

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

AUDIT REPORT
OF
SOUTH VERMILLION COMMUNITY SCHOOL CORPORATION
VERMILLION COUNTY, INDIANA
July 1, 2006 to June 30, 2008



FILED
05/01/2009

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SCHEDULE OF OFFICIALS

<u>Office</u>	<u>Official</u>	<u>Term</u>
Business Manager	Cindy Guinn	07-01-06 to 06-30-09
Superintendent of Schools	Steven E. Miller Vacant Doug Orman (Interim) David A. Chapman	07-01-06 to 10-24-07 10-25-07 to 10-29-07 10-30-07 to 06-30-08 07-01-08 to 06-30-11
President of the School Board	John Paul Roehm Susan Goodman	01-01-06 to 12-31-08 01-01-09 to 12-31-09



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

TO: THE OFFICIALS OF THE SOUTH VERMILLION COMMUNITY
SCHOOL CORPORATION, VERMILLION 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 Vermillion Community School Corporation (School Corporation), as of and for the years ended June 30, 2007 and 2008, 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, 2007 and 2008, 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 April 2, 2009, 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, grant agreements, and other matters. The purpose of that report is to describe the scope of our testing of internal control over financial reporting and compliance and the results of that testing and not to provide an opinion on the internal control over financial reporting or on compliance. That report is an audit performed in accordance with Government Auditing Standards and should be considered in assessing the results of our audit.

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

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 accompanying Schedule of Expenditures of Federal Awards is presented for purposes of additional analysis as required by the U.S. Office of Management and Budget Circular A-133, Audits of States, Local Governments, and Non-Profit Organizations, and is not a required part of the basic financial statements. Such information has been subjected to the auditing procedures applied in the audit of the basic financial statements and, in our opinion, is fairly stated, in all material respects, in relation to the basic financial statements taken as a whole.

The Schedule of Funding Progress, as listed in the Table of Contents, is not a required part of the basic financial statements but is supplementary information required by accounting principles generally accepted in the United States of America. We have applied certain limited procedures, which consisted principally of inquiries of management, regarding the methods of measurement and presentation of the required supplementary information. However, we did not audit the information and express no opinion on it.

The School Corporation has not presented Management's Discussion and Analysis or Budgetary Comparison Schedules that accounting principles generally accepted in the United States of America has determined are 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

April 2, 2009



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

TO: THE OFFICIALS OF THE SOUTH VERMILLION COMMUNITY
SCHOOL CORPORATION, VERMILLION COUNTY, INDIANA

We have audited the financial statements of the governmental activities, each major fund, and the aggregate remaining fund information of the South Vermillion Community School Corporation (School Corporation), as of and for the years ended June 30, 2007 and 2008, which collectively comprise the School Corporation's basic financial statements and have issued our report thereon dated April 2, 2009. We conducted our audit in accordance with auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in Government Auditing Standards, issued by the Comptroller General of the United States.

Internal Control Over Financial Reporting

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

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

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

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

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

Compliance and Other Matters

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

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

STATE BOARD OF ACCOUNTS

April 2, 2009

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

<u>Functions/Programs</u>	<u>Disbursements</u>	<u>Program Receipts</u>		<u>Net (Disbursement) Receipts and Changes in Net Assets</u>
		<u>Charges for Services</u>	<u>Operating Grants and Contributions</u>	<u>Totals</u>
Governmental activities:				
Instruction	\$ 9,715,332	\$ -	\$ 230,163	\$ (9,485,169)
Support services	7,178,609	429,533	919,677	(5,829,399)
Community services	220,497	-	-	(220,497)
Nonprogrammed charges	421,133	-	-	(421,133)
Debt service	<u>3,248,423</u>	<u>-</u>	<u>-</u>	<u>(3,248,423)</u>
 Total government	 <u>\$ 20,783,994</u>	 <u>\$ 429,533</u>	 <u>\$ 1,149,840</u>	 <u>(19,204,621)</u>
 General receipts:				
Property taxes				4,785,670
Other local sources				1,805,020
State aid				7,993,234
Bonds and loans				1,734,337
Grants and contributions not restricted to specific programs				644,136
Sale of property, adjustments, and refunds				2,250
Investment earnings				<u>149,986</u>
 Total general receipts				 <u>17,114,633</u>
 Change in net assets				 (2,089,988)
 Net assets - beginning				 <u>3,755,261</u>
 Net assets - ending				 <u>\$ 1,665,273</u>
 <u>Assets</u>				
Cash and investments				\$ 1,535,556
Restricted assets:				
Cash and investments				<u>129,717</u>
 Total assets				 <u>\$ 1,665,273</u>
 <u>Net Assets</u>				
Restricted for:				
Debt service				\$ 129,717
Unrestricted				<u>1,535,556</u>
 Total net assets				 <u>\$ 1,665,273</u>

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

SOUTH VERMILLION COMMUNITY 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>	Program Receipts		<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	\$ 9,825,470	\$ -	\$ 312,846	\$ (9,512,624)
Support services	8,026,157	446,217	885,487	(6,694,453)
Community services	265,719	-	-	(265,719)
Nonprogrammed charges	418,949	-	-	(418,949)
Debt service	4,544,383	-	-	(4,544,383)
Total government	\$ 23,080,678	\$ 446,217	\$ 1,198,333	(21,436,128)
General receipts:				
Property taxes				7,383,081
Other local sources				2,021,468
State aid				7,875,318
Bonds and loans				4,234,314
Grants and contributions not restricted to specific programs				647,517
Sale of property, adjustments, and refunds				11,809
Investment earnings				57,128
Total general receipts				22,230,635
Change in net assets				794,507
Net assets - beginning				1,665,273
Net assets - ending				\$ 2,459,780
<u>Assets</u>				
Cash and investments				\$ 2,457,215
Restricted assets:				
Cash and investments				2,565
Total assets				\$ 2,459,780
<u>Net Assets</u>				
Restricted for:				
Debt service				\$ 2,565
Unrestricted				2,457,215
Total net assets				\$ 2,459,780

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

SOUTH VERMILLION 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	School Lunch	PVETI 06-07	Debt Service	Capital Projects	School Bus Replacement	Other	Totals
Receipts:									
Local sources	\$ 2,708,253	\$ 561,687	\$ 399,945	\$ 663,963	\$ 1,835,541	\$ 570,060	\$ 88,006	\$ 153,933	\$ 6,981,388
Intermediate sources	3,302	-	-	-	-	-	-	185,518	188,820
State sources	8,158,664	-	20,862	-	-	-	-	197,366	8,376,892
Federal sources	-	-	765,506	-	-	-	-	644,813	1,410,319
Bonds and loans	1,734,337	-	-	-	-	-	-	-	1,734,337
Sale of property, adjustments and refunds	2,250	-	-	-	-	-	-	-	2,250
Interfund loans	-	-	-	-	-	42,000	100,000	-	142,000
Total receipts	12,606,806	561,687	1,186,313	663,963	1,835,541	612,060	188,006	1,181,630	18,836,006
Disbursements:									
Current:									
Instruction	8,495,634	-	-	452,121	-	-	-	767,577	9,715,332
Support services	2,712,606	754,868	1,169,811	109,407	-	1,821,891	126,016	484,010	7,178,609
Community services	206,729	-	-	-	-	-	-	13,768	220,497
Nonprogrammed charges	419,833	-	-	300	-	-	-	1,000	421,133
Debt services	1,507,047	-	-	-	1,741,376	-	-	-	3,248,423
Interfund loans	-	-	-	-	100,000	-	42,000	-	142,000
Total disbursements	13,341,849	754,868	1,169,811	561,828	1,841,376	1,821,891	168,016	1,266,355	20,925,994
Excess (deficiency) of receipts over disbursements	(735,043)	(193,181)	16,502	102,135	(5,835)	(1,209,831)	19,990	(84,725)	(2,089,988)
Other financing sources (uses):									
Transfers in	-	-	-	94,256	-	-	-	4,838	99,094
Transfers out	-	-	-	-	-	-	-	(99,094)	(99,094)
Total other financing sources (uses)	-	-	-	94,256	-	-	-	(94,256)	-
Excess (deficiency) of receipts and other financing sources over disbursements and other financing uses	(735,043)	(193,181)	16,502	196,391	(5,835)	(1,209,831)	19,990	(178,981)	(2,089,988)
Cash and investments - beginning	1,117,610	425,092	327,775	-	135,552	1,314,486	343	434,403	3,755,261
Cash and investments - ending	<u>\$ 382,567</u>	<u>\$ 231,911</u>	<u>\$ 344,277</u>	<u>\$ 196,391</u>	<u>\$ 129,717</u>	<u>\$ 104,655</u>	<u>\$ 20,333</u>	<u>\$ 255,422</u>	<u>\$ 1,665,273</u>
Cash and Investment Assets - Ending									
Cash and investments	\$ 382,567	\$ 231,911	\$ 344,277	\$ 196,391	\$ -	\$ 104,655	\$ 20,333	\$ 255,422	\$ 1,535,556
Restricted assets:									
Cash and investments	-	-	-	-	129,717	-	-	-	129,717
Total cash and investment assets - ending	<u>\$ 382,567</u>	<u>\$ 231,911</u>	<u>\$ 344,277</u>	<u>\$ 196,391</u>	<u>\$ 129,717</u>	<u>\$ 104,655</u>	<u>\$ 20,333</u>	<u>\$ 255,422</u>	<u>\$ 1,665,273</u>
Cash and Investment Fund Balance - Ending									
Restricted for:									
Debt service	\$ -	\$ -	\$ -	\$ -	\$ 129,717	\$ -	\$ -	\$ -	\$ 129,717
Unrestricted	382,567	231,911	344,277	196,391	-	104,655	20,333	255,422	1,535,556
Total cash and investment fund balance - ending	<u>\$ 382,567</u>	<u>\$ 231,911</u>	<u>\$ 344,277</u>	<u>\$ 196,391</u>	<u>\$ 129,717</u>	<u>\$ 104,655</u>	<u>\$ 20,333</u>	<u>\$ 255,422</u>	<u>\$ 1,665,273</u>

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

SOUTH VERMILLION 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, 2008

	General	Transportation Operating	School Lunch	PVETI 06-07	Debt Service	Capital Projects	School Bus Replacement	Other	Totals
Receipts:									
Local sources	\$ 3,297,917	\$ 693,158	\$ 417,491	\$ -	\$ 1,443,383	\$ 2,371,565	\$ 456,263	\$ 959,364	\$ 9,639,141
Intermediate sources	-	-	-	-	-	-	-	268,753	268,753
State sources	8,056,951	-	20,740	-	-	-	-	207,340	8,285,031
Federal sources	-	-	774,652	-	-	-	-	661,485	1,436,137
Bonds and loans	4,234,314	-	-	-	-	-	-	-	4,234,314
Sale of property, adjustments and refunds	11,153	656	-	-	-	-	-	-	11,809
Interfund loans	2,173,000	80,000	-	-	1,455,000	938,000	55,000	-	4,701,000
Total receipts	17,773,335	773,814	1,212,883	-	2,898,383	3,309,565	511,263	2,096,942	28,576,185
Disbursements:									
Current:									
Instruction	8,556,304	-	-	141,610	-	-	-	1,127,556	9,825,470
Support services	3,089,081	770,935	1,215,064	13,186	-	2,188,413	143,899	605,579	8,026,157
Community services	236,521	-	-	-	-	-	-	29,198	265,719
Nonprogrammed charges	402,146	-	-	-	-	-	-	16,803	418,949
Debt services	2,778,848	-	-	-	1,765,535	-	-	-	4,544,383
Interfund loans	2,173,000	80,000	-	-	1,260,000	1,033,000	155,000	-	4,701,000
Total disbursements	17,235,900	850,935	1,215,064	154,796	3,025,535	3,221,413	298,899	1,779,136	27,781,678
Excess (deficiency) of receipts over disbursements	537,435	(77,121)	(2,181)	(154,796)	(127,152)	88,152	212,364	317,806	794,507
Other financing sources (uses):									
Transfers in	-	-	-	-	-	-	-	71,536	71,536
Transfers out	-	-	-	(41,595)	-	-	-	(29,941)	(71,536)
Total other financing sources (uses)	-	-	-	(41,595)	-	-	-	41,595	-
Excess (deficiency) of receipts and other financing sources over disbursements and other financing uses	537,435	(77,121)	(2,181)	(196,391)	(127,152)	88,152	212,364	359,401	794,507
Cash and investments - beginning	382,567	231,911	344,277	196,391	129,717	104,655	20,333	255,422	1,665,273
Cash and investments - ending	<u>\$ 920,002</u>	<u>\$ 154,790</u>	<u>\$ 342,096</u>	<u>\$ -</u>	<u>\$ 2,565</u>	<u>\$ 192,807</u>	<u>\$ 232,697</u>	<u>\$ 614,823</u>	<u>\$ 2,459,780</u>
Cash and Investment Assets - Ending									
Cash and investments	\$ 920,002	\$ 154,790	\$ 342,096	\$ -	\$ -	\$ 192,807	\$ 232,697	\$ 614,823	\$ 2,457,215
Restricted assets:									
Cash and investments	-	-	-	-	2,565	-	-	-	2,565
Total cash and investment assets - ending	<u>\$ 920,002</u>	<u>\$ 154,790</u>	<u>\$ 342,096</u>	<u>\$ -</u>	<u>\$ 2,565</u>	<u>\$ 192,807</u>	<u>\$ 232,697</u>	<u>\$ 614,823</u>	<u>\$ 2,459,780</u>
Cash and Investment Fund Balance - Ending									
Restricted for:									
Debt service	\$ -	\$ -	\$ -	\$ -	\$ 2,565	\$ -	\$ -	\$ -	\$ 2,565
Unrestricted	920,002	154,790	342,096	-	-	192,807	232,697	614,823	2,457,215
Total cash and investment fund balance - ending	<u>\$ 920,002</u>	<u>\$ 154,790</u>	<u>\$ 342,096</u>	<u>\$ -</u>	<u>\$ 2,565</u>	<u>\$ 192,807</u>	<u>\$ 232,697</u>	<u>\$ 614,823</u>	<u>\$ 2,459,780</u>

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

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

	<u>Agency Fund</u> <u>Payroll Withholding</u>
Cash and investment fund balance - ending	\$ <u>8,171</u>

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

SOUTH VERMILLION COMMUNITY SCHOOL CORPORATION
STATEMENT OF ADDITIONS, DEDUCTIONS, AND CHANGES IN CASH AND INVESTMENT BALANCES
FIDUCIARY FUND
For the Year Ended June 30, 2008

	<u>Agency Fund</u> <u>Payroll Withholding</u>
Cash and investment fund balance - ending	\$ <u>20,094</u>

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

SOUTH VERMILLION 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.

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 Rockville Community School Corporation, Southwest Parke Community School Corporation and Vigo County School Corporation in a joint venture to operate the Covered Bridge Special Education District which was created to provide instruction for handicapped children. The School Corporation is obligated for its share of the debts of the joint venture. Complete financial statements for the Covered Bridge Special Education District can be obtained from the Covered Bridge Special Education District at the administrative office at 1320 Walnut Street, Terre Haute, IN 47807.

The School Corporation is a participant with Turkey Run Community School Corporation, Rockville Community School Corporation, Southwest Parke Community School Corporation, North Vermillion Community School Corporation, Indiana State University, and Ivy Tech State College in a joint venture to operate the Parke-Vermillion Education and Training Interlocal which was created to provide vocational instruction for handicapped and regular education students. The School Corporation is obligated for its share of the debts of the joint venture. Complete financial statements for the Parke-Vermillion Education and Training Interlocal can be obtained from the South Vermillion Community School Corporation office, 800 West Wildcat Drive, Clinton, IN 47842.

The School Corporation is a participant with Metropolitan School District of Warren County, Cloverdale Community Schools, Hamilton Heights School Corporation, Logansport Community School Corporation, Marion Community Schools, North Putnam Community Schools, Benton Community School Corporation, Northwestern, Rockville Community School Corporation, Turkey Run Community School Corporation, North Vermillion Community School Corporation, Southwest Parke Community School Corporation, Tipton Community School Corporation, Western Boone County Community School District, Wabash Valley Education Center, and West Central Indiana Educational Service Center in the Wabash Valley/West Central Indiana Insurance Trust, a joint venture to provide a common and unified program of group health insurance. The Trustees of the plan shall determine the rate of contributions to be required from each participant covered by the plan. The School Corporation is obligated for the debts of the joint venture. Complete financial statements for the Wabash Valley/West Central Indiana Insurance Trust can be obtained from the Logansport Community School Corporation office, 2829 George Street, Logansport, IN 46947.

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

The School Corporation is a participant with North Vermillion Community School Corporation in a joint venture to operate the Vermillion County Opportunity School which was created to provide at-risk students in grades six through twelve an alternative for success through educational programs, services and activities. The Opportunity School's continued existence depends on continued funding by the School Corporation. Complete financial statements for the Vermillion County Opportunity School can be obtained from South Vermillion Community School Corporation, P.O. Box 387, Clinton, Indiana, 47842.

Related Organizations

The School Corporation's officials are also responsible for appointing the members of the boards of other organizations, but the School Corporation's accountability for these organizations does not extend beyond making the appointments. The School Corporation appoints the board members of the Clinton-Clinton Township Public Library and the Newport-Vermillion County Public Library.

B. Government-Wide and Fund Financial Statements

Government-Wide Financial Statements

The Statement of Activities and Net Assets – Cash and Investment Basis displays information about the reporting government as a whole. It includes all funds of the reporting entity except for fiduciary funds. The statement distinguishes between governmental and business-type activities. Governmental activities generally are financed through taxes, intergovernmental revenues, and other nonexchange revenues. Business-type activities are financed in whole or in part by fees charged to external parties for goods or services. However, there are no business-type activities to report at this time.

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 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 school lunch fund accounts for financial resources for the nutrition of school children and teachers.

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

The PVETI 06-07 fund accounts for financial resources for the Parke-Vermillion County Education and Training Interlocal which provides programs and services for vocational education.

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.

Additionally, the School Corporation reports the following fund types:

Agency funds account for assets held by the School Corporation as an agent for various state and federal agencies, insurance companies and benefit providers and serve as 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, 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. All government-wide financials would be presented on the accrual basis of accounting.

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

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

D. Assets and Cash and Investment Balances

1. Cash and Investments

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

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

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 (Indiana Code 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.

3. Capital Assets

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

4. Long-Term Debt

Long-term debt arising from cash basis transactions of governmental 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.

5. Equity Classification

Government-Wide Statements

Equity is classified as net assets and displayed in two components:

- a. Restricted net assets – Consists of net assets with constraints placed on the use either by (1) external groups such as creditors, grantors, contributors, or laws and regulations of other governments, or (2) law through constitutional provisions or enabling legislation.
- b. Unrestricted net assets – All other net assets that do not meet the definition of "restricted."

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

Fund Financial Statements

Governmental fund equity is classified as fund balance.

E. Receipts and Disbursements

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.

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

F. Internal and Interfund Balances and Activities

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

Fund Financial Statements

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

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.

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 Balance Deficits

At June 30, 2007 and 2008, the following funds reported deficits in cash and investments, which are violations of the Uniform Compliance Guidelines and state statute:

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

Fund	2007	2008
Adult Education	\$ 10,366	\$ 10,079
Perkins 06-07	14,759	-
Tech Prep Career Majors	7,130	-
Title II Class Reduction 06-07	16,245	-
Tech Prep Career Majors 07-08	-	38,600

Cash deficits arose primarily from disbursements exceeding receipts due to the timing of when the reimbursement is received; 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. The bank balances were insured by the Federal Deposit Insurance Corporation or the Public Deposit Insurance Fund, which covers all public funds held in approved depositories.

B. Interfund Transfers

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

Transfer From	Transfer To	2007	2008
PVETI 06-07	Other governmental funds	\$ -	\$ 41,595
Other governmental funds	PVETI 06-07	94,256	-
	Other governmental funds	4,838	29,941
Totals		\$ 99,094	\$ 71,536

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

C. Restatements and Reclassifications

For the year ended June 30, 2006, certain changes have been made to the financial statements to more appropriately reflect financial activity of the School Corporation. The following schedule presents a summary of restated beginning balances by opinion unit.

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

Opinion Unit	Balance as Reported June 30, 2006	Fund Reclassification	Balance as Restated July 1, 2006
Statement of Activities and Net Assets	\$ 3,744,324	\$ 10,937	\$ 3,755,261

IV. Other Information

A. Risk Management

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

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

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

During 1992, the School Corporation joined with other governmental entities to form the Wabash Valley/West Central Indiana Insurance Trust, a public entity risk pool currently operating as a common risk management and insurance program for 17 member governmental entities. The purpose of the risk pool is to provide a medium for the funding and administration of medical benefits to employees, retirees, and dependents (excluding postemployment benefits). The risk pool is considered a self-sustaining risk pool that will provide coverage for its members for up to \$150,000 per insured event. The risk pool obtains independent coverage for insured events in excess of the \$150,000 limit.

B. Holding Corporations

The School Corporation has entered into a capital leases with South Vermillion Middle School Holding Corporation and South Vermillion School Building Corporation (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. Lease payments during the two-year period totaled \$1,684,912 and \$1,690,535, respectively.

C. Other Postemployment Benefits

In addition to the pension benefits described below, the School Corporation provides postemployment medical insurance benefits, as authorized by Indiana Code 5-10-8, to all professional employees who retire from the School Corporation on or after attaining a rule of 85 when age is combined with years of service. Currently, 26 retirees meet these eligibility requirements. The

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

School Corporation and one retiree provide 50% each of the postemployment benefit. The School Corporation provides \$4,000 a year towards medical expenses for the other 25 retirees. Disbursements for those postemployment benefits are recognized on a pay-as-you-go basis. During the two year period ended June 30, 2008, disbursements of \$207,710 were recognized for postemployment benefits.

D. Pension Plans

1. Agent Multiple-Employer Defined Benefit Pension Plan

a. Public Employees' Retirement Fund

Plan Description

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

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

Actuarial Information for the Above Plan

	PERF
Annual required contribution	\$ 117,379
Interest on net pension obligation	(11,343)
Adjustment to annual required contribution	12,926
Annual pension cost	118,962
Contributions made	104,539
Increase in net pension obligation	14,423
Net pension obligation, beginning of year	(156,449)
Net pension obligation, end of year	\$ (142,026)

	PERF
Contribution rates:	
School Corporation	6.5%
Plan members	3%
Actuarial valuation date	07-01-07
Actuarial cost method	Entry age
Amortization method	Level percentage of projected payroll, closed
Amortization period	30 years
Amortization period (from date)	07-01-97
Asset valuation method	75% of expected actuarial value plus 25% of market value

<u>Actuarial Assumptions</u>	PERF
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%

*2.75% converted members; 4% nonconverted members

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

Three Year Trend Information

	<u>Year Ending</u>	<u>Annual Pension Cost (APC)</u>	<u>Percentage of APC Contributed</u>	<u>Net Pension Obligation</u>
PERF	06-30-05	\$ 71,559	139%	\$ (147,173)
	06-30-06	90,920	110%	(156,449)
	06-30-07	118,962	88%	(142,026)

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 (Indiana Code 5-10.2) governs, through the TRF Board, most requirements of the system and gives the School Corporation authority to contribute to the plan. The TRF retirement benefit consists of the pension provided by employer contributions plus an annuity provided by the member's annuity savings account. The annuity savings account consists of member's contributions, set by state statute at 3% of compensation, plus the interest credited to the member's account. The School Corporation may elect to make the contributions on behalf of the member.

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

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

Funding Policy and Annual Pension Costs

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

Plan members are required to contribute 3% of their salary and the School Corporation is to contribute at an actuarially determined rate. The current rate has been actuarially determined under the entry age normal cost method to be 6.82% of covered wages. The School Corporation's required contributions to the plan for the fiscal years ended June 30, 2006, 2007, and 2008, were \$204,672, \$226,026, and \$250,180, respectively. The School Corporation actually contributed 100% of the required contribution for each of the fiscal years.

SOUTH VERMILLION 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)
07-01-05	\$ 1,676,522	\$ 1,727,887	\$ (51,365)	97%	\$ 1,610,191	(3%)
07-01-06	1,590,346	1,715,671	(125,325)	93%	1,685,149	(7%)
07-01-07	1,780,544	1,940,718	(160,174)	92%	1,872,634	(9%)

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

	Special Education Preschool	Textbook	Levy Excess	PVETI 05-06	Education License Plates	Alternative Education
Receipts:						
Local sources	\$ 9,614	\$ 134,850	\$ -	\$ 183	\$ -	\$ -
Intermediate sources	-	-	-	-	1,875	-
State sources	65,943	43,118	-	-	-	8,829
Federal sources	-	-	-	-	-	-
Total receipts	75,557	177,968	-	183	1,875	8,829
Disbursements:						
Current:						
Instruction	67,375	-	-	96,078	751	7,345
Support services	-	143,887	-	11,648	-	-
Community services	-	-	-	-	-	-
Nonprogrammed charges	-	-	-	-	-	-
Total disbursements	67,375	143,887	-	107,726	751	7,345
Excess (deficiency) of receipts over disbursements	8,182	34,081	-	(107,543)	1,124	1,484
Other financing sources (uses):						
Transfers in	-	-	-	-	-	-
Transfers out	-	-	-	(94,256)	-	-
Total other financing sources (uses)	-	-	-	(94,256)	-	-
Excess (deficiency) of receipts and other financing sources over disbursements and other financing uses	8,182	34,081	-	(201,799)	1,124	1,484
Cash and investments - beginning	37,557	101,641	1,771	201,799	226	7,345
Cash and investments - ending	\$ 45,739	\$ 135,722	\$ 1,771	\$ -	\$ 1,350	\$ 8,829
Cash and Investment Assets - Ending						
Cash and investments	\$ 45,739	\$ 135,722	\$ 1,771	\$ -	\$ 1,350	\$ 8,829
Restricted assets:						
Cash and investments	-	-	-	-	-	-
Total cash and investment assets - ending	\$ 45,739	\$ 135,722	\$ 1,771	\$ -	\$ 1,350	\$ 8,829
Cash and Investment Fund Balance - Ending						
Unrestricted	45,739	135,722	1,771	-	1,350	8,829
Total cash and investment fund balance - ending	\$ 45,739	\$ 135,722	\$ 1,771	\$ -	\$ 1,350	\$ 8,829

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

SOUTH VERMILLION 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)

	ISU Professional Development 04-05	ISU Professional Development 04-08	ISU Professional Development 05-06	Adult Education	GED Test Scholarship	Stultz Fund
Receipts:						
Local sources	\$ -	\$ -	\$ -	\$ -	\$ 600	\$ 1,541
Intermediate sources	-	-	-	-	-	-
State sources	-	8,800	-	30,910	-	-
Federal sources	-	-	-	-	-	-
Total receipts	-	8,800	-	30,910	600	1,541
Disbursements:						
Current:						
Instruction	-	-	-	34,585	180	-
Support services	1,140	6,701	1,300	-	-	-
Community services	-	-	-	-	-	-
Nonprogrammed charges	-	-	-	-	-	1,000
Total disbursements	1,140	6,701	1,300	34,585	180	1,000
Excess (deficiency) of receipts over disbursements	(1,140)	2,099	(1,300)	(3,675)	420	541
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	(1,140)	2,099	(1,300)	(3,675)	420	541
Cash and investments - beginning	1,140	14,000	1,800	(6,691)	-	288
Cash and investments - ending	\$ -	\$ 16,099	\$ 500	\$ (10,366)	\$ 420	\$ 829
Cash and Investment Assets - Ending						
Cash and investments	\$ -	\$ 16,099	\$ 500	\$ (10,366)	\$ 420	\$ 829
Restricted assets:						
Cash and investments	-	-	-	-	-	-
Total cash and investment assets - ending	\$ -	\$ 16,099	\$ 500	\$ (10,366)	\$ 420	\$ 829
Cash and Investment Fund Balance - Ending						
Unrestricted	-	16,099	500	(10,366)	420	829
Total cash and investment fund balance - ending	\$ -	\$ 16,099	\$ 500	\$ (10,366)	\$ 420	\$ 829

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

SOUTH VERMILLION 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)

	Gifted and Talented 05-06	Gifted and Talented 06-07	Tech Prep 2006	Economic Education Mini Grant	Non-English Speaking Program	School Technology
Receipts:						
Local sources	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Intermediate sources	-	-	-	-	-	44,982
State sources	-	13,806	21,080	2,000	20	-
Federal sources	-	-	-	-	-	-
Total receipts	-	13,806	21,080	2,000	20	44,982
Disbursements:						
Current:						
Instruction	463	13,806	-	1,914	20	-
Support services	-	-	15,968	-	-	47,396
Community services	-	-	-	-	-	-
Nonprogrammed charges	-	-	-	-	-	-
Total disbursements	463	13,806	15,968	1,914	20	47,396
Excess (deficiency) of receipts over disbursements	(463)	-	5,112	86	-	(2,414)
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	(463)	-	5,112	86	-	(2,414)
Cash and investments - beginning	463	-	(5,112)	-	-	11,709
Cash and investments - ending	\$ -	\$ -	\$ -	\$ 86	\$ -	\$ 9,295
Cash and Investment Assets - Ending						
Cash and investments	\$ -	\$ -	\$ -	\$ 86	\$ -	\$ 9,295
Restricted assets:						
Cash and investments	-	-	-	-	-	-
Total cash and investment assets - ending	\$ -	\$ -	\$ -	\$ 86	\$ -	\$ 9,295
Cash and Investment Fund Balance - Ending						
Unrestricted	-	-	-	86	-	9,295
Total cash and investment fund balance - ending	\$ -	\$ -	\$ -	\$ 86	\$ -	\$ 9,295

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

SOUTH VERMILLION 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)

	Video Distance Learning	Read More At Home	Adult Composition 2007	REMC Grants Even Start	Wilson Education Center 06-07	Wilson Education Center 05-06
Receipts:						
Local sources	\$ -	\$ -	\$ -	\$ -	\$ 7,145	\$ -
Intermediate sources	-	-	-	-	138,661	-
State sources	-	-	1,500	1,360	-	-
Federal sources	-	-	-	-	-	-
Total receipts	-	-	1,500	1,360	145,806	-
Disbursements:						
Current:						
Instruction	-	89	1,500	1,247	62,181	10,416
Support services	-	-	-	-	67,435	4,730
Community services	-	-	-	-	-	-
Nonprogrammed charges	-	-	-	-	-	-
Total disbursements	-	89	1,500	1,247	129,616	15,146
Excess (deficiency) of receipts over disbursements	-	(89)	-	113	16,190	(15,146)
Other financing sources (uses):						
Transfers in	-	-	-	-	4,838	-
Transfers out	-	-	-	-	-	(4,838)
Total other financing sources (uses)	-	-	-	-	4,838	(4,838)
Excess (deficiency) of receipts and other financing sources over disbursements and other financing uses	-	(89)	-	113	21,028	(19,984)
Cash and investments - beginning	1,427	89	-	-	-	19,984
Cash and investments - ending	\$ 1,427	\$ -	\$ -	\$ 113	\$ 21,028	\$ -
Cash and Investment Assets - Ending						
Cash and investments	\$ 1,427	\$ -	\$ -	\$ 113	\$ 21,028	\$ -
Restricted assets:						
Cash and investments	-	-	-	-	-	-
Total cash and investment assets - ending	\$ 1,427	\$ -	\$ -	\$ 113	\$ 21,028	\$ -
Cash and Investment Fund Balance - Ending						
Unrestricted	1,427	-	-	113	21,028	-
Total cash and investment fund balance - ending	\$ 1,427	\$ -	\$ -	\$ 113	\$ 21,028	\$ -

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

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

	Title I 06-07	Title I 05-06	Title I School Improvements	Title V, Part A 06-07	Even Start 06-07
Receipts:					
Local sources	\$ -	\$ -	\$ -	\$ -	\$ -
Intermediate sources	-	-	-	-	-
State sources	-	-	-	-	-
Federal sources	202,523	18,500	20,441	3,485	115,062
Total receipts	202,523	18,500	20,441	3,485	115,062
Disbursements:					
Current:					
Instruction	135,676	46,463	6,498	-	84,096
Support services	8,507	2,720	7,176	114	27,566
Community services	12,086	220	1,462	-	-
Nonprogrammed charges	-	-	-	-	-
Total disbursements	156,269	49,403	15,136	114	111,662
Excess (deficiency) of receipts over disbursements	46,254	(30,903)	5,305	3,371	3,400
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	46,254	(30,903)	5,305	3,371	3,400
Cash and investments - beginning	-	30,903	-	-	-
Cash and investments - ending	\$ 46,254	\$ -	\$ 5,305	\$ 3,371	\$ 3,400
Cash and Investment Assets - Ending					
Cash and investments	\$ 46,254	\$ -	\$ 5,305	\$ 3,371	\$ 3,400
Restricted assets:					
Cash and investments	-	-	-	-	-
Total cash and investment assets - ending	\$ 46,254	\$ -	\$ 5,305	\$ 3,371	\$ 3,400
Cash and Investment Fund Balance - Ending					
Unrestricted	46,254	-	5,305	3,371	3,400
Total cash and investment fund balance - ending	\$ 46,254	\$ -	\$ 5,305	\$ 3,371	\$ 3,400

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

SOUTH VERMILLION 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)

	Even Start 05-06	Adult Composition 05-06	Adult Composition 06-07	Perkins 05-06	Perkins 06-07
Receipts:					
Local sources	\$ -	\$ -	\$ -	\$ -	\$ -
Intermediate sources	-	-	-	-	-
State sources	-	-	-	-	-
Federal sources	-	3,637	34,163	20,877	60,236
Total receipts	<u>-</u>	<u>3,637</u>	<u>34,163</u>	<u>20,877</u>	<u>60,236</u>
Disbursements:					
Current:					
Instruction	5,260	208	11,840	7,943	71,149
Support services	258	54	21,902	2,472	3,846
Community services	-	-	-	-	-
Nonprogrammed charges	-	-	-	-	-
Total disbursements	<u>5,518</u>	<u>262</u>	<u>33,742</u>	<u>10,415</u>	<u>74,995</u>
Excess (deficiency) of receipts over disbursements	<u>(5,518)</u>	<u>3,375</u>	<u>421</u>	<u>10,462</u>	<u>(14,759)</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>(5,518)</u>	<u>3,375</u>	<u>421</u>	<u>10,462</u>	<u>(14,759)</u>
Cash and investments - beginning	<u>5,518</u>	<u>(3,375)</u>	<u>-</u>	<u>(10,462)</u>	<u>-</u>
Cash and investments - ending	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 421</u>	<u>\$ -</u>	<u>\$ (14,759)</u>
Cash and Investment Assets - Ending					
Cash and investments	\$ -	\$ -	\$ 421	\$ -	\$ (14,759)
Restricted assets:					
Cash and investments	-	-	-	-	-
Total cash and investment assets - ending	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 421</u>	<u>\$ -</u>	<u>\$ (14,759)</u>
Cash and Investment Fund Balance - Ending					
Unrestricted	-	-	421	-	(14,759)
Total cash and investment fund balance - ending	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 421</u>	<u>\$ -</u>	<u>\$ (14,759)</u>

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

SOUTH VERMILLION 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)

	Tech Prep Career Majors	Medicaid Reimbursement	Title II Class Reduction 05-06	Title II Class Reduction 06-07	Totals
Receipts:					
Local sources	\$ -	\$ -	\$ -	\$ -	\$ 153,933
Intermediate sources	-	-	-	-	185,518
State sources	-	-	-	-	197,366
Federal sources	55,700	48,323	-	61,866	644,813
Total receipts	<u>55,700</u>	<u>48,323</u>	<u>-</u>	<u>61,866</u>	<u>1,181,630</u>
Disbursements:					
Current:					
Instruction	-	-	22,383	78,111	767,577
Support services	62,830	46,360	-	-	484,010
Community services	-	-	-	-	13,768
Nonprogrammed charges	-	-	-	-	1,000
Total disbursements	<u>62,830</u>	<u>46,360</u>	<u>22,383</u>	<u>78,111</u>	<u>1,266,355</u>
Excess (deficiency) of receipts over disbursements	<u>(7,130)</u>	<u>1,963</u>	<u>(22,383)</u>	<u>(16,245)</u>	<u>(84,725)</u>
Other financing sources (uses):					
Transfers in	-	-	-	-	4,838
Transfers out	-	-	-	-	(99,094)
Total other financing sources (uses)	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>(94,256)</u>
Excess (deficiency) of receipts and other financing sources over disbursements and other financing uses	<u>(7,130)</u>	<u>1,963</u>	<u>(22,383)</u>	<u>(16,245)</u>	<u>(178,981)</u>
Cash and investments - beginning	<u>-</u>	<u>-</u>	<u>22,383</u>	<u>-</u>	<u>434,403</u>
Cash and investments - ending	<u>\$ (7,130)</u>	<u>\$ 1,963</u>	<u>\$ -</u>	<u>\$ (16,245)</u>	<u>\$ 255,422</u>
Cash and Investment Assets - Ending					
Cash and investments	\$ (7,130)	\$ 1,963	\$ -	\$ (16,245)	\$ 255,422
Restricted assets:					
Cash and investments	-	-	-	-	-
Total cash and investment assets - ending	<u>\$ (7,130)</u>	<u>\$ 1,963</u>	<u>\$ -</u>	<u>\$ (16,245)</u>	<u>\$ 255,422</u>
Cash and Investment Fund Balance - Ending					
Unrestricted	<u>(7,130)</u>	<u>1,963</u>	<u>-</u>	<u>(16,245)</u>	<u>255,422</u>
Total cash and investment fund balance - ending	<u>\$ (7,130)</u>	<u>\$ 1,963</u>	<u>\$ -</u>	<u>\$ (16,245)</u>	<u>\$ 255,422</u>

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

SOUTH VERMILLION 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, 2008

	Special Education Preschool	Textbook	Levy Excess	PVET1 07-08	Education License Plates	Alternative Education
Receipts:						
Local sources	\$ 15,238	\$ 135,652	\$ -	\$ 795,874	\$ -	\$ -
Intermediate sources	-	-	-	-	863	-
State sources	63,225	51,782	-	-	-	7,846
Federal sources	-	-	-	-	-	-
Total receipts	<u>78,463</u>	<u>187,434</u>	<u>-</u>	<u>795,874</u>	<u>863</u>	<u>7,846</u>
Disbursements:						
Current:						
Instruction	64,625	-	-	478,832	1,950	16,675
Support services	-	181,576	-	136,143	-	-
Community services	-	-	-	-	-	-
Nonprogrammed charges	14,198	-	-	390	-	-
Total disbursements	<u>78,823</u>	<u>181,576</u>	<u>-</u>	<u>615,365</u>	<u>1,950</u>	<u>16,675</u>
Excess (deficiency) of receipts over disbursements	<u>(360)</u>	<u>5,858</u>	<u>-</u>	<u>180,509</u>	<u>(1,087)</u>	<u>(8,829)</u>
Other financing sources (uses):						
Transfers in	-	-	-	41,595	-	-
Transfers out	-	-	-	-	-	-
Total other financing sources (uses)	<u>-</u>	<u>-</u>	<u>-</u>	<u>41,595</u>	<u>-</u>	<u>-</u>
Excess (deficiency) of receipts and other financing sources over disbursements and other financing uses	<u>(360)</u>	<u>5,858</u>	<u>-</u>	<u>222,104</u>	<u>(1,087)</u>	<u>(8,829)</u>
Cash and investments - beginning	<u>45,739</u>	<u>135,722</u>	<u>1,771</u>	<u>-</u>	<u>1,350</u>	<u>8,829</u>
Cash and investments - ending	<u>\$ 45,379</u>	<u>\$ 141,580</u>	<u>\$ 1,771</u>	<u>\$ 222,104</u>	<u>\$ 263</u>	<u>\$ -</u>
Cash and Investment Assets - Ending						
Cash and investments	\$ 45,379	\$ 141,580	\$ 1,771	\$ 222,104	\$ 263	\$ -
Restricted assets:						
Cash and investments	-	-	-	-	-	-
Total cash and investment assets - ending	<u>\$ 45,379</u>	<u>\$ 141,580</u>	<u>\$ 1,771</u>	<u>\$ 222,104</u>	<u>\$ 263</u>	<u>\$ -</u>
Cash and Investment Fund Balance - Ending						
Unrestricted	<u>45,379</u>	<u>141,580</u>	<u>1,771</u>	<u>222,104</u>	<u>263</u>	<u>-</u>
Total cash and investment fund balance - ending	<u>\$ 45,379</u>	<u>\$ 141,580</u>	<u>\$ 1,771</u>	<u>\$ 222,104</u>	<u>\$ 263</u>	<u>\$ -</u>

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

SOUTH VERMILLION 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
 (Continued)

	ISU Professional Development 07-08	ISU Professional Development 04-08	ISU Professional Development 05-06	Adult Education	GED Test Scholarship
Receipts:					
Local sources	\$ -	\$ -	\$ -	\$ -	\$ -
Intermediate sources	-	-	-	-	-
State sources	8,800	-	-	34,481	-
Federal sources	-	-	-	-	-
Total receipts	<u>8,800</u>	<u>-</u>	<u>-</u>	<u>34,481</u>	<u>-</u>
Disbursements:					
Current:					
Instruction	-	-	-	34,194	390
Support services	1,495	9,112	500	-	-
Community services	-	-	-	-	-
Nonprogrammed charges	-	-	-	-	-
Total disbursements	<u>1,495</u>	<u>9,112</u>	<u>500</u>	<u>34,194</u>	<u>390</u>
Excess (deficiency) of receipts over disbursements	<u>7,305</u>	<u>(9,112)</u>	<u>(500)</u>	<u>287</u>	<u>(390)</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>7,305</u>	<u>(9,112)</u>	<u>(500)</u>	<u>287</u>	<u>(390)</u>
Cash and investments - beginning	<u>-</u>	<u>16,099</u>	<u>500</u>	<u>(10,366)</u>	<u>420</u>
Cash and investments - ending	<u>\$ 7,305</u>	<u>\$ 6,987</u>	<u>\$ -</u>	<u>\$ (10,079)</u>	<u>\$ 30</u>
Cash and Investment Assets - Ending					
Cash and investments	\$ 7,305	\$ 6,987	\$ -	\$ (10,079)	\$ 30
Restricted assets:					
Cash and investments	-	-	-	-	-
Total cash and investment assets - ending	<u>\$ 7,305</u>	<u>\$ 6,987</u>	<u>\$ -</u>	<u>\$ (10,079)</u>	<u>\$ 30</u>
Cash and Investment Fund Balance - Ending					
Unrestricted	<u>7,305</u>	<u>6,987</u>	<u>-</u>	<u>(10,079)</u>	<u>30</u>
Total cash and investment fund balance - ending	<u>\$ 7,305</u>	<u>\$ 6,987</u>	<u>\$ -</u>	<u>\$ (10,079)</u>	<u>\$ 30</u>

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

SOUTH VERMILLION 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
 (Continued)

	Stultz Fund	Giacoletto Foundation Award	Gifted and Talented 07-08	Economic Education Mini Grant	Non-English Speaking Program
Receipts:					
Local sources	\$ -	\$ 10,000	\$ -	\$ -	\$ -
Intermediate sources	-	-	-	-	-
State sources	-	-	34,146	-	162
Federal sources	-	-	-	-	-
Total receipts	-	10,000	34,146	-	162
Disbursements:					
Current:					
Instruction	-	-	21,956	-	162
Support services	-	-	-	-	-
Community services	-	-	-	-	-
Nonprogrammed charges	829	1,300	-	86	-
Total disbursements	829	1,300	21,956	86	162
Excess (deficiency) of receipts over disbursements	(829)	8,700	12,190	(86)	-
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	(829)	8,700	12,190	(86)	-
Cash and investments - beginning	829	-	-	86	-
Cash and investments - ending	\$ -	\$ 8,700	\$ 12,190	\$ -	\$ -
Cash and Investment Assets - Ending					
Cash and investments	\$ -	\$ 8,700	\$ 12,190	\$ -	\$ -
Restricted assets:					
Cash and investments	-	-	-	-	-
Total cash and investment assets - ending	\$ -	\$ 8,700	\$ 12,190	\$ -	\$ -
Cash and Investment Fund Balance - Ending					
Unrestricted	-	8,700	12,190	-	-
Total cash and investment fund balance - ending	\$ -	\$ 8,700	\$ 12,190	\$ -	\$ -

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

SOUTH VERMILLION 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
 (Continued)

	School Technology	Video Distance Learning	REMC Grants Even Start	Wilson Education Center 06-07	Wilson Education Center 07-08
Receipts:					
Local sources	\$ -	\$ -	\$ -	\$ -	\$ 2,600
Intermediate sources	104,232	-	-	-	163,658
State sources	-	-	-	-	-
Federal sources	-	-	-	-	-
Total receipts	<u>104,232</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>166,258</u>
Disbursements:					
Current:					
Instruction	-	-	113	13,500	73,171
Support services	51,602	1,427	-	4,721	67,738
Community services	-	-	-	-	-
Nonprogrammed charges	-	-	-	-	-
Total disbursements	<u>51,602</u>	<u>1,427</u>	<u>113</u>	<u>18,221</u>	<u>140,909</u>
Excess (deficiency) of receipts over disbursements	<u>52,630</u>	<u>(1,427)</u>	<u>(113)</u>	<u>(18,221)</u>	<u>25,349</u>
Other financing sources (uses):					
Transfers in	-	-	-	-	2,807
Transfers out	-	-	-	(2,807)	-
Total other financing sources (uses)	<u>-</u>	<u>-</u>	<u>-</u>	<u>(2,807)</u>	<u>2,807</u>
Excess (deficiency) of receipts and other financing sources over disbursements and other financing uses	<u>52,630</u>	<u>(1,427)</u>	<u>(113)</u>	<u>(21,028)</u>	<u>28,156</u>
Cash and investments - beginning	<u>9,295</u>	<u>1,427</u>	<u>113</u>	<u>21,028</u>	<u>-</u>
Cash and investments - ending	<u>\$ 61,925</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 28,156</u>
Cash and Investment Assets - Ending					
Cash and investments	\$ 61,925	\$ -	\$ -	\$ -	\$ 28,156
Restricted assets:					
Cash and investments	-	-	-	-	-
Total cash and investment assets - ending	<u>\$ 61,925</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 28,156</u>
Cash and Investment Fund Balance - Ending					
Unrestricted	<u>61,925</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>28,156</u>
Total cash and investment fund balance - ending	<u>\$ 61,925</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 28,156</u>

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

SOUTH VERMILLION 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
 (Continued)

	Title I 06-07	Title I 07-08	Title I School Improvements	Title I School Improvements 07-08	Title V, Part A 06-07
Receipts:					
Local sources	\$ -	\$ -	\$ -	\$ -	\$ -
Intermediate sources	-	-	-	-	-
State sources	-	-	-	-	-
Federal sources	<u>18,348</u>	<u>242,922</u>	<u>-</u>	<u>28,478</u>	<u>-</u>
Total receipts	<u>18,348</u>	<u>242,922</u>	<u>-</u>	<u>28,478</u>	<u>-</u>
Disbursements:					
Current:					
Instruction	34,108	185,393	2,706	1,389	-
Support services	3,360	24,853	2,561	1,233	3,371
Community services	-	15,795	38	13,365	-
Nonprogrammed charges	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Total disbursements	<u>37,468</u>	<u>226,041</u>	<u>5,305</u>	<u>15,987</u>	<u>3,371</u>
Excess (deficiency) of receipts over disbursements	<u>(19,120)</u>	<u>16,881</u>	<u>(5,305)</u>	<u>12,491</u>	<u>(3,371)</u>
Other financing sources (uses):					
Transfers in	-	27,134	-	-	-
Transfers out	<u>(27,134)</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Total other financing sources (uses)	<u>(27,134)</u>	<u>27,134</u>	<u>-</u>	<u>-</u>	<u>-</u>
Excess (deficiency) of receipts and other financing sources over disbursements and other financing uses	<u>(46,254)</u>	<u>44,015</u>	<u>(5,305)</u>	<u>12,491</u>	<u>(3,371)</u>
Cash and investments - beginning	<u>46,254</u>	<u>-</u>	<u>5,305</u>	<u>-</u>	<u>3,371</u>
Cash and investments - ending	<u>\$ -</u>	<u>\$ 44,015</u>	<u>\$ -</u>	<u>\$ 12,491</u>	<u>\$ -</u>
<u>Cash and Investment Assets - Ending</u>					
Cash and investments	\$ -	\$ 44,015	\$ -	\$ 12,491	\$ -
Restricted assets:					
Cash and investments	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Total cash and investment assets - ending	<u>\$ -</u>	<u>\$ 44,015</u>	<u>\$ -</u>	<u>\$ 12,491</u>	<u>\$ -</u>
<u>Cash and Investment Fund Balance - Ending</u>					
Unrestricted	<u>-</u>	<u>44,015</u>	<u>-</u>	<u>12,491</u>	<u>-</u>
Total cash and investment fund balance - ending	<u>\$ -</u>	<u>\$ 44,015</u>	<u>\$ -</u>	<u>\$ 12,491</u>	<u>\$ -</u>

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

SOUTH VERMILLION 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
 (Continued)

	Title V, Part A 07-08	Even Start 06-07	Even Start 07-08	Adult Composition 07-08	Adult Composition 06-07
Receipts:					
Local sources	\$ -	\$ -	\$ -	\$ -	\$ -
Intermediate sources	-	-	-	-	-
State sources	-	-	-	-	-
Federal sources	<u>3,389</u>	-	<u>109,309</u>	<u>33,976</u>	-
Total receipts	<u>3,389</u>	-	<u>109,309</u>	<u>33,976</u>	-
Disbursements:					
Current:					
Instruction	-	3,161	85,412	9,611	186
Support services	156	239	19,877	14,021	235
Community services	-	-	-	-	-
Nonprogrammed charges	-	-	-	-	-
Total disbursements	<u>156</u>	<u>3,400</u>	<u>105,289</u>	<u>23,632</u>	<u>421</u>
Excess (deficiency) of receipts over disbursements	<u>3,233</u>	<u>(3,400)</u>	<u>4,020</u>	<u>10,344</u>	<u>(421)</u>
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	3,233	(3,400)	4,020	10,344	(421)
Cash and investments - beginning	-	<u>3,400</u>	-	-	<u>421</u>
Cash and investments - ending	<u>\$ 3,233</u>	<u>\$ -</u>	<u>\$ 4,020</u>	<u>\$ 10,344</u>	<u>\$ -</u>
Cash and Investment Assets - Ending					
Cash and investments	\$ 3,233	\$ -	\$ 4,020	\$ 10,344	\$ -
Restricted assets:					
Cash and investments	-	-	-	-	-
Total cash and investment assets - ending	<u>\$ 3,233</u>	<u>\$ -</u>	<u>\$ 4,020</u>	<u>\$ 10,344</u>	<u>\$ -</u>
Cash and Investment Fund Balance - Ending					
Unrestricted	<u>3,233</u>	-	<u>4,020</u>	<u>10,344</u>	-
Total cash and investment fund balance - ending	<u>\$ 3,233</u>	<u>\$ -</u>	<u>\$ 4,020</u>	<u>\$ 10,344</u>	<u>\$ -</u>

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

SOUTH VERMILLION 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
 (Continued)

	Title IV Drug-Free 06-07	Title IV Drug-Free 07-08	Perkins 07-08	Perkins 06-07	Tech Prep Career Majors
Receipts:					
Local sources	\$ -	\$ -	\$ -	\$ -	\$ -
Intermediate sources	-	-	-	-	-
State sources	6,898	-	-	-	-
Federal sources	-	6,801	79,144	19,081	19,300
	6,898	6,801	79,144	19,081	19,300
Total receipts	6,898	6,801	79,144	19,081	19,300
Disbursements:					
Current:					
Instruction	393	-	47,951	4,132	-
Support services	6,505	1,700	-	-	12,170
Community services	-	-	-	-	-
Nonprogrammed charges	-	-	-	-	-
	6,898	1,700	47,951	4,132	12,170
Total disbursements	6,898	1,700	47,951	4,132	12,170
Excess (deficiency) of receipts over disbursements	-	5,101	31,193	14,949	7,130
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	-	5,101	31,193	14,949	7,130
Cash and investments - beginning	-	-	-	(14,759)	(7,130)
Cash and investments - ending	\$ -	\$ 5,101	\$ 31,193	\$ 190	\$ -
Cash and Investment Assets - Ending					
Cash and investments	\$ -	\$ 5,101	\$ 31,193	\$ 190	\$ -
Restricted assets:					
Cash and investments	-	-	-	-	-
	-	-	-	-	-
Total cash and investment assets - ending	\$ -	\$ 5,101	\$ 31,193	\$ 190	\$ -
Cash and Investment Fund Balance - Ending					
Unrestricted	-	5,101	31,193	190	-
	-	5,101	31,193	190	-
Total cash and investment fund balance - ending	\$ -	\$ 5,101	\$ 31,193	\$ 190	\$ -

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

SOUTH VERMILLION 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
 (Continued)

	Tech Prep Career Majors 07-08	Medicaid Reimbursement	Title II Class Reduction 07-08	Title II Class Reduction 06-07	Totals
Receipts:					
Local sources	\$ -	\$ -	\$ -	\$ -	\$ 959,364
Intermediate sources	-	-	-	-	268,753
State sources	-	-	-	-	207,340
Federal sources	-	29,540	50,574	20,623	661,485
Total receipts	<u>-</u>	<u>29,540</u>	<u>50,574</u>	<u>20,623</u>	<u>2,096,942</u>
Disbursements:					
Current:					
Instruction	-	-	43,168	4,378	1,127,556
Support services	38,600	22,384	-	-	605,579
Community services	-	-	-	-	29,198
Nonprogrammed charges	-	-	-	-	16,803
Total disbursements	<u>38,600</u>	<u>22,384</u>	<u>43,168</u>	<u>4,378</u>	<u>1,779,136</u>
Excess (deficiency) of receipts over disbursements	<u>(38,600)</u>	<u>7,156</u>	<u>7,406</u>	<u>16,245</u>	<u>317,806</u>
Other financing sources (uses):					
Transfers in	-	-	-	-	71,536
Transfers out	-	-	-	-	(29,941)
Total other financing sources (uses)	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>41,595</u>
Excess (deficiency) of receipts and other financing sources over disbursements and other financing uses	<u>(38,600)</u>	<u>7,156</u>	<u>7,406</u>	<u>16,245</u>	<u>359,401</u>
Cash and investments - beginning	<u>-</u>	<u>1,963</u>	<u>-</u>	<u>(16,245)</u>	<u>255,422</u>
Cash and investments - ending	<u>\$ (38,600)</u>	<u>\$ 9,119</u>	<u>\$ 7,406</u>	<u>\$ -</u>	<u>\$ 614,823</u>
<u>Cash and Investment Assets - Ending</u>					
Cash and investments	\$ (38,600)	\$ 9,119	\$ 7,406	\$ -	\$ 614,823
Restricted assets:					
Cash and investments	-	-	-	-	-
Total cash and investment assets - ending	<u>\$ (38,600)</u>	<u>\$ 9,119</u>	<u>\$ 7,406</u>	<u>\$ -</u>	<u>\$ 614,823</u>
<u>Cash and Investment Fund Balance - Ending</u>					
Unrestricted	<u>(38,600)</u>	<u>9,119</u>	<u>7,406</u>	<u>-</u>	<u>614,823</u>
Total cash and investment fund balance - ending	<u>\$ (38,600)</u>	<u>\$ 9,119</u>	<u>\$ 7,406</u>	<u>\$ -</u>	<u>\$ 614,823</u>

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



South Vermillion School Corporation

~ Office of the Superintendent ~

800 West Wildcat Drive ♦ Clinton, IN 47842
(765) 832-2426 ♦ FAX: (765) 832-7391
<http://www.svcs.k12.in.us>

SOUTH VERMILLION COMMUNITY 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.

<u>Primary Government</u>	<u>Ending Balance</u>
Governmental activities:	
Capital assets, not being depreciated:	
Land	\$ 739,500
Buildings	73,294,831
Improvements other than buildings	3,165,857
Machinery and equipment	7,379,335
Construction in progress	<u>-</u>
Total governmental activities, capital assets not being depreciated	<u>\$ 84,579,523</u>

Cindy Guinn
Business Manager
February 23, 2009

David Chapman, Superintendent
Cindy Guinn, Business Manager
Joyce Short, Corporation Secretary
Jennifer Fossi, Technology Director
Nancy Wilson, Attendance Officer



South Vermillion School Corporation

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SOUTH VERMILLION COMMUNITY SCHOOL CORPORATION
SUPPLEMENTARY INFORMATION
SCHEDULE OF LONG-TERM DEBT
June 30, 2008

The School has entered into the following debt:

<u>Description of Debt</u>	<u>Ending Principal Balance</u>	<u>Principal and Interest Due Within One Year</u>
Governmental Activities:		
Capital leases:		
Middle School Lease Rental	\$ 6,980,000	\$ 1,024,182
Van Duyn/Ernie Pyle Lease Rental	\$ 6,835,000	\$ 669,000
Claims and judgments		
Notes and loans payable:		
Temporary Loans	3,189,803	3,189,803
Bonds payable:		
General obligation bonds:		
Revenue bonds:		
 Total governmental activities debt	 <u>\$ 17,004,803</u>	 <u>\$ 4,882,985</u>

Cindy Guinn
Business Manager
February 25, 2009

<p><i>David Chapman, Superintendent</i> <i>Cindy Guinn, Business Manager</i> <i>Joyce Short, Corporation Secretary</i> <i>Jennifer Fossi, Technology Director</i> <i>Nancy Wilson, Attendance Officer</i></p>

SOUTH VERMILLION COMMUNITY SCHOOL CORPORATION
AUDIT RESULTS AND COMMENTS

OFFICIAL BOND

The official blanket bond for South Vermillion Community School Corporation was not bound to the State of Indiana.

IC 5-4-1-10 states in part: "All official bonds shall be payable to the state of Indiana; and every such bond shall be obligatory to such state, upon the principal and sureties, for the faithful discharge of all duties required of such officer by any law, then or subsequently in force, for the use of any person injured by any breach of the condition thereof."

OVERDRAWN CASH BALANCES

The cash balance of the Adult Education Fund, Perkins 06-07 Fund, Tech Prep Career Majors Fund, and Title II Class Reduction 06-07 Fund were overdrawn at June 30, 2007. The cash balance of the Adult Education Fund and the Tech Prep Career Majors 07-08 Fund were overdrawn at June 30, 2008.

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)

ECA DEPOSITS (Ernie Pyle Elementary School)

Textbook rental receipts were not always deposited within a reasonable time. Batched textbook rental receipts were held in excess of two weeks, in one instance, before depositing and had accumulated to over \$9,400 before a deposit was made.

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

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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 VERMILLION COMMUNITY
SCHOOL CORPORATION, VERMILLION COUNTY, INDIANA

Compliance

We have audited the compliance of the South Vermillion 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, 2007 and 2008. 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, 2007 and 2008.

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

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)

federal program in order to determine our auditing procedures for the purpose of expressing our opinion on compliance, but not for the purpose of expressing an opinion on the effectiveness of internal control over compliance. Accordingly, we do not express an opinion on the effectiveness of the School Corporation's internal control over compliance.

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

STATE BOARD OF ACCOUNTS

April 2, 2009

SOUTH VERMILLION COMMUNITY SCHOOL CORPORATION
SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS
For The Years Ended June 30, 2007 and 2008

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 06-30-07	Total Federal Awards Expended 06-30-08
<u>UNITED STATES DEPARTMENT OF AGRICULTURE</u>				
Pass-Through Indiana Department of Education				
Child Nutrition Cluster				
School Breakfast Program				
	10.553			
		FY 06-07	\$ 103,859	\$ -
		FY 07-08	-	102,121
			<u>103,859</u>	<u>102,121</u>
Total for program				
			<u>103,859</u>	<u>102,121</u>
National School Lunch Program				
	10.555			
		FY 06-07	381,211	-
		FY 07-08	-	389,375
			<u>381,211</u>	<u>389,375</u>
Total for program				
			<u>381,211</u>	<u>389,375</u>
Total for federal grantor agency				
			<u>485,070</u>	<u>491,496</u>
<u>UNITED STATES DEPARTMENT OF EDUCATION</u>				
Pass-Through Indiana Department of Education				
Adult Education - State Grant Program				
	84.002			
		FY 05-06	262	-
		FY 06-07	33,742	421
		FY 07-08	-	23,632
			<u>34,004</u>	<u>24,053</u>
Total for program				
			<u>34,004</u>	<u>24,053</u>
Title I Grants to Local Educational Agencies				
	84.010			
		05-8020	49,403	-
		06-8020	156,269	64,602
		07-8020	-	226,041
			<u>205,672</u>	<u>290,643</u>
Total for program				
			<u>205,672</u>	<u>290,643</u>
Vocational Education - Basic Grants to States				
	84.048			
		05-4700-8020	10,415	-
		06-4700-8020	74,995	4,133
		07-4700-8020	-	47,951
			<u>85,410</u>	<u>52,084</u>
Total for program				
			<u>85,410</u>	<u>52,084</u>
Title IV, Part A-Safe and Drug Free Schools and Communities - State Grants				
	84.186			
		FY 06-07	-	6,898
		FY 07-08	-	1,700
			<u>-</u>	<u>8,598</u>
Total for program				
			<u>-</u>	<u>8,598</u>
Even Start - State Educational Agencies				
	84.213			
		FY 05-06	5,518	-
		FY 06-07	111,662	3,400
		FY 07-08	-	105,289
			<u>117,180</u>	<u>108,689</u>
Total for program				
			<u>117,180</u>	<u>108,689</u>
Pass-Through Indiana Department of Workforce Development				
Tech-Prep Education				
	84.243			
		FY 06-07	62,830	12,170
		FY 07-08	-	46,360
			<u>62,830</u>	<u>58,530</u>
Total for program				
			<u>62,830</u>	<u>58,530</u>
Pass-Through Indiana Department of Education				
Title V, Part A-State Grants for Innovative Programs				
	84.298			
		FY 06-07	114	3,371
		FY 07-08	-	156
			<u>114</u>	<u>3,527</u>
Total for program				
			<u>114</u>	<u>3,527</u>
Title II, Part A-Improving Teacher Quality State Grants				
	84.367			
		FY 05-06	22,383	-
		FY 06-07	78,111	4,378
		FY 07-08	-	43,168
			<u>100,494</u>	<u>47,546</u>
Total for program				
			<u>100,494</u>	<u>47,546</u>
Title I School Improvements				
	84.377			
		FY 06-07	15,136	5,305
		FY 07-08	-	15,987
			<u>15,136</u>	<u>21,292</u>
Total for program				
			<u>15,136</u>	<u>21,292</u>
Total for federal grantor agency				
			<u>620,840</u>	<u>614,962</u>
Total federal awards expended			<u>\$ 1,105,910</u>	<u>\$ 1,106,458</u>

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

SOUTH VERMILLION 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 Vermillion 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 (Indiana Code 5-11-1 et seq.), audits of Schools 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, 2007 and 2008. This noncash assistance is also included in the federal expenditures presented in the schedule.

<u>Program Title</u>	<u>Federal CFDA Number</u>	<u>2006-07</u>	<u>2007-08</u>
School Breakfast Program	10.553	\$ 13,034	\$ 13,241
National School Lunch Program	10.555	46,496	49,229

SOUTH VERMILLION 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

Significant deficiencies 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

Significant deficiencies 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
84.010	Title I Grants to Local Educational Agencies
84.048	Vocational Education-Basic Grants to States

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

Auditee qualified as low-risk auditee? yes

Section II – Financial Statement Findings

No matters are reportable.

Section III – Federal Award Findings and Questioned Costs

No matters are reportable.

SOUTH VERMILLION COMMUNITY SCHOOL CORPORATION
SUMMARY SCHEDULE OF PRIOR AUDIT FINDINGS

No matters are reportable.

SOUTH VERMILLION COMMUNITY SCHOOL CORPORATION
EXIT CONFERENCE

The contents of this report were discussed on April 2, 2009, with Cindy Guinn, Business Manager; David A. Chapman, Superintendent of Schools; and Stephanie Farrington, Ernie Pyle Elementary School Treasurer. The officials concurred with our audit findings.