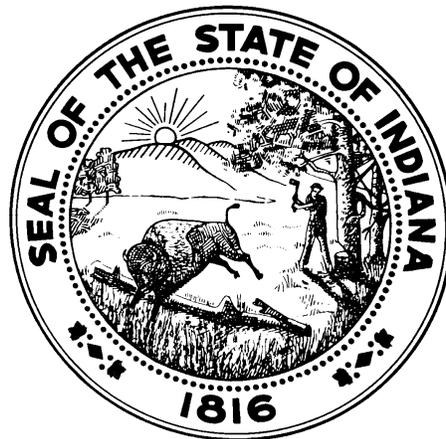


STATE BOARD OF ACCOUNTS
302 West Washington Street
Room E418
INDIANAPOLIS, INDIANA 46204-2769

AUDIT REPORT
OF

FRANKLIN TOWNSHIP COMMUNITY
SCHOOL CORPORATION
MARION COUNTY, INDIANA

July 1, 2006 to June 30, 2008



FILED

06/15/2009

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	13-22
Required Supplementary Information:	
Schedule of Funding Progress	23
Supplementary Information:	
Combining Schedule of Assets and Fund Balances and Receipts, Disbursements, and Changes in Fund Balances – Cash and Investment Basis – Other Governmental Funds	24-40
Combining Schedule of Additions, Deductions, and Changes in Cash and Investment Balances – Private-Purpose Trust Funds	41-42
Schedule of Long-Term Debt	43
Audit Results and Comments:	
Overdrawn Cash Balances	44
Student Fees	44
Bookstore Internal Controls	44
Receipt Issuance	45
Disbursement Documentation	45
Fundraisers	45
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	48-49
Schedule of Expenditures of Federal Awards	50-51
Notes to Schedule of Expenditures of Federal Awards	52
Schedule of Findings and Questioned Costs	53
Auditee Prepared Schedule:	
Summary Schedule of Prior Audit Findings	54
Exit Conference	55

SCHEDULE OF OFFICIALS

<u>Office</u>	<u>Official</u>	<u>Term</u>
Treasurer	Rodney Caldwell James E. McWhirt	07-01-06 to 09-30-06 10-01-06 to 06-30-09
Superintendent of Schools	Dr. Walter D. Bourke	07-01-06 to 06-30-09
President of the School Board	Mathew L. Hamner Steve Randall	07-01-06 to 06-30-08 07-01-08 to 06-30-09



STATE OF INDIANA
AN EQUAL OPPORTUNITY EMPLOYER

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

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

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

TO: THE OFFICIALS OF THE FRANKLIN TOWNSHIP COMMUNITY
SCHOOL CORPORATION, MARION COUNTY, INDIANA

We have audited the accompanying financial statements of the governmental activities, each major fund, and the aggregate remaining fund information of the Franklin Township 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 May 7, 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.

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

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

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

May 7, 2009



STATE OF INDIANA
AN EQUAL OPPORTUNITY EMPLOYER

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

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

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

TO: THE OFFICIALS OF THE FRANKLIN TOWNSHIP COMMUNITY
SCHOOL CORPORATION, MARION COUNTY, INDIANA

We have audited the financial statements of the governmental activities, each major fund, and the aggregate remaining fund information of the Franklin Township 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 May 7, 2009. We conducted our audit in accordance with auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in Government Auditing Standards, issued by the Comptroller General of the United States.

Internal Control Over Financial Reporting

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

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

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

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

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

Compliance and Other Matters

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

This report is intended solely for the information and use of the School Corporation's management, School Board, 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

May 7, 2009

FRANKLIN TOWNSHIP 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>	Program Receipts		<u>Net (Disbursement) Receipts and Changes in Net Assets</u>
		<u>Charges for Services</u>	<u>Operating Grants and Contributions</u>	<u>Totals</u>
Governmental activities:				
Instruction	\$ 34,889,892	\$ -	\$ 232,284	\$ (34,657,608)
Support services	33,735,691	2,485,011	1,103,120	(30,147,560)
Community services	523,754	-	-	(523,754)
Nonprogrammed charges	2,782,137	-	-	(2,782,137)
Debt service	18,721,844	-	-	(18,721,844)
	<u>\$ 90,653,318</u>	<u>\$ 2,485,011</u>	<u>\$ 1,335,404</u>	<u>(86,832,903)</u>
General receipts:				
Property taxes				24,503,311
Other local sources				23,190,489
State aid				27,061,598
Bonds and loans				11,395,989
Grants and contributions not restricted to specific programs				5,851,331
Sale of property, adjustments, and refunds				936,660
Investment earnings				1,037,644
				<u>93,977,022</u>
Change in net assets				7,144,119
Net assets - beginning				<u>11,420,446</u>
Net assets - ending				<u>\$ 18,564,565</u>
<u>Assets</u>				
Cash and investments				\$ 18,510,738
Restricted assets:				
Cash and investments				<u>53,827</u>
Total assets				<u>\$ 18,564,565</u>
<u>Net Assets</u>				
Restricted for:				
Debt service				\$ 53,827
Unrestricted				<u>18,510,738</u>
Total net assets				<u>\$ 18,564,565</u>

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

FRANKLIN TOWNSHIP 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	\$ 36,008,531	\$ -	\$ 623,851	\$ (35,384,680)
Support services	32,994,895	2,541,518	1,369,846	(29,083,531)
Community services	577,174	-	-	(577,174)
Nonprogrammed charges	3,348,612	-	-	(3,348,612)
Debt service	29,381,394	-	-	(29,381,394)
	<u>\$ 102,310,606</u>	<u>\$ 2,541,518</u>	<u>\$ 1,993,697</u>	<u>(97,775,391)</u>
General receipts:				
Property taxes				33,215,019
Other local sources				4,417,976
State aid				28,870,032
Bonds and loans				30,607,724
Grants and contributions not restricted to specific programs				4,946,987
Sale of property, adjustments, and refunds				83,789
Investment earnings				876,365
				<u>103,017,892</u>
Change in net assets				5,242,501
Net assets - beginning				<u>18,564,565</u>
Net assets - ending				<u>\$ 23,807,066</u>
<u>Assets</u>				
Cash and investments				\$ 23,285,858
Restricted assets:				
Cash and investments				<u>521,208</u>
Total assets				<u>\$ 23,807,066</u>
<u>Net Assets</u>				
Restricted for:				
Debt service				\$ 521,208
Unrestricted				<u>23,285,858</u>
Total net assets				<u>\$ 23,807,066</u>

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

FRANKLIN TOWNSHIP 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	Rainy Day	Debt Service	Capital Projects	School Bus Replacement	Construction	Other	Totals
Receipts:									
Local sources	\$ 9,683,390	\$ 3,286,286	\$ -	\$ 10,589,301	\$ 5,387,965	\$ 781,606	\$ 17,476,981	\$ 4,010,927	\$ 51,216,456
State sources	30,410,262	1,012,730	-	-	-	-	-	1,338,370	32,761,362
Federal sources	-	-	-	-	-	-	-	1,486,970	1,486,970
Bonds and loans	7,713,280	-	-	3,682,709	-	-	-	-	11,395,989
Sale of property, adjustments and refunds	7,000	-	-	-	9,332	-	-	920,328	936,660
Total receipts	47,813,932	4,299,016	-	14,272,010	5,397,297	781,606	17,476,981	7,756,595	97,797,437
Disbursements:									
Current:									
Instruction	32,254,424	-	2,000,000	-	-	-	-	635,468	34,889,892
Support services	10,760,689	4,440,621	-	-	4,920,605	357,825	8,243,856	5,012,095	33,735,691
Community services	503,884	-	-	-	-	-	-	19,870	523,754
Nonprogrammed charges	2,302,415	-	-	-	-	-	-	479,722	2,782,137
Debt services	2,549,929	-	-	15,492,144	-	-	-	679,771	18,721,844
Total disbursements	48,371,341	4,440,621	2,000,000	15,492,144	4,920,605	357,825	8,243,856	6,826,926	90,653,318
Excess (deficiency) of receipts over disbursements	(557,409)	(141,605)	(2,000,000)	(1,220,134)	476,692	423,781	9,233,125	929,669	7,144,119
Other financing sources (uses):									
Transfers in	-	126,934	2,400,000	-	-	-	-	12,219	2,539,153
Transfers out	-	-	-	(126,934)	(2,400,000)	-	-	(12,219)	(2,539,153)
Total other financing sources (uses)	-	126,934	2,400,000	(126,934)	(2,400,000)	-	-	-	-
Excess (deficiency) of receipts and other financing sources over disbursements and other financing uses	(557,409)	(14,671)	400,000	(1,347,068)	(1,923,308)	423,781	9,233,125	929,669	7,144,119
Cash and investments - beginning	1,191,617	880,140	3,590,889	1,416,747	4,450,337	7,142	(1,460,534)	1,344,108	11,420,446
Cash and investments - ending	\$ 634,208	\$ 865,469	\$ 3,990,889	\$ 69,679	\$ 2,527,029	\$ 430,923	\$ 7,772,591	\$ 2,273,777	\$ 18,564,565
Cash and Investment Assets - Ending									
Cash and investments	\$ 634,208	\$ 865,469	\$ 3,990,889	\$ -	\$ 2,527,029	\$ 430,923	\$ 7,772,591	\$ 2,289,629	\$ 18,510,738
Restricted assets:									
Cash and investments	-	-	-	69,679	-	-	-	(15,852)	53,827
Total cash and investment assets - ending	\$ 634,208	\$ 865,469	\$ 3,990,889	\$ 69,679	\$ 2,527,029	\$ 430,923	\$ 7,772,591	\$ 2,273,777	\$ 18,564,565
Cash and Investment Fund Balance - Ending									
Restricted for:									
Debt service	\$ -	\$ -	\$ -	\$ 69,679	\$ -	\$ -	\$ -	\$ (15,852)	\$ 53,827
Unrestricted	634,208	865,469	3,990,889	-	2,527,029	430,923	7,772,591	2,289,629	18,510,738
Total cash and investment fund balance - ending	\$ 634,208	\$ 865,469	\$ 3,990,889	\$ 69,679	\$ 2,527,029	\$ 430,923	\$ 7,772,591	\$ 2,273,777	\$ 18,564,565

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

FRANKLIN TOWNSHIP 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	Rainy Day	Debt Service	Capital Projects	School Bus Replacement	Construction	Other	Totals
Receipts:									
Local sources	\$ 10,865,299	\$ 3,891,226	\$ -	\$ 13,772,498	\$ 6,487,382	\$ 1,053,093	\$ 270,077	\$ 4,711,302	\$ 41,050,877
State sources	32,311,390	982,678	-	-	-	-	-	721,718	34,015,786
Federal sources	-	-	-	-	-	-	-	1,794,931	1,794,931
Bonds and loans	17,916,780	2,185,195	-	7,957,218	2,548,531	-	-	-	30,607,724
Sale of property, adjustments and refunds	1,830	116	-	-	8,212	-	-	73,631	83,789
Interfund loans	-	-	-	-	-	-	-	380,000	380,000
Total receipts	61,095,299	7,059,215	-	21,729,716	9,044,125	1,053,093	270,077	7,681,582	107,933,107
Disbursements:									
Current:									
Instruction	32,174,663	-	3,300,000	-	-	-	-	533,868	36,008,531
Support services	12,786,575	4,486,183	-	-	5,600,704	74,653	4,613,858	5,432,922	32,994,895
Community services	571,687	-	-	-	-	-	-	5,487	577,174
Nonprogrammed charges	2,844,463	-	-	-	-	-	-	504,149	3,348,612
Debt services	7,090,597	-	-	21,614,263	-	-	-	676,534	29,381,394
Interfund loans	-	-	380,000	-	-	-	-	-	380,000
Total disbursements	55,467,985	4,486,183	3,680,000	21,614,263	5,600,704	74,653	4,613,858	7,152,960	102,690,606
Excess (deficiency) of receipts over disbursements	5,627,314	2,573,032	(3,680,000)	115,453	3,443,421	978,440	(4,343,781)	528,622	5,242,501
Other financing sources (uses):									
Transfers in	-	-	3,350,000	-	13,149	-	-	11,963	3,375,112
Transfers out	-	-	-	-	(2,600,000)	(750,000)	(13,149)	(11,963)	(3,375,112)
Total other financing sources (uses)	-	-	3,350,000	-	(2,586,851)	(750,000)	(13,149)	-	-
Excess (deficiency) of receipts and other financing sources over disbursements and other financing uses	5,627,314	2,573,032	(330,000)	115,453	856,570	228,440	(4,356,930)	528,622	5,242,501
Cash and investments - beginning	634,208	865,469	3,990,889	69,679	2,527,029	430,923	7,772,591	2,273,777	18,564,565
Cash and investments - ending	<u>\$ 6,261,522</u>	<u>\$ 3,438,501</u>	<u>\$ 3,660,889</u>	<u>\$ 185,132</u>	<u>\$ 3,383,599</u>	<u>\$ 659,363</u>	<u>\$ 3,415,661</u>	<u>\$ 2,802,399</u>	<u>\$ 23,807,066</u>
Cash and Investment Assets - Ending									
Cash and investments	\$ 6,261,522	\$ 3,438,501	\$ 3,660,889	\$ -	\$ 3,383,599	\$ 659,363	\$ 3,415,661	\$ 2,466,323	\$ 23,285,858
Restricted assets:									
Cash and investments	-	-	-	185,132	-	-	-	336,076	521,208
Total cash and investment assets - ending	<u>\$ 6,261,522</u>	<u>\$ 3,438,501</u>	<u>\$ 3,660,889</u>	<u>\$ 185,132</u>	<u>\$ 3,383,599</u>	<u>\$ 659,363</u>	<u>\$ 3,415,661</u>	<u>\$ 2,802,399</u>	<u>\$ 23,807,066</u>
Cash and Investment Fund Balance - Ending									
Restricted for:									
Debt service	\$ -	\$ -	\$ -	\$ 185,132	\$ -	\$ -	\$ -	\$ 336,076	\$ 521,208
Unrestricted	6,261,522	3,438,501	3,660,889	-	3,383,599	659,363	3,415,661	2,466,323	23,285,858
Total cash and investment fund balance - ending	<u>\$ 6,261,522</u>	<u>\$ 3,438,501</u>	<u>\$ 3,660,889</u>	<u>\$ 185,132</u>	<u>\$ 3,383,599</u>	<u>\$ 659,363</u>	<u>\$ 3,415,661</u>	<u>\$ 2,802,399</u>	<u>\$ 23,807,066</u>

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

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

	Pension Trust Fund	Private-Purpose Trust Funds	Agency Funds
Additions:			
Contributions:			
Other	\$ -	\$ 350	
Investment earnings:			
Interest	7,742	5,471	
Total additions	7,742	5,821	
Deductions:			
Benefits	279,032	-	
Administrative and general	-	4,613	
Total deductions	279,032	4,613	
Excess (deficiency) of total additions over total deductions	(271,290)	1,208	
Cash and investment fund balance - beginning	453,414	113,127	
Cash and investment fund balance - ending	\$ 182,124	\$ 114,335	\$ 184,466
Net assets:			
Cash and investments	\$ 182,124	\$ 114,335	
Total net assets - cash and investment basis held in trust	\$ 182,124	\$ 114,335	

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

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

	Pension Trust Fund	Private-Purpose Trust Funds	Agency Funds
Additions:			
Contributions:			
Other	\$ -	\$ 5,300	
Investment earnings:			
Interest	3,276	4,711	
Total additions	3,276	10,011	
Deductions:			
Benefits	13,321	-	
Administrative and general	-	5,309	
Total deductions	13,321	5,309	
Excess (deficiency) of total additions over total deductions	(10,045)	4,702	
Cash and investment fund balance - beginning	182,124	114,335	
Cash and investment fund balance - ending	\$ 172,079	\$ 119,037	\$ 191,406
Net assets:			
Cash and investments	\$ 172,079	\$ 119,037	
Total net assets - cash and investment basis held in trust	\$ 172,079	\$ 119,037	

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

FRANKLIN TOWNSHIP COMMUNITY SCHOOL CORPORATION
NOTES TO FINANCIAL STATEMENTS

I. Summary of Significant Accounting Policies

A. Reporting Entity

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

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

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

Joint Venture

The School Corporation is a participant with Beech Grove City Schools, Center Grove Community School Corporation, Clark-Pleasant Community School Corporation, Franklin Community School Corporation, Greenwood Community School Corporation, Metropolitan School District (MSD) of Perry Township, and Nineveh-Hensley-Jackson United School Corporation in a joint venture to operate Central Nine Career Center (Center) which was created to provide for the vocational education needs of their students. The Center's continued existence depends on continued funding by the School Corporation. Complete financial statements for the Center can be obtained at 1999 U.S. 31 South, Greenwood, Indiana, 46143.

The School Corporation is a participant with MSD of Perry Township, MSD of Decatur Township, and Beech Grove City Schools in a joint venture to operate the Relating Individualism to Special Education (RISE) Learning Center which was created to provide special education for handicapped children. The School Corporation is obligated to remit funding based upon participation levels annually to supplement the RISE Learning Center. Complete financial statements for RISE Learning Center can be obtained from MSD Perry Township at 6548 Orinoco Ave, Indianapolis, Indiana, 46227.

The School Corporation is a participant with several other School Corporations in a joint venture to operate the Central Indiana Educational Services Center (CIESC) which was created to provide certain programs and services for participating school districts. The CIESC's continued existence depends on continued funding by the School Corporations. In order to participate in the CIESC, each school district is billed an amount based on each school district's student population. Complete financial statements for the CIESC can be obtained from their office at 6321 Lapas Trail, Indianapolis, Indiana, 46268.

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.

FRANKLIN TOWNSHIP COMMUNITY SCHOOL CORPORATION
NOTES TO FINANCIAL STATEMENTS
(Continued)

Governmental activities generally are financed through taxes, intergovernmental revenues, and other nonexchange revenues. Business-type activities are financed in whole or in part by fees charged to external parties for goods or services.

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 and fiduciary funds, even though the latter are excluded from the government-wide financial statements. Major individual governmental funds and major individual enterprise funds are reported as separate columns in the fund financial statements. However, at this time, the School Corporation has not established any enterprise funds.

The School Corporation reports the following major governmental funds:

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

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

The rainy day fund accounts for transfers funds in accordance with IC 36-1-8-5 and a locally adopted resolution.

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

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

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

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

Additionally, the School Corporation reports the following fund types:

The pension trust fund accounts for bonds and payments anticipated to be made to employees on or after the termination of employment or to pay post-retirement or severance benefits held by the School Corporation in a trustee capacity.

The private-purpose trust fund reports a trust arrangement under which principal and income benefit the academic honors students.

The agency fund accounts for assets held by the School Corporation as an agent for the federal government, state government, and various employee insurance companies.

FRANKLIN TOWNSHIP COMMUNITY SCHOOL CORPORATION
NOTES TO FINANCIAL STATEMENTS
(Continued)

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.

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 proprietary 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).

3. Capital Assets

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

FRANKLIN TOWNSHIP COMMUNITY SCHOOL CORPORATION
NOTES TO FINANCIAL STATEMENTS
(Continued)

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 receipts and payment of principal and interest reported as disbursements.

5. Equity Classification

Government-Wide Statements

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

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

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

Fund Financial Statements

Governmental fund equity is classified as fund balance.

E. Receipts and Disbursements

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

F. Interfund 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 in the fund financial statements have been eliminated or reclassified.

Fund Financial Statements

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, if any, is eliminated or reclassified in the government-wide financial statements.

FRANKLIN TOWNSHIP COMMUNITY SCHOOL CORPORATION
 NOTES TO FINANCIAL STATEMENTS
 (Continued)

II. Stewardship, Compliance and Accountability

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 January 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.

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. At June 30, 2008, the School Corporation's deposit balances in the amount of \$22,188,653 were entirely insured by the Federal Deposit Insurance Company 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
U.S. treasuries and securities	\$ 3,431,310

FRANKLIN TOWNSHIP COMMUNITY SCHOOL CORPORATION
NOTES TO FINANCIAL STATEMENTS
(Continued)

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.

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.

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	1-2	More Than 2
U.S. treasuries and securities	\$ 3,431,310	\$ -	\$ -

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:

Transfer From	Transfer To	2007	2008
Debt Service	Transportation Operating	\$ 126,934	\$ -
Capital Projects	Rainy Day	2,400,000	2,600,000
School Bus Replacement	Rainy Day	-	750,000
Construction	Capital Projects	-	13,149
Other governmental	Other governmental	12,219	11,963
Totals		<u>\$ 2,539,153</u>	<u>\$ 3,375,112</u>

FRANKLIN TOWNSHIP COMMUNITY SCHOOL CORPORATION
NOTES TO FINANCIAL STATEMENTS
(Continued)

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

Medical Benefits to Employees, Retirees, and Dependents

During 1991, the School Corporation joined together with other governmental entities to form the Hoosier School Benefit Trust, a public entity risk pool currently operating as a common risk management and insurance program for five member governmental entities. The purpose of the risk pool is to provide a medium for the funding and administration of medical benefits to employees, retirees and dependents. The risk pool is considered a self-sustaining risk pool that will provide coverage for its members for up to \$5,000,000 per insured event.

B. Holding Corporation

The School Corporation has entered into capital leases with Franklin Township 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 year ended June 30, 2008, totaled \$16,552,500.

C. Subsequent Events

Central Nine Career Center School Building Corporation

On August 25, 2008, the School Board approved the issuance of bonds designated Central Nine Career Center School Building Corporation Mortgage Bonds, Series 2009 in the aggregate principal amount of \$5,430,000. The School Board also approved a new lease rental agreement with the Central Nine Career Center School Building Corporation providing for semiannual lease payments of \$66,500 beginning when the buildings to be renovated and equipped are completed and ready for occupancy or December 31, 2010, whichever is later.

FRANKLIN TOWNSHIP COMMUNITY SCHOOL CORPORATION
NOTES TO FINANCIAL STATEMENTS
(Continued)

Tax Anticipation Warrants

As of June 30, 2008, the School Corporation had outstanding tax anticipation warrants of \$31,230,407. The School Corporation issued additional tax anticipation warrants of \$7,883,845 in October 2008. The School Corporation has repaid \$19,009,950 reducing the outstanding balance to \$20,104,302 as of the report date.

D. Postemployment Benefits

In addition to the pension benefits described below, the School Corporation provides postemployment medical benefits, as authorized by Indiana Code 5-10-8, to all employees who retire from the School Corporation on or after attaining age fifty-five with at least ten years of service. Currently, thirty-six retirees meet these eligibility requirements. The School Corporation and retirees provides 95% and 5%, respectively, of these postemployment benefits. Disbursements for those postemployment benefits are recognized on a pay-as-you-go basis. During the year ended June 30, 2008, disbursements of \$108,205 were recognized for postemployment benefits.

E. Pension Plans

1. Agent Multiple-Employer and Single-Employer Defined Benefit Pension Plan

Public Employees' Retirement Fund

Plan Description

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

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

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

Funding Policy and Annual Pension Cost

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

FRANKLIN TOWNSHIP COMMUNITY SCHOOL CORPORATION
NOTES TO FINANCIAL STATEMENTS
(Continued)

Actuarial Information for the Above Plan

	PERF
Annual required contribution	\$ 563,388
Interest on net pension obligation	(44,734)
Adjustment to annual required contribution	50,978
Annual pension cost	569,632
Contributions made	576,664
Increase in net pension obligation	(7,032)
Net pension obligation, beginning of year	(617,027)
Net pension obligation, end of year	\$ (624,059)
Contribution rates:	
School Corporation	7.5%
Plan members	3%
Actuarial valuation date	07-01-08
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

Investment rate of return	7.25%
Projected future salary increases:	
Total	5%
Attributed to inflation	4%
Attributed to merit/seniority	1%
Cost-of-living adjustments	2%

Three Year Trend Information

Year Ending	Annual Pension Cost (APC)	Percentage of APC Contributed	Net Pension Obligation
06-30-06	\$ 426,974	112%	\$ (632,491)
06-30-07	532,478	97%	(617,027)
06-30-08	569,632	101%	(624,059)

FRANKLIN TOWNSHIP COMMUNITY SCHOOL CORPORATION
NOTES TO FINANCIAL STATEMENTS
(Continued)

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.

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 \$1,941,043, \$1,731,734, and \$1,559,129, respectively. The School Corporation actually contributed 100% of the required contribution for each of the fiscal years, respectively.

FRANKLIN TOWNSHIP COMMUNITY SCHOOL CORPORATION
 REQUIRED SUPPLEMENTARY INFORMATION
 SCHEDULE OF FUNDING PROGRESS

Public Employees' Retirement Fund

Actuarial Valuation Date	Actuarial Value of Assets (a)	Actuarial Accrued Liability (AAL) (b)	Excess of Assets Over (Unfunded) AAL (a-b)	Funded Ratio (a/b)	Covered Payroll (c)	Excess (Unfunded) AAL as a Percentage of Covered Payroll ((a-b)/c)
07-01-06	\$ 4,146,270	\$ 5,242,452	\$ (1,096,182)	79%	\$ 6,810,537	(16%)
07-01-07	4,639,123	5,862,991	(1,223,868)	79%	7,048,716	(17%)
07-01-08	5,087,354	6,476,291	(1,388,937)	79%	7,246,332	(19%)

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

	Special Education Preschool	School Lunch	Textbook Rental	Alternative Education Grant	Early Intervention	Alternative School FTEF Grant	Kitley Intermediate FTEF Pence Trust Grant
Receipts:							
Local sources	\$ 40,278	\$ 2,227,073	\$ 765,902	\$ -	\$ -	\$ -	\$ 5,640
State sources	271,369	53,684	225,497	6,986	45,404	-	-
Federal sources	-	923,716	-	-	-	-	-
Sale of property, adjustments and refunds	-	491	-	-	-	-	-
Total receipts	311,647	3,204,964	991,399	6,986	45,404	-	5,640
Disbursements:							
Current:							
Instruction	-	-	-	2,791	19,373	20	4,629
Support services	-	3,164,768	701,742	-	24,500	-	-
Community services	-	-	-	-	1,519	-	-
Nonprogrammed charges	358,640	100,000	-	-	-	-	-
Debt services	-	-	-	-	-	-	-
Total disbursements	358,640	3,264,768	701,742	2,791	45,392	20	4,629
Excess (deficiency) of receipts over disbursements	(46,993)	(59,804)	289,657	4,195	12	(20)	1,011
Other financing sources (uses):							
Transfers in	-	-	-	-	-	-	-
Transfers out	-	-	-	-	-	-	-
Total other financing sources (uses)	-	-	-	-	-	-	-
Excess (deficiency) of receipts and other financing sources over disbursements and other financing uses	(46,993)	(59,804)	289,657	4,195	12	(20)	1,011
Cash and investments - beginning	28,864	847,287	25,298	3,821	-	20	-
Cash and investments - ending	<u>\$ (18,129)</u>	<u>\$ 787,483</u>	<u>\$ 314,955</u>	<u>\$ 8,016</u>	<u>\$ 12</u>	<u>\$ -</u>	<u>\$ 1,011</u>
Cash and Investment Assets - Ending							
Cash and investments	\$ (18,129)	\$ 787,483	\$ 314,955	\$ 8,016	\$ 12	\$ -	\$ 1,011
Restricted assets:							
Cash and investments	-	-	-	-	-	-	-
Total cash and investment assets - ending	<u>\$ (18,129)</u>	<u>\$ 787,483</u>	<u>\$ 314,955</u>	<u>\$ 8,016</u>	<u>\$ 12</u>	<u>\$ -</u>	<u>\$ 1,011</u>
Cash and Investment Fund Balance - Ending							
Restricted for:							
Debt service	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Unrestricted	(18,129)	787,483	314,955	8,016	12	-	1,011
Total cash and investment fund balance - ending	<u>\$ (18,129)</u>	<u>\$ 787,483</u>	<u>\$ 314,955</u>	<u>\$ 8,016</u>	<u>\$ 12</u>	<u>\$ -</u>	<u>\$ 1,011</u>

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

FRANKLIN TOWNSHIP 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)

	Lilly Grant - Literacy Initiative	Library Collection Development	Advancing Academic Excellence	Marion County Health Department Wellness Grant	Alternative School Cell Grant	Indianapolis Library Foundation Grant	Autism Advocates of Indiana Grant
Receipts:							
Local sources	\$ -	\$ 7,000	\$ 10,176	\$ 80,000	\$ 20,880	\$ 5,000	\$ 1,040
State sources	-	-	-	-	-	-	-
Federal sources	-	-	-	-	-	-	-
Sale of property, adjustments and refunds	-	-	-	-	-	-	-
Total receipts	-	7,000	10,176	80,000	20,880	5,000	1,040
Disbursements:							
Current:							
Instruction	5,207	-	90	-	13,183	-	-
Support services	332,020	7,000	8,689	7,444	-	-	832
Community services	-	-	-	-	-	-	-
Nonprogrammed charges	-	-	-	-	-	-	-
Debt services	-	-	-	-	-	-	-
Total disbursements	337,227	7,000	8,779	7,444	13,183	-	832
Excess (deficiency) of receipts over disbursements	(337,227)	-	1,397	72,556	7,697	5,000	208
Other financing sources (uses):							
Transfers in	-	-	-	-	-	-	-
Transfers out	-	-	-	-	-	-	-
Total other financing sources (uses)	-	-	-	-	-	-	-
Excess (deficiency) of receipts and other financing sources over disbursements and other financing uses	(337,227)	-	1,397	72,556	7,697	5,000	208
Cash and investments - beginning	403,191	-	9,893	-	-	-	832
Cash and investments - ending	<u>\$ 65,964</u>	<u>\$ -</u>	<u>\$ 11,290</u>	<u>\$ 72,556</u>	<u>\$ 7,697</u>	<u>\$ 5,000</u>	<u>\$ 1,040</u>
Cash and Investment Assets - Ending							
Cash and investments	\$ 65,964	\$ -	\$ 11,290	\$ 72,556	\$ 7,697	\$ 5,000	\$ 1,040
Restricted assets:							
Cash and investments	-	-	-	-	-	-	-
Total cash and investment assets - ending	<u>\$ 65,964</u>	<u>\$ -</u>	<u>\$ 11,290</u>	<u>\$ 72,556</u>	<u>\$ 7,697</u>	<u>\$ 5,000</u>	<u>\$ 1,040</u>
Cash and Investment Fund Balance - Ending							
Restricted for:							
Debt service	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Unrestricted	65,964	-	11,290	72,556	7,697	5,000	1,040
Total cash and investment fund balance - ending	<u>\$ 65,964</u>	<u>\$ -</u>	<u>\$ 11,290</u>	<u>\$ 72,556</u>	<u>\$ 7,697</u>	<u>\$ 5,000</u>	<u>\$ 1,040</u>

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

FRANKLIN TOWNSHIP 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)

	National City Bank Grant	Alternative School Indiana Recycling Grant	Sam's Club Grant	Distance Learning Grant	Lilly Science Education Outreach Grant	Principal Climate Audit Grant	RISE Reimbursement
Receipts:							
Local sources	\$ -	\$ -	\$ -	\$ -	\$ 250	\$ -	\$ 18,230
State sources	-	571	-	-	-	-	-
Federal sources	-	-	-	-	-	-	-
Sale of property, adjustments and refunds	-	-	-	-	-	-	-
Total receipts	-	571	-	-	250	-	18,230
Disbursements:							
Current:							
Instruction	-	-	1,000	-	255	-	12,042
Support services	-	535	-	2,070	-	-	-
Community services	-	-	-	-	-	-	-
Nonprogrammed charges	-	-	-	-	-	-	-
Debt services	-	-	-	-	-	-	-
Total disbursements	-	535	1,000	2,070	255	-	12,042
Excess (deficiency) of receipts over disbursements	-	36	(1,000)	(2,070)	(5)	-	6,188
Other financing sources (uses):							
Transfers in	-	-	-	-	-	-	-
Transfers out	-	-	-	-	-	-	-
Total other financing sources (uses)	-	-	-	-	-	-	-
Excess (deficiency) of receipts and other financing sources over disbursements and other financing uses	-	36	(1,000)	(2,070)	(5)	-	6,188
Cash and investments - beginning	1,500	-	1,000	3,855	5	31	(6,203)
Cash and investments - ending	<u>\$ 1,500</u>	<u>\$ 36</u>	<u>\$ -</u>	<u>\$ 1,785</u>	<u>\$ -</u>	<u>\$ 31</u>	<u>\$ (15)</u>
Cash and Investment Assets - Ending							
Cash and investments	\$ 1,500	\$ 36	\$ -	\$ 1,785	\$ -	\$ 31	\$ (15)
Restricted assets:							
Cash and investments	-	-	-	-	-	-	-
Total cash and investment assets - ending	<u>\$ 1,500</u>	<u>\$ 36</u>	<u>\$ -</u>	<u>\$ 1,785</u>	<u>\$ -</u>	<u>\$ 31</u>	<u>\$ (15)</u>
Cash and Investment Fund Balance - Ending							
Restricted for:							
Debt service	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Unrestricted	1,500	36	-	1,785	-	31	(15)
Total cash and investment fund balance - ending	<u>\$ 1,500</u>	<u>\$ 36</u>	<u>\$ -</u>	<u>\$ 1,785</u>	<u>\$ -</u>	<u>\$ 31</u>	<u>\$ (15)</u>

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

FRANKLIN TOWNSHIP 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)

	Bond Reimbursement	CTECH Vending	Transportation Vending Commissions	Maintenance Vending Commissions	Alternative School Vending Commissions	Gifted and Talented
Receipts:						
Local sources	\$ 47,011	\$ 10,094	\$ 1,131	\$ 191	\$ 230	\$ -
State sources	-	-	-	-	-	23,261
Federal sources	-	-	-	-	-	-
Sale of property, adjustments and refunds	-	-	-	-	-	-
Total receipts	47,011	10,094	1,131	191	230	23,261
Disbursements:						
Current:						
Instruction	2,608	-	-	-	-	23,261
Support services	55,163	5,056	1,373	-	113	-
Community services	-	-	-	-	-	-
Nonprogrammed charges	-	-	-	-	-	-
Debt services	-	-	-	-	-	-
Total disbursements	57,771	5,056	1,373	-	113	23,261
Excess (deficiency) of receipts over disbursements	(10,760)	5,038	(242)	191	117	-
Other financing sources (uses):						
Transfers in	-	-	-	-	-	-
Transfers out	-	-	-	-	-	-
Total other financing sources (uses)	-	-	-	-	-	-
Excess (deficiency) of receipts and other financing sources over disbursements and other financing uses	(10,760)	5,038	(242)	191	117	-
Cash and investments - beginning	-	5,467	513	120	247	-
Cash and investments - ending	<u>\$ (10,760)</u>	<u>\$ 10,505</u>	<u>\$ 271</u>	<u>\$ 311</u>	<u>\$ 364</u>	<u>\$ -</u>
Cash and Investment Assets - Ending						
Cash and investments	\$ (10,760)	\$ 10,505	\$ 271	\$ 311	\$ 364	\$ -
Restricted assets:						
Cash and investments	-	-	-	-	-	-
Total cash and investment assets - ending	<u>\$ (10,760)</u>	<u>\$ 10,505</u>	<u>\$ 271</u>	<u>\$ 311</u>	<u>\$ 364</u>	<u>\$ -</u>
Cash and Investment Fund Balance - Ending						
Restricted for:						
Debt service	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Unrestricted	(10,760)	10,505	271	311	364	-
Total cash and investment fund balance - ending	<u>\$ (10,760)</u>	<u>\$ 10,505</u>	<u>\$ 271</u>	<u>\$ 311</u>	<u>\$ 364</u>	<u>\$ -</u>

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

FRANKLIN TOWNSHIP 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)

	Common School Technology Advance	Marion County Drug Free Grant	Non English Speaking Program	School Technology	Education Foundation Grants	Regional Technology Meetings
Receipts:						
Local sources	\$ -	\$ -	\$ -	\$ 68,832	\$ 15,030	\$ -
State sources	553,375	-	3,577	18,964	-	-
Federal sources	-	-	-	-	-	-
Sale of property, adjustments and refunds	-	-	-	-	-	-
Total receipts	553,375	-	3,577	87,796	15,030	-
Disbursements:						
Current:						
Instruction	-	5,000	3,682	-	24,056	-
Support services	528,630	-	-	104,100	-	1,123
Community services	-	-	-	-	-	-
Nonprogrammed charges	-	-	-	-	-	-
Debt services	-	-	-	-	-	-
Total disbursements	528,630	5,000	3,682	104,100	24,056	1,123
Excess (deficiency) of receipts over disbursements	24,745	(5,000)	(105)	(16,304)	(9,026)	(1,123)
Other financing sources (uses):						
Transfers in	-	-	-	-	-	-
Transfers out	-	-	-	-	-	-
Total other financing sources (uses)	-	-	-	-	-	-
Excess (deficiency) of receipts and other financing sources over disbursements and other financing uses	24,745	(5,000)	(105)	(16,304)	(9,026)	(1,123)
Cash and investments - beginning	(24,745)	5,000	118	31,618	23,457	3,332
Cash and investments - ending	\$ -	\$ -	\$ 13	\$ 15,314	\$ 14,431	\$ 2,209
<u>Cash and Investment Assets - Ending</u>						
Cash and investments	\$ -	\$ -	\$ 13	\$ 15,314	\$ 14,431	\$ 2,209
Restricted assets:						
Cash and investments	-	-	-	-	-	-
Total cash and investment assets - ending	\$ -	\$ -	\$ 13	\$ 15,314	\$ 14,431	\$ 2,209
<u>Cash and Investment Fund Balance - Ending</u>						
Restricted for:						
Debt service	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Unrestricted	-	-	13	15,314	14,431	2,209
Total cash and investment fund balance - ending	\$ -	\$ -	\$ 13	\$ 15,314	\$ 14,431	\$ 2,209

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

FRANKLIN TOWNSHIP 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)

	School Technology Advance FY05/06	Cultural Competency Grant	Indiana Criminal Justice Safe Haven	Title I FY05/06	Title I FY06/07	Title V, ESEA Innovative Program FY04/05
Receipts:						
Local sources	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
State sources	135,682	-	-	-	-	-
Federal sources	-	-	-	-	396,213	-
Sale of property, adjustments and refunds	-	-	-	-	-	-
Total receipts	135,682	-	-	-	396,213	-
Disbursements:						
Current:						
Instruction	-	-	-	79,988	344,042	-
Support services	-	2,002	40	6,995	3,216	1,181
Community services	-	-	-	6,365	10,653	-
Nonprogrammed charges	-	-	-	10,637	-	511
Debt services	-	-	-	-	-	-
Total disbursements	-	2,002	40	103,985	357,911	1,692
Excess (deficiency) of receipts over disbursements	135,682	(2,002)	(40)	(103,985)	38,302	(1,692)
Other financing sources (uses):						
Transfers in	-	-	-	-	12,219	-
Transfers out	-	-	-	(12,219)	-	-
Total other financing sources (uses)	-	-	-	(12,219)	12,219	-
Excess (deficiency) of receipts and other financing sources over disbursements and other financing uses	135,682	(2,002)	(40)	(116,204)	50,521	(1,692)
Cash and investments - beginning	(135,682)	2,002	40	116,204	-	1,692
Cash and investments - ending	\$ -	\$ -	\$ -	\$ -	\$ 50,521	\$ -
<u>Cash and Investment Assets - Ending</u>						
Cash and investments	\$ -	\$ -	\$ -	\$ -	\$ 50,521	\$ -
Restricted assets:						
Cash and investments	-	-	-	-	-	-
Total cash and investment assets - ending	\$ -	\$ -	\$ -	\$ -	\$ 50,521	\$ -
<u>Cash and Investment Fund Balance - Ending</u>						
Restricted for:						
Debt service	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Unrestricted	-	-	-	-	50,521	-
Total cash and investment fund balance - ending	\$ -	\$ -	\$ -	\$ -	\$ 50,521	\$ -

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

FRANKLIN TOWNSHIP 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, ESEA Innovative Program FY05/06	Title V, ESEA Innovative Program FY06/07	Serve America, PL 1010-610	Drug Free Schools FY04/05	Drug Free Schools FY05/06	Drug Free Schools FY06/07
Receipts:						
Local sources	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
State sources	-	-	-	-	-	-
Federal sources	12,000	12,065	-	-	12,000	5,090
Sale of property, adjustments and refunds	-	-	-	-	-	-
Total receipts	12,000	12,065	-	-	12,000	5,090
Disbursements:						
Current:						
Instruction	-	-	3,336	955	1,000	1,289
Support services	-	11,044	-	4,406	17,249	891
Community services	-	-	-	-	-	1,333
Nonprogrammed charges	-	-	-	463	-	-
Debt services	-	-	-	-	-	-
Total disbursements	-	11,044	3,336	5,824	18,249	3,513
Excess (deficiency) of receipts over disbursements	12,000	1,021	(3,336)	(5,824)	(6,249)	1,577
Other financing sources (uses):						
Transfers in	-	-	-	-	-	-
Transfers out	-	-	-	-	-	-
Total other financing sources (uses)	-	-	-	-	-	-
Excess (deficiency) of receipts and other financing sources over disbursements and other financing uses	12,000	1,021	(3,336)	(5,824)	(6,249)	1,577
Cash and investments - beginning	(10,372)	-	3,336	5,824	8,821	-
Cash and investments - ending	<u>\$ 1,628</u>	<u>\$ 1,021</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 2,572</u>	<u>\$ 1,577</u>
<u>Cash and Investment Assets - Ending</u>						
Cash and investments	\$ 1,628	\$ 1,021	\$ -	\$ -	\$ 2,572	\$ 1,577
Restricted assets:						
Cash and investments	-	-	-	-	-	-
Total cash and investment assets - ending	<u>\$ 1,628</u>	<u>\$ 1,021</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 2,572</u>	<u>\$ 1,577</u>
<u>Cash and Investment Fund Balance - Ending</u>						
Restricted for:						
Debt service	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Unrestricted	<u>1,628</u>	<u>1,021</u>	<u>-</u>	<u>-</u>	<u>2,572</u>	<u>1,577</u>
Total cash and investment fund balance - ending	<u>\$ 1,628</u>	<u>\$ 1,021</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 2,572</u>	<u>\$ 1,577</u>

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

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

	Emergency Impact Aid Grant	Title II, Part A Improving Teachers	Title II, Part D FY05/06	Title II, Part D Enhancing Education	Title III English Proficiency	Wal-mart Foundation Grant
Receipts:						
Local sources	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
State sources	-	-	-	-	-	-
Federal sources	10,500	78,886	4,050	-	32,450	-
Sale of property, adjustments and refunds	-	-	-	-	-	-
Total receipts	10,500	78,886	4,050	-	32,450	-
Disbursements:						
Current:						
Instruction	6,000	46,359	346	625	32,684	31
Support services	-	10,872	1,500	4,550	1,015	-
Community services	-	-	-	-	-	-
Nonprogrammed charges	4,500	4,805	-	166	-	-
Debt services	-	-	-	-	-	-
Total disbursements	10,500	62,036	1,846	5,341	33,699	31
Excess (deficiency) of receipts over disbursements	-	16,850	2,204	(5,341)	(1,249)	(31)
Other financing sources (uses):						
Transfers in	-	-	-	-	-	-
Transfers out	-	-	-	-	-	-
Total other financing sources (uses)	-	-	-	-	-	-
Excess (deficiency) of receipts and other financing sources over disbursements and other financing uses	-	16,850	2,204	(5,341)	(1,249)	(31)
Cash and investments - beginning	-	(16,088)	3,747	5,341	11,550	37
Cash and investments - ending	\$ -	\$ 762	\$ 5,951	\$ -	\$ 10,301	\$ 6
Cash and Investment Assets - Ending						
Cash and investments	\$ -	\$ 762	\$ 5,951	\$ -	\$ 10,301	\$ 6
Restricted assets:						
Cash and investments	-	-	-	-	-	-
Total cash and investment assets - ending	\$ -	\$ 762	\$ 5,951	\$ -	\$ 10,301	\$ 6
Cash and Investment Fund Balance - Ending						
Restricted for:						
Debt service	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Unrestricted	-	762	5,951	-	10,301	6
Total cash and investment fund balance - ending	\$ -	\$ 762	\$ 5,951	\$ -	\$ 10,301	\$ 6

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

FRANKLIN TOWNSHIP 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)

	Southport United Methodist Grant	Expanding Breakfast Grant	Heart Helpers Grant	Retirement/ Severance Bond Debt Service	Repair and Replacement	Totals
Receipts:						
Local sources	\$ -	\$ -	\$ 4,079	\$ 682,860	\$ -	\$ 4,010,927
State sources	-	-	-	-	-	1,338,370
Federal sources	-	-	-	-	-	1,486,970
Sale of property, adjustments and refunds	-	-	-	-	919,837	920,328
Total receipts	-	-	4,079	682,860	919,837	7,756,595
Disbursements:						
Current:						
Instruction	76	-	1,540	-	-	635,468
Support services	-	1,976	-	-	-	5,012,095
Community services	-	-	-	-	-	19,870
Nonprogrammed charges	-	-	-	-	-	479,722
Debt services	-	-	-	679,771	-	679,771
Total disbursements	76	1,976	1,540	679,771	-	6,826,926
Excess (deficiency) of receipts over disbursements	(76)	(1,976)	2,539	3,089	919,837	929,669
Other financing sources (uses):						
Transfers in	-	-	-	-	-	12,219
Transfers out	-	-	-	-	-	(12,219)
Total other financing sources (uses)	-	-	-	-	-	-
Excess (deficiency) of receipts and other financing sources over disbursements and other financing uses	(76)	(1,976)	2,539	3,089	919,837	929,669
Cash and investments - beginning	76	2,000	-	(18,941)	-	1,344,108
Cash and investments - ending	\$ -	\$ 24	\$ 2,539	\$ (15,852)	\$ 919,837	\$ 2,273,777
Cash and Investment Assets - Ending						
Cash and investments	\$ -	\$ 24	\$ 2,539	\$ -	\$ 919,837	\$ 2,289,629
Restricted assets:						
Cash and investments	-	-	-	(15,852)	-	(15,852)
Total cash and investment assets - ending	\$ -	\$ 24	\$ 2,539	\$ (15,852)	\$ 919,837	\$ 2,273,777
Cash and Investment Fund Balance - Ending						
Restricted for:						
Debt service	\$ -	\$ -	\$ -	\$ (15,852)	\$ -	\$ (15,852)
Unrestricted	-	24	2,539	-	919,837	2,289,629
Total cash and investment fund balance - ending	\$ -	\$ 24	\$ 2,539	\$ (15,852)	\$ 919,837	\$ 2,273,777

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

FRANKLIN TOWNSHIP COMMUNITY SCHOOL CORPORATION
 COMBINING SCHEDULE OF ASSETS AND FUND BALANCES AND RECEIPTS,
 DISBURSEMENTS, AND CHANGES IN FUND BALANCES - CASH AND INVESTMENT BASIS
 OTHER GOVERNMENTAL FUNDS
 For the Year Ended June 30, 2008

	Special Education Preschool	School Lunch	Textbook Rental	Alternative Education Grant	Early Intervention	Kitley Intermediate Environmental Grant	Kitley Intermediate FTEF Pence Trust Grant
Receipts:							
Local sources	\$ 48,071	\$ 2,380,878	\$ 901,853	\$ -	\$ -	\$ 29,639	\$ -
State sources	264,846	53,728	232,497	19,178	-	-	-
Federal sources	-	1,087,690	-	-	-	-	-
Sale of property, adjustments and refunds	-	3,394	-	-	-	-	-
Interfund loans	30,000	-	-	-	-	-	-
Total receipts	342,917	3,525,690	1,134,350	19,178	-	29,639	-
Disbursements:							
Current:							
Instruction	-	-	-	3,874	-	-	1,011
Support services	-	3,380,656	1,083,355	-	12	12,482	-
Community services	-	-	-	-	-	-	-
Nonprogrammed charges	293,050	200,000	-	-	-	-	-
Debt services	-	-	-	-	-	-	-
Total disbursements	293,050	3,580,656	1,083,355	3,874	12	12,482	1,011
Excess (deficiency) of receipts over disbursements	49,867	(54,966)	50,995	15,304	(12)	17,157	(1,011)
Other financing sources (uses):							
Transfers in	-	-	-	-	-	-	-
Transfers out	-	-	-	-	-	-	-
Total other financing sources (uses)	-	-	-	-	-	-	-
Excess (deficiency) of receipts and other financing sources over disbursements and other financing uses	49,867	(54,966)	50,995	15,304	(12)	17,157	(1,011)
Cash and investments - beginning	(18,129)	787,483	314,955	8,016	12	-	1,011
Cash and investments - ending	\$ 31,738	\$ 732,517	\$ 365,950	\$ 23,320	\$ -	\$ 17,157	\$ -
Cash and Investment Assets - Ending							
Cash and investments	\$ 31,738	\$ 732,517	\$ 365,950	\$ 23,320	\$ -	\$ 17,157	\$ -
Restricted assets:							
Cash and investments	-	-	-	-	-	-	-
Total cash and investment assets - ending	\$ 31,738	\$ 732,517	\$ 365,950	\$ 23,320	\$ -	\$ 17,157	\$ -
Cash and Investment Fund Balance - Ending							
Restricted for:							
Debt service	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Unrestricted	31,738	732,517	365,950	23,320	-	17,157	-
Total cash and investment fund balance - ending	\$ 31,738	\$ 732,517	\$ 365,950	\$ 23,320	\$ -	\$ 17,157	\$ -

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

FRANKLIN TOWNSHIP 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)

	Lilly Grant - Literacy Initiative	Library Collection Development	Lilly Grant - Teacher Creativity Fellowship	Advancing Academic Excellence	Marion County Health Department Wellness Grant	Alternative School Cell Grant	Indianapolis Library Foundation Grant
Receipts:							
Local sources	\$ -	\$ 12,000	\$ 25,811	\$ 10,000	\$ -	\$ 191,620	\$ -
State sources	-	-	-	-	-	-	-
Federal sources	-	-	-	-	-	-	-
Sale of property, adjustments and refunds	-	-	-	-	-	-	-
Interfund loans	-	-	-	-	-	-	-
Total receipts	-	12,000	25,811	10,000	-	191,620	-
Disbursements:							
Current:							
Instruction	-	-	-	-	1,069	3,096	-
Support services	65,964	7,362	-	11,335	35,972	-	5,000
Community services	-	-	-	-	-	-	-
Nonprogrammed charges	-	-	-	-	-	-	-
Debt services	-	-	-	-	-	-	-
Total disbursements	65,964	7,362	-	11,335	37,041	3,096	5,000
Excess (deficiency) of receipts over disbursements	(65,964)	4,638	25,811	(1,335)	(37,041)	188,524	(5,000)
Other financing sources (uses):							
Transfers in	-	-	-	-	-	-	-
Transfers out	-	-	-	-	-	-	-
Total other financing sources (uses)	-	-	-	-	-	-	-
Excess (deficiency) of receipts and other financing sources over disbursements and other financing uses	(65,964)	4,638	25,811	(1,335)	(37,041)	188,524	(5,000)
Cash and investments - beginning	65,964	-	-	11,290	72,556	7,697	5,000
Cash and investments - ending	\$ -	\$ 4,638	\$ 25,811	\$ 9,955	\$ 35,515	\$ 196,221	\$ -
<u>Cash and Investment Assets - Ending</u>							
Cash and investments	\$ -	\$ 4,638	\$ 25,811	\$ 9,955	\$ 35,515	\$ 196,221	\$ -
Restricted assets:							
Cash and investments	-	-	-	-	-	-	-
Total cash and investment assets - ending	\$ -	\$ 4,638	\$ 25,811	\$ 9,955	\$ 35,515	\$ 196,221	\$ -
<u>Cash and Investment Fund Balance - Ending</u>							
Restricted for:							
Debt service	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Unrestricted	-	4,638	25,811	9,955	35,515	196,221	-
Total cash and investment fund balance - ending	\$ -	\$ 4,638	\$ 25,811	\$ 9,955	\$ 35,515	\$ 196,221	\$ -

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

FRANKLIN TOWNSHIP 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)

	Autism Advocates of Indiana Grant	Autism Grant - Sensory Activities	National City Bank Grant	School Indiana Recycling Grant	Sam's Club Grant	Distance Learning Grant	Lilly Science Education Outreach Grant
Receipts:							
Local sources	\$ 576	\$ 2,715	\$ -	\$ -	\$ 500	\$ -	\$ 200
State sources	-	-	-	378	-	-	-
Federal sources	-	-	-	-	-	-	-
Sale of property, adjustments and refunds	-	-	-	-	-	-	-
Interfund loans	-	-	-	-	-	-	-
Total receipts	576	2,715	-	378	500	-	200
Disbursements:							
Current:							
Instruction	-	-	-	-	-	-	200
Support services	587	-	-	414	495	-	-
Community services	-	-	-	-	-	-	-
Nonprogrammed charges	-	-	-	-	-	-	-
Debt services	-	-	-	-	-	-	-
Total disbursements	587	-	-	414	495	-	200
Excess (deficiency) of receipts over disbursements	(11)	2,715	-	(36)	5	-	-
Other financing sources (uses):							
Transfers in	-	-	-	-	-	-	-
Transfers out	-	-	-	-	-	-	-
Total other financing sources (uses)	-	-	-	-	-	-	-
Excess (deficiency) of receipts and other financing sources over disbursements and other financing uses	(11)	2,715	-	(36)	5	-	-
Cash and investments - beginning	1,040	-	1,500	36	-	1,785	-
Cash and investments - ending	<u>1,029</u>	<u>2,715</u>	<u>1,500</u>	<u>-</u>	<u>5</u>	<u>1,785</u>	<u>-</u>
Cash and Investment Assets - Ending							
Cash and investments	\$ 1,029	\$ 2,715	\$ 1,500	\$ -	\$ 5	\$ 1,785	\$ -
Restricted assets:							
Cash and investments	-	-	-	-	-	-	-
Total cash and investment assets - ending	<u>1,029</u>	<u>2,715</u>	<u>1,500</u>	<u>-</u>	<u>5</u>	<u>1,785</u>	<u>-</u>
Cash and Investment Fund Balance - Ending							
Restricted for:							
Debt service	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Unrestricted	1,029	2,715	1,500	-	5	1,785	-
Total cash and investment fund balance - ending	<u>1,029</u>	<u>2,715</u>	<u>1,500</u>	<u>-</u>	<u>5</u>	<u>1,785</u>	<u>-</u>

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

FRANKLIN TOWNSHIP 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)

	Principal Climate Audit Grant	RISE Reimbursement	Bond Reimbursement	CTECH Vending	Transportation Vending Commissions	Maintenance Vending Commissions	Alternative School Vending Commissions
Receipts:							
Local sources	\$ -	\$ 5,797	\$ 336,104	\$ 24,506	\$ 1,534	\$ 339	\$ 665
State sources	-	-	-	-	-	-	-
Federal sources	-	-	-	-	-	-	-
Sale of property, adjustments and refunds	-	-	-	-	-	-	-
Interfund loans	-	-	-	-	-	-	-
Total receipts	-	5,797	336,104	24,506	1,534	339	665
Disbursements:							
Current:							
Instruction	31	11,694	61,021	-	-	-	-
Support services	-	-	294,546	34,932	749	-	200
Community services	-	-	-	-	-	-	-
Nonprogrammed charges	-	-	-	-	-	-	-
Debt services	-	-	-	-	-	-	-
Total disbursements	31	11,694	355,567	34,932	749	-	200
Excess (deficiency) of receipts over disbursements	(31)	(5,897)	(19,463)	(10,426)	785	339	465
Other financing sources (uses):							
Transfers in	-	-	-	-	-	-	-
Transfers out	-	-	-	-	-	-	-
Total other financing sources (uses)	-	-	-	-	-	-	-
Excess (deficiency) of receipts and other financing sources over disbursements and other financing uses	(31)	(5,897)	(19,463)	(10,426)	785	339	465
Cash and investments - beginning	31	(15)	(10,760)	10,505	271	311	364
Cash and investments - ending	\$ -	\$ (5,912)	\$ (30,223)	\$ 79	\$ 1,056	\$ 650	\$ 829
<u>Cash and Investment Assets - Ending</u>							
Cash and investments	\$ -	\$ (5,912)	\$ (30,223)	\$ 79	\$ 1,056	\$ 650	\$ 829
Restricted assets:							
Cash and investments	-	-	-	-	-	-	-
Total cash and investment assets - ending	\$ -	\$ (5,912)	\$ (30,223)	\$ 79	\$ 1,056	\$ 650	\$ 829
<u>Cash and Investment Fund Balance - Ending</u>							
Restricted for:							
Debt service	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Unrestricted	-	(5,912)	(30,223)	79	1,056	650	829
Total cash and investment fund balance - ending	\$ -	\$ (5,912)	\$ (30,223)	\$ 79	\$ 1,056	\$ 650	\$ 829

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

FRANKLIN TOWNSHIP 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)

	Gifted and Talented	Non English Speaking Program	School Technology	Education Foundation Grants	Regional Technology Meetings	Indiana Criminal Justice Safe Haven	LSTA Technology Mini-Grant
Receipts:							
Local sources	\$ -	\$ -	\$ 41,619	\$ 18,413	\$ -	\$ -	\$ -
State sources	62,216	46,875	-	-	-	42,000	-
Federal sources	-	-	-	-	-	-	-
Sale of property, adjustments and refunds	-	-	-	-	-	-	-
Interfund loans	-	-	-	-	-	-	-
Total receipts	62,216	46,875	41,619	18,413	-	42,000	-
Disbursements:							
Current:							
Instruction	62,216	40,153	-	20,727	-	-	-
Support services	-	-	43,579	-	2,209	24,000	7,952
Community services	-	-	-	-	-	-	-
Nonprogrammed charges	-	-	-	-	-	-	-
Debt services	-	-	-	-	-	-	-
Total disbursements	62,216	40,153	43,579	20,727	2,209	24,000	7,952
Excess (deficiency) of receipts over disbursements	-	6,722	(1,960)	(2,314)	(2,209)	18,000	(7,952)
Other financing sources (uses):							
Transfers in	-	-	-	-	-	-	-
Transfers out	-	-	-	-	-	-	-
Total other financing sources (uses)	-	-	-	-	-	-	-
Excess (deficiency) of receipts and other financing sources over disbursements and other financing uses	-	6,722	(1,960)	(2,314)	(2,209)	18,000	(7,952)
Cash and investments - beginning	-	13	15,314	14,431	2,209	-	-
Cash and investments - ending	\$ -	\$ 6,735	\$ 13,354	\$ 12,117	\$ -	\$ 18,000	\$ (7,952)
Cash and Investment Assets - Ending							
Cash and investments	\$ -	\$ 6,735	\$ 13,354	\$ 12,117	\$ -	\$ 18,000	\$ (7,952)
Restricted assets:							
Cash and investments	-	-	-	-	-	-	-
Total cash and investment assets - ending	\$ -	\$ 6,735	\$ 13,354	\$ 12,117	\$ -	\$ 18,000	\$ (7,952)
Cash and Investment Fund Balance - Ending							
Restricted for:							
Debt service	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Unrestricted	-	6,735	13,354	12,117	-	18,000	(7,952)
Total cash and investment fund balance - ending	\$ -	\$ 6,735	\$ 13,354	\$ 12,117	\$ -	\$ 18,000	\$ (7,952)

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

FRANKLIN TOWNSHIP 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)

	Indiana Workforce Development Grant	Title I FY06/07	Title I FY07/08	Title I School Improvement FY07/08	Title V, ESEA Innovative Program FY07/08	Title V, ESEA Innovative Program FY05/06	Title V, ESEA Innovative Program FY06/07
Receipts:							
Local sources	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
State sources	-	-	-	-	-	-	-
Federal sources	-	50,000	417,314	23,302	12,815	-	-
Sale of property, adjustments and refunds	-	-	-	-	-	-	-
Interfund loans	-	-	-	-	-	-	-
Total receipts	-	50,000	417,314	23,302	12,815	-	-
Disbursements:							
Current:							
Instruction	15,539	72,864	92,031	-	-	-	-
Support services	-	6,673	231,458	21,683	12,068	950	833
Community services	-	1,555	3,178	-	-	-	-
Nonprogrammed charges	-	7,466	-	-	-	678	188
Debt services	-	-	-	-	-	-	-
Total disbursements	15,539	88,558	326,667	21,683	12,068	1,628	1,021
Excess (deficiency) of receipts over disbursements	(15,539)	(38,558)	90,647	1,619	747	(1,628)	(1,021)
Other financing sources (uses):							
Transfers in	-	-	11,963	-	-	-	-
Transfers out	-	(11,963)	-	-	-	-	-
Total other financing sources (uses)	-	(11,963)	11,963	-	-	-	-
Excess (deficiency) of receipts and other financing sources over disbursements and other financing uses	(15,539)	(50,521)	102,610	1,619	747	(1,628)	(1,021)
Cash and investments - beginning	-	50,521	-	-	-	1,628	1,021
Cash and investments - ending	<u>\$ (15,539)</u>	<u>\$ -</u>	<u>\$ 102,610</u>	<u>\$ 1,619</u>	<u>\$ 747</u>	<u>\$ -</u>	<u>\$ -</u>
Cash and Investment Assets - Ending							
Cash and investments	\$ (15,539)	\$ -	\$ 102,610	\$ 1,619	\$ 747	\$ -	\$ -
Restricted assets:							
Cash and investments	-	-	-	-	-	-	-
Total cash and investment assets - ending	<u>\$ (15,539)</u>	<u>\$ -</u>	<u>\$ 102,610</u>	<u>\$ 1,619</u>	<u>\$ 747</u>	<u>\$ -</u>	<u>\$ -</u>
Cash and Investment Fund Balance - Ending							
Restricted for:							
Debt service	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Unrestricted	(15,539)	-	102,610	1,619	747	-	-
Total cash and investment fund balance - ending	<u>\$ (15,539)</u>	<u>\$ -</u>	<u>\$ 102,610</u>	<u>\$ 1,619</u>	<u>\$ 747</u>	<u>\$ -</u>	<u>\$ -</u>

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

FRANKLIN TOWNSHIP 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)

	Drug Free Schools FY07/08	Drug Free Schools FY05/06	Drug Free Schools FY06/07	Title II, Part A Improving Teachers	Title II, Part A Improving Teachers FY07/08	Title II, Part D FY05/06	Title III English Proficiency
Receipts:							
Local sources	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
State sources	-	-	-	-	-	-	-
Federal sources	18,018	-	15,000	52,600	81,452	-	36,740
Sale of property, adjustments and refunds	-	-	-	-	-	-	-
Interfund loans	-	-	-	-	-	-	-
Total receipts	18,018	-	15,000	52,600	81,452	-	36,740
Disbursements:							
Current:							
Instruction	500	541	450	46,358	47,584	5,239	46,678
Support services	15,541	1,354	15,109	5,308	1,732	648	130
Community services	66	-	688	-	-	-	-
Nonprogrammed charges	-	677	330	1,696	-	64	-
Debt services	-	-	-	-	-	-	-
Total disbursements	16,107	2,572	16,577	53,362	49,316	5,951	46,808
Excess (deficiency) of receipts over disbursements	1,911	(2,572)	(1,577)	(762)	32,136	(5,951)	(10,068)
Other financing sources (uses):							
Transfers in	-	-	-	-	-	-	-
Transfers out	-	-	-	-	-	-	-
Total other financing sources (uses)	-	-	-	-	-	-	-
Excess (deficiency) of receipts and other financing sources over disbursements and other financing uses	1,911	(2,572)	(1,577)	(762)	32,136	(5,951)	(10,068)
Cash and investments - beginning	-	2,572	1,577	762	-	5,951	10,301
Cash and investments - ending	\$ 1,911	\$ -	\$ -	\$ -	\$ 32,136	\$ -	\$ 233
Cash and Investment Assets - Ending							
Cash and investments	\$ 1,911	\$ -	\$ -	\$ -	\$ 32,136	\$ -	\$ 233
Restricted assets:							
Cash and investments	-	-	-	-	-	-	-
Total cash and investment assets - ending	\$ 1,911	\$ -	\$ -	\$ -	\$ 32,136	\$ -	\$ 233
Cash and Investment Fund Balance - Ending							
Restricted for:							
Debt service	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Unrestricted	1,911	-	-	-	32,136	-	233
Total cash and investment fund balance - ending	\$ 1,911	\$ -	\$ -	\$ -	\$ 32,136	\$ -	\$ 233

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

FRANKLIN TOWNSHIP 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)

	Wal-mart Foundation Grant	Expanding Breakfast Grant	Heart Helpers Grant	Retirement/ Severance Bond Debt Service	Repair and Replacement	Totals
Receipts:						
Local sources	\$ -	\$ -	\$ -	\$ 678,462	\$ -	\$ 4,711,302
State sources	-	-	-	-	-	721,718
Federal sources	-	-	-	-	-	1,794,931
Sale of property, adjustments and refunds	-	-	-	-	70,237	73,631
Interfund loans	-	-	-	350,000	-	380,000
Total receipts	-	-	-	1,028,462	70,237	7,681,582
Disbursements:						
Current:						
Instruction	6	-	986	-	-	533,868
Support services	-	24	1,553	-	106,057	5,432,922
Community services	-	-	-	-	-	5,487
Nonprogrammed charges	-	-	-	-	-	504,149
Debt services	-	-	-	676,534	-	676,534
Total disbursements	6	24	2,539	676,534	106,057	7,152,960
Excess (deficiency) of receipts over disbursements	(6)	(24)	(2,539)	351,928	(35,820)	528,622
Other financing sources (uses):						
Transfers in	-	-	-	-	-	11,963
Transfers out	-	-	-	-	-	(11,963)
Total other financing sources (uses)	-	-	-	-	-	-
Excess (deficiency) of receipts and other financing sources over disbursements and other financing uses	(6)	(24)	(2,539)	351,928	(35,820)	528,622
Cash and investments - beginning	6	24	2,539	(15,852)	919,837	2,273,777
Cash and investments - ending	\$ -	\$ -	\$ -	\$ 336,076	\$ 884,017	\$ 2,802,399
Cash and Investment Assets - Ending						
Cash and investments	\$ -	\$ -	\$ -	\$ -	\$ 884,017	\$ 2,466,323
Restricted assets:						
Cash and investments	-	-	-	336,076	-	336,076
Total cash and investment assets - ending	\$ -	\$ -	\$ -	\$ 336,076	\$ 884,017	\$ 2,802,399
Cash and Investment Fund Balance - Ending						
Restricted for:						
Debt service	\$ -	\$ -	\$ -	\$ 336,076	\$ -	\$ 336,076
Unrestricted	-	-	-	-	884,017	2,466,323
Total cash and investment fund balance - ending	\$ -	\$ -	\$ -	\$ 336,076	\$ 884,017	\$ 2,802,399

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

FRANKLIN TOWNSHIP 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

	Elisabeth Good Trust	Weller Scholarship	Plummer Scholarship	McKinzie Scholarship	Sutherland Scholarship	Burton Scholarship	Totals
Additions:							
Contributions:							
Other	\$ -	\$ 350	\$ -	\$ -	\$ -	\$ -	\$ 350
Investment earnings:							
Interest	886	-	582	534	1,191	2,278	5,471
Total additions	<u>886</u>	<u>350</u>	<u>582</u>	<u>534</u>	<u>1,191</u>	<u>2,278</u>	<u>5,821</u>
Deductions:							
Administrative and general	613	500	600	-	900	2,000	4,613
Excess (deficiency) of total additions over total deductions	273	(150)	(18)	534	291	278	1,208
Cash and investment fund balance - beginning	<u>17,772</u>	<u>450</u>	<u>11,558</u>	<u>11,001</u>	<u>25,030</u>	<u>47,316</u>	<u>113,127</u>
Cash and investments - ending	<u>\$ 18,045</u>	<u>\$ 300</u>	<u>\$ 11,540</u>	<u>\$ 11,535</u>	<u>\$ 25,321</u>	<u>\$ 47,594</u>	<u>\$ 114,335</u>
Net assets:							
Cash and investments	<u>\$ 18,045</u>	<u>\$ 300</u>	<u>\$ 11,540</u>	<u>\$ 11,535</u>	<u>\$ 25,321</u>	<u>\$ 47,594</u>	<u>\$ 114,335</u>
Total net assets - cash and investment basis held in trust	<u>\$ 18,045</u>	<u>\$ 300</u>	<u>\$ 11,540</u>	<u>\$ 11,535</u>	<u>\$ 25,321</u>	<u>\$ 47,594</u>	<u>\$ 114,335</u>

FRANKLIN TOWNSHIP 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

	Elisabeth Good Trust	Weller Scholarship	Plummer Scholarship	McKinzie Scholarship	Sutherland Scholarship	Burton Scholarship	Totals
Additions:							
Contributions:							
Other	\$ 5,000	\$ 300	\$ -	\$ -	\$ -	\$ -	\$ 5,300
Investment earnings:							
Interest	786	-	498	457	1,020	1,950	4,711
Total additions	<u>5,786</u>	<u>300</u>	<u>498</u>	<u>457</u>	<u>1,020</u>	<u>1,950</u>	<u>10,011</u>
Deductions:							
Administrative and general	809	-	-	500	1,500	2,500	5,309
Excess (deficiency) of total additions over total deductions	4,977	300	498	(43)	(480)	(550)	4,702
Cash and investment fund balance - beginning	<u>18,045</u>	<u>300</u>	<u>11,540</u>	<u>11,535</u>	<u>25,321</u>	<u>47,594</u>	<u>114,335</u>
Cash and investments - ending	<u>\$ 23,022</u>	<u>\$ 600</u>	<u>\$ 12,038</u>	<u>\$ 11,492</u>	<u>\$ 24,841</u>	<u>\$ 47,044</u>	<u>\$ 119,037</u>
Net assets:							
Cash and investments	<u>\$ 23,022</u>	<u>\$ 600</u>	<u>\$ 12,038</u>	<u>\$ 11,492</u>	<u>\$ 24,841</u>	<u>\$ 47,044</u>	<u>\$ 119,037</u>
Total net assets - cash and investment basis held in trust	<u>\$ 23,022</u>	<u>\$ 600</u>	<u>\$ 12,038</u>	<u>\$ 11,492</u>	<u>\$ 24,841</u>	<u>\$ 47,044</u>	<u>\$ 119,037</u>

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

The School Corporation has entered into the following long-term debt:

Description of Asset	Ending Balance	Due Within One Year
Governmental Activities:		
Capital leases:		
Franklin Township School Building Corporation		
Refunding Issue, Series 2001	\$ 69,415,000	\$ 7,122,000
Refunding Issue, Series 2003	12,405,000	2,244,000
Series 2005	36,770,000	2,452,500
Series 2006	88,925,000	4,725,000
Series 2007	63,265,000	2,380,500
2005 Chevrolet Trucks (4)	18,038	18,994
Total - capital leases	<u>270,798,038</u>	<u>18,942,994</u>
Notes and loans payable:		
Common School Loans:		
A-0297	262,500	89,625
A-0948	105,322	105,112
A-1023	157,427	106,263
A-1059	262,288	107,276
A-1116	408,532	120,517
A-1192	133,944	39,513
A-1173	538,868	-
Energy Savings Loans:		
Energy Systems Group, LLC	388,162	169,250
Tour Andover Controls	1,271,397	155,396
Interlocal Loans:		
Relating Individualism to Special Education (RISE)		
Learning Center Interlocal	60,547	61,510
Central Nine Career Center Interlocal	1,088,544	142,541
Total - notes and loans payable	<u>4,677,531</u>	<u>1,097,003</u>
Bonds payable:		
General obligation bonds:		
Pension, Series 2004	5,365,000	681,159
Total - bonds payable	<u>5,365,000</u>	<u>681,159</u>
Total governmental activities long-term debt	<u>\$ 280,840,569</u>	<u>\$ 20,721,156</u>

FRANKLIN TOWNSHIP COMMUNITY SCHOOL CORPORATION
AUDIT RESULTS AND COMMENTS

OVERDRAWN CASH BALANCES

The cash balance of the following funds were overdrawn during the audit period:

	<u>2007</u>
Special Education Preschool	\$ 18,129
Retirement/Severance Bond Debt Service	15,852

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)

STUDENT FEES

The School Corporation Officials could not provide documentation to verify that students received consumable goods or services equal to the fee charged. A similar comment appeared in prior Report B29628.

Fees should only be collected as specifically authorized by statute or properly authorized resolutions or ordinances, as applicable, which are not contrary to statutory or Constitutional provisions. (Accounting and Uniform Compliance Guidelines Manual for Indiana Public School Corporations, Chapter 9)

BOOKSTORE INTERNAL CONTROLS (Applies to Adams Elementary School)

Controls for receipts generated by the Bookstore were insufficient. No records were maintained to account for the number of items sold or cash collected.

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

FRANKLIN TOWNSHIP COMMUNITY SCHOOL CORPORATION
AUDIT RESULTS AND COMMENTS
(Continued)

RECEIPT ISSUANCE (Applies to Bunker Hill Elementary and Franklin Central High Schools)

Receipts were not always issued when the money was received.

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

DISBURSEMENT DOCUMENTATION (Applies to South Creek Elementary School)

Some payments were observed which did not contain adequate supporting documentation such as Purchase Orders Accounts Payable Voucher (Form SA-1). Due to the lack of supporting information, the validity and accountability for some monies disbursed could not be established.

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

FUNDRAISERS (Applies to Franklin Central High School)

The School Board minutes presented for audit did not indicate approval of the event nor did the minutes contain designation of control procedures and the responsible officials or employees.

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

(This page intentionally left blank.)

SUPPLEMENTAL AUDIT OF
FEDERAL AWARDS



STATE OF INDIANA
AN EQUAL OPPORTUNITY EMPLOYER

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

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

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

TO: THE OFFICIALS OF THE FRANKLIN TOWNSHIP COMMUNITY
SCHOOL CORPORATION, MARION COUNTY, INDIANA

Compliance

We have audited the compliance of the Franklin Township 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

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)

on compliance, but not for the purpose of expressing an opinion on the effectiveness of internal control over compliance. Accordingly, we do not express an opinion on the effectiveness of the School Corporation's internal control over compliance.

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

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

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

This report is intended solely for the information and use of the School Corporation's management, School Board, 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

May 7, 2009

FRANKLIN TOWNSHIP COMMUNITY SCHOOL CORPORATION
SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS
For the Years Ended June 30, 2007 and 2008

Federal Grantor Agency/Pass-Through Entity <u>Cluster Title/Program Title/Project Title</u>	Federal CFDA Number	Pass-Through Entity (Or Other) Identifying Number	Total Federal Awards Expended 06-30-07	Total Federal Awards Expended 06-30-08
<u>U.S. DEPARTMENT OF AGRICULTURE</u>				
Pass-Through Indiana Department of Education Child Nutrition Cluster				
School Breakfast Program	10.553		\$ 131,391	\$ -
FY2007			-	161,922
FY2008				
National School Lunch Program	10.555		961,127	-
FY2007			-	1,132,999
FY2008			-	-
Total for Cluster			<u>1,092,518</u>	<u>1,294,921</u>
Total for Federal Grantor Agency			<u>1,092,518</u>	<u>1,294,921</u>
<u>NATIONAL FOUNDATION FOR THE ARTS AND HUMANITIES</u>				
Pass-Through Indiana State Library State Library Program	45.310	07-1-1	-	7,952
<u>U.S. DEPARTMENT OF EDUCATION</u>				
Pass-Through Indiana Department of Education Title I Grants to Local Educational Agencies	84.010			
		06-5310	103,985	-
		07-5310	357,910	88,559
		08-5310	-	348,350
Total for Program			<u>461,895</u>	<u>436,909</u>
Safe and Drug Free Schools and Communities - State Grants	84.186			
		04-038	5,824	-
		05-229	18,249	2,572
		5310-06	3,513	16,578
		5310-07	-	16,107
Total for Program			<u>27,586</u>	<u>35,257</u>
Pass-Through Indiana Department of Workforce Development Tech-Prep Education Lead the Way	84.243	FY07/08	-	15,539
Pass-Through Indiana Department of Education State Grants for Innovative Programs	84.298			
		04-112	1,692	-
		05-269	-	1,628
		06-5310	11,044	1,021
		07-5310	-	12,068
Total for Program			<u>12,736</u>	<u>14,717</u>

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

FRANKLIN TOWNSHIP 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 <u>Cluster Title/Program Title/Project Title</u>	Federal CFDA Number	Pass-Through Entity (Or Other) Identifying Number	Total Federal Awards Expended 06-30-07	Total Federal Awards Expended 06-30-08
<u>U.S. DEPARTMENT OF EDUCATION (continued)</u>				
Pass-Through Indiana Department of Education (continued)				
Education Technology State Grants	84.318			
		FY04/06	5,341	-
		FY05/07	1,846	5,951
Total for Program			<u>7,187</u>	<u>5,951</u>
English Language Acquisition Grants	84.365			
		FY05/06	10,536	-
		FY06/07	22,149	10,171
		FY07/08	-	36,507
Total for Program			<u>32,685</u>	<u>46,678</u>
Improving Teacher Quality State Grants	84.367			
		04-185	4,367	-
		05-234	5,820	-
		06-5380	51,849	53,362
		07-5380	-	49,316
Total for Program			<u>62,036</u>	<u>102,678</u>
Total for Federal Grantor Agency			<u>604,125</u>	<u>657,729</u>
<u>U.S. DEPARTMENT OF HEALTH AND HUMAN SERVICES</u>				
Pass-Through Indiana Department of Education				
Refugee and Entrant Assistance - State Administered Programs	93.566			
		FY06/07	10,500	-
<u>CORPORATION FOR NATIONAL AND COMMUNITY SERVICE</u>				
Pass-Through Indiana Department of Education				
Learn and Serve America - School and Community Based Programs	94.004			
		FY06/07	3,336	-
Total Federal Awards Expended			<u>\$ 1,710,479</u>	<u>\$ 1,960,602</u>

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

FRANKLIN TOWNSHIP 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 Franklin Township 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	\$ 20,159	\$ 25,737
National School Lunch Program	10.555	148,643	181,494

FRANKLIN TOWNSHIP COMMUNITY SCHOOL CORPORATION
SCHEDULE OF FINDINGS AND QUESTIONED COSTS

Section I – Summary of Auditor's Results

Financial Statements:

Type of auditor's report issued: Unqualified

Internal control over financial reporting:

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

Noncompliance material to financial statements noted? no

Federal Awards:

Internal control over major programs:

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

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

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

Identification of Major Programs:

CFDA Number	Name of Federal Program or Cluster
----------------	------------------------------------

Child Nutrition Cluster

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.

FRANKLIN TOWNSHIP COMMUNITY SCHOOL CORPORATION
SUMMARY SCHEDULE OF PRIOR AUDIT FINDINGS

No matters are reportable.

FRANKLIN TOWNSHIP COMMUNITY SCHOOL CORPORATION
EXIT CONFERENCE

The contents of this report were discussed on May 7, 2009, with James E. McWhirt, Treasurer; Dr. Walter D. Bourke, Superintendent of Schools; and Pamela A. Hicks, Assistant Treasurer.