLPH SOUTHERN SCHOOL CORPORATION
STATEMENT OF ACTIVITIES AND NET ASSETS - CASH AND INVESTMENT BASIS
For the Year Ended June 30, 2008

<u>Functions/Programs</u>	<u>Disbursements</u>	<u>Program Receipts</u>		<u>Net (Disbursement) Receipts and Changes in Net Assets</u>
		<u>Charges for Services</u>	<u>Operating Grants and Contributions</u>	<u>Totals</u>
Governmental activities:				
Instruction	\$ 2,937,768	\$ -	\$ 50,222	\$ (2,887,546)
Support services	2,536,600	155,370	114,337	(2,266,893)
Community services	47,505	-	-	(47,505)
Nonprogrammed charges	84,403	-	-	(84,403)
Debt service	<u>1,164,273</u>	<u>-</u>	<u>-</u>	<u>(1,164,273)</u>
Total governmental activities	<u>\$ 6,770,549</u>	<u>\$ 155,370</u>	<u>\$ 164,559</u>	<u>(6,450,620)</u>
General receipts:				
Property taxes				1,825,062
Other local sources				380,837
State aid				2,481,357
Bonds and loans				1,267,292
Grants and contributions not restricted to specific programs				359,886
Sale of property, adjustments, and refunds				7,004
Investment earnings				<u>67,002</u>
Total general receipts				<u>6,388,440</u>
Change in net assets				(62,180)
Net assets - beginning				<u>1,314,881</u>
Net assets - ending				<u>\$ 1,252,701</u>
<u>Assets</u>				
Cash and investments				\$ 1,228,134
Restricted assets:				
Cash and investments				<u>24,567</u>
Total assets				<u>\$ 1,252,701</u>
<u>Net Assets</u>				
Restricted for:				
Debt service				\$ 24,567
Unrestricted				<u>1,228,134</u>
Total net assets				<u>\$ 1,252,701</u>

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

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

	General	Transportation Operating	Rainy Day	Debt Service	Capital Projects	School Bus Replacement	Other	Totals
Receipts:								
Local sources	\$ 824,799	\$ 196,057	\$ -	\$ 141,402	\$ 345,590	\$ 87,938	\$ 229,579	\$ 1,825,365
Intermediate sources	200	-	-	-	-	-	525	725
State sources	2,610,489	-	-	-	-	-	66,955	2,677,444
Federal sources	-	-	-	-	-	-	370,488	370,488
Bonds and loans	675,786	106,000	-	-	101,000	-	31,000	913,786
Sale of property, adjustments and refunds	16,112	974	-	-	10,714	-	-	27,800
Total receipts	4,127,386	303,031	-	141,402	457,304	87,938	698,547	5,815,608
Disbursements:								
Current:								
Instruction	2,660,397	-	-	-	-	-	295,817	2,956,214
Support services	965,683	315,007	-	-	407,378	46,000	320,940	2,055,008
Community services	48,292	-	-	-	-	-	30,500	78,792
Nonprogrammed charges	39,480	-	-	-	-	-	29,125	68,605
Debt services	-	-	-	214,560	-	-	88,084	302,644
Total disbursements	3,713,852	315,007	-	214,560	407,378	46,000	764,466	5,461,263
Excess (deficiency) of receipts over disbursements	413,534	(11,976)	-	(73,158)	49,926	41,938	(65,919)	354,345
Other financing sources (uses):								
Transfers in	-	-	30,000	-	-	-	6,498	36,498
Transfers out	-	-	-	(30,000)	-	-	(6,498)	(36,498)
Total other financing sources (uses)	-	-	30,000	(30,000)	-	-	-	-
Excess (deficiency) of receipts and other financing sources over disbursements and other financing uses	413,534	(11,976)	30,000	(103,158)	49,926	41,938	(65,919)	354,345
Cash and investments - beginning	333,063	42,635	77,800	152,595	80,074	72,473	201,821	960,461
Cash and investments - ending	<u>\$ 746,597</u>	<u>\$ 30,659</u>	<u>\$ 107,800</u>	<u>\$ 49,437</u>	<u>\$ 130,000</u>	<u>\$ 114,411</u>	<u>\$ 135,902</u>	<u>\$ 1,314,806</u>
Cash and Investment Assets - Ending								
Cash and investments	\$ 746,597	\$ 30,659	\$ 107,800	\$ -	\$ 130,000	\$ 114,411	\$ 94,209	\$ 1,223,676
Restricted assets:								
Cash and investments	-	-	-	49,437	-	-	41,768	91,205
Total cash and investment assets - ending	<u>\$ 746,597</u>	<u>\$ 30,659</u>	<u>\$ 107,800</u>	<u>\$ 49,437</u>	<u>\$ 130,000</u>	<u>\$ 114,411</u>	<u>\$ 135,977</u>	<u>\$ 1,314,881</u>
Cash and Investment Fund Balance - Ending								
Restricted for:								
Debt service	\$ -	\$ -	\$ -	\$ 49,437	\$ -	\$ -	\$ 41,768	\$ 91,205
Unrestricted	746,597	30,659	107,800	-	130,000	114,411	94,209	1,223,676
Total cash and investment fund balance - ending	<u>\$ 746,597</u>	<u>\$ 30,659</u>	<u>\$ 107,800</u>	<u>\$ 49,437</u>	<u>\$ 130,000</u>	<u>\$ 114,411</u>	<u>\$ 135,977</u>	<u>\$ 1,314,881</u>

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

RANDOLPH SOUTHERN 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, 2008

	General	Transportation Operating	Rainy Day	Debt Service	Capital Projects	School Bus Replacement	Other	Totals
Receipts:								
Local sources	\$ 1,132,174	\$ 281,538	\$ -	\$ 124,652	\$ 510,693	\$ 169,580	\$ 208,276	\$ 2,426,913
Intermediate sources	300	-	-	-	-	-	638	938
State sources	2,503,728	-	-	-	-	-	127,871	2,631,599
Federal sources	-	-	-	-	-	-	374,622	374,622
Bonds and loans	578,296	223,724	-	62,126	376,054	-	27,092	1,267,292
Sale of property, adjustments and refunds	6,007	833	-	-	165	-	-	7,005
Total receipts	4,220,505	506,095	-	186,778	886,912	169,580	738,499	6,708,369
Disbursements:								
Current:								
Instruction	2,688,000	-	-	-	-	-	249,768	2,937,768
Support services	1,082,712	303,471	-	-	651,887	199,496	299,034	2,536,600
Community services	47,505	-	-	-	-	-	-	47,505
Nonprogrammed charges	56,835	-	-	-	-	-	27,568	84,403
Debt services	674,000	106,000	-	166,214	101,000	-	117,059	1,164,273
Total disbursements	4,549,052	409,471	-	166,214	752,887	199,496	693,429	6,770,549
Excess (deficiency) of receipts over disbursements	(328,547)	96,624	-	20,564	134,025	(29,916)	45,070	(62,180)
Other financing sources (uses):								
Transfers in	-	-	87,700	-	-	-	12,895	100,595
Transfers out	(32,700)	-	-	(30,000)	-	(25,000)	(12,895)	(100,595)
Total other financing sources (uses)	(32,700)	-	87,700	(30,000)	-	(25,000)	-	-
Excess (deficiency) of receipts and other financing sources over disbursements and other financing uses	(361,247)	96,624	87,700	(9,436)	134,025	(54,916)	45,070	(62,180)
Cash and investments - beginning	746,597	30,659	107,800	49,437	130,000	114,411	135,977	1,314,881
Cash and investments - ending	\$ 385,350	\$ 127,283	\$ 195,500	\$ 40,001	\$ 264,025	\$ 59,495	\$ 181,047	\$ 1,252,701
Cash and Investment Assets - Ending								
Cash and investments	\$ 385,350	\$ 127,283	\$ 195,500	\$ -	\$ 264,025	\$ 59,495	\$ 196,481	\$ 1,228,134
Restricted assets:								
Cash and investments	-	-	-	40,001	-	-	(15,434)	24,567
Total cash and investment assets - ending	\$ 385,350	\$ 127,283	\$ 195,500	\$ 40,001	\$ 264,025	\$ 59,495	\$ 181,047	\$ 1,252,701
Cash and Investment Fund Balance - Ending								
Restricted for:								
Debt service	\$ -	\$ -	\$ -	\$ 40,001	\$ -	\$ -	\$ (15,434)	\$ 24,567
Unrestricted	385,350	127,283	195,500	-	264,025	59,495	196,481	1,228,134
Total cash and investment fund balance - ending	\$ 385,350	\$ 127,283	\$ 195,500	\$ 40,001	\$ 264,025	\$ 59,495	\$ 181,047	\$ 1,252,701

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

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

	Pension Trust Funds	Private-Purpose Trust Funds	Agency Funds
Additions:			
Contributions:			
Other	\$ -	\$ 18,320	
Investment earnings:			
Interest	-	4,902	
Total additions	-	23,222	
Deductions:			
Administrative and general	-	23,488	
Deficiency of total additions over total deductions	-	(266)	
Cash and investment fund balance - beginning	123,208	82,012	
Cash and investment fund balance - ending	\$ 123,208	\$ 81,746	
Net assets:			
Cash and investments	\$ 123,208	\$ 81,746	\$ 10,661
Total net assets - cash and investment basis held in trust	\$ 123,208	\$ 81,746	\$ 10,661

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

RANDOLPH SOUTHERN SCHOOL CORPORATION
 STATEMENT OF ADDITIONS, DEDUCTIONS, AND CHANGES IN CASH AND INVESTMENT BALANCES
 FIDUCIARY FUNDS
 For the Year Ended June 30, 2008

	Pension Trust Funds	Private-Purpose Trust Funds	Agency Funds
Additions:			
Contributions:			
Other	\$ -	\$ 28,261	
Deductions:			
Benefits	5,000	-	
Administrative and general	-	22,822	
Total deductions	5,000	22,822	
Excess (deficiency) of total additions over total deductions	(5,000)	5,439	
Cash and investment fund balance - beginning	123,208	81,746	
Cash and investment fund balance - ending	\$ 118,208	\$ 87,185	
Net assets:			
Cash and investments	\$ 118,208	\$ 87,185	\$ 16,355
Total net assets - cash and investment basis held in trust	\$ 118,208	\$ 87,185	\$ 16,355

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

RANDOLPH SOUTHERN SCHOOL CORPORATION
NOTES TO FINANCIAL STATEMENTS

Note 1. Introduction

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

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

Note 2. Fund Accounting

A. Government-Wide and Fund Financial Statements

Government-Wide Financial Statements

The Statement of Cash and Investments and the Statement of Cash Activities 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 non-exchange revenues.

Fund Financial Statements

Fund financial statements of the reporting entity are organized into funds, each of which is considered to be a separate accounting entity. Each fund is accounted for by providing a separate set of self-balancing accounts that constitutes its assets, liabilities, fund equity, receipts, and disbursements. Separate financial statements are provided for governmental funds, proprietary funds, and fiduciary funds, even though the latter are excluded from the government-wide financial statements. Major individual governmental funds and major individual enterprise funds are reported as separate columns in the fund financial statements.

The School Corporation reports the following major governmental funds:

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

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

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

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

RANDOLPH SOUTHERN SCHOOL CORPORATION
NOTES TO FINANCIAL STATEMENTS
(Continued)

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

The rainy day fund is used to account for funds in accordance with IC 36-1-8-5.5 and a locally adopted resolution.

Additionally, the School Corporation reports the following fund types:

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

The private-purpose trust fund reports a trust arrangement under which principal and income benefit the students of the school corporation.

Agency funds account for assets held by the School Corporation as an agent for state and federal taxes, Annuity, Life and Disability Insurance Companies.

B. Measurement Focus and Basis of Accounting

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

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

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

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

As a general rule, the effect of interfund activity has been eliminated from the government-wide financial statements. Exceptions to this general rule are payments-in-lieu of taxes. Elimination of these charges would distort the direct costs and program receipts reported for the various functions concerned.

RANDOLPH SOUTHERN SCHOOL CORPORATION
NOTES TO FINANCIAL STATEMENTS
(Continued)

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 or internal service 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.

Note 3. Budgets

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

Note 4. Property Taxes

Property taxes levied are collected by the County Treasurer and are distributed to the School Corporation in June and December. State statute (IC 6-1.1-17-16) requires the Indiana Department of Local Government Finance to establish property tax rates and levies by February 15. These rates were based upon the preceding year's March 1 (lien date) assessed valuations adjusted for various tax credits. Taxable property is assessed at 100% of the true tax value (determined in accordance with rules and regulations adopted by the Indiana Department of Local Government Finance). Taxes may be paid in two equal installments which become delinquent if not paid by May 10 and November 10, respectively. May 10, 2007 and 2008. Property taxes were not distributed until August 9, 2007, and September 29, 2008. This resulted in Property taxes not being posted until after the School Corporation's fiscal year end June 30, 2007 and 2008.

Note 5. Deposits and Investments

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

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

RANDOLPH SOUTHERN SCHOOL CORPORATION
NOTES TO FINANCIAL STATEMENTS
(Continued)

Note 6. Interfund Transfers

Interfund transfers for the years ended June 30, 2007 and 2008, were as follows:

Transfer From	Transfer To	2007	2008
General Fund	Rainy Day Fund	\$ -	\$ 32,700
Debt Service Fund	Rainy Day Fund	30,000	30,000
School Bus Replacement Fund	Rainy Day Fund	-	25,000
Other governmental funds	Other governmental funds	6,498	12,895
Totals		<u>\$ 36,498</u>	<u>\$ 100,595</u>

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

Note 7. Pension Plan

A. Public Employees' Retirement Fund

Plan Description

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

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

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

Funding Policy and Annual Pension Cost

The contribution requirements of the plan members for PERF are established by the Board of Trustees of PERF.

RANDOLPH SOUTHERN SCHOOL CORPORATION
NOTES TO FINANCIAL STATEMENTS
(Continued)

B. Teachers' Retirement Fund

Plan Description

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

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

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

Funding Policy and Annual Pension Cost

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

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

	Special Education Preschool	School Lunch	Textbook Rental	Educational License Plates	Early Intervention Grant	Education Technology	IDEM Extra-Curricular Track Grant
Receipts:							
Local sources	\$ 2,105	\$ 127,878	\$ 48,831	\$ -	\$ -	\$ -	\$ -
Intermediate sources	-	-	-	525	-	-	-
State sources	25,861	4,187	9,728	-	1,000	-	15,000
Federal sources	-	95,960	-	-	-	-	-
Bonds and loans	-	-	-	-	-	-	-
Sale of property, adjustments and refunds	-	-	-	-	-	75	-
Total receipts	27,966	228,025	58,559	525	1,000	75	15,000
Disbursements:							
Current:							
Instruction	-	-	-	-	1,000	-	-
Support services	-	223,513	61,665	-	-	-	-
Community services	-	-	-	-	-	-	30,000
Nonprogrammed charges	28,875	-	-	250	-	-	-
Debt services	-	-	-	-	-	-	-
Total disbursements	28,875	223,513	61,665	250	1,000	-	30,000
Excess (deficiency) of receipts over disbursements	(909)	4,512	(3,106)	275	-	75	(15,000)
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	(909)	4,512	(3,106)	275	-	75	(15,000)
Cash and investments - beginning	8,970	17,924	12,892	1,250	-	-	15,000
Cash and investments - ending	\$ 8,061	\$ 22,436	\$ 9,786	\$ 1,525	\$ -	\$ 75	\$ -
<u>Cash and Investment Assets - Ending</u>							
Cash and investments	\$ 8,061	\$ 22,436	\$ 9,786	\$ 1,525	\$ -	\$ 75	\$ -
Restricted assets:							
Cash and investments	-	-	-	-	-	-	-
Total cash and investment assets - ending	\$ 8,061	\$ 22,436	\$ 9,786	\$ 1,525	\$ -	\$ 75	\$ -
<u>Cash and Investment Fund Balance - Ending</u>							
Restricted for:							
Debt service	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Unrestricted	8,061	22,436	9,786	1,525	-	75	-
Total cash and investment fund balance - ending	\$ 8,061	\$ 22,436	\$ 9,786	\$ 1,525	\$ -	\$ 75	\$ -

RANDOLPH SOUTHERN 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)

	Biology Pilot Program	Social Studies Pilot Project	Gifted and Talented 2006-2007	Gifted and Talented 2005-2006	Title I PL 107-110 IASA	Title I, 2005/2006 84.010A	Title V PT. A 107-110
Receipts:							
Local sources	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Intermediate sources	-	-	-	-	-	-	-
State sources	-	-	11,179	-	-	-	-
Federal sources	-	-	-	-	97,494	5,000	1,023
Bonds and loans	-	-	-	-	-	-	-
Sale of property, adjustments and refunds	-	-	-	-	-	-	-
Total receipts	-	-	11,179	-	97,494	5,000	1,023
Disbursements:							
Current:							
Instruction	-	-	9,491	1,005	72,006	25,126	-
Support services	8,724	-	-	-	10,328	3,227	2,207
Community services	-	-	-	-	500	-	-
Nonprogrammed charges	-	-	-	-	-	-	-
Debt services	-	-	-	-	-	-	-
Total disbursements	8,724	-	9,491	1,005	82,834	28,353	2,207
Excess (deficiency) of receipts over disbursements	(8,724)	-	1,688	(1,005)	14,660	(23,353)	(1,184)
Other financing sources (uses):							
Transfers in	-	-	-	-	3,498	-	3,000
Transfers out	-	-	-	-	-	(3,498)	-
Total other financing sources (uses)	-	-	-	-	3,498	(3,498)	3,000
Excess (deficiency) of receipts and other financing sources over disbursements and other financing uses	(8,724)	-	1,688	(1,005)	18,158	(26,851)	1,816
Cash and investments - beginning	18,903	2,973	-	1,005	-	26,851	-
Cash and investments - ending	\$ 10,179	\$ 2,973	\$ 1,688	\$ -	\$ 18,158	\$ -	\$ 1,816
<u>Cash and Investment Assets - Ending</u>							
Cash and investments	\$ 10,179	\$ 2,973	\$ 1,688	\$ -	\$ 18,158	\$ -	\$ 1,816
Restricted assets:							
Cash and investments	-	-	-	-	-	-	-
Total cash and investment assets - ending	\$ 10,179	\$ 2,973	\$ 1,688	\$ -	\$ 18,158	\$ -	\$ 1,816
<u>Cash and Investment Fund Balance - Ending</u>							
Restricted for:							
Debt service	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Unrestricted	10,179	2,973	1,688	-	18,158	-	1,816
Total cash and investment fund balance - ending	\$ 10,179	\$ 2,973	\$ 1,688	\$ -	\$ 18,158	\$ -	\$ 1,816

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

	Title V, PT. A 05/06 84.298	P.L. 101-476 IDEA	Special Education 05-06	SEEP/Part B IDEA	Drug Free Schools Title IV/PT	Title IV Part A 84-186	Medicaid Reimbursement
Receipts:							
Local sources	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Intermediate sources	-	-	-	-	-	-	-
State sources	-	-	-	-	-	-	-
Federal sources	-	104,402	25,324	-	3,148	-	-
Bonds and loans	-	-	-	-	-	-	-
Sale of property, adjustments and refunds	-	-	-	-	-	-	-
Total receipts	-	104,402	25,324	-	3,148	-	-
Disbursements:							
Current:							
Instruction	-	120,139	19,423	7,799	-	208	83
Support services	2,913	-	-	-	200	2,200	-
Community services	-	-	-	-	-	-	-
Nonprogrammed charges	-	-	-	-	-	-	-
Debt services	-	-	-	-	-	-	-
Total disbursements	2,913	120,139	19,423	7,799	200	2,408	83
Excess (deficiency) of receipts over disbursements	(2,913)	(15,737)	5,901	(7,799)	2,948	(2,408)	(83)
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	(2,913)	(15,737)	5,901	(7,799)	2,948	(2,408)	(83)
Cash and investments - beginning	2,939	-	(5,901)	10,454	-	2,977	5,458
Cash and investments - ending	\$ 26	\$ (15,737)	\$ -	\$ 2,655	\$ 2,948	\$ 569	\$ 5,375
<u>Cash and Investment Assets - Ending</u>							
Cash and investments	\$ 26	\$ (15,737)	\$ -	\$ 2,655	\$ 2,948	\$ 569	\$ 5,375
Restricted assets:							
Cash and investments	-	-	-	-	-	-	-
Total cash and investment assets - ending	\$ 26	\$ (15,737)	\$ -	\$ 2,655	\$ 2,948	\$ 569	\$ 5,375
<u>Cash and Investment Fund Balance - Ending</u>							
Restricted for:							
Debt service	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Unrestricted	26	(15,737)	-	2,655	2,948	569	5,375
Total cash and investment fund balance - ending	\$ 26	\$ (15,737)	\$ -	\$ 2,655	\$ 2,948	\$ 569	\$ 5,375

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

	School Technology P.L. 106-554	Improve Teacher Quality No Child Left Behind	Improve Teacher Quality EN ED Technology	Rural Schools Achievement P.L. 107	Retirement/ Severance Bond	Construction	Totals
Receipts:							
Local sources	\$ -	\$ -	\$ -	\$ -	\$ 50,765	\$ -	\$ 229,579
Intermediate sources	-	-	-	-	-	-	525
State sources	-	-	-	-	-	-	66,955
Federal sources	-	38,137	-	-	-	-	370,488
Bonds and loans	-	-	-	-	31,000	-	31,000
Sale of property, adjustments and refunds	-	-	-	-	-	-	75
Total receipts	-	38,137	-	-	81,765	-	698,622
Disbursements:							
Current:							
Instruction	22,168	17,369	-	-	-	-	295,817
Support services	-	1,520	2,000	2,443	-	-	320,940
Community services	-	-	-	-	-	-	30,500
Nonprogrammed charges	-	-	-	-	-	-	29,125
Debt services	-	-	-	-	88,084	-	88,084
Total disbursements	22,168	18,889	2,000	2,443	88,084	-	764,466
Excess (deficiency) of receipts over disbursements	(22,168)	19,248	(2,000)	(2,443)	(6,319)	-	(65,844)
Other financing sources (uses):							
Transfers in	-	-	-	-	-	-	6,498
Transfers out	-	(3,000)	-	-	-	-	(6,498)
Total other financing sources (uses)	-	(3,000)	-	-	-	-	-
Excess (deficiency) of receipts and other financing sources over disbursements and other financing uses	(22,168)	16,248	(2,000)	(2,443)	(6,319)	-	(65,844)
Cash and investments - beginning	22,168	1,558	2,000	2,900	48,087	3,413	201,821
Cash and investments - ending	\$ -	\$ 17,806	\$ -	\$ 457	\$ 41,768	\$ 3,413	\$ 135,977
<u>Cash and Investment Assets - Ending</u>							
Cash and investments	\$ -	\$ 17,806	\$ -	\$ 457	\$ -	\$ 3,413	\$ 94,209
Restricted assets:							
Cash and investments	-	-	-	-	41,768	-	41,768
Total cash and investment assets - ending	\$ -	\$ 17,806	\$ -	\$ 457	\$ 41,768	\$ 3,413	\$ 135,977
<u>Cash and Investment Fund Balance - Ending</u>							
Restricted for:							
Debt service	\$ -	\$ -	\$ -	\$ -	\$ 41,768	\$ -	\$ 41,768
Unrestricted	-	17,806	-	457	-	3,413	94,209
Total cash and investment fund balance - ending	\$ -	\$ 17,806	\$ -	\$ 457	\$ 41,768	\$ 3,413	\$ 135,977

RANDOLPH SOUTHERN 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, 2008

	Special Education Preschool	School Lunch	Textbook Rental	Educational License Plates	Early Intervention Grant	Education Technology
Receipts:						
Local sources	\$ 2,837	\$ 130,274	\$ 42,400	\$ -	\$ -	\$ -
Intermediate sources	-	-	-	638	-	-
State sources	24,770	3,846	14,644	-	500	60
Federal sources	-	96,266	-	-	-	-
Bonds and loans	-	-	-	-	-	-
Total receipts	<u>27,607</u>	<u>230,386</u>	<u>57,044</u>	<u>638</u>	<u>500</u>	<u>60</u>
Disbursements:						
Current:						
Instruction	-	-	-	-	500	-
Support services	-	234,552	27,479	250	-	-
Nonprogrammed charges	27,568	-	-	-	-	-
Debt services	-	-	-	-	-	-
Total disbursements	<u>27,568</u>	<u>234,552</u>	<u>27,479</u>	<u>250</u>	<u>500</u>	<u>-</u>
Excess (deficiency) of receipts over disbursements	<u>39</u>	<u>(4,166)</u>	<u>29,565</u>	<u>388</u>	<u>-</u>	<u>60</u>
Other financing sources (uses):						
Transfers in	-	-	-	-	-	-
Transfers out	-	-	-	-	-	-
Total other financing sources (uses)	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Excess (deficiency) of receipts and other financing sources over disbursements and other financing uses	<u>39</u>	<u>(4,166)</u>	<u>29,565</u>	<u>388</u>	<u>-</u>	<u>60</u>
Cash and investments - beginning	<u>8,061</u>	<u>22,436</u>	<u>9,786</u>	<u>1,525</u>	<u>-</u>	<u>75</u>
Cash and investments - ending	<u>\$ 8,100</u>	<u>\$ 18,270</u>	<u>\$ 39,351</u>	<u>\$ 1,913</u>	<u>\$ -</u>	<u>\$ 135</u>
<u>Cash and Investment Assets - Ending</u>						
Cash and investments	\$ 8,100	\$ 18,270	\$ 39,351	\$ 1,913	\$ -	\$ 135
Restricted assets:						
Cash and investments	-	-	-	-	-	-
Total cash and investment assets - ending	<u>\$ 8,100</u>	<u>\$ 18,270</u>	<u>\$ 39,351</u>	<u>\$ 1,913</u>	<u>\$ -</u>	<u>\$ 135</u>
<u>Cash and Investment Fund Balance - Ending</u>						
Restricted for:						
Debt service	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Unrestricted	8,100	18,270	39,351	1,913	-	135
Total cash and investment fund balance - ending	<u>\$ 8,100</u>	<u>\$ 18,270</u>	<u>\$ 39,351</u>	<u>\$ 1,913</u>	<u>\$ -</u>	<u>\$ 135</u>

RANDOLPH SOUTHERN 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, 2008
 (Continued)

	Improving English/Core 40	Biology Pilot Program	Social Studies Pilot Program	Gifted and Talented 2006-2007	Gifted and Talented 2005-2006	Title I PL 107-110 IASA
Receipts:						
Local sources	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Intermediate sources	-	-	-	-	-	-
State sources	56,200	-	-	-	27,851	-
Federal sources	-	-	-	-	-	14,000
Bonds and loans	-	-	-	-	-	-
Total receipts	<u>56,200</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>27,851</u>	<u>14,000</u>
Disbursements:						
Current:						
Instruction	-	-	-	1,688	15,276	18,677
Support services	-	6,187	2,973	-	-	3,586
Nonprogrammed charges	-	-	-	-	-	-
Debt services	-	-	-	-	-	-
Total disbursements	<u>-</u>	<u>6,187</u>	<u>2,973</u>	<u>1,688</u>	<u>15,276</u>	<u>22,263</u>
Excess (deficiency) of receipts over disbursements	<u>56,200</u>	<u>(6,187)</u>	<u>(2,973)</u>	<u>(1,688)</u>	<u>12,575</u>	<u>(8,263)</u>
Other financing sources (uses):						
Transfers in	-	-	-	-	-	-
Transfers out	-	-	-	-	-	(9,895)
Total other financing sources (uses)	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>(9,895)</u>
Excess (deficiency) of receipts and other financing sources over disbursements and other financing uses	<u>56,200</u>	<u>(6,187)</u>	<u>(2,973)</u>	<u>(1,688)</u>	<u>12,575</u>	<u>(18,158)</u>
Cash and investments - beginning	<u>-</u>	<u>10,179</u>	<u>2,973</u>	<u>1,688</u>	<u>-</u>	<u>18,158</u>
Cash and investments - ending	<u>\$ 56,200</u>	<u>\$ 3,992</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 12,575</u>	<u>\$ -</u>
Cash and Investment Assets - Ending						
Cash and investments	\$ 56,200	\$ 3,992	\$ -	\$ -	\$ 12,575	\$ -
Restricted assets:						
Cash and investments	-	-	-	-	-	-
Total cash and investment assets - ending	<u>\$ 56,200</u>	<u>\$ 3,992</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 12,575</u>	<u>\$ -</u>
Cash and Investment Fund Balance - Ending						
Restricted for:						
Debt service	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Unrestricted	56,200	3,992	-	-	12,575	-
Total cash and investment fund balance - ending	<u>\$ 56,200</u>	<u>\$ 3,992</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 12,575</u>	<u>\$ -</u>

RANDOLPH SOUTHERN 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, 2008
 (Continued)

	Title I 2007-2008	Title V PT. A 107-110	Title V, PT. A 05/06 84.298	P.L. 101-476 IDEA	Special Education 05-06	SEEP/Part B IDEA
Receipts:						
Local sources	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Intermediate sources	-	-	-	-	-	-
State sources	-	-	-	-	-	-
Federal sources	73,787	997	-	26,100	120,628	-
Bonds and loans	-	-	-	-	-	-
Total receipts	73,787	997	-	26,100	120,628	-
Disbursements:						
Current:						
Instruction	45,046	-	-	10,364	117,686	2,655
Support services	11,804	3,988	26	-	-	-
Nonprogrammed charges	-	-	-	-	-	-
Debt services	-	-	-	-	-	-
Total disbursements	56,850	3,988	26	10,364	117,686	2,655
Excess (deficiency) of receipts over disbursements	16,937	(2,991)	(26)	15,736	2,942	(2,655)
Other financing sources (uses):						
Transfers in	9,895	3,000	-	-	-	-
Transfers out	-	-	-	-	-	-
Total other financing sources (uses)	9,895	3,000	-	-	-	-
Excess (deficiency) of receipts and other financing sources over disbursements and other financing uses	26,832	9	(26)	15,736	2,942	(2,655)
Cash and investments - beginning	-	1,816	26	(15,737)	-	2,655
Cash and investments - ending	<u>\$ 26,832</u>	<u>\$ 1,825</u>	<u>\$ -</u>	<u>\$ (1)</u>	<u>\$ 2,942</u>	<u>\$ -</u>
<u>Cash and Investment Assets - Ending</u>						
Cash and investments	\$ 26,832	\$ 1,825	\$ -	\$ (1)	\$ 2,942	\$ -
Restricted assets:						
Cash and investments	-	-	-	-	-	-
Total cash and investment assets - ending	<u>\$ 26,832</u>	<u>\$ 1,825</u>	<u>\$ -</u>	<u>\$ (1)</u>	<u>\$ 2,942</u>	<u>\$ -</u>
<u>Cash and Investment Fund Balance - Ending</u>						
Restricted for:						
Debt service	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Unrestricted	<u>26,832</u>	<u>1,825</u>	<u>-</u>	<u>(1)</u>	<u>2,942</u>	<u>-</u>
Total cash and investment fund balance - ending	<u>\$ 26,832</u>	<u>\$ 1,825</u>	<u>\$ -</u>	<u>\$ (1)</u>	<u>\$ 2,942</u>	<u>\$ -</u>

RANDOLPH SOUTHERN 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, 2008
 (Continued)

	Drug Free Schools Title IV/PT	Title N Part A	Title IV Part A 84-186	Medicaid Reimbursement	School Technology P.L. 106-554	Improve Teacher Quality No Child Left Behind
Receipts:						
Local sources	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Intermediate sources	-	-	-	-	-	-
State sources	-	-	-	-	-	-
Federal sources	-	3,096	-	-	38,732	-
Bonds and loans	-	-	-	-	-	-
Total receipts	-	3,096	-	-	38,732	-
Disbursements:						
Current:						
Instruction	-	-	569	881	19,349	17,077
Support services	2,260	315	-	-	-	728
Nonprogrammed charges	-	-	-	-	-	-
Debt services	-	-	-	-	-	-
Total disbursements	2,260	315	569	881	19,349	17,805
Excess (deficiency) of receipts over disbursements	(2,260)	2,781	(569)	(881)	19,383	(17,805)
Other financing sources (uses):						
Transfers in	-	-	-	-	-	-
Transfers out	-	-	-	-	(3,000)	-
Total other financing sources (uses)	-	-	-	-	(3,000)	-
Excess (deficiency) of receipts and other financing sources over disbursements and other financing uses	(2,260)	2,781	(569)	(881)	16,383	(17,805)
Cash and investments - beginning	2,948	-	569	5,375	-	17,806
Cash and investments - ending	<u>688</u>	<u>2,781</u>	<u>-</u>	<u>4,494</u>	<u>16,383</u>	<u>1</u>
Cash and Investment Assets - Ending						
Cash and investments	\$ 688	\$ 2,781	\$ -	\$ 4,494	\$ 16,383	\$ 1
Restricted assets:						
Cash and investments	-	-	-	-	-	-
Total cash and investment assets - ending	<u>688</u>	<u>2,781</u>	<u>-</u>	<u>4,494</u>	<u>16,383</u>	<u>1</u>
Cash and Investment Fund Balance - Ending						
Restricted for:						
Debt service	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Unrestricted	688	2,781	-	4,494	16,383	1
Total cash and investment fund balance - ending	<u>688</u>	<u>2,781</u>	<u>-</u>	<u>4,494</u>	<u>16,383</u>	<u>1</u>

RANDOLPH SOUTHERN 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, 2008
 (Continued)

	Rural Schools Achievement P.L. 107	REAP (Rural Ed Ach Prog)	Retirement/ Severance Bond	Construction	Totals
Receipts:					
Local sources	\$ -	\$ -	\$ 32,765	\$ -	\$ 208,276
Intermediate sources	-	-	-	-	638
State sources	-	-	-	-	127,871
Federal sources	-	1,016	-	-	374,622
Bonds and loans	-	-	27,092	-	27,092
Total receipts	-	1,016	59,857	-	738,499
Disbursements:					
Current:					
Instruction	-	-	-	-	249,768
Support services	457	1,016	-	3,413	299,034
Nonprogrammed charges	-	-	-	-	27,568
Debt services	-	-	117,059	-	117,059
Total disbursements	457	1,016	117,059	3,413	693,429
Excess (deficiency) of receipts over disbursements	(457)	-	(57,202)	(3,413)	45,070
Other financing sources (uses):					
Transfers in	-	-	-	-	12,895
Transfers out	-	-	-	-	(12,895)
Total other financing sources (uses)	-	-	-	-	-
Excess (deficiency) of receipts and other financing sources over disbursements and other financing uses	(457)	-	(57,202)	(3,413)	45,070
Cash and investments - beginning	457	-	41,768	3,413	135,977
Cash and investments - ending	\$ -	\$ -	\$ (15,434)	\$ -	\$ 181,047
Cash and Investment Assets - Ending					
Cash and investments	\$ -	\$ -	\$ -	\$ -	\$ 196,481
Restricted assets:					
Cash and investments	-	-	(15,434)	-	(15,434)
Total cash and investment assets - ending	\$ -	\$ -	\$ (15,434)	\$ -	\$ 181,047
Cash and Investment Fund Balance - Ending					
Restricted for:					
Debt service	\$ -	\$ -	\$ (15,434)	\$ -	\$ (15,434)
Unrestricted	-	-	-	-	196,481
Total cash and investment fund balance - ending	\$ -	\$ -	\$ (15,434)	\$ -	\$ 181,047

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

	<u>Retirement/ Severance Bond</u>	<u>Post-Retirement/ Severance Future Benefit</u>	<u>Totals</u>
Cash and investment fund balance - beginning	\$ 110,545	\$ 12,663	\$ 123,208
Cash and investment fund balance - ending	<u>\$ 110,545</u>	<u>\$ 12,663</u>	<u>\$ 123,208</u>
Net assets:			
Cash and investments	<u>\$ 110,545</u>	<u>\$ 12,663</u>	<u>\$ 123,208</u>
Total net assets - cash and investment basis held in trust	<u>\$ 110,545</u>	<u>\$ 12,663</u>	<u>\$ 123,208</u>

RANDOLPH SOUTHERN SCHOOL CORPORATION
 COMBINING SCHEDULE OF ADDITIONS, DEDUCTIONS, AND CHANGES IN CASH AND INVESTMENT BALANCES
 PENSION TRUST FUNDS
 For the Year Ended June 30, 2008

	<u>Retirement/ Severance Bond</u>	<u>Post-Retirement/ Severance Future Benefit</u>	<u>Totals</u>
Deductions:			
Benefits	\$ -	\$ 5,000	\$ 5,000
Deficiency of total additions over total deductions	-	(5,000)	(5,000)
Cash and investment fund balance - beginning	<u>110,545</u>	<u>12,663</u>	<u>123,208</u>
Cash and investment fund balance - ending	<u>\$ 110,545</u>	<u>\$ 7,663</u>	<u>\$ 118,208</u>
Net assets:			
Cash and investments	<u>\$ 110,545</u>	<u>\$ 7,663</u>	<u>\$ 118,208</u>
Total net assets - cash and investment basis held in trust	<u>\$ 110,545</u>	<u>\$ 7,663</u>	<u>\$ 118,208</u>

RANDOLPH SOUTHERN 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

	Frontline Screenprint	Richard E Wright Memorial	John D Wilson Scholarship	Nina M Chenoweth Scholarship	Ella Wilson Scholarship	Helen Thorn Scholarship	Totals
Additions:							
Contributions:							
Other	\$ 12,616	\$ -	\$ 5,704	\$ -	\$ -	\$ -	\$ 18,320
Investment earnings:							
Interest	-	86	-	87	679	4,050	4,902
Total additions	<u>12,616</u>	<u>86</u>	<u>5,704</u>	<u>87</u>	<u>679</u>	<u>4,050</u>	<u>23,222</u>
Deductions:							
Administrative and general	<u>12,204</u>	<u>50</u>	<u>7,984</u>	<u>50</u>	<u>400</u>	<u>2,800</u>	<u>23,488</u>
Excess (deficiency) of total additions over total deductions	412	36	(2,280)	37	279	1,250	(266)
Cash and investment fund balance - beginning	<u>6,568</u>	<u>1,114</u>	<u>5,784</u>	<u>1,121</u>	<u>9,691</u>	<u>57,734</u>	<u>82,012</u>
Cash and investments - June 30	<u>\$ 6,980</u>	<u>\$ 1,150</u>	<u>\$ 3,504</u>	<u>\$ 1,158</u>	<u>\$ 9,970</u>	<u>\$ 58,984</u>	<u>\$ 81,746</u>
Net assets:							
Cash and investments	<u>\$ 6,980</u>	<u>\$ 1,150</u>	<u>\$ 3,504</u>	<u>\$ 1,158</u>	<u>\$ 9,970</u>	<u>\$ 58,984</u>	<u>\$ 81,746</u>
Total net assets - cash and investment basis held in trust	<u>\$ 6,980</u>	<u>\$ 1,150</u>	<u>\$ 3,504</u>	<u>\$ 1,158</u>	<u>\$ 9,970</u>	<u>\$ 58,984</u>	<u>\$ 81,746</u>

RANDOLPH SOUTHERN SCHOOL CORPORATION
 COMBINING SCHEDULE OF ADDITIONS, DEDUCTIONS, AND CHANGES IN CASH AND INVESTMENT BALANCES
 PRIVATE-PURPOSE TRUST FUNDS
 For the Year Ended June 30, 2008

	Frontline Screenprint	Richard E Wright Memorial	John D Wilson Scholarship	Nina M Chenoweth Scholarship	Ella Wilson Scholarship	Helen Thorn Scholarship	Misc/Gifts Bequests	Totals
Additions:								
Contributions:								
Other	\$ 19,927	\$ -	\$ 6,334	\$ -	\$ -	\$ -	\$ 2,000	\$ 28,261
Deductions:								
Administrative and general	15,903	50	5,638	50	375	600	206	22,822
Excess (deficiency) of total additions over total deductions	4,024	(50)	696	(50)	(375)	(600)	1,794	5,439
Cash and investment fund balance - beginning	6,980	1,150	3,504	1,158	9,970	58,984	-	81,746
Cash and investments - June 30	<u>\$ 11,004</u>	<u>\$ 1,100</u>	<u>\$ 4,200</u>	<u>\$ 1,108</u>	<u>\$ 9,595</u>	<u>\$ 58,384</u>	<u>\$ 1,794</u>	<u>\$ 87,185</u>
Net assets:								
Cash and investments	\$ 11,004	\$ 1,100	\$ 4,200	\$ 1,108	\$ 9,595	\$ 58,384	\$ 1,794	\$ 87,185
Total net assets - cash and investment basis held in trust	<u>\$ 11,004</u>	<u>\$ 1,100</u>	<u>\$ 4,200</u>	<u>\$ 1,108</u>	<u>\$ 9,595</u>	<u>\$ 58,384</u>	<u>\$ 1,794</u>	<u>\$ 87,185</u>

RANDOLPH SOUTHERN SCHOOL CORPORATION
SUPPLEMENTARY INFORMATION
SCHEDULE OF CAPITAL ASSETS

For The Year Ended June 30, 2008

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. The School Corporation does not own any general infrastructure assets.

<u>Primary Government</u>	<u>Ending Balance</u>
Governmental activities:	
Capital assets, not being depreciated:	
Land	\$ 125,678
Buildings	11,885,037
Improvements other than buildings	209,404
Machinery and equipment	<u>3,547,400</u>
Total governmental activities, capital assets not being depreciated	<u>\$ 15,767,519</u>

RANDOLPH SOUTHERN SCHOOL CORPORATION
SUPPLEMENTARY INFORMATION
SCHEDULE OF LONG-TERM DEBT
 June 30, 2008

The School Corporation has entered into the following debt:

Description of Debt	Ending Principal Balance	Principal and Interest Due Within One Year
Governmental Activities:		
Capital leases:		
Energy Savings	\$ 1,421,200	\$ 190,429
Notes and loans payable	1,417,749	1,341,293
Bonds payable:		
General obligation bonds:		
Athletic Annex	375,000	138,630
Retirement/Severance Bond	460,000	91,045
Total governmental activities debt	\$ 3,673,949	\$ 1,761,397

RANDOLPH SOUTHERN SCHOOL CORPORATION
EXAMINATION RESULTS AND COMMENTS

DISBURSEMENT DOCUMENTATION AND PAYMENT OF AMOUNTS OWED

Several payments were observed which did not contain adequate supporting documentation such as the detailed method of calculating services performed. Due to the lack of supporting information, the validity and accountability for some monies disbursed could not be established. Randolph Southern School Corporation overpaid the Greater Randolph School Corporation for programs and services to exceptional children as follows:

	Calculated Annual Installment Due	Amount Installment Billed	Amount Overpaid
FY 2005-2006	\$ 40,231.55	\$ 39,769.12	\$ 462.43
FY 2006-2007	39,774.46	37,780.66	1,993.80
Total Overbilled	\$ 80,006.01	\$ 77,549.78	\$ 2,456.23

Supporting documentation such as receipts, canceled checks, tickets, invoices, bills, contracts, and other public records must be available for audit to provide supporting information for the validity and accountability of monies disbursed. Payments without supporting documentation may be the personal obligation of the responsible official or employee. (Accounting and Uniform Compliance Guidelines Manual for Indiana Public School Corporations, Chapter 9)

Controls over the disbursing and accounting for the financial activities are necessary to avoid substantial risk of invalid transactions, inaccurate records and financial statements and incorrect decision making. (Accounting and Uniform Compliance Guidelines Manual for Indiana Public School Corporations, Chapter 9)

Persons, companies or governmental units that have overpaid amounts to a governmental unit are entitled to a repayment or refund by check or warrant. (Accounting and Uniform Compliance Guidelines Manual for Indiana Public School Corporations, Chapter 9)

APPROPRIATIONS

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

Fund	Year	Excess Amount Expended
Retirement/Severance Bond	2006	\$ 912
Special Education Preschool	2006	6,550

RANDOLPH SOUTHERN SCHOOL CORPORATION
EXAMINATION RESULTS AND COMMENTS
(Continued)

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

CONDITION OF RECORDS (Randolph Southern Elementary School)

Financial records presented for examination were incomplete and not reflective of the previously examined ending balance. The records presented did not provide sufficient information to examine or establish beginning balances, receipts, disbursements, ending balances, or the accuracy or correctness of the transactions.

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

INTERNAL CONTROLS (School Lunch)

Controls for receipts generated by the School Lunch are insufficient. The Cafeteria collects, deposits, and accounts for School Breakfast and Lunch. The proper chart of accounts was not used for school year 2006-2007, which caused difficulties in comparing revenue to the Monthly National School Lunch Program Site Claim.

Controls over the receipting, disbursing, recording, and accounting for the financial activities are necessary to avoid substantial risk of invalid transactions, inaccurate records and financial statements and incorrect decision making. (Accounting and Uniform Compliance Guidelines Manual for Indiana Public School Corporations, Chapter 9) (Accounting and Uniform Compliance Guidelines Manual for Extra-Curricular Accounts, Chapter 7)

RANDOLPH SOUTHERN SCHOOL CORPORATION
EXIT CONFERENCE

The contents of this report were discussed on January 20, 2009, with Pamela D. Welsh, Treasurer; Michael Necessary, Superintendent of Schools; Ronald Stephan, President of the School Board; and Mary Brown, Classroom Teachers' Association President. The official response has been made a part of this report and may be found on pages 33 and 34.

January 23, 2009

Mr. Bruce Hartman
State Board of Accounts
302 West Washington Street
Room E 418
Indianapolis, IN 46204-2765

Dear Mr. Hartman:

“OFFICIAL RESPONSE”

We wish to file an official response to the results and comments in the form of a letter to be bound in the report. We understand that if such a response is not received by the State Board of Accounts within ten (10) days of this date, the State Board of Accounts cannot guarantee that the response will be included in the report.

Nancy Pennycuff was the field representative who examined Randolph Southern School Corporation's accounts, July 1, 2006 to June 30, 2008. Our exit conference was conducted Tuesday, January 20, 2009, 3:00 pm in my office.

On behalf of Randolph Southern School Corporation, I take exception to the Disbursement Documentation And Payment Of Amounts Owed section. I provided Nancy Pennycuff with the minutes from the GRIC Meetings showing RSSC paid what we were billed by Greater Randolph Interlocal Cooperative. The minutes clearly show the GRIC Board of Directors as presented by Mrs. Lisa Waber, GRIC Director of Special Education, approved the payments. Also I provided the minutes from the next GRIC meeting whereby the previous month's minutes were approved. Dr. Zach Rozelle, Superintendent of Monroe Central approved the minutes. Therefore, I disagree with the audit exception given to our school corporation.

Furthermore, Home Rule should prevail in this situation in my opinion. I. C. 20-26-3-3 b 2 states that a school corporation has all other powers necessary or desirable in the conduct of the school corporation's affairs, even if the power is not granted by statute or rule. The Greater Randolph Interlocal Cooperative is considered a school corporation under its reorganization plan. It has a Board that develops the policies and sees that they are followed or changed for the best interest of the students that are part of the Interlocal Cooperative. This official governing board meeting of the Greater Randolph Interlocal Cooperative unanimously voted to keep the billing the same for that school year after the

error was pointed out by Director Lisa Waber. She explained the error was made by using current instead of past ADM figures. The Board then again approved that billing and the fact that there would be no change in it by approving by assent the minutes of the meeting where the board made that ruling. Randolph Southern was not billed either by GRIC or by Monroe Central for a change in that payment.

I followed what GRIC Board of Directors voted on and the procedures GRIC would take. As I understand GRIC was not written up for this situation, and if Monroe Central was written up why didn't Monroe Central bring this to a GRIC board meeting? Again, RSSC was not sent an additional billing from GRIC or Monroe Central.

Again, I provided Nancy Pennycuff with all the documentation as she questioned this at the start of our audit. The GRIC Board President, Mrs. Cathy Stephen, advised me to provide this documentation as the vote and minutes demonstrate Randolph Southern School Corporation paid exactly what we were billed by GRIC.

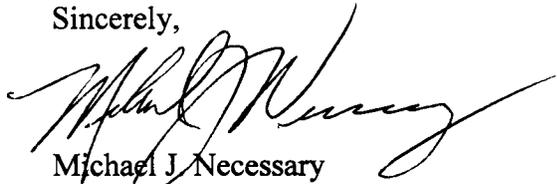
I would be more than willing to answer any other questions you might have on this subject. Further documentation can be provided at your request, either from GRIC and/or RSSC.

I did check number four (4) on the exit conference officials' response. Attending this meeting were: Nancy Pennycuff, Field Examiner, Michael J. Necessary, RSSC Superintendent, Ron Stephan, RSSC School Board President, Pam Welch, RSSC Treasurer and Mary Brown, RSCTA President. During this conference I did tell Nancy Pennycuff that I would write a letter of disagreement due to the above situation. Nancy requested I send this letter to her home address so she could deliver it to you.

Nancy Pennycuff was very professional, and we enjoyed working with her during this most recent audit of RSSC.

Thank you for your time and consideration in advance.

Sincerely,



Michael J. Necessary
RSSC Superintendent
School Corporation 6805

Pc: RSSC School Board Members
File