

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

AUDIT REPORT

OF

ELWOOD COMMUNITY SCHOOL CORPORATION

MADISON COUNTY, INDIANA

July 1, 2006 to June 30, 2008



**FILED**

05/05/2009



## TABLE OF CONTENTS

<u>Description</u>	<u>Page</u>
Schedule of Officials .....	2
Independent Auditor's Report on Financial Statements and Supplementary Schedule of Expenditures of Federal Awards .....	3-4
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 .....	5-6
Basic Financial Statements:	
Government-Wide Financial Statements:	
Statement of Activities and Net Assets – Cash and Investment Basis .....	7-8
Fund Financial Statements:	
Governmental Funds:	
Statement of Assets and Fund Balances and Receipts, Disbursements, and Changes in Fund Balances – Cash and Investment Basis – Governmental Funds .....	9-10
Fiduciary Funds:	
Statement of Additions, Deductions, and Changes in Cash and Investment Balances – Fiduciary Funds .....	11-12
Notes to Financial Statements .....	13-24
Required Supplementary Information:	
Schedule of Funding Progress .....	25
Supplementary Information:	
Combining Schedule of Assets and Fund Balances and Receipts, Disbursements, and Changes in Fund Balances – Cash and Investment Basis – Other Governmental Funds.....	26-39
Combining Schedule of Additions, Deductions, and Changes in Cash and Investment Balances Private-Purpose Trust Funds .....	40-41
Combining Schedule of Cash and Investment Balances – Agency Funds .....	42-48
Schedule of Long-Term Debt .....	49
Audit Results and Comments:	
Overdrawn Cash Balances.....	50
ECA Purchase of Equipment.....	50
Donations.....	50
Supplemental Audit of Federal Awards:	
Independent Auditor's Report on Compliance With Requirements Applicable to Each Major Program and Internal Control Over Compliance in Accordance With OMB Circular A-133.....	52-53
Schedule of Expenditures of Federal Awards .....	54-55
Notes to Schedule of Expenditures of Federal Awards.....	56
Schedule of Findings and Questioned Costs .....	57
Auditee Prepared Schedule:	
Summary Schedule of Prior Audit Findings .....	58
Exit Conference.....	59

SCHEDULE OF OFFICIALS

<u>Office</u>	<u>Official</u>	<u>Term</u>
Business Manager/Treasurer	Joa L. Griffith	07-01-06 to 06-30-09
Superintendent of Schools	Thomas W. Austin	07-01-06 to 06-30-09
President of the School Board	Gary Jones Delbert Litherland Robert Savage	07-01-06 to 06-30-07 07-01-07 to 06-30-08 07-01-08 to 06-30-09



**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 ELWOOD COMMUNITY SCHOOL  
CORPORATION, MADISON COUNTY, INDIANA

We have audited the accompanying financial statements of the governmental activities, each major fund, and the aggregate remaining fund information of the Elwood 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 March 23, 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 is necessary to supplement, although not required to be part of, the basic financial statements.

Our audit was conducted for the purpose of forming opinions on the financial statements that collectively comprise the School Corporation's basic financial statements. The Combining Schedules, as listed in the Table of Contents, 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 Long-Term Debt has 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 it.

STATE BOARD OF ACCOUNTS

March 23, 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 ELWOOD COMMUNITY SCHOOL  
CORPORATION, MADISON COUNTY, INDIANA

We have audited the financial statements of the governmental activities, each major fund, and the aggregate remaining fund information of the Elwood 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 March 23, 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.

Our consideration of the internal control over financial reporting was for the limited purpose described in the preceding paragraph and would not necessarily identify all deficiencies in internal control over financial reporting that might be significant deficiencies or material weaknesses. However, as discussed below, we identified certain deficiencies in internal control over financial reporting that we considered to be significant deficiencies.

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.

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)

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.

Compliance and Other Matters

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

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

STATE BOARD OF ACCOUNTS

March 23, 2009

ELWOOD 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>Totals</u>
		<u>Charges for Services</u>	<u>Operating Grants and Contributions</u>	
Governmental activities:				Net (Disbursement) Receipts and Changes in Net Assets
Instruction	\$ 9,887,412	\$ -	\$ 68,942	\$ (9,818,470)
Support services	5,768,175	525,665	493,093	(4,749,417)
Community services	188,805	-	-	(188,805)
Nonprogrammed charges	223,675	-	-	(223,675)
Debt service	<u>2,678,000</u>	<u>-</u>	<u>-</u>	<u>(2,678,000)</u>
Total government	<u>\$ 18,746,067</u>	<u>\$ 525,665</u>	<u>\$ 562,035</u>	<u>(17,658,367)</u>
General receipts:				
Property taxes				2,963,774
Other local sources				468,086
State aid				9,550,757
Bonds and loans				1,853,804
Grants and contributions not restricted to specific programs				2,114,396
Sale of property, adjustments, and refunds				21,745
Investment earnings				<u>147,434</u>
Total general receipts				<u>17,119,996</u>
Change in net assets				(538,371)
Net assets - beginning				<u>3,928,165</u>
Net assets - ending				<u>\$ 3,389,794</u>
<u>Assets</u>				
Cash and investments				\$ 2,645,884
Restricted assets:				
Cash and investments				<u>743,910</u>
Total assets				<u>\$ 3,389,794</u>
<u>Net Assets</u>				
Restricted for:				
Debt service				\$ 743,910
Unrestricted				<u>2,645,884</u>
Total net assets				<u>\$ 3,389,794</u>

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

ELWOOD 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>	<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	\$ 9,812,497	\$ -	\$ 217,674	\$ (9,594,823)
Support services	6,753,666	438,619	609,606	(5,705,441)
Community services	193,460	-	-	(193,460)
Nonprogrammed charges	205,522	-	-	(205,522)
Debt service	<u>7,801,761</u>	<u>-</u>	<u>-</u>	<u>(7,801,761)</u>
Total government	<u>\$ 24,766,906</u>	<u>\$ 438,619</u>	<u>\$ 827,280</u>	<u>(23,501,007)</u>
General receipts:				
Property taxes				5,172,722
Other local sources				1,044,105
State aid				10,361,745
Bonds and loans				5,358,603
Grants and contributions not restricted to specific programs				1,624,944
Sale of property, adjustments, and refunds				372
Investment earnings				<u>157,944</u>
Total general receipts				<u>23,720,435</u>
Change in net assets				219,428
Net assets - beginning				<u>3,389,794</u>
Net assets - ending				<u>\$ 3,609,222</u>
<u>Assets</u>				
Cash and investments				\$ 3,764,750
Restricted assets:				
Cash and investments				<u>(155,528)</u>
Total assets				<u>\$ 3,609,222</u>
<u>Net Assets</u>				
Restricted for:				
Debt service				\$ (155,528)
Unrestricted				<u>3,764,750</u>
Total net assets				<u>\$ 3,609,222</u>

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

ELWOOD 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	Debt Service	Capital Projects	School Bus Replacement	Other	Totals
<b>Receipts:</b>							
Local sources	\$ 1,138,856	\$ 253,870	\$ 1,582,200	\$ 423,772	\$ 45,511	\$ 654,313	\$ 4,098,522
Intermediate sources	44	-	-	-	-	6,467	6,511
State sources	9,606,153	-	-	-	-	342,481	9,948,634
Federal sources	-	-	-	-	-	2,275,521	2,275,521
Bonds and loans	5,542	303,634	1,215,571	329,057	-	-	1,853,804
Sale of property, adjustments and refunds	3,416	2,185	-	3,920	10,488	1,736	21,745
<b>Total receipts</b>	<u>10,754,011</u>	<u>559,689</u>	<u>2,797,771</u>	<u>756,749</u>	<u>55,999</u>	<u>3,280,518</u>	<u>18,204,737</u>
<b>Disbursements:</b>							
<b>Current:</b>							
Instruction	8,675,831	-	-	-	-	1,211,582	9,887,413
Support services	2,710,552	500,403	-	921,339	-	1,635,953	5,768,247
Community services	135,190	-	-	-	-	53,615	188,805
Nonprogrammed charges	114,953	-	-	-	-	105,690	220,643
Debt services	-	92,455	2,172,843	188,720	-	223,982	2,678,000
<b>Total disbursements</b>	<u>11,636,526</u>	<u>592,858</u>	<u>2,172,843</u>	<u>1,110,059</u>	<u>-</u>	<u>3,230,822</u>	<u>18,743,108</u>
Excess (deficiency) of receipts over disbursements	<u>(882,515)</u>	<u>(33,169)</u>	<u>624,928</u>	<u>(353,310)</u>	<u>55,999</u>	<u>49,696</u>	<u>(538,371)</u>
Cash and investments - beginning	<u>2,346,409</u>	<u>160,641</u>	<u>211,616</u>	<u>561,899</u>	<u>10,235</u>	<u>637,365</u>	<u>3,928,165</u>
Cash and investments - ending	<u>\$ 1,463,894</u>	<u>\$ 127,472</u>	<u>\$ 836,544</u>	<u>\$ 208,589</u>	<u>\$ 66,234</u>	<u>\$ 687,061</u>	<u>\$ 3,389,794</u>
<b>Cash and Investment Assets - Ending</b>							
Cash and investments	\$ 1,463,894	\$ 127,472	\$ -	\$ 208,589	\$ 66,234	\$ 779,695	\$ 2,645,884
Restricted assets:							
Cash and investments	-	-	836,544	-	-	(92,634)	743,910
<b>Total cash and investment assets - ending</b>	<u>\$ 1,463,894</u>	<u>\$ 127,472</u>	<u>\$ 836,544</u>	<u>\$ 208,589</u>	<u>\$ 66,234</u>	<u>\$ 687,061</u>	<u>\$ 3,389,794</u>
<b>Cash and Investment Fund Balance - Ending</b>							
Restricted for:	*						
Debt service	\$ -	\$ -	\$ 836,544	\$ -	\$ -	\$ (92,634)	\$ 743,910
Unrestricted	1,463,894	127,472	-	208,589	66,234	779,695	2,645,884
<b>Total cash and investment fund balance - ending</b>	<u>\$ 1,463,894</u>	<u>\$ 127,472</u>	<u>\$ 836,544</u>	<u>\$ 208,589</u>	<u>\$ 66,234</u>	<u>\$ 687,061</u>	<u>\$ 3,389,794</u>

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

ELWOOD 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	Debt Service	Capital Projects	School Bus Replacement	Other	Totals
<b>Receipts:</b>							
Local sources	\$ 1,835,481	\$ 481,457	\$ 2,580,369	\$ 980,177	\$ 129,784	\$ 789,452	\$ 6,796,720
Intermediate sources	44	-	-	-	-	16,628	16,672
State sources	10,533,853	-	-	-	-	291,174	10,825,027
Federal sources	-	-	-	-	-	1,991,972	1,991,972
Bonds and loans	1,515,535	229,072	2,002,040	952,601	166,549	492,808	5,358,605
Sale of property, adjustments and refunds	372	-	-	-	-	-	372
<b>Total receipts</b>	<u>13,885,285</u>	<u>710,529</u>	<u>4,582,409</u>	<u>1,932,778</u>	<u>296,333</u>	<u>3,582,034</u>	<u>24,989,368</u>
<b>Disbursements:</b>							
<b>Current:</b>							
Instruction	8,601,563	-	-	-	-	1,210,936	9,812,499
Support services	3,262,342	471,114	27,080	1,137,039	141,018	1,715,073	6,753,666
Community services	143,732	-	-	-	-	49,728	193,460
Nonprogrammed charges	208,554	-	-	-	-	-	208,554
Debt services	965,354	303,634	5,500,379	591,610	63,452	377,332	7,801,761
<b>Total disbursements</b>	<u>13,181,545</u>	<u>774,748</u>	<u>5,527,459</u>	<u>1,728,649</u>	<u>204,470</u>	<u>3,353,069</u>	<u>24,769,940</u>
<b>Excess (deficiency) of receipts over disbursements</b>	<u>703,740</u>	<u>(64,219)</u>	<u>(945,050)</u>	<u>204,129</u>	<u>91,863</u>	<u>228,965</u>	<u>219,428</u>
<b>Other financing sources (uses):</b>							
Transfers in	-	5,000	-	-	-	209,858	214,858
Transfers out	(14,113)	(3,135)	(47,022)	(6,108)	(655)	(143,825)	(214,858)
<b>Total other financing sources (uses)</b>	<u>(14,113)</u>	<u>1,865</u>	<u>(47,022)</u>	<u>(6,108)</u>	<u>(655)</u>	<u>66,033</u>	<u>-</u>
<b>Excess (deficiency) of receipts and other financing sources over disbursements and other financing uses</b>	<u>689,627</u>	<u>(62,354)</u>	<u>(992,072)</u>	<u>198,021</u>	<u>91,208</u>	<u>294,998</u>	<u>219,428</u>
<b>Cash and investments - beginning</b>	<u>1,463,894</u>	<u>127,472</u>	<u>836,544</u>	<u>208,589</u>	<u>66,234</u>	<u>687,061</u>	<u>3,389,794</u>
<b>Cash and investments - ending</b>	<u>\$ 2,153,521</u>	<u>\$ 65,118</u>	<u>\$ (155,528)</u>	<u>\$ 406,610</u>	<u>\$ 157,442</u>	<u>\$ 982,059</u>	<u>\$ 3,609,222</u>
<b>Cash and Investment Assets - Ending</b>							
Cash and investments	\$ 2,153,521	\$ 65,118	\$ -	\$ 406,610	\$ 157,442	\$ 982,059	\$ 3,764,750
Restricted assets:							
Cash and investments	-	-	(155,528)	-	-	-	(155,528)
<b>Total cash and investment assets - ending</b>	<u>\$ 2,153,521</u>	<u>\$ 65,118</u>	<u>\$ (155,528)</u>	<u>\$ 406,610</u>	<u>\$ 157,442</u>	<u>\$ 982,059</u>	<u>\$ 3,609,222</u>
<b>Cash and Investment Fund Balance - Ending</b>							
Restricted for:							
Debt service	\$ -	\$ -	\$ (155,528)	\$ -	\$ -	\$ -	\$ (155,528)
Unrestricted	<u>2,153,521</u>	<u>65,118</u>	<u>-</u>	<u>406,610</u>	<u>157,442</u>	<u>982,059</u>	<u>3,764,750</u>
<b>Total cash and investment fund balance - ending</b>	<u>\$ 2,153,521</u>	<u>\$ 65,118</u>	<u>\$ (155,528)</u>	<u>\$ 406,610</u>	<u>\$ 157,442</u>	<u>\$ 982,059</u>	<u>\$ 3,609,222</u>

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

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

	Private-Purpose Trust Funds	Agency Funds
Additions:		
Contributions:		
Other	\$ 52,229	
Total contributions	52,229	
Total additions	52,229	
Deductions:		
Administrative and general	60,763	
Total deductions	60,763	
Excess (deficiency) of total additions over total deductions	(8,534)	
Cash and investment fund balance - beginning	7,419	
Cash and investment fund balance - ending	\$ (1,115)	\$ 90,300
Net assets:		
Cash and investments	\$ (1,115)	
Total net assets - cash and investment basis held in trust	\$ (1,115)	

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

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

	Private-Purpose Trust Funds	Agency Funds
Additions:		
Contributions:		
Other	\$ <u>53,067</u>	
Total contributions	<u>53,067</u>	
Total additions	<u>53,067</u>	
Deductions:		
Administrative and general	<u>49,982</u>	
Total deductions	<u>49,982</u>	
Excess (deficiency) of total additions over total deductions	3,085	
Cash and investment fund balance - beginning	<u>(1,115)</u>	
Cash and investment fund balance - ending	<u>\$ 1,970</u>	<u>\$ 87,331</u>
Net assets:		
Cash and investments	<u>\$ 1,970</u>	
Total net assets - cash and investment basis held in trust	<u>\$ 1,970</u>	

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

ELWOOD COMMUNITY SCHOOL CORPORATION  
NOTES TO FINANCIAL STATEMENTS

I. Summary of Significant Accounting Policies

A. Reporting Entity

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

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

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

Primary Government: Elwood Community School Corporation

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

Joint Venture

The School Corporation is a participant with several other school corporations in a joint venture to operate the East Central Educational Service Center (Service Center) which was created to increase the school corporation's buying power when purchasing materials and supplies. The Service Center's continued existence depends on continued funding by the School Corporation. Complete financial statements for the Service Center can be obtained from the East Central Educational Service Center, 1601 Indiana Avenue, Connersville, Indiana, 47331.

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 non-exchange revenues. Business-type activities are financed in whole or in part by fees charged to external parties for goods or services.

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.

ELWOOD COMMUNITY SCHOOL CORPORATION  
NOTES TO FINANCIAL STATEMENTS  
(Continued)

The School Corporation reports the following major governmental funds:

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

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

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

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

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

Additionally, the School Corporation reports the following fund types:

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

Agency funds account for assets held by the School Corporation as an agent for employees, federal and state agencies, and other insurance companies 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, while the fund financial statements for proprietary fund types would use the accrual basis of accounting. All government-wide financials would be presented on the accrual basis of accounting.

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

ELWOOD COMMUNITY SCHOOL CORPORATION  
NOTES TO FINANCIAL STATEMENTS  
(Continued)

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

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

D. Assets and Cash and Investment Balances

1. Cash and Investments

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

2. Property Taxes

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

3. Capital Assets

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

4. Long-Term Debt

Long-term debt arising from cash basis transactions of governmental and proprietary funds is not reported as liabilities in the basic financial statements. The debt proceeds are reported as other financing sources and payment of principal and interest reported as disbursements.

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."

ELWOOD COMMUNITY SCHOOL CORPORATION  
NOTES TO FINANCIAL STATEMENTS  
(Continued)

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

Fund Financial Statements

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

E. Receipts and Disbursements

1. Program Receipts

Amounts reported as program receipts include (1) charges to customers or applicants for goods, services, or privileges provided, (2) operating grants and contributions, and (3) capital grants and contributions, including special assessments. Internally dedicated resources are reported as general receipts rather than as program receipts. Likewise, general receipts include all taxes.

2. Operating Receipts and Disbursements

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

F. Internal and Interfund Balances and Activities

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

Fund Financial Statements

1. Interfund services – Sales or purchases of goods and services between funds are reported as receipts and disbursements.
2. Interfund reimbursements – Repayments from funds responsible for certain disbursements to the funds that initially paid for them are 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.

Government-Wide Financial Statements

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

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

ELWOOD COMMUNITY SCHOOL CORPORATION  
NOTES TO FINANCIAL STATEMENTS  
(Continued)

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 and Investment 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:

Fund	2006	2007
Special Education Pre-School	\$ 2,378	\$ -
Safe School Haven	-	2,450
Title I School Improvement	-	2,722
Sliver Fund 05-06	100	-
Exceptional Learners	-	31,604
Adult Basic Ed 05-06	-	361
Perkins Grant	-	14,737
Improving Teacher Quality English	-	8,617
Debt Service	-	155,528
Retirement Severance Bond Fund	92,633	-
Adult Continuing Education 05-06 07-08	-	4,870
Adult Continuing Education 06-07	22,941	-
Adult/Continuing Ed/English	-	52,701
Madison County Foundation/High School	3,936	6,336
Totals	<u>\$ 121,988</u>	<u>\$ 279,926</u>

Cash and investment deficits arose primarily from disbursements exceeding receipts due to the underestimate of current requirements; these deficits are to be repaid from future receipts.

ELWOOD COMMUNITY SCHOOL CORPORATION  
 NOTES TO FINANCIAL STATEMENTS  
 (Continued)

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 School Corporation does not have a deposit policy for custodial credit risk. At June 30, 2008, the School Corporation had deposit balances in the amount of \$4,160,336. Of this amount, the following was exposed to custodial credit risk:

	06-30-07	06-30-08
Uninsured deposits collateralized with securities held by the pledging financial institution's trust department or agent, but not in the depositor-government's name	<u>\$ 3,705,374</u>	<u>\$ 4,111,076</u>
Totals	<u><u>\$ 3,705,374</u></u>	<u><u>\$ 4,111,076</u></u>

The remaining bank balances were insured by the Federal Deposit Insurance Corporation or the Public Deposit Insurance Fund, which covers all public funds held in approved depositories.

2. Investments

As of June 30, 2008, the School Corporation had the following investments:

Investment Type	Primary Government Market Value
Repurchase agreements	<u>\$ 4,111,076</u>
Total	<u><u>\$ 4,111,076</u></u>

Statutory Authorization for Investments

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

ELWOOD COMMUNITY SCHOOL CORPORATION  
NOTES TO FINANCIAL STATEMENTS  
(Continued)

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

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

Investment Custodial Credit Risk

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

The following investments held by the School Corporation were exposed to custodial credit risks because they are uninsured and unregistered with securities held by the counterparty, or the counterparty's trust department or agent, either in the government's name or not in the government's name:

Primary Government:

	06-30-07	06-30-08
Investment Type	Not in the Government's Name	Not in the Government's Name
Investment pool	\$ 3,705,374	\$ 4,111,076
Totals	\$ 3,705,374	\$ 4,111,076

ELWOOD COMMUNITY SCHOOL CORPORATION  
 NOTES TO FINANCIAL STATEMENTS  
 (Continued)

Interest Rate Risk

Interest rate risk is the risk that changes in interest rates will adversely affect the fair value of an investment. The School Corporation must follow state statute and limit the stated final maturities of the investments to no more than two years. The School Corporation does not have a formal investment policy for interest rate risk for investments.

Investment Type	Investment Maturities (in Years) Less Than 1
Repurchase agreements	\$ 4,111,076
Total	\$ 4,111,076

Credit Risk

Credit risk is the risk that an issuer or other counterparty to an investment will not fulfill its obligations. The distribution of securities with credit ratings is summarized below. The School Corporation does not have a formal investment policy for credit risk for investments.

Standard and Poor's Rating	Moody's Rating	School Corporation's Investments Investment Pools
Unrated	Unrated	\$ 4,111,076
Total		\$ 4,111,076

Concentration of Credit Risk

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

B. Interfund Transfers

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

ELWOOD COMMUNITY SCHOOL CORPORATION  
NOTES TO FINANCIAL STATEMENTS  
(Continued)

Transfer From	Transfer To	2007-08
General Fund	Other governmental funds	\$ 14,113
Transportation Operating	Other governmental funds	3,135
Debt Service Fund	Transportation Operating	5,000
	Other governmental funds	42,022
Capital Projects Fund	Other governmental funds	6,108
Transportation Bus Replacement	Other governmental funds	655
Other governmental funds	Other governmental funds	<u>143,825</u>
Total		<u>\$ 214,858</u>

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

IV. Other Information

A. Risk Management

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

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

B. Holding Corporation

The School Corporation has entered into a capital lease with the Elwood Middle School Building Corporation (the lessor). The lessor was organized as a not-for-profit corporation pursuant to state statute for the purpose of financing and constructing or reconstructing facilities for lease to the School Corporation. The lessor has been determined to be a related party of the School Corporation. Lease payments during the years ended June 30, 2007 and 2008, were \$1,150,000 and \$1,150,000, respectively.

C. Termination Benefits

In June 2005, an end of service/retirement option was made available to certified staff of the Elwood Community School Corporation who had attained the age of fifty-five (55) and had completed fifteen (15) years of employment with the school district. The option offered was that the school corporation would pay 100% of a single health insurance premium through and including September 2008. Eight certified staff accepted this option. Disbursements for this benefit are recognized on a pay-as-you-go basis. During the school years ended June 30, 2007 and 2008, disbursements of \$28,824 and \$31,885, respectively, were recognized as the cost of this benefit.

ELWOOD COMMUNITY SCHOOL CORPORATION  
NOTES TO FINANCIAL STATEMENTS  
(Continued)

In April 2007, an end of service/retirement option was made available to certified staff of the Elwood Community School Corporation who had attained the age of fifty-five (55) and had completed fifteen (15) years of employment with the school district. The option offered was that the school corporation would pay 100% of a single health insurance premium through and including August 31, 2011, or at age 65. Eight certified staff accepted this option. Disbursements for this benefit are recognized on a pay-as-you-go basis. During the school year ended June 30, 2008, disbursements of \$42,048 were recognized as the cost of this benefit.

D. Pension Plans

1. Agent Multiple-Employer and Single-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 (IC 5-10.2 and 5-10.3) govern, through the PERF Board, most requirements of the system and give the School Corporation authority to contribute to the plan. The PERF retirement benefit consists of the pension provided by employer contributions plus an annuity provided by the member's annuity savings account. The annuity savings account consists of member's contributions, set by state statute at 3% of compensation, plus the interest credited to the member's account. The employer may elect to make the contributions on behalf of the member.

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

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

Funding Policy and Annual Pension Cost

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

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

ELWOOD COMMUNITY SCHOOL CORPORATION  
NOTES TO FINANCIAL STATEMENTS  
(Continued)

Actuarial Information for the Above Plan

	PERF
Annual required contribution	\$ 112,290
Interest on net pension obligation	(4,533)
Adjustment to annual required contribution	5,166
Annual pension cost	112,923
Contributions made	113,040
Decrease in net pension obligation	(117)
Net pension obligation, beginning of year	(62,529)
Net pension obligation, end of year	\$ (62,646)

	PERF
Contribution rates:	
School Corporation	5.75%
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

Actuarial Assumptions

	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%

ELWOOD COMMUNITY SCHOOL CORPORATION  
 NOTES TO FINANCIAL STATEMENTS  
 (Continued)

Three Year Trend Information

	Year Ending	Annual Pension Cost (APC)	Percentage of APC Contributed	Net Pension Obligation
PERF	06-30-05	\$ 91,022	101%	\$ (62,472)
	06-30-06	100,657	100%	(62,529)
	06-30-07	112,923	100%	(62,646)

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

Teachers' Retirement Fund

Plan Description

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

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

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

Funding Policy and Annual Pension Costs

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

Plan members are required to contribute 3% of their salary and the School Corporation is to contribute at an actuarially determined rate. The current rate has been actuarially determined under the entry age normal cost method to be 6.82% of covered wages. The School Corporation's required contributions to the plan for the fiscal years ended June 30, 2008, 2007, and 2006, were \$211,181, \$182,811, and \$186,215, respectively. The School Corporation actually contributed 100% of the required contribution for each of the fiscal years.

ELWOOD 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	\$ 1,616,489	\$ 1,947,621	\$ (331,132)	83%	\$ 1,461,752	(23%)
07-01-06	1,736,927	1,958,190	(221,263)	89%	1,550,097	(14%)
07-01-07	2,008,783	2,164,596	(155,813)	93%	1,668,453	(9%)

ELWOOD 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 Pre-School	School Lunch	Textbook Rental	Preschool Tuition	Educational License Plate Fund	Alternative Education Grant
<b>Receipts:</b>						
Local sources	\$ 3,018	\$ 364,228	\$ 45,416	\$ 86,731	\$ -	\$ -
Intermediate sources	-	4,584	-	-	731	-
State sources	78,536	8,078	-	-	-	5,507
Federal sources	-	446,410	-	-	-	-
Sale of property, adjustments and refunds	-	-	-	-	-	-
<b>Total receipts</b>	<u>81,554</u>	<u>823,300</u>	<u>45,416</u>	<u>86,731</u>	<u>731</u>	<u>5,507</u>
<b>Disbursements:</b>						
<b>Current:</b>						
Instruction	120,911	-	-	73,774	-	-
Support services	-	860,367	63,759	1,174	153	-
Community services	-	-	-	-	-	-
Nonprogrammed charges	-	-	-	-	-	-
Debt services	-	-	-	-	-	-
<b>Total disbursements</b>	<u>120,911</u>	<u>860,367</u>	<u>63,759</u>	<u>74,948</u>	<u>153</u>	<u>-</u>
<b>Excess (deficiency) of receipts over disbursements</b>	<u>(39,357)</u>	<u>(37,067)</u>	<u>(18,343)</u>	<u>11,783</u>	<u>578</u>	<u>5,507</u>
<b>Cash and investments - beginning</b>	<u>36,978</u>	<u>199,974</u>	<u>22,478</u>	<u>3,096</u>	<u>5,098</u>	<u>10,583</u>
<b>Cash and investments - ending</b>	<u>\$ (2,379)</u>	<u>\$ 162,907</u>	<u>\$ 4,135</u>	<u>\$ 14,879</u>	<u>\$ 5,676</u>	<u>\$ 16,090</u>
<b>Cash and Investment Assets - Ending</b>						
Cash and investments	\$ (2,379)	\$ 162,907	\$ 4,135	\$ 14,879	\$ 5,676	\$ 16,090
<b>Restricted assets:</b>						
Cash and investments	-	-	-	-	-	-
<b>Total cash and investment assets - ending</b>	<u>\$ (2,379)</u>	<u>\$ 162,907</u>	<u>\$ 4,135</u>	<u>\$ 14,879</u>	<u>\$ 5,676</u>	<u>\$ 16,090</u>
<b>Cash and Investment Fund Balance - Ending</b>						
<b>Restricted for:</b>						
Debt service	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Unrestricted	<u>(2,379)</u>	<u>162,907</u>	<u>4,135</u>	<u>14,879</u>	<u>5,676</u>	<u>16,090</u>
<b>Total cash and investment fund balance - ending</b>	<u>\$ (2,379)</u>	<u>\$ 162,907</u>	<u>\$ 4,135</u>	<u>\$ 14,879</u>	<u>\$ 5,676</u>	<u>\$ 16,090</u>

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

ELWOOD 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)

	Safe School Haven	Early Intervention	Safe Haven 06-07	Gifted/Talented 06-07	Gifted and Talented 05-06	High Ability
<b>Receipts:</b>						
Local sources	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Intermediate sources	-	-	-	-	-	-
State sources	3,787	1,000	7,165	13,856	-	185,224
Federal sources	-	-	-	-	-	-
Sale of property, adjustments and refunds	-	-	-	-	-	-
<b>Total receipts</b>	<b>3,787</b>	<b>1,000</b>	<b>7,165</b>	<b>13,856</b>	<b>-</b>	<b>185,224</b>
<b>Disbursements:</b>						
<b>Current:</b>						
Instruction	-	-	-	9,501	864	-
Support services	1,105	1,000	3,264	-	-	185,224
Community services	-	-	-	-	-	-
Nonprogrammed charges	-	-	-	-	-	-
Debt services	-	-	-	-	-	-
<b>Total disbursements</b>	<b>1,105</b>	<b>1,000</b>	<b>3,264</b>	<b>9,501</b>	<b>864</b>	<b>185,224</b>
Excess (deficiency) of receipts over disbursements	2,682	-	3,901	4,355	(864)	-
Cash and investments - beginning	(2,682)	-	-	-	864	-
Cash and investments - ending	\$ -	\$ -	\$ 3,901	\$ 4,355	\$ -	\$ -
<b>Cash and Investment Assets - Ending</b>						
Cash and investments	\$ -	\$ -	\$ 3,901	\$ 4,355	\$ -	\$ -
Restricted assets:						
Cash and investments	-	-	-	-	-	-
<b>Total cash and investment assets - ending</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ 3,901</b>	<b>\$ 4,355</b>	<b>\$ -</b>	<b>\$ -</b>
<b>Cash and Investment Fund Balance - Ending</b>						
Restricted for:						
Debt service	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Unrestricted	-	-	3,901	4,355	-	-
<b>Total cash and investment fund balance - ending</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ 3,901</b>	<b>\$ 4,355</b>	<b>\$ -</b>	<b>\$ -</b>

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

ELWOOD 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)

	Non English Speaking	School Technology	Non English Speaking Program	Student Workbooks and Supplies	Title I 06-07	Title I 05-06
<b>Receipts:</b>						
Local sources	\$ -	\$ 29,045	\$ -	\$ 2,894	\$ -	\$ -
Intermediate sources	-	1,152	-	-	-	-
State sources	723	-	-	38,605	-	-
Federal sources	-	-	-	-	545,802	65,000
Sale of property, adjustments and refunds	-	1,662	-	-	-	-
<b>Total receipts</b>	<b>723</b>	<b>31,859</b>	<b>-</b>	<b>41,499</b>	<b>545,802</b>	<b>65,000</b>
<b>Disbursements:</b>						
<b>Current:</b>						
Instruction	638	-	-	-	300,310	105,789
Support services	-	29,833	-	41,499	40,768	8,512
Community services	-	-	-	-	41,312	11,803
Nonprogrammed charges	-	-	-	-	-	63,078
Debt services	-	-	-	-	-	-
<b>Total disbursements</b>	<b>638</b>	<b>29,833</b>	<b>-</b>	<b>41,499</b>	<b>382,390</b>	<b>189,182</b>
Excess (deficiency) of receipts over disbursements	85	2,026	-	-	163,412	(124,182)
Cash and investments - beginning	-	1,834	295	-	-	124,182
Cash and investments - ending	<u>\$ 85</u>	<u>\$ 3,860</u>	<u>\$ 295</u>	<u>\$ -</u>	<u>\$ 163,412</u>	<u>\$ -</u>
<b>Cash and Investment Assets - Ending</b>						
Cash and investments	\$ 85	\$ 3,860	\$ 295	\$ -	\$ 163,412	\$ -
Restricted assets:						
Cash and investments	-	-	-	-	-	-
Total cash and investment assets - ending	<u>\$ 85</u>	<u>\$ 3,860</u>	<u>\$ 295</u>	<u>\$ -</u>	<u>\$ 163,412</u>	<u>\$ -</u>
<b>Cash and Investment Fund Balance - Ending</b>						
Restricted for:						
Debt service	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Unrestricted	85	3,860	295	-	163,412	-
Total cash and investment fund balance - ending	<u>\$ 85</u>	<u>\$ 3,860</u>	<u>\$ 295</u>	<u>\$ -</u>	<u>\$ 163,412</u>	<u>\$ -</u>

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

ELWOOD 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 V Part A 04-06	Title V Part A	Summer Migrant	Fall Migrant 2007	Fall Migrant 05-06	P.L 94-142 06-07
<b>Receipts:</b>						
Local sources	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Intermediate sources	-	-	-	-	-	-
State sources	-	-	-	-	-	-
Federal sources	-	5,000	151,511	25,781	31,314	479,788
Sale of property, adjustments and refunds	-	-	-	-	-	-
<b>Total receipts</b>	<b>-</b>	<b>5,000</b>	<b>151,511</b>	<b>25,781</b>	<b>31,314</b>	<b>479,788</b>
<b>Disbursements:</b>						
<b>Current:</b>						
Instruction	-	426	20	53,724	17,906	288,491
Support services	6,214	5,127	-	44,896	13,408	53,631
Community services	-	-	-	-	-	-
Nonprogrammed charges	-	-	-	1,600	-	-
Debt services	-	-	-	-	-	-
<b>Total disbursements</b>	<b>6,214</b>	<b>5,553</b>	<b>20</b>	<b>100,220</b>	<b>31,314</b>	<b>342,122</b>
Excess (deficiency) of receipts over disbursements	(6,214)	(553)	151,491	(74,439)	-	137,666
Cash and investments - beginning	6,214	4,000	-	74,439	-	-
Cash and investments - ending	\$ -	\$ 3,447	\$ 151,491	\$ -	\$ -	\$ 137,666
<b>Cash and Investment Assets - Ending</b>						
Cash and investments	\$ -	\$ 3,447	\$ 151,491	\$ -	\$ -	\$ 137,666
<b>Restricted assets:</b>						
Cash and investments	-	-	-	-	-	-
<b>Total cash and investment assets - ending</b>	<b>\$ -</b>	<b>\$ 3,447</b>	<b>\$ 151,491</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ 137,666</b>
<b>Cash and Investment Fund Balance - Ending</b>						
<b>Restricted for:</b>						
Debt service	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Unrestricted	-	3,447	151,491	-	-	137,666
<b>Total cash and investment fund balance - ending</b>	<b>\$ -</b>	<b>\$ 3,447</b>	<b>\$ 151,491</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ 137,666</b>

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

ELWOOD 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)

	P.L 94-142 05-06	Sliver 05-06	05-06 Preschool	45701-002-PN01 06-07	Adult Basic Ed 06-07	Adult Basic Ed 05-06
<b>Receipts:</b>						
Local sources	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Intermediate sources	-	-	-	-	-	-
State sources	-	-	-	-	-	-
Federal sources	-	-	-	39,672	43,523	-
Sale of property, adjustments and refunds	-	-	-	-	-	-
<b>Total receipts</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>39,672</b>	<b>43,523</b>	<b>-</b>
<b>Disbursements:</b>						
<b>Current:</b>						
Instruction	82,550	6,293	708	2,846	38,826	3,744
Support services	9,630	547	-	-	1,148	91
Community services	-	-	-	-	-	-
Nonprogrammed charges	34,222	-	6,790	-	-	-
Debt services	-	-	-	-	-	-
<b>Total disbursements</b>	<b>126,402</b>	<b>6,840</b>	<b>7,498</b>	<b>2,846</b>	<b>39,974</b>	<b>3,835</b>
Excess (deficiency) of receipts over disbursements	(126,402)	(6,840)	(7,498)	36,826	3,549	(3,835)
Cash and investments - beginning	126,402	6,741	7,498	-	-	3,835
Cash and investments - ending	\$ -	\$ (99)	\$ -	\$ 36,826	\$ 3,549	\$ -
<b>Cash and Investment Assets - Ending</b>						
Cash and investments	\$ -	\$ (99)	\$ -	\$ 36,826	\$ 3,549	\$ -
Restricted assets:						
Cash and investments	-	-	-	-	-	-
Total cash and investment assets - ending	\$ -	\$ (99)	\$ -	\$ 36,826	\$ 3,549	\$ -
<b>Cash and Investment Fund Balance - Ending</b>						
Restricted for:						
Debt service	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Unrestricted	-	(99)	-	36,826	3,549	-
Total cash and investment fund balance - ending	\$ -	\$ (99)	\$ -	\$ 36,826	\$ 3,549	\$ -

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

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

	Drug Free Schools 05-07	Drug Free Schools 06-08	Perkins Basic Grant 06-07	Perkins 05-06	LSTA 06	Title II Part A (Class Size)
<b>Receipts:</b>						
Local sources	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Intermediate sources	-	-	-	-	-	-
State sources	-	-	-	-	-	-
Federal sources	10,000	4,885	61,007	21,145	4,000	129,896
Sale of property, adjustments and refunds	-	-	-	-	-	-
<b>Total receipts</b>	<b>10,000</b>	<b>4,885</b>	<b>61,007</b>	<b>21,145</b>	<b>4,000</b>	<b>129,896</b>
<b>Disbursements:</b>						
<b>Current:</b>						
Instruction	9,831	318	218	-	-	79,036
Support services	1,935	-	58,387	21,705	4,000	12,106
Community services	-	500	-	-	-	-
Nonprogrammed charges	-	-	-	-	-	-
Debt services	-	-	-	-	-	-
<b>Total disbursements</b>	<b>11,766</b>	<b>818</b>	<b>58,605</b>	<b>21,705</b>	<b>4,000</b>	<b>91,142</b>
Excess (deficiency) of receipts over disbursements	(1,766)	4,067	2,402	(560)	-	38,754
Cash and investments - beginning	2,338	-	-	560	-	(15,611)
Cash and investments - ending	<u>\$ 572</u>	<u>\$ 4,067</u>	<u>\$ 2,402</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 23,143</u>
<b>Cash and Investment Assets - Ending</b>						
Cash and investments	\$ 572	\$ 4,067	\$ 2,402	\$ -	\$ -	\$ 23,143
Restricted assets:						
Cash and investments	-	-	-	-	-	-
Total cash and investment assets - ending	<u>\$ 572</u>	<u>\$ 4,067</u>	<u>\$ 2,402</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 23,143</u>
<b>Cash and Investment Fund Balance - Ending</b>						
Restricted for:						
Debt service	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Unrestricted	<u>572</u>	<u>4,067</u>	<u>2,402</u>	<u>-</u>	<u>-</u>	<u>23,143</u>
Total cash and investment fund balance - ending	<u>\$ 572</u>	<u>\$ 4,067</u>	<u>\$ 2,402</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 23,143</u>

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

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

	Title II Part D 06-07	Title III English Proficiency 06-07	Retirement Severance Bond Fund	Construction	Bond Series 2002	Totals
<b>Receipts:</b>						
Local sources	\$ -	\$ -	\$ 122,981	\$ -	\$ -	\$ 654,313
Intermediate sources	-	-	-	-	-	6,467
State sources	-	-	-	-	-	342,481
Federal sources	192,990	17,797	-	-	-	2,275,521
Sale of property, adjustments and refunds	-	-	-	74	-	1,736
<b>Total receipts</b>	<b>192,990</b>	<b>17,797</b>	<b>122,981</b>	<b>74</b>	<b>-</b>	<b>3,280,518</b>
<b>Disbursements:</b>						
<b>Current:</b>						
Instruction	120	14,738	-	-	-	1,211,582
Support services	163,709	2,761	-	-	-	1,635,953
Community services	-	-	-	-	-	53,615
Nonprogrammed charges	-	-	-	-	-	105,690
Debt services	-	-	223,982	-	-	223,982
<b>Total disbursements</b>	<b>163,829</b>	<b>17,499</b>	<b>223,982</b>	<b>-</b>	<b>-</b>	<b>3,230,822</b>
Excess (deficiency) of receipts over disbursements	29,161	298	(101,001)	74	-	49,696
Cash and investments - beginning	4,863	5,007	8,367	-	12	637,365
Cash and investments - ending	<u>\$ 34,024</u>	<u>\$ 5,305</u>	<u>\$ (92,634)</u>	<u>\$ 74</u>	<u>\$ 12</u>	<u>\$ 687,061</u>
<b>Cash and Investment Assets - Ending</b>						
Cash and investments	\$ 34,024	\$ 5,305	\$ -	\$ 74	\$ 12	\$ 779,695
Restricted assets:						
Cash and investments	-	-	(92,634)	-	-	(92,634)
<b>Total cash and investment assets - ending</b>	<u>\$ 34,024</u>	<u>\$ 5,305</u>	<u>\$ (92,634)</u>	<u>\$ 74</u>	<u>\$ 12</u>	<u>\$ 687,061</u>
<b>Cash and Investment Fund Balance - Ending</b>						
Restricted for:						
Debt service	\$ -	\$ -	\$ (92,634)	\$ -	\$ -	\$ (92,634)
Unrestricted	34,024	5,305	-	74	12	779,695
<b>Total cash and investment fund balance - ending</b>	<u>\$ 34,024</u>	<u>\$ 5,305</u>	<u>\$ (92,634)</u>	<u>\$ 74</u>	<u>\$ 12</u>	<u>\$ 687,061</u>

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

ELWOOD 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 Pre-School	School Lunch	Textbook Rental	Levy Excess	Preschool Tuition	Educational License Plate Fund	Alternative Education Grant
<b>Receipts:</b>							
Local sources	\$ 4,914	\$ 383,674	\$ 140,326	\$ -	\$ 6,500	\$ -	\$ -
Intermediate sources	-	1,015	-	-	-	413	-
State sources	80,208	7,907	-	-	-	-	5,391
Federal sources	-	544,368	-	-	-	-	-
Bonds and loans	-	-	-	-	-	-	-
<b>Total receipts</b>	<u>85,122</u>	<u>936,964</u>	<u>140,326</u>	<u>-</u>	<u>6,500</u>	<u>413</u>	<u>5,391</u>
<b>Disbursements:</b>							
<b>Current:</b>							
Instruction	62,605	-	-	-	14,679	-	-
Support services	-	818,006	12,284	-	4,600	1,398	16,029
Community services	-	-	-	-	-	630	-
Debt services	-	-	-	-	-	-	-
<b>Total disbursements</b>	<u>62,605</u>	<u>818,006</u>	<u>12,284</u>	<u>-</u>	<u>19,279</u>	<u>2,028</u>	<u>16,029</u>
<b>Excess (deficiency) of receipts over disbursements</b>	<u>22,517</u>	<u>118,958</u>	<u>128,042</u>	<u>-</u>	<u>(12,779)</u>	<u>(1,615)</u>	<u>(10,638)</u>
<b>Other financing sources (uses):</b>							
Transfers in	-	-	24,059	43,796	-	-	-
Transfers out	(44)	-	-	-	-	-	-
<b>Total other financing sources (uses)</b>	<u>(44)</u>	<u>-</u>	<u>24,059</u>	<u>43,796</u>	<u>-</u>	<u>-</u>	<u>-</u>
<b>Excess (deficiency) of receipts and other financing sources over disbursements and other financing uses</b>	<u>22,473</u>	<u>118,958</u>	<u>152,101</u>	<u>43,796</u>	<u>(12,779)</u>	<u>(1,615)</u>	<u>(10,638)</u>
<b>Cash and investments - beginning</b>	<u>(2,379)</u>	<u>162,907</u>	<u>4,135</u>	<u>-</u>	<u>14,879</u>	<u>5,676</u>	<u>16,090</u>
<b>Cash and investments - ending</b>	<u>\$ 20,094</u>	<u>\$ 281,865</u>	<u>\$ 156,236</u>	<u>\$ 43,796</u>	<u>\$ 2,100</u>	<u>\$ 4,061</u>	<u>\$ 5,452</u>
<b>Cash and Investment Assets - Ending</b>							
Cash and investments	<u>\$ 20,094</u>	<u>\$ 281,865</u>	<u>\$ 156,236</u>	<u>\$ 43,796</u>	<u>\$ 2,100</u>	<u>\$ 4,061</u>	<u>\$ 5,452</u>
<b>Total cash and investment assets - ending</b>	<u>\$ 20,094</u>	<u>\$ 281,865</u>	<u>\$ 156,236</u>	<u>\$ 43,796</u>	<u>\$ 2,100</u>	<u>\$ 4,061</u>	<u>\$ 5,452</u>
<b>Cash and Investment Fund Balance - Ending</b>							
<b>Restricted for:</b>							
Unrestricted	<u>\$ 20,094</u>	<u>\$ 281,865</u>	<u>\$ 156,236</u>	<u>\$ 43,796</u>	<u>\$ 2,100</u>	<u>\$ 4,061</u>	<u>\$ 5,452</u>
<b>Total cash and investment fund balance - ending</b>	<u>\$ 20,094</u>	<u>\$ 281,865</u>	<u>\$ 156,236</u>	<u>\$ 43,796</u>	<u>\$ 2,100</u>	<u>\$ 4,061</u>	<u>\$ 5,452</u>

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

ELWOOD 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  
 (Continued)

	Safe School Haven	Early Intervention	Safe Haven 06-07	Gifted/Talented 06-07	High Ability	Non English Speaking	School Technology
<b>Receipts:</b>							
Local sources	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 23,302
Intermediate sources	-	-	-	-	-	-	15,200
State sources	-	1,000	-	-	33,591	6,975	-
Federal sources	-	-	-	-	-	-	-
Bonds and loans	-	-	-	-	-	-	-
<b>Total receipts</b>	<b>-</b>	<b>1,000</b>	<b>-</b>	<b>-</b>	<b>33,591</b>	<b>6,975</b>	<b>38,502</b>
<b>Disbursements:</b>							
<b>Current:</b>							
Instruction	-	-	-	4,355	27,040	-	-
Support services	2,450	1,000	3,901	-	-	-	33,824
Community services	-	-	-	-	-	-	-
Debt services	-	-	-	-	-	-	-
<b>Total disbursements</b>	<b>2,450</b>	<b>1,000</b>	<b>3,901</b>	<b>4,355</b>	<b>27,040</b>	<b>-</b>	<b>33,824</b>
<b>Excess (deficiency) of receipts over disbursements</b>	<b>(2,450)</b>	<b>-</b>	<b>(3,901)</b>	<b>(4,355)</b>	<b>6,551</b>	<b>6,975</b>	<b>4,678</b>
<b>Other financing sources (uses):</b>							
Transfers in	-	-	-	-	-	-	-
Transfers out	-	-	-	-	-	-	-
<b>Total other financing sources (uses)</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>
<b>Excess (deficiency) of receipts and other financing sources over disbursements and other financing uses</b>	<b>(2,450)</b>	<b>-</b>	<b>(3,901)</b>	<b>(4,355)</b>	<b>6,551</b>	<b>6,975</b>	<b>4,678</b>
<b>Cash and investments - beginning</b>	<b>-</b>	<b>-</b>	<b>3,901</b>	<b>4,355</b>	<b>-</b>	<b>85</b>	<b>3,860</b>
<b>Cash and investments - ending</b>	<b>\$ (2,450)</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ 6,551</b>	<b>\$ 7,060</b>	<b>\$ 8,538</b>
<b>Cash and Investment Assets - Ending</b>							
<b>Cash and investments</b>	<b>\$ (2,450)</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ 6,551</b>	<b>\$ 7,060</b>	<b>\$ 8,538</b>
<b>Total cash and investment assets - ending</b>	<b>\$ (2,450)</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ 6,551</b>	<b>\$ 7,060</b>	<b>\$ 8,538</b>
<b>Cash and Investment Fund Balance - Ending</b>							
<b>Restricted for:</b>							
Unrestricted	\$ (2,450)	\$ -	\$ -	\$ -	\$ 6,551	\$ 7,060	\$ 8,538
<b>Total cash and investment fund balance - ending</b>	<b>\$ (2,450)</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ 6,551</b>	<b>\$ 7,060</b>	<b>\$ 8,538</b>

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

ELWOOD 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  
 (Continued)

	Non English Speaking Program	McKinney Vento Transportation Grant	Student Workbooks and Supplies	Social Studies Grant	Title I 06-07	Title I 05-06
<b>Receipts:</b>						
Local sources	\$ -	\$ -	\$ 1,805	\$ -	\$ -	\$ -
Intermediate sources	-	-	-	-	-	-
State sources	-	5,000	57,330	93,772	-	-
Federal sources	-	-	-	-	63,000	603,548
Bonds and loans	-	-	-	-	-	-
<b>Total receipts</b>	<u>-</u>	<u>5,000</u>	<u>59,135</u>	<u>93,772</u>	<u>63,000</u>	<u>603,548</u>
<b>Disbursements:</b>						
<b>Current:</b>						
Instruction	-	-	-	1,019	125,094	273,816
Support services	-	156	57,961	92,753	15,752	55,586
Community services	-	-	-	-	13,187	35,411
Debt services	-	-	-	-	-	-
<b>Total disbursements</b>	<u>-</u>	<u>156</u>	<u>57,961</u>	<u>93,772</u>	<u>154,033</u>	<u>364,813</u>
<b>Excess (deficiency) of receipts over disbursements</b>	<u>-</u>	<u>4,844</u>	<u>1,174</u>	<u>-</u>	<u>(91,033)</u>	<u>238,735</u>
<b>Other financing sources (uses):</b>						
Transfers in	-	-	-	-	-	72,379
Transfers out	-	-	-	-	(72,379)	-
<b>Total other financing sources (uses)</b>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>(72,379)</u>	<u>72,379</u>
<b>Excess (deficiency) of receipts and other financing sources over disbursements and other financing uses</b>	<u>-</u>	<u>4,844</u>	<u>1,174</u>	<u>-</u>	<u>(163,412)</u>	<u>311,114</u>
<b>Cash and investments - beginning</b>	<u>295</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>163,412</u>	<u>-</u>
<b>Cash and investments - ending</b>	<u>\$ 295</u>	<u>\$ 4,844</u>	<u>\$ 1,174</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 311,114</u>
<b>Cash and Investment Assets - Ending</b>						
Cash and investments	\$ 295	\$ 4,844	\$ 1,174	\$ -	\$ -	\$ 311,114
<b>Total cash and investment assets - ending</b>	<u>\$ 295</u>	<u>\$ 4,844</u>	<u>\$ 1,174</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 311,114</u>
<b>Cash and Investment Fund Balance - Ending</b>						
<b>Restricted for:</b>						
Unrestricted	\$ 295	\$ 4,844	\$ 1,174	\$ -	\$ -	\$ 311,114
<b>Total cash and investment fund balance - ending</b>	<u>\$ 295</u>	<u>\$ 4,844</u>	<u>\$ 1,174</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 311,114</u>

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

ELWOOD 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  
 (Continued)

	Title I Accountability/ Edgewood	Title VI 06-08	Title V Part A	Summer Migrant	Fall Migrant 2007	P.L. 94-142 06-07
<b>Receipts:</b>						
Local sources	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Intermediate sources	-	-	-	-	-	-
State sources	-	-	-	-	-	-
Federal sources	25,478	3,442	1,918	-	55,178	-
Bonds and loans	-	-	-	-	-	-
<b>Total receipts</b>	<u>25,478</u>	<u>3,442</u>	<u>1,918</u>	<u>-</u>	<u>55,178</u>	<u>-</u>
<b>Disbursements:</b>						
<b>Current:</b>						
Instruction	22,722	-	-	62,672	49,057	76,345
Support services	5,478	609	5,365	88,819	6,121	7,046
Community services	-	-	-	-	-	-
Debt services	-	-	-	-	-	-
<b>Total disbursements</b>	<u>28,200</u>	<u>609</u>	<u>5,365</u>	<u>151,491</u>	<u>55,178</u>	<u>83,391</u>
<b>Excess (deficiency) of receipts over disbursements</b>	<u>(2,722)</u>	<u>2,833</u>	<u>(3,447)</u>	<u>(151,491)</u>	<u>-</u>	<u>(83,391)</u>
<b>Other financing sources (uses):</b>						
Transfers in	-	-	-	-	-	-
Transfers out	-	-	-	-	-	(54,274)
<b>Total other financing sources (uses)</b>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>(54,274)</u>
<b>Excess (deficiency) of receipts and other financing sources over disbursements and other financing uses</b>	<u>(2,722)</u>	<u>2,833</u>	<u>(3,447)</u>	<u>(151,491)</u>	<u>-</u>	<u>(137,665)</u>
<b>Cash and investments - beginning</b>	<u>-</u>	<u>-</u>	<u>3,447</u>	<u>151,491</u>	<u>-</u>	<u>137,666</u>
<b>Cash and investments - ending</b>	<u>\$ (2,722)</u>	<u>\$ 2,833</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 1</u>
<b>Cash and Investment Assets - Ending</b>						
Cash and investments	\$ (2,722)	\$ 2,833	\$ -	\$ -	\$ -	\$ -
<b>Total cash and investment assets - ending</b>	<u>\$ (2,722)</u>	<u>\$ 2,833</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>
<b>Cash and Investment Fund Balance - Ending</b>						
<b>Restricted for:</b>						
Unrestricted	\$ (2,722)	\$ 2,833	\$ -	\$ -	\$ -	\$ -
<b>Total cash and investment fund balance - ending</b>	<u>\$ (2,722)</u>	<u>\$ 2,833</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>

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

ELWOOD 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  
 (Continued)

	P.L. 94-142 07-08	Sliver 05-06	Exceptional Learners	07-08 Preschool	45701-002-PN01 06-07	Adult Basic Ed 06-07
<b>Receipts:</b>						
Local sources	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Intermediate sources	-	-	-	-	-	-
State sources	-	-	-	-	-	-
Federal sources	439,710	99	-	32,708	-	-
Bonds and loans	-	-	-	-	-	-
<b>Total receipts</b>	<u>439,710</u>	<u>99</u>	<u>-</u>	<u>32,708</u>	<u>-</u>	<u>-</u>
<b>Disbursements:</b>						
<b>Current:</b>						
Instruction	282,782	-	-	42,783	21,476	3,549
Support services	54,170	-	31,604	-	-	-
Community services	-	-	-	-	-	-
Debt services	-	-	-	-	-	-
<b>Total disbursements</b>	<u>336,952</u>	<u>-</u>	<u>31,604</u>	<u>42,783</u>	<u>21,476</u>	<u>3,549</u>
<b>Excess (deficiency) of receipts over disbursements</b>	<u>102,758</u>	<u>99</u>	<u>(31,604)</u>	<u>(10,075)</u>	<u>(21,476)</u>	<u>(3,549)</u>
<b>Other financing sources (uses):</b>						
Transfers in	54,274	-	-	15,350	-	-
Transfers out	-	-	-	-	(15,350)	-
<b>Total other financing sources (uses)</b>	<u>54,274</u>	<u>-</u>	<u>-</u>	<u>15,350</u>	<u>(15,350)</u>	<u>-</u>
<b>Excess (deficiency) of receipts and other financing sources over disbursements and other financing uses</b>	<u>157,032</u>	<u>99</u>	<u>(31,604)</u>	<u>5,275</u>	<u>(36,826)</u>	<u>(3,549)</u>
<b>Cash and investments - beginning</b>	<u>-</u>	<u>(99)</u>	<u>-</u>	<u>-</u>	<u>36,826</u>	<u>3,549</u>
<b>Cash and investments - ending</b>	<u>\$ 157,032</u>	<u>\$ -</u>	<u>\$ (31,604)</u>	<u>\$ 5,275</u>	<u>\$ -</u>	<u>\$ -</u>
<b>Cash and Investment Assets - Ending</b>						
Cash and investments	\$ 157,032	\$ -	\$ (31,604)	\$ 5,275	\$ 1	\$ -
<b>Total cash and investment assets - ending</b>	<u>\$ 157,032</u>	<u>\$ -</u>	<u>\$ (31,604)</u>	<u>\$ 5,275</u>	<u>\$ 1</u>	<u>\$ -</u>
<b>Cash and Investment Fund Balance - Ending</b>						
<b>Restricted for:</b>						
Unrestricted	\$ 157,032	\$ -	\$ (31,604)	\$ 5,275	\$ 1	\$ -
<b>Total cash and investment fund balance - ending</b>	<u>\$ 157,032</u>	<u>\$ -</u>	<u>\$ (31,604)</u>	<u>\$ 5,275</u>	<u>\$ 1</u>	<u>\$ -</u>

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

ELWOOD 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  
 (Continued)

	Adult Basic Ed 05-06	Drug Free Schools 05-07	Drug Free Schools 06-08	Perkins Basic Grant 06-07	Gender Equity 97-4500-P Grant	Title II Part A (Class Size)
<b>Receipts:</b>						
Local sources	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Intermediate sources	-	-	-	-	-	-
State sources	-	-	-	-	-	-
Federal sources	34,592	-	6,000	19,327	61,287	101,317
Bonds and loans	-	-	-	-	-	-
<b>Total receipts</b>	<u>34,592</u>	<u>-</u>	<u>6,000</u>	<u>19,327</u>	<u>61,287</u>	<u>101,317</u>
<b>Disbursements:</b>						
<b>Current:</b>						
Instruction	33,213	72	7,101	-	2,431	98,014
Support services	1,740	-	1,854	21,729	73,594	3,328
Community services	-	500	-	-	-	-
Debt services	-	-	-	-	-	-
<b>Total disbursements</b>	<u>34,953</u>	<u>572</u>	<u>8,955</u>	<u>21,729</u>	<u>76,025</u>	<u>101,342</u>
<b>Excess (deficiency) of receipts over disbursements</b>	<u>(361)</u>	<u>(572)</u>	<u>(2,955)</u>	<u>(2,402)</u>	<u>(14,738)</u>	<u>(25)</u>
<b>Other financing sources (uses):</b>						
Transfers in	-	-	-	-	-	-
Transfers out	-	-	-	-	-	-
<b>Total other financing sources (uses)</b>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
<b>Excess (deficiency) of receipts and other financing sources over disbursements and other financing uses</b>	<u>(361)</u>	<u>(572)</u>	<u>(2,955)</u>	<u>(2,402)</u>	<u>(14,738)</u>	<u>(25)</u>
<b>Cash and investments - beginning</b>	<u>-</u>	<u>572</u>	<u>4,067</u>	<u>2,402</u>	<u>-</u>	<u>23,143</u>
<b>Cash and investments - ending</b>	<u>\$ (361)</u>	<u>\$ -</u>	<u>\$ 1,112</u>	<u>\$ -</u>	<u>\$ (14,738)</u>	<u>\$ 23,118</u>
<b>Cash and Investment Assets - Ending</b>						
Cash and investments	\$ (361)	\$ -	\$ 1,112	\$ -	\$ (14,738)	\$ 23,118
<b>Total cash and investment assets - ending</b>	<u>\$ (361)</u>	<u>\$ -</u>	<u>\$ 1,112</u>	<u>\$ -</u>	<u>\$ (14,738)</u>	<u>\$ 23,118</u>
<b>Cash and Investment Fund Balance - Ending</b>						
<b>Restricted for:</b>						
Unrestricted	\$ (361)	\$ -	\$ 1,112	\$ -	\$ (14,738)	\$ 23,118
<b>Total cash and investment fund balance - ending</b>	<u>\$ (361)</u>	<u>\$ -</u>	<u>\$ 1,112</u>	<u>\$ -</u>	<u>\$ (14,738)</u>	<u>\$ 23,118</u>

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

ELWOOD 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  
 (Continued)

	Title II Part D 06-07	Title III English Proficiency 06-07	Retirement Severance Bond Fund	Construction	Bond Series 2002	Totals
<b>Receipts:</b>						
Local sources	\$ -	\$ -	\$ 228,931	\$ -	\$ -	\$ 789,452
Intermediate sources	-	-	-	-	-	16,628
State sources	-	-	-	-	-	291,174
Federal sources	-	-	-	-	-	1,991,972
Bonds and loans	-	-	242,813	249,995	-	492,808
<b>Total receipts</b>	<b>-</b>	<b>-</b>	<b>471,744</b>	<b>249,995</b>	<b>-</b>	<b>3,582,034</b>
<b>Disbursements:</b>						
<b>Current:</b>						
Instruction	-	111	-	-	-	1,210,936
Support services	42,641	5,194	-	250,069	12	1,715,073
Community services	-	-	-	-	-	49,728
Debt services	-	-	377,332	-	-	377,332
<b>Total disbursements</b>	<b>42,641</b>	<b>5,305</b>	<b>377,332</b>	<b>250,069</b>	<b>12</b>	<b>3,353,069</b>
Excess (deficiency) of receipts over disbursements	(42,641)	(5,305)	94,412	(74)	(12)	228,965
<b>Other financing sources (uses):</b>						
Transfers in	-	-	-	-	-	209,858
Transfers out	-	-	(1,778)	-	-	(143,825)
<b>Total other financing sources (uses)</b>	<b>-</b>	<b>-</b>	<b>(1,778)</b>	<b>-</b>	<b>-</b>	<b>66,033</b>
Excess (deficiency) of receipts and other financing sources over disbursements and other financing uses	(42,641)	(5,305)	92,634	(74)	(12)	294,998
Cash and investments - beginning	34,024	5,305	(92,634)	74	12	687,061
Cash and investments - ending	\$ (8,617)	\$ -	\$ -	\$ -	\$ -	\$ 982,059
<b>Cash and Investment Assets - Ending</b>						
Cash and investments	\$ (8,617)	\$ -	\$ -	\$ -	\$ -	\$ 982,059
Total cash and investment assets - ending	\$ (8,617)	\$ -	\$ -	\$ -	\$ -	\$ 982,059
<b>Cash and Investment Fund Balance - Ending</b>						
<b>Restricted for:</b>						
Unrestricted	\$ (8,617)	\$ -	\$ -	\$ -	\$ -	\$ 982,059
Total cash and investment fund balance - ending	\$ (8,617)	\$ -	\$ -	\$ -	\$ -	\$ 982,059

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

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

	Donations, Gifts, and Trusts	Adult Continuing Education 05-06 07-08	Adult and Continuing Education 06-07	Adult/ Continuing Ed/CAPE	Scholarships Coca-Cola	Madison County Foundation/ High School	Totals
<b>Additions:</b>							
Contributions:							
Other	\$ 6,000	\$ 22,507	\$ 22,492	\$ -	\$ 1,230	\$ -	\$ 52,229
<b>Total additions</b>	<u>6,000</u>	<u>22,507</u>	<u>22,492</u>	<u>-</u>	<u>1,230</u>	<u>-</u>	<u>52,229</u>
<b>Deductions:</b>							
Administrative and general	5,555	3,311	45,239	892	1,830	3,936	60,763
Excess (deficiency) of total additions over total deductions	445	19,196	(22,747)	(892)	(600)	(3,936)	(8,534)
Cash and investment fund balance - beginning	6,858	(1,137)	(194)	892	1,000	-	7,419
Cash and investments - June 30	<u>\$ 7,303</u>	<u>\$ 18,059</u>	<u>\$ (22,941)</u>	<u>\$ -</u>	<u>\$ 400</u>	<u>\$ (3,936)</u>	<u>\$ (1,115)</u>
<b>Net assets:</b>							
Cash and investments	\$ 7,303	\$ 18,059	\$ (22,941)	\$ -	\$ 400	\$ (3,936)	\$ (1,115)
<b>Total net assets - cash and investment basis held in trust</b>	<u>\$ 7,303</u>	<u>\$ 18,059</u>	<u>\$ (22,941)</u>	<u>\$ -</u>	<u>\$ 400</u>	<u>\$ (3,936)</u>	<u>\$ (1,115)</u>

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

	Donations, Gifts, and Trusts	Adult Continuing Education 05-06 07-08	Adult and Continuing Education 06-07	Adult/ Continuing Ed/English	Scholarships Coca-Cola	Madison County Foundation/ High School	Totals
Additions:							
Contributions:							
Other	\$ 6,000	\$ 24,126	\$ 22,941	\$ -	\$ -	\$ -	\$ 53,067
Total additions	<u>6,000</u>	<u>24,126</u>	<u>22,941</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>53,067</u>
Deductions:							
Administrative and general	-	47,055	-	527	-	2,400	49,982
Excess (deficiency) of total additions over total deductions	6,000	(22,929)	22,941	(527)	-	(2,400)	3,085
Cash and investment fund balance - beginning	7,303	18,059	(22,941)	-	400	(3,936)	(1,115)
Cash and investments - June 30	<u>\$ 13,303</u>	<u>\$ (4,870)</u>	<u>\$ -</u>	<u>\$ (527)</u>	<u>\$ 400</u>	<u>\$ (6,336)</u>	<u>\$ 1,970</u>
Net assets:							
Cash and investments	\$ 13,303	\$ (4,870)	\$ -	\$ (527)	\$ 400	\$ (6,336)	\$ 1,970
Total net assets - cash and investment basis held in trust	<u>\$ 13,303</u>	<u>\$ (4,870)</u>	<u>\$ -</u>	<u>\$ (527)</u>	<u>\$ 400</u>	<u>\$ (6,336)</u>	<u>\$ 1,970</u>

ELWOOD COMMUNITY SCHOOL CORPORATION  
 COMBINING SCHEDULE OF CASH AND INVESTMENT BALANCES  
 AGENCY FUNDS  
 For the Year Ended June 30, 2007

	Voluntary/ ISTRF	Indiana Gross Tax	County Adjusted Gross Income Tax	PERF	Blue Cross	Horace Mann/ Life Insurance	American Family Life
Cash and investments fund balance - ending	<u>\$ 963</u>	<u>\$ 27,521</u>	<u>\$ 9,648</u>	<u>\$ 12,880</u>	<u>\$ 4,779</u>	<u>\$ 37</u>	<u>\$ (125)</u>

ELWOOD COMMUNITY SCHOOL CORPORATION  
 COMBINING SCHEDULE OF CASH AND INVESTMENT BALANCES  
 AGENCY FUNDS  
 For the Year Ended June 30, 2007  
 (Continued)

	Nationwide Life Insurance Co	Retire - Subs Prior to 07/01/95	Service Fees	Colonial Life Insurance	Wage Garnishment/ Child Support	Blue Cross - Section 125	American Family - Section 125
Cash and investments fund balance - ending	<u>\$ 4,878</u>	<u>\$ 42</u>	<u>\$ 325</u>	<u>\$ (4,829)</u>	<u>\$ 641</u>	<u>\$ 12,122</u>	<u>\$ 251</u>

ELWOOD COMMUNITY SCHOOL CORPORATION  
 COMBINING SCHEDULE OF CASH AND INVESTMENT BALANCES  
 AGENCY FUNDS  
 For the Year Ended June 30, 2007  
 (Continued)

	Dependent Care - Section 125	Medical Reimbursement Section 125	Colonial Section 125	Retire - Subs - After 01/01/95	National Guardian Life (Dental)	Totals
Cash and investments fund balance - ending	\$ 1,482	\$ 12,443	\$ 6,342	\$ 450	\$ 450	\$ 90,300

ELWOOD COMMUNITY SCHOOL CORPORATION  
 COMBINING SCHEDULE OF CASH AND INVESTMENT BALANCES  
 AGENCY FUNDS  
 For the Year Ended June 30, 2008

	<u>Voluntary/ ISTRF</u>	<u>Social Security Non Teaching</u>	<u>Indiana Gross Tax</u>	<u>County Adjusted Gross Income Tax</u>	<u>PERF</u>	<u>Blue Cross</u>
Cash and investments fund balance - ending	<u>\$ 2,156</u>	<u>\$ 70</u>	<u>\$ 25,121</u>	<u>\$ 8,874</u>	<u>\$ 12,689</u>	<u>\$ 610</u>

ELWOOD COMMUNITY SCHOOL CORPORATION  
 COMBINING SCHEDULE OF CASH AND INVESTMENT BALANCES  
 AGENCY FUNDS  
 For the Year Ended June 30, 2008  
 (Continued)

	<u>Horace Mann/ Life Insurance</u>	<u>American Family Life</u>	<u>Lafayette Life/ Teachers/ Sec/Cus</u>	<u>Nationwide Life Insurance Co</u>	<u>Retire - Subs Prior to 07/01/95</u>	<u>United Way</u>
Cash and investments fund balance - ending	<u>\$ 37</u>	<u>\$ (86)</u>	<u>\$ 44</u>	<u>\$ 4,878</u>	<u>\$ 42</u>	<u>\$ 916</u>

ELWOOD COMMUNITY SCHOOL CORPORATION  
 COMBINING SCHEDULE OF CASH AND INVESTMENT BALANCES  
 AGENCY FUNDS  
 For the Year Ended June 30, 2008  
 (Continued)

	<u>Service Fees</u>	<u>Colonial Life Insurance</u>	<u>Wage Garnishment/ Child Support</u>	<u>Blue Cross - Section 125</u>	<u>American Family - Section 125</u>	<u>Dependent Care - Section 125</u>
Cash and investments fund balance - ending	<u>\$ 218</u>	<u>\$ (2,725)</u>	<u>\$ 641</u>	<u>\$ 10,606</u>	<u>\$ 453</u>	<u>\$ 2,615</u>

ELWOOD COMMUNITY SCHOOL CORPORATION  
 COMBINING SCHEDULE OF CASH AND INVESTMENT BALANCES  
 AGENCY FUNDS  
 For the Year Ended June 30, 2008  
 (Continued)

	Medical Reimbursement Section 125	Colonial Section 125	Retire - Subs - After 01/01/95	National Guardian Life (Dental)	Totals
Cash and investments fund balance - ending	<u>\$ 9,657</u>	<u>\$ 10,150</u>	<u>\$ 125</u>	<u>\$ 240</u>	<u>\$ 87,331</u>

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

The School Corporation has entered into the following debt:

Description of Debt	Ending Principal Balance	Principal and Interest Due Within One Year
Governmental activities:		
Capital leases:		
Middle School Construction	\$ 550,000	\$ 575,000
Elementaries Renovation	1,387,498	307,000
Notes and loans payable	11,595,730	1,298,359
Bonds payable:		
General obligation bonds:		
Severance/Retirement	<u>1,895,000</u>	<u>224,515</u>
Total governmental activities debt	<u>\$ 15,428,228</u>	<u>\$ 2,404,874</u>

ELWOOD COMMUNITY SCHOOL CORPORATION  
AUDIT RESULTS AND COMMENTS

OVERDRAWN CASH BALANCES

The cash balance of the Special Education Pre-school Fund, Sliver Funds 05-06 Fund, Retirement Severance Bond Fund, Adult Continuing Education Fund, and Madison County Foundation/High School Fund was overdrawn at June 30, 2007. The cash balance of the Safe School Haven Fund, Title I School Improvement Fund, Exceptional Learners Fund, Adult Basic Ed 05-06 Fund, Perkins Grant Fund, Improving Teacher Quality - English Fund, Debt Service Fund, Retirement Severance Bond Fund, Adult and Continuing Education Fund, Adult/Continuing Ed/English Fund and Madison County Foundation/High School Fund was 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 PURCHASE OF EQUIPMENT (Applies to John H. Hinds Career Center)

The John H. Hinds Career Center (Career Center) purchased 20 pieces of equipment/furniture totaling \$10,387.90. The items purchased range from \$85.00 to \$3,904.00. A review of the School Board minutes did not reveal authorization for the purchases noted above.

IC 20-26-5-4 states in part: "In carrying out the school purposes of each school corporation, its governing body acting on its behalf shall . . . acquire such personal property or any interest therein as the governing body deems necessary for school purposes . . ." Therefore, extra-curricular equipment purchases should be approved prior to purchase by the Board of School Trustees. (Accounting and Uniform Compliance Guidelines Manual for Extra-Curricular Accounts, Chapter 1)

DONATIONS (Applies to John H. Hinds Career Center)

The Career Center has an Auto Service Technology class that receives cash donations for servicing vehicles. These donations have not been approved by the Board of School Trustees.

Cash donations that are extra-curricular in nature may be accounted for in the Extra-Curricular Account. Any School Corporation donations shall be accounted for in the school corporation records. The acceptance of these donations shall have prior approval by the Board of School Trustees. Either the School Corporation Treasurer or Extra-Curricular Treasurer will be responsible for the accounting of these funds as applicable. (Accounting and Uniform Compliance Guidelines Manual for Extra-Curricular Accounts, Chapter 1)

SUPPLEMENTAL AUDIT OF  
FEDERAL AWARDS



**STATE OF INDIANA**  
AN EQUAL OPPORTUNITY EMPLOYER

STATE BOARD OF ACCOUNTS  
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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 ELWOOD COMMUNITY SCHOOL  
CORPORATION, MADISON COUNTY, INDIANA

Compliance

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

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

Our consideration of internal control over compliance was for the limited purpose described in the preceding paragraph and would not necessarily identify all deficiencies in the entity's internal control that might be significant deficiencies or material weaknesses as defined below.

A control deficiency in a School Corporation's internal control over compliance exists when the design or operation of a control does not allow management or employees, in the normal course of performing their assigned functions, to prevent or detect noncompliance with a type of compliance requirement of a federal program on a timely basis. A significant deficiency is a control deficiency, or combination of control deficiencies, that adversely affects the entity's ability to administer a federal program such that there is more than a remote likelihood that noncompliance with a type of compliance requirement of a federal program that is more than inconsequential will not be prevented or detected by the entity's internal control.

A material weakness is a significant deficiency, or combination of significant deficiencies, that results in more than a remote likelihood that material noncompliance with a type of compliance requirement of a federal program will not be prevented or detected by the entity's internal control.

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

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

STATE BOARD OF ACCOUNTS

March 23, 2009

ELWOOD 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	Pass-Through Federal Awards Expended 06-30-07	Pass-Through Federal Awards Expended 06-30-08
<b><u>U.S. DEPARTMENT OF AGRICULTURE</u></b>				
Pass-Through Indiana Department of Education				
Child Nutrition Cluster				
School Breakfast Program	10.553	FY 06/07	\$ 85,586	\$ -
		FY 07/08	-	145,252
National School Lunch Program	10.555	FY 06/07	396,348	-
		FY 07/08	-	442,579
Summer Food Service Program for Children	10.559	FY 06/07	16,899	-
		FY 07/08	-	18,963
Total for federal grantor agency			<u>498,833</u>	<u>606,794</u>
<b><u>NATIONAL FOUNDATION FOR THE ARTS AND HUMANITIES</u></b>				
Pass-Through Indiana State Library				
Grants to States	45.310	06-1-1-15	4,000	-
<b><u>U.S. DEPARTMENT OF EDUCATION</u></b>				
Pass-Through Anderson Community Schools				
Special Education Cluster				
Special Education - Grants to States				
SPED	84.027	14205-003-DY01	6,510	-
SPED		14206-002-PN01	126,402	336,952
SLIVER		14207-002-PN01	342,122	83,391
Total for program			<u>475,034</u>	<u>420,343</u>
Pass-Through Indiana Department of Education				
Special Education - Preschool Grants				
Preschool 07-08	84.173	45707-002-PN01	7,498	42,783
Preschool/Carry Over		45708-002-PN01	2,846	21,475
Total for program			<u>10,344</u>	<u>64,258</u>
Total for Special Education Cluster				
			<u>485,378</u>	<u>484,601</u>
Adult Education - State Grant Program				
	84.002	2007-8008	39,975	3,548
		2008-8008	3,835	34,953
Total for program			<u>43,810</u>	<u>38,501</u>
Title I Grants to Local Educational Agencies				
	84.010	06-5280	382,390	154,033
		07-5280	189,182	364,813
		08-5280	-	28,200
Total for program			<u>571,572</u>	<u>547,046</u>

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

ELWOOD COMMUNITY SCHOOL CORPORATION  
SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS  
For The Years Ended June 30, 2007 and 2008  
(Continued)

Federal Grantor Agency / Pass-Through Entity Cluster Title / Program Title / Project Title	Federal CFDA Number	Pass-Through Entity (or Other) Identifying Number	Pass-Through Federal Awards Expended 06-30-07	Pass-Through Federal Awards Expended 06-30-08
<u>U.S. DEPARTMENT OF EDUCATION (continued)</u>				
Pass-Through Indiana Department of Education (continued)				
Migrant Education - State Grant Program	84.011	FY06-07/SM-1	83,547	-
		FY07-08/RM-10	24,244	-
		FY07-08/RM-7	-	52,492
		FY07-08/SM-5	<u>20</u>	<u>94,908</u>
Total for program			<u>107,811</u>	<u>147,400</u>
Vocational Education - Basic Grants to States	84.048			
Perkins		06-4700-5280	21,705	-
Perkins		07-4700-25-5280	58,605	21,729
Perkins		08-4700-25-5280	<u>-</u>	<u>76,024</u>
Total for program			<u>80,310</u>	<u>97,753</u>
Safe and Drug-Free Schools and Communities - State Grants	84.186	05-148	11,766	572
		SY06	818	8,955
		5280-07	<u>-</u>	<u>31,604</u>
Total for program			<u>12,584</u>	<u>41,131</u>
State Grants for Innovative Programs	84.298	04-164	6,214	-
		05-153	5,553	5,365
		06-5280	<u>-</u>	<u>609</u>
Total for program			<u>11,767</u>	<u>5,974</u>
Education Technology State Grants	84.318	FY05-07	91,142	101,342
		FY06-08	<u>163,829</u>	<u>42,641</u>
Total for program			<u>254,971</u>	<u>143,983</u>
English Language Acquisition Grants	84.365	FY07-08	<u>14,738</u>	<u>111</u>
Total for federal grantor agency			<u>1,582,941</u>	<u>1,506,500</u>
Total federal award expended			<u>\$ 2,085,774</u>	<u>\$ 2,113,294</u>

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

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

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

II. Noncash Assistance

The School Corporation expended the following amount of noncash assistance for the years ending June 30, 2007 and 2008. This noncash assistance is also included in the federal expenditures presented in the schedule.

Program Title	Federal CFDA Number	2007	2008
School Breakfast Program	10.553	\$ 9,310	\$ 15,425
National School Lunch Program	10.555	43,114	47,000

ELWOOD 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 or Cluster
84.010	Title I Grants to Local Educational Agencies
84.011	Migrant Education – State Grant Program
84.318	Education Technology State Grants

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.

ELWOOD COMMUNITY SCHOOL CORPORATION  
SUMMARY SCHEDULE OF PRIOR AUDIT FINDINGS

No matters were reportable.

ELWOOD COMMUNITY SCHOOL CORPORATION  
EXIT CONFERENCE

The contents of this report were discussed on April 14, 2009, with Thomas W. Austin, Superintendent of Schools; Joa Griffith, Business Manager/Treasurer; Leslie Rittenhouse, Deputy Treasurer, and Trisha A. Hobbs, Payroll and Benefits Clerk. The officials concurred with our audit findings.