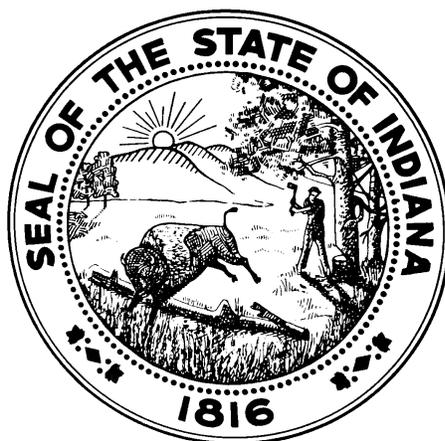


STATE BOARD OF ACCOUNTS
302 West Washington Street
Room E418
INDIANAPOLIS, INDIANA 46204-2769

AUDIT REPORT
OF
EAST NOBLE SCHOOL CORPORATION
NOBLE COUNTY, INDIANA
July 1, 2006 to June 30, 2008



FILED
06/23/2009

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SCHEDULE OF OFFICIALS

<u>Office</u>	<u>Official</u>	<u>Term</u>
Treasurer	Craig A. Ream	07-01-06 to 06-30-09
Superintendent of Schools	Dr. H. Steve Sprunger Position Vacant Dr. H. Steve Sprunger	07-01-06 to 05-31-07 06-01-07 to 08-31-07 09-01-07 to 06-30-09
President of the School Board	A. Stephen Pyle Barbara Babcock	07-01-06 to 06-30-08 07-01-08 to 06-30-09



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

TO: THE OFFICIALS OF THE EAST NOBLE SCHOOL CORPORATION, NOBLE COUNTY, INDIANA

We have audited the accompanying financial statements of the governmental activities, the business-type activities, each major fund, and the aggregate remaining fund information of the East Noble 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 pre-scribed 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, the business-type 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 11, 2009, on our consideration of the School Corporation's internal control over financial reporting and our tests of its compliance with certain provisions of laws, regulations, contracts, grant agreements, and other matters. The purpose of that report is to describe the scope of our testing of internal control over financial reporting and compliance and the results of that testing and not to provide an opinion on the internal control over financial reporting or on compliance. That report is an audit performed in accordance with Government Auditing Standards and should be considered in assessing the results of our audit.

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

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

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

The School Corporation has not presented Management's Discussion and Analysis or Budgetary Comparison Schedules that accounting principles generally accepted in the United States of America has determined is necessary to supplement, although not required to be part of, the basic financial statements.

Our audit was conducted for the purpose of forming opinions on the financial statements that collectively comprise the School Corporation's basic financial statements. The Combining Schedules, as listed in the Table of Contents, Schedule of Capital Assets, and Schedule of Long-Term Debt are presented for additional analysis and are not required parts of the basic financial statements. The Combining Schedules, as listed in the Table of Contents, have been subjected to the auditing procedures applied in the audit of the basic financial statements and, in our opinion, are fairly stated in all material respects in relation to the basic financial statements taken as a whole. The Schedule of Capital Assets and Schedule of Long-Term Debt have not been subjected to the auditing procedures applied by us in the audit of the basic financial statements and, accordingly, we express no opinion on them.

STATE BOARD OF ACCOUNTS

May 11, 2009



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

TO: THE OFFICIALS OF THE EAST NOBLE SCHOOL CORPORATION, NOBLE COUNTY, INDIANA

We have audited the financial statements of the governmental activities, the business-type activities, each major fund, and the aggregate remaining fund information of the East Noble 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 11, 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, 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 11, 2009

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

<u>Functions/Programs</u>	<u>Disbursements</u>	<u>Program Receipts</u>		<u>Net (Disbursement) Receipts and Changes in Net Assets</u>
		<u>Charges for Services</u>	<u>Operating Grants and Contributions</u>	<u>Totals</u>
Governmental activities:				
Instruction	\$ 15,607,605	\$ -	\$ 163,577	\$ (15,444,028)
Support services	12,924,227	1,070,421	625,765	(11,228,041)
Community services	375,028	-	-	(375,028)
Nonprogrammed charges	2,483,751	-	-	(2,483,751)
Debt service	4,962,165	-	-	(4,962,165)
Total governmental activities	<u>\$ 36,352,776</u>	<u>\$ 1,070,421</u>	<u>\$ 789,342</u>	<u>(34,493,013)</u>
General receipts:				
Property taxes				9,172,011
Other local sources				2,668,619
State aid				13,818,139
Grants and contributions not restricted to specific programs				1,217,477
Sale of property, adjustments, and refunds				271,172
Investment earnings				<u>663,234</u>
Total general receipts				<u>27,810,652</u>
Change in net assets				(6,682,361)
Net assets - beginning				<u>13,903,437</u>
Net assets - ending				<u>\$ 7,221,076</u>
<u>Assets</u>				
Cash and investments				\$ 6,739,353
Restricted assets:				
Cash and investments				<u>481,723</u>
Total assets				<u>\$ 7,221,076</u>
<u>Net Assets</u>				
Restricted for:				
Debt service				\$ 123,585
Other purposes				358,138
Unrestricted				<u>6,739,353</u>
Total net assets				<u>\$ 7,221,076</u>

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

EAST NOBLE 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	\$ 15,380,925	\$ -	\$ 404,956	\$ (14,975,969)
Support services	17,595,427	266,237	713,937	(16,615,253)
Community services	346,784	-	-	(346,784)
Nonprogrammed charges	3,054,714	-	-	(3,054,714)
Debt service	<u>5,265,020</u>	<u>-</u>	<u>-</u>	<u>(5,265,020)</u>
Total governmental activities	<u>\$ 41,642,870</u>	<u>\$ 266,237</u>	<u>\$ 1,118,893</u>	<u>(40,257,740)</u>
General receipts:				
Property taxes				16,269,158
Other local sources				4,199,428
State aid				13,084,074
Bonds and loans				900,000
Grants and contributions not restricted to specific programs				1,625,567
Sale of property, adjustments, and refunds				438,454
Investment earnings				<u>369,287</u>
Total general receipts				<u>36,885,968</u>
Change in net assets				(3,371,772)
Net assets - beginning				<u>7,221,076</u>
Net assets - ending				<u>\$ 3,849,304</u>
<u>Assets</u>				
Cash and investments				\$ 3,529,484
Restricted assets:				
Cash and investments				<u>319,820</u>
Total assets				<u>\$ 3,849,304</u>
<u>Net Assets</u>				
Restricted for:				
Debt service				\$ 17,837
Other purposes				301,983
Unrestricted				<u>3,529,484</u>
Total net assets				<u>\$ 3,849,304</u>

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

EAST NOBLE 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	Textbook Rental	Debt Service	Capital Projects	School Bus Replacement	Construction	Other	Totals
Receipts:									
Local sources	\$ 5,427,808	\$ 771,858	\$ 282,165	\$ 2,921,719	\$ 2,323,409	\$ 160,188	\$ 875	\$ 1,683,279	\$ 13,571,301
Intermediate sources	-	-	-	-	-	-	-	1,106	1,106
State sources	13,955,087	-	44,381	-	-	-	-	194,172	14,193,640
Federal sources	-	-	-	-	-	-	-	1,631,319	1,631,319
Sale of property, adjustments and refunds	2,128	55	-	-	124,398	-	-	6,502	133,083
Total receipts	19,385,023	771,913	326,546	2,921,719	2,447,807	160,188	875	3,516,378	29,530,449
Disbursements:									
Current:									
Instruction	14,453,695	-	-	-	-	-	-	1,153,910	15,607,605
Support services	5,599,038	1,232,988	310,002	-	3,213,555	268,078	-	2,300,566	12,924,227
Community services	328,617	-	-	-	-	-	-	46,411	375,028
Nonprogrammed charges	2,234,278	-	-	-	-	-	-	122,702	2,356,980
Debt services	-	-	-	4,683,000	-	23,572	-	255,593	4,962,165
Total disbursements	22,615,628	1,232,988	310,002	4,683,000	3,213,555	291,650	-	3,879,182	36,226,005
Excess (deficiency) of receipts over disbursements	(3,230,605)	(461,075)	16,544	(1,761,281)	(765,748)	(131,462)	875	(362,804)	(6,695,556)
Other financing sources (uses):									
Transfers in	77	-	-	-	-	-	-	29,700	29,777
Transfers out	-	-	-	-	-	-	-	(29,777)	(29,777)
Total other financing sources (uses)	77	-	-	-	-	-	-	(77)	-
Excess (deficiency) of receipts and other financing sources over disbursements and other financing uses	(3,230,528)	(461,075)	16,544	(1,761,281)	(765,748)	(131,462)	875	(362,881)	(6,695,556)
Cash and investments - beginning	2,670,918	172,597	240,594	1,873,042	7,448,095	31,353	174,603	947,292	13,558,494
Cash and investments - ending	\$ (559,610)	\$ (288,478)	\$ 257,138	\$ 111,761	\$ 6,682,347	\$ (100,109)	\$ 175,478	\$ 584,411	6,862,938
Amounts reported for governmental activities in the Statement of Cash Activities and Net Assets - Cash and Investment Basis are different because:									
Internal service funds are used by management to charge the costs of certain services to individual funds. The assets and liabilities of the internal service funds are included in governmental activities in the Statement of Activities and Net Assets - Cash and Investment Basis.									
									358,138
Net assets of governmental activities									<u>\$ 7,221,076</u>
Cash and Investment Assets - Ending									
Cash and investments	\$ (559,610)	\$ (288,478)	\$ 257,138	\$ -	\$ 6,682,347	\$ (100,109)	\$ 175,478	\$ 572,587	\$ 6,739,353
Restricted assets:									
Cash and investments	-	-	-	111,761	-	-	-	11,824	123,585
Total cash and investment assets - ending	\$ (559,610)	\$ (288,478)	\$ 257,138	\$ 111,761	\$ 6,682,347	\$ (100,109)	\$ 175,478	\$ 584,411	\$ 6,862,938
Cash and Investment Fund Balance - Ending									
Restricted for:									
Debt service	\$ -	\$ -	\$ -	\$ 111,761	\$ -	\$ -	\$ -	\$ 11,824	\$ 123,585
Unrestricted	(559,610)	(288,478)	257,138	-	6,682,347	(100,109)	175,478	572,587	6,739,353
Total cash and investment fund balance - ending	\$ (559,610)	\$ (288,478)	\$ 257,138	\$ 111,761	\$ 6,682,347	\$ (100,109)	\$ 175,478	\$ 584,411	\$ 6,862,938

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

EAST NOBLE 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	Textbook Rental	Wayne Center G.O. Bonds	Debt Service	Capital Projects	School Bus Replacement	Construction	Other	Totals
Receipts:										
Local sources	\$ 9,082,713	\$ 1,434,107	\$ 268,953	\$ 3,520	\$ 4,508,673	\$ 3,285,134	\$ 357,455	\$ 354,266	\$ 1,805,820	\$ 21,100,641
Intermediate sources	2,176	-	-	-	-	-	-	-	488	2,664
State sources	13,427,998	-	79,641	-	-	-	-	-	237,835	13,745,474
Federal sources	-	-	-	-	-	-	-	-	2,083,061	2,083,061
Bonds and loans	-	-	-	900,000	-	-	-	-	-	900,000
Sale of property, adjustments and refunds	1,136	4,981	-	-	-	158,328	-	-	9,014	173,459
Interfund loans	2,097,696	211,340	-	-	66,566	-	-	-	-	2,375,602
Total receipts	24,611,719	1,650,428	348,594	903,520	4,575,239	3,443,462	357,455	354,266	4,136,218	40,380,901
Disbursements:										
Current:										
Instruction	14,276,245	-	-	-	-	-	-	-	1,104,680	15,380,925
Support services	6,889,179	1,351,950	169,403	-	-	6,426,530	166,105	-	2,592,260	17,595,427
Community services	340,676	-	-	-	-	-	-	-	6,108	346,784
Nonprogrammed charges	2,535,909	-	-	-	-	26,940	-	-	169,911	2,732,760
Debt services	-	-	-	281,590	4,677,000	-	52,416	-	254,014	5,265,020
Interfund loans	-	-	-	-	-	2,375,602	-	-	-	2,375,602
Total disbursements	24,042,009	1,351,950	169,403	281,590	4,677,000	8,829,072	218,521	-	4,126,973	43,696,518
Excess (deficiency) of receipts over disbursements	569,710	298,478	179,191	621,930	(101,761)	(5,385,610)	138,934	354,266	9,245	(3,315,617)
Other financing sources (uses):										
Transfers in	-	-	-	-	-	-	-	-	195,483	195,483
Transfers out	-	-	-	-	-	-	-	-	(195,483)	(195,483)
Total other financing sources (uses)	-	-	-	-	-	-	-	-	-	-
Excess (deficiency) of receipts and other financing sources over disbursements and other financing uses	569,710	298,478	179,191	621,930	(101,761)	(5,385,610)	138,934	354,266	9,245	(3,315,617)
Cash and investments - beginning	(559,610)	(288,478)	257,138	-	111,761	6,682,347	(100,109)	175,478	584,411	6,862,938
Cash and investments - ending	\$ 10,100	\$ 10,000	\$ 436,329	\$ 621,930	\$ 10,000	\$ 1,296,737	\$ 38,825	\$ 529,744	\$ 593,656	3,547,321
Amounts reported for governmental activities in the Statement of Cash Activities and Net Assets - Cash and Investment Basis are different because:										
Internal service funds are used by management to charge the costs of certain services to individual funds. The assets and liabilities of the internal service funds are included in governmental activities in the Statement of Activities and Net Assets - Cash and Investment Basis.										
										301,983
Net assets of governmental activities										\$ 3,849,304
Cash and Investment Assets - Ending										
Cash and investments	\$ 10,100	\$ 10,000	\$ 436,329	\$ 621,930	\$ -	\$ 1,296,737	\$ 38,825	\$ 529,744	\$ 585,819	\$ 3,529,484
Restricted assets:										
Cash and investments	-	-	-	-	10,000	-	-	-	7,837	17,837
Total cash and investment assets - ending	\$ 10,100	\$ 10,000	\$ 436,329	\$ 621,930	\$ 10,000	\$ 1,296,737	\$ 38,825	\$ 529,744	\$ 593,656	\$ 3,547,321
Cash and Investment Fund Balance - Ending										
Restricted for:										
Debt service	\$ -	\$ -	\$ -	\$ -	\$ 10,000	\$ -	\$ -	\$ -	\$ 7,837	\$ 17,837
Unrestricted	10,100	10,000	436,329	621,930	-	1,296,737	38,825	529,744	585,819	3,529,484
Total cash and investment fund balance - ending	\$ 10,100	\$ 10,000	\$ 436,329	\$ 621,930	\$ 10,000	\$ 1,296,737	\$ 38,825	\$ 529,744	\$ 593,656	\$ 3,547,321

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

EAST NOBLE SCHOOL CORPORATION
STATEMENT OF ASSETS AND FUND BALANCES AND RECEIPTS, DISBURSEMENTS,
AND CHANGES IN FUND BALANCES - CASH AND INVESTMENT BASIS
PROPRIETARY FUND
For the Year Ended June 30, 2007

	Internal Service Fund
Operating receipts:	
Charges for services	\$ 2,529,754
Miscellaneous	139,966
Total operating receipts	2,669,720
Operating disbursements:	
Insurance claims and expense	2,656,525
Change in net assets	13,195
Cash and investment fund balance - beginning	344,943
Cash and investment fund balance - ending	\$ 358,138
<u>Cash and Investment Assets - Ending</u>	
Restricted assets:	
Cash and investments	\$ 358,138
Total cash and investment assets - ending	\$ 358,138
<u>Cash and Investment Fund Balance - Ending</u>	
Restricted for:	
Other purposes	\$ 358,138
Total cash and investment fund balance - ending	\$ 358,138

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

EAST NOBLE SCHOOL CORPORATION
STATEMENT OF ASSETS AND FUND BALANCES AND RECEIPTS, DISBURSEMENTS,
AND CHANGES IN FUND BALANCES - CASH AND INVESTMENT BASIS
PROPRIETARY FUND
For the Year Ended June 30, 2008

	Internal Service Fund
Operating receipts:	
Charges for services	\$ 2,752,130
Miscellaneous	265,799
Total operating receipts	3,017,929
Operating disbursements:	
Insurance claims and expense	3,070,910
Other	3,174
Total operating disbursements	3,074,084
Change in net assets	(56,155)
Cash and investment fund balance - beginning	358,138
Cash and investment fund balance - ending	\$ 301,983
<u>Cash and Investment Assets - Ending</u>	
Restricted assets:	
Cash and investments	\$ 301,983
Total cash and investment assets - ending	\$ 301,983
<u>Cash and Investment Fund Balance - Ending</u>	
Restricted for:	
Other purposes	\$ 301,983
Total cash and investment fund balance - ending	\$ 301,983

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

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

	Pension Trust Funds	Agency Funds
Additions:		
Investment earnings:		
Interest	\$ <u>5,848</u>	
Deductions:		
Benefits	<u>158,875</u>	
Deficiency of total additions over total deductions	(153,027)	
Cash and investment fund balance - beginning	<u>281,441</u>	
Cash and investment fund balance - ending	<u>\$ 128,414</u>	<u>\$ 86,740</u>
Net assets:		
Cash and investments	<u>\$ 128,414</u>	
Total net assets - cash and investment basis held in trust	<u>\$ 128,414</u>	

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

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

	Pension Trust Funds	Agency Funds
Additions:		
Investment earnings:		
Interest	\$ <u>645</u>	
Deductions:		
Benefits	<u>129,059</u>	
Deficiency of total additions over total deductions	(128,414)	
Cash and investment fund balance - beginning	<u>128,414</u>	
Cash and investment fund balance - ending	<u>\$ -</u>	<u>\$ 113,807</u>
Net assets:		
Cash and investments	<u>\$ -</u>	
Total net assets - cash and investment basis held in trust	<u>\$ -</u>	

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

EAST NOBLE SCHOOL CORPORATION
NOTES TO FINANCIAL STATEMENTS

I. Summary of Significant Accounting Policies

A. Reporting Entity

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

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

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

Primary Government: East Noble School Corporation

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

Joint Venture

The School Corporation is a participant with interested school corporations in DeKalb, LaGrange, Noble, and Steuben Counties in a joint venture to operate the Four County Area Vocational Cooperative (Co-op) which was created to provide vocational instruction for children. The School Corporation is obligated by contract to remit an amount annually to supplement the Co-op. Complete financial statements for the Co-op can be obtained from the Co-op office at 510 South Second Street, Garrett, IN 46738.

Related Organizations

The School Corporation's officials are also responsible for appointing members of the boards of other organizations, but the School Corporation's accountability for these organizations does not extend beyond making the appointments. The School Corporation appoints a board member for the Kendallville Public Library, the Noble County Public Library, the Avilla Park Department Board, and the Kendallville Economic Redevelopment Commission.

B. Government-Wide and Fund Financial Statements

Government-Wide Financial Statements

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

EAST NOBLE SCHOOL CORPORATION
NOTES TO FINANCIAL STATEMENTS
(Continued)

Fund Financial Statements

Fund financial statements of the reporting entity are organized into funds, each of which is considered to be a separate accounting entity. Each fund is accounted for by providing a separate set of self-balancing accounts that constitutes its assets, fund equity, receipts, and disbursements. Separate financial statements are provided for governmental funds, proprietary funds, and fiduciary funds, even though the latter are excluded from the government-wide financial statements. Major individual governmental funds and major individual enterprise funds are reported as separate columns in the fund financial statements. However, at this time, the School Corporation has not established any enterprise funds.

The School Corporation reports the following major governmental funds:

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

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

The textbook rental fund accounts for financial resources for the purchase of textbooks for school children.

The Wayne Center g.o. bonds fund accounts for financial resources for the refurbishing Wayne Center Elementary School.

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

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

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

The construction fund accounts for financial resources for the refurbishing of school corporation buildings.

Additionally, the School Corporation reports the following fund types:

The internal service fund is a self-insurance fund which provides monies for the payment of health insurance claims for school corporation employees.

The pension trust funds account for bonds and payments anticipated to be made to employees on or after the termination of employment or to pay postretirement or severance benefits held by the School Corporation in a trustee capacity.

Agency funds account for assets held by the School Corporation as an agent for various payroll withholding agencies and serve as control of accounts for certain cash transactions during the time they are a liability to the School Corporation.

EAST NOBLE SCHOOL CORPORATION
NOTES TO FINANCIAL STATEMENTS
(Continued)

C. Measurement Focus and Basis of Accounting

The government-wide, governmental fund, proprietary fund, and fiduciary fund financial statements are reported using the basis of accounting that demonstrates compliance with the cash 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.

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

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

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

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

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

D. Assets and Cash and Investment Balances

1. Cash and Investments

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

2. Property Taxes

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

EAST NOBLE SCHOOL CORPORATION
NOTES TO FINANCIAL STATEMENTS
(Continued)

3. Capital Assets

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

4. Long-Term Debt

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

5. Equity Classification

Government-Wide Statements

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

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

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

Fund Financial Statements

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

E. Receipts and Disbursements

Program Receipts

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

F. Internal and Interfund Balances and Activities

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

EAST NOBLE SCHOOL CORPORATION
NOTES TO FINANCIAL STATEMENTS
(Continued)

Fund Financial Statements

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

Government-Wide Financial Statements

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

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

II. Stewardship, Compliance and Accountability

A. Budgetary Information

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

Prior to the first required publication, the fiscal officer of the School Corporation submits to the governing board a proposed operating budget for the year commencing the following 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.

EAST NOBLE SCHOOL CORPORATION
NOTES TO FINANCIAL STATEMENTS
(Continued)

B. Disbursements in Excess of Appropriations

For the calendar year ended December 31, 2007, disbursements exceeded budgeted appropriations in the following fund by the amount below:

Fund	FY 2007/2008
General	\$ <u>53,150</u>

These disbursements were funded by the available cash balance in the general fund.

C. Cash and Investment Balance Deficits

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

Fund	FY 06/07	FY 07/08
General	\$ (559,610)	\$ -
Transportation operating	(288,478)	-
School bus replacement	(100,109)	-
Access Indiana	-	(24,645)
Workforce development grant	-	(5,104)
FY 07/08 Part B IDEA	-	(3,200)

Cash and investment deficits for the first fiscal year arose from disbursements exceeding receipts due to late tax distributions. The deficit balances in the second fiscal year are mainly attributable to errors and oversights in grant fund postings or monitoring.

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 had deposit balances in the amount of \$3,963,111 which were insured by the Federal Deposit Insurance Corporation or the Public Deposit Insurance Fund covering all public funds held in approved depositories.

2. Investments

Authorization for investment activity is stated in Indiana Code 5-13.

EAST NOBLE SCHOOL CORPORATION
NOTES TO FINANCIAL STATEMENTS
(Continued)

B. Interfund Transfers

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

<u>Transfer From</u>	<u>Transfer To</u>	<u>FY 2006/2007</u>	<u>FY 2007/2008</u>
Other governmental funds	General fund Other governmental funds	\$ 77 <u>29,700</u>	\$ - <u>195,483</u>
Totals		<u>\$ 29,777</u>	<u>\$ 195,483</u>

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

IV. Other Information

A. Risk Management

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

The risks of torts; theft of, damage to, and destruction of assets; errors and omissions; job related illnesses or injuries to employees; 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

The School Corporation has chosen to establish a risk financing fund for risks associated with medical benefits to employees. The risk financing fund is accounted for in the Self-Insurance Fund, an internal service fund where assets are set aside for claim settlements. An excess policy through commercial insurance covers individual claims in excess of \$60,000 per year. Settled claims resulting from this risk did not exceed commercial insurance coverage in the past three years. Interfund premiums are paid into the fund by all affected funds and are available to pay claims, claim reserves, and administrative costs of the program. Interfund premiums are based upon an overall premium percentage which is applied to each affected fund and are reported as quasi-external interfund transactions.

B. Holding Corporations

The School Corporation has entered into capital leases with the East Noble School Building Corporation and the Avilla School Building Corporation (the lessors). The lessors were organized as not-for-profit corporations pursuant to state statute for the purpose of financing and constructing or reconstructing facilities for lease to the School Corporation. The lessors have been

EAST NOBLE SCHOOL CORPORATION
NOTES TO FINANCIAL STATEMENTS
(Continued)

determined to be a related party of the School Corporation. Lease payments for the years ended June 30, 2007, and June 30, 2008, totaled \$3,660,500 and \$3,660,500, respectively for the East Noble School Building Corporation. Lease payments for the years ended June 30, 2007, and June 30, 2008, totaled \$1,015,500 and \$1,018,500, respectively for the Avilla School Building Corporation.

C. Subsequent Event

School Attendance Realignment/School Closing

In March 2009, the School Corporation approved a realignment of school membership for all seventh and eighth grade students. Beginning with the fiscal year July 1, 2009 to June 30, 2010, all seventh and eighth grade students will be realigned to attend just one school in the Corporation to be called the East Noble Middle School. Also, beginning this same fiscal year, all LaOtto Elementary students will be moved to Avilla Elementary School and LaOtto Elementary School will be closed.

D. Postemployment Health Insurance 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 55 with at least 30 years of service. For the years ended June 30, 2007 and 2008, 31 and 32 retirees respectively, met these eligibility requirements. The School Corporation provides 100% of these postemployment benefits. Disbursements for those postemployment benefits are recognized on a pay-as-you-go basis. During the years ended June 30, 2007 and 2008, disbursements of \$82,389 and \$75,144, respectively, were recognized for postemployment benefits.

E. Early Retirement/Severance Termination Benefits

In 2002, the School Corporation established a fiduciary fund called the Post-Retirement/Severance Future Benefits Fund through IC 20-42-4 to fund retirement and severance benefits for employee retiring after 2002 who became eligible with 30 years of service or through the Rule of 85. For the audit period, there were 35 employees at a total cost of \$164,425 who were paid a severance payment to a 403(b) account and 26 employees at a total cost of \$444,444 who were paid a retirement bridge payment to a 401(a) account. In addition to this, there were 17 employees who met these same eligibility requirements under an old master contract who paid directly for a total cost of \$85,809 for the audit period.

F. Pension Plans

1. Agent Multiple-Employer Defined Benefit Pension Plan

Public Employees' Retirement Fund

Plan Description

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

EAST NOBLE SCHOOL CORPORATION
 NOTES TO FINANCIAL STATEMENTS
 (Continued)

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

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

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

Funding Policy and Annual Pension Cost

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

Actuarial Information for the Above Plan

	PERF
Annual required contribution	\$ 314,370
Interest on net pension obligation	(41,450)
Adjustment to annual required contribution	47,236
Annual pension cost	320,156
Contributions made	259,646
Increase in net pension obligation	60,510
Net pension obligation, beginning of year	(571,727)
Net pension obligation, end of year	\$ (511,217)

EAST NOBLE SCHOOL CORPORATION
NOTES TO FINANCIAL STATEMENTS
(Continued)

School Corporation	7.25%
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
PERF	06-30-06	\$ 242,168	101%	\$ (631,241)
	06-30-07	312,668	81%	(571,727)
	06-30-08	320,156	81%	(511,217)

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.

EAST NOBLE SCHOOL CORPORATION
NOTES TO FINANCIAL STATEMENTS
(Continued)

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

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

Funding Policy and Annual Pension Costs

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

Plan members are required to contribute 3% of their salary and the School Corporation is to contribute at an actuarially determined rate. The current rate has been actuarially determined under the entry age normal cost method to be 6.82% of covered wages. The School Corporation's required contributions to the plan for the fiscal years ended June 30, 2008, 2007, and 2006, were \$449,912, \$416,464, and \$378,912, respectively. The School Corporation actually contributed 100% of the required contribution for each of the fiscal years.

EAST NOBLE SCHOOL CORPORATION
 REQUIRED SUPPLEMENTARY INFORMATION
 SCHEDULE OF FUNDING PROGRESS

Public Employees' Retirement Fund

Actuarial Valuation Date	Actuarial Value of Assets (a)	Actuarial Accrued Liability (AAL) (b)	Unfunded AAL (a-b)	Funded Ratio (a/b)	Covered Payroll (c)	Unfunded AAL as a Percentage of Covered Payroll ((a-b)/c)
07-01-06	\$ 2,660,903	\$ 3,399,538	\$ (738,635)	78%	\$ 3,812,976	(19%)
07-01-07	2,953,322	3,749,285	(795,963)	79%	3,784,626	(21%)
07-01-08	3,396,565	4,055,731	(659,166)	84%	3,958,218	(17%)

EAST NOBLE 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	Education License Plate	Alternative Education	School Safety Commission Grant	NCCF Library Cape Grant
Receipts:						
Local sources	\$ 42,837	\$ 872,318	\$ -	\$ -	\$ 154	\$ 2,000
Intermediate sources	-	-	1,106	-	-	-
State sources	117,475	40,273	-	9,794	-	-
Federal sources	-	557,266	-	-	-	-
Sale of property, adjustments and refunds	-	460	-	-	-	-
Total receipts	<u>160,312</u>	<u>1,470,317</u>	<u>1,106</u>	<u>9,794</u>	<u>154</u>	<u>2,000</u>
Disbursements:						
Current:						
Instruction	205,921	-	-	9,794	-	-
Support services	-	1,489,910	-	-	-	1,292
Community services	-	-	-	-	-	-
Nonprogrammed charges	2,317	-	-	-	-	-
Debt services	-	-	-	-	-	-
Total disbursements	<u>208,238</u>	<u>1,489,910</u>	<u>-</u>	<u>9,794</u>	<u>-</u>	<u>1,292</u>
Excess (deficiency) of receipts over disbursements	<u>(47,926)</u>	<u>(19,593)</u>	<u>1,106</u>	<u>-</u>	<u>154</u>	<u>708</u>
Other financing sources (uses):						
Transfers in	-	-	-	-	-	2,000
Transfers out	-	-	-	-	-	(3,265)
Total other financing sources (uses)	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>(1,265)</u>
Excess (deficiency) of receipts and other financing sources over disbursements and other financing uses	<u>(47,926)</u>	<u>(19,593)</u>	<u>1,106</u>	<u>-</u>	<u>154</u>	<u>(557)</u>
Cash and investments - beginning	<u>83,192</u>	<u>137,163</u>	<u>1,295</u>	<u>-</u>	<u>-</u>	<u>1,265</u>
Cash and investments - ending	<u>\$ 35,266</u>	<u>\$ 117,570</u>	<u>\$ 2,401</u>	<u>\$ -</u>	<u>\$ 154</u>	<u>\$ 708</u>
Cash and Investment Assets - Ending						
Cash and investments	\$ 35,266	\$ 117,570	\$ 2,401	\$ -	\$ 154	\$ 708
Restricted assets:						
Cash and investments	-	-	-	-	-	-
Total cash and investment assets - ending	<u>\$ 35,266</u>	<u>\$ 117,570</u>	<u>\$ 2,401</u>	<u>\$ -</u>	<u>\$ 154</u>	<u>\$ 708</u>
Cash and Investment Fund Balance - Ending						
Restricted for:						
Debt service	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Unrestricted	<u>35,266</u>	<u>117,570</u>	<u>2,401</u>	<u>-</u>	<u>154</u>	<u>708</u>
Total cash and investment fund balance - ending	<u>\$ 35,266</u>	<u>\$ 117,570</u>	<u>\$ 2,401</u>	<u>\$ -</u>	<u>\$ 154</u>	<u>\$ 708</u>

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

EAST NOBLE 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)

	NCCF Diversity Grant	Celebrate Diversity Grant	2006 All Write !!! Summer Institute	FY 06/07 All Write!!!	2007 All Write!!! Summer Institute	FY 05/06 All Write!!!
Receipts:						
Local sources	\$ -	\$ -	\$ -	\$ 115,086	\$ 46,510	\$ -
Intermediate sources	-	-	-	-	-	-
State sources	-	-	-	-	-	-
Federal sources	-	-	-	-	-	-
Sale of property, adjustments and refunds	-	-	-	-	-	-
Total receipts	-	-	-	115,086	46,510	-
Disbursements:						
Current:						
Instruction	-	-	-	6,925	-	2,061
Support services	1,265	1,336	14,506	101,313	1,879	22,678
Community services	-	-	-	-	-	-
Nonprogrammed charges	-	-	-	-	-	-
Debt services	-	-	-	-	-	-
Total disbursements	1,265	1,336	14,506	108,238	1,879	24,739
Excess (deficiency) of receipts over disbursements	(1,265)	(1,336)	(14,506)	6,848	44,631	(24,739)
Other financing sources (uses):						
Transfers in	1,265	-	-	26,435	-	-
Transfers out	-	-	(2,662)	-	-	(23,773)
Total other financing sources (uses)	1,265	-	(2,662)	26,435	-	(23,773)
Excess (deficiency) of receipts and other financing sources over disbursements and other financing uses	-	(1,336)	(17,168)	33,283	44,631	(48,512)
Cash and investments - beginning	-	1,336	17,168	58,235	-	48,512
Cash and investments - ending	\$ -	\$ -	\$ -	\$ 91,518	\$ 44,631	\$ -
Cash and Investment Assets - Ending						
Cash and investments	\$ -	\$ -	\$ -	\$ 91,518	\$ 44,631	\$ -
Restricted assets:						
Cash and investments	-	-	-	-	-	-
Total cash and investment assets - ending	\$ -	\$ -	\$ -	\$ 91,518	\$ 44,631	\$ -
Cash and Investment Fund Balance - Ending						
Restricted for:						
Debt service	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Unrestricted	-	-	-	91,518	44,631	-
Total cash and investment fund balance - ending	\$ -	\$ -	\$ -	\$ 91,518	\$ 44,631	\$ -

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

EAST NOBLE 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)

	FY 07/08 All Write!!!	Reality Store	Gift/Donation	Restructuring 4-5 Audit	Reading Recovery/ Behind the Glass	ENHS Tech Project
Receipts:						
Local sources	\$ 5,125	\$ -	\$ 74,016	\$ -	\$ -	\$ 42,616
Intermediate sources	-	-	-	-	-	-
State sources	-	-	-	-	-	-
Federal sources	-	-	-	-	-	-
Sale of property, adjustments and refunds	-	-	6,042	-	-	-
Total receipts	5,125	-	80,058	-	-	42,616
Disbursements:						
Current:						
Instruction	-	-	109,799	-	355	42,616
Support services	-	-	20,344	785	-	-
Community services	-	-	-	-	-	-
Nonprogrammed charges	-	-	-	-	-	-
Debt services	-	-	-	-	-	-
Total disbursements	-	-	130,143	785	355	42,616
Excess (deficiency) of receipts over disbursements	5,125	-	(50,085)	(785)	(355)	-
Other financing sources (uses):						
Transfers in	-	-	-	-	-	-
Transfers out	-	-	-	-	-	-
Total other financing sources (uses)	-	-	-	-	-	-
Excess (deficiency) of receipts and other financing sources over disbursements and other financing uses	5,125	-	(50,085)	(785)	(355)	-
Cash and investments - beginning	-	592	154,434	785	355	-
Cash and investments - ending	<u>\$ 5,125</u>	<u>\$ 592</u>	<u>\$ 104,349</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>
Cash and Investment Assets - Ending						
Cash and investments	\$ 5,125	\$ 592	\$ 104,349	\$ -	\$ -	\$ -
Restricted assets:						
Cash and investments	-	-	-	-	-	-
Total cash and investment assets - ending	<u>\$ 5,125</u>	<u>\$ 592</u>	<u>\$ 104,349</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>
Cash and Investment Fund Balance - Ending						
Restricted for:						
Debt service	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Unrestricted	5,125	592	104,349	-	-	-
Total cash and investment fund balance - ending	<u>\$ 5,125</u>	<u>\$ 592</u>	<u>\$ 104,349</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>

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

EAST NOBLE 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)

	Dekko ENHS Computer Training	Dekko Preschool Outreach Grant	LaOtto Environmental Lab Project	Buddy Printer	FY 06/07 Dekko Intermediate Literacy Grant	FY 05/06 NS Intermediate Literacy Grant
Receipts:						
Local sources	\$ -	\$ 2,924	\$ -	\$ -	\$ 38,245	\$ -
Intermediate sources	-	-	-	-	-	-
State sources	-	-	-	-	-	-
Federal sources	-	-	-	-	-	-
Sale of property, adjustments and refunds	-	-	-	-	-	-
Total receipts	-	2,924	-	-	38,245	-
Disbursements:						
Current:						
Instruction	-	50	-	121	2,006	515
Support services	-	-	-	-	23,522	5,234
Community services	-	-	-	-	-	-
Nonprogrammed charges	-	-	-	-	-	-
Debt services	-	-	-	-	-	-
Total disbursements	-	50	-	121	25,528	5,749
Excess (deficiency) of receipts over disbursements	-	2,874	-	(121)	12,717	(5,749)
Other financing sources (uses):						
Transfers in	-	-	-	-	-	-
Transfers out	-	-	-	-	-	-
Total other financing sources (uses)	-	-	-	-	-	-
Excess (deficiency) of receipts and other financing sources over disbursements and other financing uses	-	2,874	-	(121)	12,717	(5,749)
Cash and investments - beginning	2,515	-	146	121	-	5,749
Cash and investments - ending	<u>\$ 2,515</u>	<u>\$ 2,874</u>	<u>\$ 146</u>	<u>\$ -</u>	<u>\$ 12,717</u>	<u>\$ -</u>
Cash and Investment Assets - Ending						
Cash and investments	\$ 2,515	\$ 2,874	\$ 146	\$ -	\$ 12,717	\$ -
Restricted assets:						
Cash and investments	-	-	-	-	-	-
Total cash and investment assets - ending	<u>\$ 2,515</u>	<u>\$ 2,874</u>	<u>\$ 146</u>	<u>\$ -</u>	<u>\$ 12,717</u>	<u>\$ -</u>
Cash and Investment Fund Balance - Ending						
Restricted for:						
Debt service	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Unrestricted	2,515	2,874	146	-	12,717	-
Total cash and investment fund balance - ending	<u>\$ 2,515</u>	<u>\$ 2,874</u>	<u>\$ 146</u>	<u>\$ -</u>	<u>\$ 12,717</u>	<u>\$ -</u>

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

EAST NOBLE 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)

	FY 06/07 NS Intermediate Literacy Grant	Dekko Rome City Literacy	In/Out Clearing	Miscellaneous Cafeteria	Miscellaneous Transportation	FY 05/06 Early Intervention Grant
Receipts:						
Local sources	\$ -	\$ -	\$ 211,795	\$ 10,062	\$ 8,542	\$ -
Intermediate sources	-	-	-	-	-	-
State sources	-	-	-	-	-	-
Federal sources	-	-	-	-	-	-
Sale of property, adjustments and refunds	-	-	-	-	-	-
Total receipts	-	-	211,795	10,062	8,542	-
Disbursements:						
Current:						
Instruction	245	2,669	-	-	232	501
Support services	258	18,408	168,137	8,411	3,035	13,975
Community services	-	-	39,840	-	-	-
Nonprogrammed charges	-	-	-	-	-	-
Debt services	-	-	-	-	-	-
Total disbursements	503	21,077	207,977	8,411	3,267	14,476
Excess (deficiency) of receipts over disbursements	(503)	(21,077)	3,818	1,651	5,275	(14,476)
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	(503)	(21,077)	3,818	1,651	5,275	(14,476)
Cash and investments - beginning	1,278	21,077	-	2,680	-	14,476
Cash and investments - ending	<u>\$ 775</u>	<u>\$ -</u>	<u>\$ 3,818</u>	<u>\$ 4,331</u>	<u>\$ 5,275</u>	<u>\$ -</u>
Cash and Investment Assets - Ending						
Cash and investments	\$ 775	\$ -	\$ 3,818	\$ 4,331	\$ 5,275	\$ -
Restricted assets:						
Cash and investments	-	-	-	-	-	-
Total cash and investment assets - ending	<u>\$ 775</u>	<u>\$ -</u>	<u>\$ 3,818</u>	<u>\$ 4,331</u>	<u>\$ 5,275</u>	<u>\$ -</u>
Cash and Investment Fund Balance - Ending						
Restricted for:						
Debt service	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Unrestricted	775	-	3,818	4,331	5,275	-
Total cash and investment fund balance - ending	<u>\$ 775</u>	<u>\$ -</u>	<u>\$ 3,818</u>	<u>\$ 4,331</u>	<u>\$ 5,275</u>	<u>\$ -</u>

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

EAST NOBLE 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)

	Buddy System Project	FY 06/07 Gifted and Talented Grant	FY 05/06 Gifted and Talented Grant	FY 05/06 Non-English Speaking Grant	FY 06/07 Non-English Speaking Grant	School Technology
Receipts:						
Local sources	\$ -	\$ 155	\$ -	\$ -	\$ -	\$ 45,020
Intermediate sources	-	-	-	-	-	-
State sources	-	17,393	-	-	1,779	-
Federal sources	-	-	-	-	-	-
Sale of property, adjustments and refunds	-	-	-	-	-	-
Total receipts	-	17,548	-	-	1,779	45,020
Disbursements:						
Current:						
Instruction	70	7,567	7,809	-	-	-
Support services	-	-	-	-	-	8,450
Community services	-	-	-	-	-	-
Nonprogrammed charges	-	-	-	-	-	-
Debt services	-	-	-	-	-	-
Total disbursements	70	7,567	7,809	-	-	8,450
Excess (deficiency) of receipts over disbursements	(70)	9,981	(7,809)	-	1,779	36,570
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	(70)	9,981	(7,809)	-	1,779	36,570
Cash and investments - beginning	2,377	-	7,809	3,570	-	40,576
Cash and investments - ending	<u>\$ 2,307</u>	<u>\$ 9,981</u>	<u>\$ -</u>	<u>\$ 3,570</u>	<u>\$ 1,779</u>	<u>\$ 77,146</u>
Cash and Investment Assets - Ending						
Cash and investments	\$ 2,307	\$ 9,981	\$ -	\$ 3,570	\$ 1,779	\$ 77,146
Restricted assets:						
Cash and investments	-	-	-	-	-	-
Total cash and investment assets - ending	<u>\$ 2,307</u>	<u>\$ 9,981</u>	<u>\$ -</u>	<u>\$ 3,570</u>	<u>\$ 1,779</u>	<u>\$ 77,146</u>
Cash and Investment Fund Balance - Ending						
Restricted for:						
Debt service	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Unrestricted	2,307	9,981	-	3,570	1,779	77,146
Total cash and investment fund balance - ending	<u>\$ 2,307</u>	<u>\$ 9,981</u>	<u>\$ -</u>	<u>\$ 3,570</u>	<u>\$ 1,779</u>	<u>\$ 77,146</u>

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

EAST NOBLE 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)

	Rome City Star Grant	Rome City Technology Plan/Buddy Grant	LaOtto Buddy Environmental Lab Grant	Beginning Teaching Internship Program	FY 05/06 Title I	FY 06/07 Title I
Receipts:						
Local sources	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Intermediate sources	-	-	-	-	-	-
State sources	-	-	-	7,458	-	-
Federal sources	-	-	-	-	22,180	280,692
Sale of property, adjustments and refunds	-	-	-	-	-	-
Total receipts	-	-	-	7,458	22,180	280,692
Disbursements:						
Current:						
Instruction	11	328	-	-	43,464	231,863
Support services	856	-	-	6,936	701	5,656
Community services	-	-	-	-	6,525	46
Nonprogrammed charges	-	-	-	-	-	40,859
Debt services	-	-	-	-	-	-
Total disbursements	867	328	-	6,936	50,690	278,424
Excess (deficiency) of receipts over disbursements	(867)	(328)	-	522	(28,510)	2,268
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	(867)	(328)	-	522	(28,510)	2,268
Cash and investments - beginning	1,746	328	111	4,032	28,510	-
Cash and investments - ending	<u>\$ 879</u>	<u>\$ -</u>	<u>\$ 111</u>	<u>\$ 4,554</u>	<u>\$ -</u>	<u>\$ 2,268</u>
Cash and Investment Assets - Ending						
Cash and investments	\$ 879	\$ -	\$ 111	\$ 4,554	\$ -	\$ 2,268
Restricted assets:						
Cash and investments	-	-	-	-	-	-
Total cash and investment assets - ending	<u>\$ 879</u>	<u>\$ -</u>	<u>\$ 111</u>	<u>\$ 4,554</u>	<u>\$ -</u>	<u>\$ 2,268</u>
Cash and Investment Fund Balance - Ending						
Restricted for:						
Debt service	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Unrestricted	879	-	111	4,554	-	2,268
Total cash and investment fund balance - ending	<u>\$ 879</u>	<u>\$ -</u>	<u>\$ 111</u>	<u>\$ 4,554</u>	<u>\$ -</u>	<u>\$ 2,268</u>

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

EAST NOBLE 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)

	FY 04/05 Title V Part A	FY 05/06 Title V Part A	FY 04/05 Part B IDEA	FY 05/06 Part B IDEA	FY 06/07 Part B IDEA
Receipts:					
Local sources	\$ -	\$ -	\$ -	\$ -	\$ -
Intermediate sources	-	-	-	-	-
State sources	-	-	-	-	-
Federal sources	-	5,225	-	128,557	594,500
Sale of property, adjustments and refunds	-	-	-	-	-
Total receipts	<u>-</u>	<u>5,225</u>	<u>-</u>	<u>128,557</u>	<u>594,500</u>
Disbursements:					
Current:					
Instruction	67	7,831	2,768	86,847	346,975
Support services	-	-	-	48,508	166,697
Community services	-	-	-	-	-
Nonprogrammed charges	-	-	-	-	79,526
Debt services	-	-	-	-	-
Total disbursements	<u>67</u>	<u>7,831</u>	<u>2,768</u>	<u>135,355</u>	<u>593,198</u>
Excess (deficiency) of receipts over disbursements	<u>(67)</u>	<u>(2,606)</u>	<u>(2,768)</u>	<u>(6,798)</u>	<u>1,302</u>
Other financing sources (uses):					
Transfers in	-	-	-	-	-
Transfers out	-	-	-	-	-
Total other financing sources (uses)	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Excess (deficiency) of receipts and other financing sources over disbursements and other financing uses	<u>(67)</u>	<u>(2,606)</u>	<u>(2,768)</u>	<u>(6,798)</u>	<u>1,302</u>
Cash and investments - beginning	<u>67</u>	<u>3,089</u>	<u>2,768</u>	<u>6,798</u>	<u>-</u>
Cash and investments - ending	<u>\$ -</u>	<u>\$ 483</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 1,302</u>
Cash and Investment Assets - Ending					
Cash and investments	\$ -	\$ 483	\$ -	\$ -	\$ 1,302
Restricted assets:					
Cash and investments	-	-	-	-	-
Total cash and investment assets - ending	<u>\$ -</u>	<u>\$ 483</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 1,302</u>
Cash and Investment Fund Balance - Ending					
Restricted for:					
Debt service	\$ -	\$ -	\$ -	\$ -	\$ -
Unrestricted	-	483	-	-	1,302
Total cash and investment fund balance - ending	<u>\$ -</u>	<u>\$ 483</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 1,302</u>

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

EAST NOBLE 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)

	FY 05/06 Sliver	FY 05/06 Preschool Handicap	FY 06/07 Preschool Handicap	FY 05/06 Drug Free Schools	FY 06/07 Drug Free Schools
Receipts:					
Local sources	\$ -	\$ -	\$ -	\$ -	\$ -
Intermediate sources	-	-	-	-	-
State sources	-	-	-	-	-
Federal sources	-	4,250	16,082	-	3,000
Sale of property, adjustments and refunds	-	-	-	-	-
Total receipts	-	4,250	16,082	-	3,000
Disbursements:					
Current:					
Instruction	442	-	-	1,099	33
Support services	2,163	4,666	15,938	9,859	1,834
Community services	-	-	-	-	-
Nonprogrammed charges	-	-	-	-	-
Debt services	-	-	-	-	-
Total disbursements	2,605	4,666	15,938	10,958	1,867
Excess (deficiency) of receipts over disbursements	(2,605)	(416)	144	(10,958)	1,133
Other financing sources (uses):					
Transfers in	-	-	-	-	-
Transfers out	-	-	-	-	(77)
Total other financing sources (uses)	-	-	-	-	(77)
Excess (deficiency) of receipts and other financing sources over disbursements and other financing uses	(2,605)	(416)	144	(10,958)	1,056
Cash and investments - beginning	2,605	416	-	11,576	-
Cash and investments - ending	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 144</u>	<u>\$ 618</u>	<u>\$ 1,056</u>
Cash and Investment Assets - Ending					
Cash and investments	\$ -	\$ -	\$ 144	\$ 618	\$ 1,056
Restricted assets:					
Cash and investments	-	-	-	-	-
Total cash and investment assets - ending	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 144</u>	<u>\$ 618</u>	<u>\$ 1,056</u>
Cash and Investment Fund Balance - Ending					
Restricted for:					
Debt service	\$ -	\$ -	\$ -	\$ -	\$ -
Unrestricted	-	-	144	618	1,056
Total cash and investment fund balance - ending	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 144</u>	<u>\$ 618</u>	<u>\$ 1,056</u>

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

EAST NOBLE 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)

	FY 05/06 Even Start Program	School to Work Grant	FY 05/06 Title II-A	FY 05/06 Title II-D Technology	FY 04/05 Title II-A Technology
Receipts:					
Local sources	\$ -	\$ -	\$ -	\$ -	\$ -
Intermediate sources	-	-	-	-	-
State sources	-	-	-	-	-
Federal sources	-	-	-	-	-
Sale of property, adjustments and refunds	-	-	-	-	-
Total receipts	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Disbursements:					
Current:					
Instruction	7,359	262	13,663	-	-
Support services	5,333	-	95,648	1,880	24,415
Community services	-	-	-	-	-
Nonprogrammed charges	-	-	-	-	-
Debt services	-	-	-	-	-
Total disbursements	<u>12,692</u>	<u>262</u>	<u>109,311</u>	<u>1,880</u>	<u>24,415</u>
Excess (deficiency) of receipts over disbursements	<u>(12,692)</u>	<u>(262)</u>	<u>(109,311)</u>	<u>(1,880)</u>	<u>(24,415)</u>
Other financing sources (uses):					
Transfers in	-	-	-	-	-
Transfers out	-	-	-	-	-
Total other financing sources (uses)	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Excess (deficiency) of receipts and other financing sources over disbursements and other financing uses	<u>(12,692)</u>	<u>(262)</u>	<u>(109,311)</u>	<u>(1,880)</u>	<u>(24,415)</u>
Cash and investments - beginning	<u>12,692</u>	<u>262</u>	<u>120,303</u>	<u>1,880</u>	<u>24,415</u>
Cash and investments - ending	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 10,992</u>	<u>\$ -</u>	<u>\$ -</u>
Cash and Investment Assets - Ending					
Cash and investments	\$ -	\$ -	\$ 10,992	\$ -	\$ -
Restricted assets:					
Cash and investments	-	-	-	-	-
Total cash and investment assets - ending	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 10,992</u>	<u>\$ -</u>	<u>\$ -</u>
Cash and Investment Fund Balance - Ending					
Restricted for:					
Debt service	\$ -	\$ -	\$ -	\$ -	\$ -
Unrestricted	-	-	10,992	-	-
Total cash and investment fund balance - ending	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 10,992</u>	<u>\$ -</u>	<u>\$ -</u>

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

EAST NOBLE 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)

	FY 06/07 Title II-D Technology	Title III English Proficiency	FY 06/07 Title III-A	Retirement/ Severance Bond	Totals
Receipts:					
Local sources	\$ -	\$ -	\$ -	\$ 165,874	\$ 1,683,279
Intermediate sources	-	-	-	-	1,106
State sources	-	-	-	-	194,172
Federal sources	-	-	19,567	-	1,631,319
Sale of property, adjustments and refunds	-	-	-	-	6,502
Total receipts	-	-	19,567	165,874	3,516,378
Disbursements:					
Current:					
Instruction	325	10,205	1,112	-	1,153,910
Support services	4,738	-	-	-	2,300,566
Community services	-	-	-	-	46,411
Nonprogrammed charges	-	-	-	-	122,702
Debt services	-	-	-	255,593	255,593
Total disbursements	5,063	10,205	1,112	255,593	3,879,182
Excess (deficiency) of receipts over disbursements	(5,063)	(10,205)	18,455	(89,719)	(362,804)
Other financing sources (uses):					
Transfers in	-	-	-	-	29,700
Transfers out	-	-	-	-	(29,777)
Total other financing sources (uses)	-	-	-	-	(77)
Excess (deficiency) of receipts and other financing sources over disbursements and other financing uses	(5,063)	(10,205)	18,455	(89,719)	(362,881)
Cash and investments - beginning	7,240	10,205	-	101,543	947,292
Cash and investments - ending	<u>2,177</u>	<u>-</u>	<u>18,455</u>	<u>11,824</u>	<u>584,411</u>
Cash and Investment Assets - Ending					
Cash and investments	\$ 2,177	\$ -	\$ 18,455	\$ -	\$ 572,587
Restricted assets:					
Cash and investments	-	-	-	11,824	11,824
Total cash and investment assets - ending	<u>2,177</u>	<u>-</u>	<u>18,455</u>	<u>11,824</u>	<u>584,411</u>
Cash and Investment Fund Balance - Ending					
Restricted for:					
Debt service	\$ -	\$ -	\$ -	\$ 11,824	\$ 11,824
Unrestricted	2,177	-	18,455	-	572,587
Total cash and investment fund balance - ending	<u>2,177</u>	<u>-</u>	<u>18,455</u>	<u>11,824</u>	<u>584,411</u>

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

EAST NOBLE 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	Education License Plate	Alternative Education	School Safety Commission Grant	Gift/Donation
Receipts:						
Local sources	\$ 57,391	\$ 863,212	\$ -	\$ -	\$ -	\$ 133,709
Intermediate sources	-	-	488	-	-	-
State sources	121,156	29,243	-	9,836	16,568	-
Federal sources	-	611,333	-	-	-	-
Sale of property, adjustments and refunds	-	-	-	-	-	9,014
Total receipts	<u>178,547</u>	<u>1,503,788</u>	<u>488</u>	<u>9,836</u>	<u>16,568</u>	<u>142,723</u>
Disbursements:						
Current:						
Instruction	196,528	-	2,380	9,214	6,572	14,279
Support services	-	1,522,154	-	-	10,150	45,375
Community services	-	-	-	-	-	-
Nonprogrammed charges	-	-	-	-	-	-
Debt services	-	-	-	-	-	-
Total disbursements	<u>196,528</u>	<u>1,522,154</u>	<u>2,380</u>	<u>9,214</u>	<u>16,722</u>	<u>59,654</u>
Excess (deficiency) of receipts over disbursements	<u>(17,981)</u>	<u>(18,366)</u>	<u>(1,892)</u>	<u>622</u>	<u>(154)</u>	<u>83,069</u>
Other financing sources (uses):						
Transfers in	-	31,742	-	-	-	-
Transfers out	-	(51,668)	-	-	-	-
Total other financing sources (uses)	<u>-</u>	<u>(19,926)</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Excess (deficiency) of receipts and other financing sources over disbursements and other financing uses	<u>(17,981)</u>	<u>(38,292)</u>	<u>(1,892)</u>	<u>622</u>	<u>(154)</u>	<u>83,069</u>
Cash and investments - beginning	<u>35,266</u>	<u>117,570</u>	<u>2,401</u>	<u>-</u>	<u>154</u>	<u>104,349</u>
Cash and investments - ending	<u>\$ 17,285</u>	<u>\$ 79,278</u>	<u>\$ 509</u>	<u>\$ 622</u>	<u>\$ -</u>	<u>\$ 187,418</u>
Cash and Investment Assets - Ending						
Cash and investments	\$ 17,285	\$ 79,278	\$ 509	\$ 622	\$ -	\$ 187,418
Restricted assets:						
Cash and investments	-	-	-	-	-	-
Total cash and investment assets - ending	<u>\$ 17,285</u>	<u>\$ 79,278</u>	<u>\$ 509</u>	<u>\$ 622</u>	<u>\$ -</u>	<u>\$ 187,418</u>
Cash and Investment Fund Balance - Ending						
Restricted for:						
Debt service	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Unrestricted	<u>17,285</u>	<u>79,278</u>	<u>509</u>	<u>622</u>	<u>-</u>	<u>187,418</u>
Total cash and investment fund balance - ending	<u>\$ 17,285</u>	<u>\$ 79,278</u>	<u>\$ 509</u>	<u>\$ 622</u>	<u>\$ -</u>	<u>\$ 187,418</u>

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

EAST NOBLE 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)

	FY 06/07 All Write!!!	2007 All Write!!! Summer Institute	FY 07/08 All Write!!!	Character Counts Program	NCCF Library Cape Grant	FY 06/07 NS Intermediate Literacy Grant
Receipts:						
Local sources	\$ -	\$ 16,310	\$ 84,552	\$ 16,041	\$ -	\$ -
Intermediate sources	-	-	-	-	-	-
State sources	-	-	-	-	-	-
Federal sources	-	-	-	-	-	-
Sale of property, adjustments and refunds	-	-	-	-	-	-
Total receipts	-	16,310	84,552	16,041	-	-
Disbursements:						
Current:						
Instruction	1,736	-	2,911	-	-	-
Support services	11,002	37,124	119,896	10,334	291	54
Community services	-	-	-	-	-	-
Nonprogrammed charges	-	-	-	-	-	-
Debt services	-	-	-	-	-	-
Total disbursements	12,738	37,124	122,807	10,334	291	54
Excess (deficiency) of receipts over disbursements	(12,738)	(20,814)	(38,255)	5,707	(291)	(54)
Other financing sources (uses):						
Transfers in	-	-	102,597	-	-	-
Transfers out	(78,780)	(23,817)	-	-	-	-
Total other financing sources (uses)	(78,780)	(23,817)	102,597	-	-	-
Excess (deficiency) of receipts and other financing sources over disbursements and other financing uses	(91,518)	(44,631)	64,342	5,707	(291)	(54)
Cash and investments - beginning	91,518	44,631	5,125	-	708	775
Cash and investments - ending	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 69,467</u>	<u>\$ 5,707</u>	<u>\$ 417</u>	<u>\$ 721</u>
Cash and Investment Assets - Ending						
Cash and investments	\$ -	\$ -	\$ 69,467	\$ 5,707	\$ 417	\$ 721
Restricted assets:						
Cash and investments	-	-	-	-	-	-
Total cash and investment assets - ending	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 69,467</u>	<u>\$ 5,707</u>	<u>\$ 417</u>	<u>\$ 721</u>
Cash and Investment Fund Balance - Ending						
Restricted for:						
Debt service	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Unrestricted	-	-	69,467	5,707	417	721
Total cash and investment fund balance - ending	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 69,467</u>	<u>\$ 5,707</u>	<u>\$ 417</u>	<u>\$ 721</u>

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

EAST NOBLE 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)

	Dekko ENHS Computer Training	FY 07/08 Dekko Intermediate Literacy Grant	Dekko Preschool Outreach Grant	LaOtto Environmental Lab Project	Reality Store	2008 All Write!!! Summer Institute
Receipts:						
Local sources	\$ -	\$ 30,755	\$ -	\$ -	\$ 700	\$ 44,109
Intermediate sources	-	-	-	-	-	-
State sources	-	-	-	-	-	-
Federal sources	-	-	-	-	-	-
Sale of property, adjustments and refunds	-	-	-	-	-	-
Total receipts	-	30,755	-	-	700	44,109
Disbursements:						
Current:						
Instruction	-	-	-	146	704	-
Support services	-	24,045	-	-	-	12,282
Community services	-	-	-	-	-	-
Nonprogrammed charges	-	-	-	-	-	-
Debt services	-	-	-	-	-	-
Total disbursements	-	24,045	-	146	704	12,282
Excess (deficiency) of receipts over disbursements	-	6,710	-	(146)	(4)	31,827
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	-	6,710	-	(146)	(4)	31,827
Cash and investments - beginning	2,515	-	2,874	146	592	-
Cash and investments - ending	<u>\$ 2,515</u>	<u>\$ 6,710</u>	<u>\$ 2,874</u>	<u>\$ -</u>	<u>\$ 588</u>	<u>\$ 31,827</u>
Cash and Investment Assets - Ending						
Cash and investments	\$ 2,515	\$ 6,710	\$ 2,874	\$ -	\$ 588	\$ 31,827
Restricted assets:						
Cash and investments	-	-	-	-	-	-
Total cash and investment assets - ending	<u>\$ 2,515</u>	<u>\$ 6,710</u>	<u>\$ 2,874</u>	<u>\$ -</u>	<u>\$ 588</u>	<u>\$ 31,827</u>
Cash and Investment Fund Balance - Ending						
Restricted for:						
Debt service	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Unrestricted	2,515	6,710	2,874	-	588	31,827
Total cash and investment fund balance - ending	<u>\$ 2,515</u>	<u>\$ 6,710</u>	<u>\$ 2,874</u>	<u>\$ -</u>	<u>\$ 588</u>	<u>\$ 31,827</u>

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

EAST NOBLE 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)

	FY 08/09 All Write!!!	FY 06/07 Dekko Intermediate Literacy Grant	In/Out Clearing	School Lunch Trust	Miscellaneous Cafeteria
Receipts:					
Local sources	\$ 26,000	\$ -	\$ 252,328	\$ -	\$ 2,734
Intermediate sources	-	-	-	-	-
State sources	-	-	-	-	-
Federal sources	-	-	-	-	-
Sale of property, adjustments and refunds	-	-	-	-	-
Total receipts	<u>26,000</u>	<u>-</u>	<u>252,328</u>	<u>-</u>	<u>2,734</u>
Disbursements:					
Current:					
Instruction	-	694	966	-	-
Support services	-	7,900	181,108	451	5,288
Community services	-	-	500	-	-
Nonprogrammed charges	-	-	65,000	-	-
Debt services	-	-	-	-	-
Total disbursements	<u>-</u>	<u>8,594</u>	<u>247,574</u>	<u>451</u>	<u>5,288</u>
Excess (deficiency) of receipts over disbursements	<u>26,000</u>	<u>(8,594)</u>	<u>4,754</u>	<u>(451)</u>	<u>(2,554)</u>
Other financing sources (uses):					
Transfers in	-	-	-	51,668	-
Transfers out	-	-	-	(31,742)	-
Total other financing sources (uses)	<u>-</u>	<u>-</u>	<u>-</u>	<u>19,926</u>	<u>-</u>
Excess (deficiency) of receipts and other financing sources over disbursements and other financing uses	<u>26,000</u>	<u>(8,594)</u>	<u>4,754</u>	<u>19,475</u>	<u>(2,554)</u>
Cash and investments - beginning	<u>-</u>	<u>12,717</u>	<u>3,818</u>	<u>-</u>	<u>4,331</u>
Cash and investments - ending	<u>\$ 26,000</u>	<u>\$ 4,123</u>	<u>\$ 8,572</u>	<u>\$ 19,475</u>	<u>\$ 1,777</u>
Cash and Investment Assets - Ending					
Cash and investments	\$ 26,000	\$ 4,123	\$ 8,572	\$ 19,475	\$ 1,777
Restricted assets:					
Cash and investments	-	-	-	-	-
Total cash and investment assets - ending	<u>\$ 26,000</u>	<u>\$ 4,123</u>	<u>\$ 8,572</u>	<u>\$ 19,475</u>	<u>\$ 1,777</u>
Cash and Investment Fund Balance - Ending					
Restricted for:					
Debt service	\$ -	\$ -	\$ -	\$ -	\$ -
Unrestricted	<u>26,000</u>	<u>4,123</u>	<u>8,572</u>	<u>19,475</u>	<u>1,777</u>
Total cash and investment fund balance - ending	<u>\$ 26,000</u>	<u>\$ 4,123</u>	<u>\$ 8,572</u>	<u>\$ 19,475</u>	<u>\$ 1,777</u>

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

EAST NOBLE 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)

	Miscellaneous Transportation	Buddy System Project	FY 06/07 Gifted and Talented Grant	FY 07/08 Higher Ability Grant	FY 06/07 Non-English Speaking Grant
Receipts:					
Local sources	\$ 6,958	\$ -	\$ -	\$ -	\$ -
Intermediate sources	-	-	-	-	-
State sources	-	-	-	42,380	-
Federal sources	-	-	-	-	-
Sale of property, adjustments and refunds	-	-	-	-	-
Total receipts	<u>6,958</u>	<u>-</u>	<u>-</u>	<u>42,380</u>	<u>-</u>
Disbursements:					
Current:					
Instruction	76	635	9,981	15,779	-
Support services	4,045	-	-	-	-
Community services	-	-	-	-	-
Nonprogrammed charges	-	-	-	-	-
Debt services	-	-	-	-	-
Total disbursements	<u>4,121</u>	<u>635</u>	<u>9,981</u>	<u>15,779</u>	<u>-</u>
Excess (deficiency) of receipts over disbursements	<u>2,837</u>	<u>(635)</u>	<u>(9,981)</u>	<u>26,601</u>	<u>-</u>
Other financing sources (uses):					
Transfers in	-	-	-	-	-
Transfers out	-	-	-	-	-
Total other financing sources (uses)	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Excess (deficiency) of receipts and other financing sources over disbursements and other financing uses	2,837	(635)	(9,981)	26,601	-
Cash and investments - beginning	<u>5,275</u>	<u>2,307</u>	<u>9,981</u>	<u>-</u>	<u>1,779</u>
Cash and investments - ending	<u>\$ 8,112</u>	<u>\$ 1,672</u>	<u>\$ -</u>	<u>\$ 26,601</u>	<u>\$ 1,779</u>
Cash and Investment Assets - Ending					
Cash and investments	\$ 8,112	\$ 1,672	\$ -	\$ 26,601	\$ 1,779
Restricted assets:					
Cash and investments	-	-	-	-	-
Total cash and investment assets - ending	<u>\$ 8,112</u>	<u>\$ 1,672</u>	<u>\$ -</u>	<u>\$ 26,601</u>	<u>\$ 1,779</u>
Cash and Investment Fund Balance - Ending					
Restricted for:					
Debt service	\$ -	\$ -	\$ -	\$ -	\$ -
Unrestricted	<u>8,112</u>	<u>1,672</u>	<u>-</u>	<u>26,601</u>	<u>1,779</u>
Total cash and investment fund balance - ending	<u>\$ 8,112</u>	<u>\$ 1,672</u>	<u>\$ -</u>	<u>\$ 26,601</u>	<u>\$ 1,779</u>

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

EAST NOBLE 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)

	School Technology	Rome City Star Grant	Access Indiana	Workforce Development Grant	FY 05/06 Non-English Speaking Grant
Receipts:					
Local sources	\$ 20,994	\$ -	\$ -	\$ -	\$ -
Intermediate sources	-	-	-	-	-
State sources	-	-	-	-	-
Federal sources	-	-	-	-	-
Sale of property, adjustments and refunds	-	-	-	-	-
Total receipts	20,994	-	-	-	-
Disbursements:					
Current:					
Instruction	-	-	-	5,104	-
Support services	11,045	98	24,645	-	-
Community services	-	-	-	-	-
Nonprogrammed charges	-	-	-	-	-
Debt services	-	-	-	-	-
Total disbursements	11,045	98	24,645	5,104	-
Excess (deficiency) of receipts over disbursements	9,949	(98)	(24,645)	(5,104)	-
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	9,949	(98)	(24,645)	(5,104)	-
Cash and investments - beginning	77,146	879	-	-	3,570
Cash and investments - ending	<u>87,095</u>	<u>781</u>	<u>(24,645)</u>	<u>(5,104)</u>	<u>3,570</u>
Cash and Investment Assets - Ending					
Cash and investments	\$ 87,095	\$ 781	\$ (24,645)	\$ (5,104)	\$ 3,570
Restricted assets:					
Cash and investments	-	-	-	-	-
Total cash and investment assets - ending	<u>87,095</u>	<u>781</u>	<u>(24,645)</u>	<u>(5,104)</u>	<u>3,570</u>
Cash and Investment Fund Balance - Ending					
Restricted for:					
Debt service	\$ -	\$ -	\$ -	\$ -	\$ -
Unrestricted	87,095	781	(24,645)	(5,104)	3,570
Total cash and investment fund balance - ending	<u>87,095</u>	<u>781</u>	<u>(24,645)</u>	<u>(5,104)</u>	<u>3,570</u>

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

EAST NOBLE 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)

	FY 07/08 Non-English Speaking Grant	LaOtto Buddy Environmental Lab Grant	Beginning Teaching Internship Program	FY 06/07 Title I	FY 07/08 Title I
Receipts:					
Local sources	\$ -	\$ -	\$ -	\$ -	\$ -
Intermediate sources	-	-	-	-	-
State sources	18,652	-	-	-	-
Federal sources	-	-	-	78,000	325,963
Sale of property, adjustments and refunds	-	-	-	-	-
Total receipts	<u>18,652</u>	<u>-</u>	<u>-</u>	<u>78,000</u>	<u>325,963</u>
Disbursements:					
Current:					
Instruction	17,203	111	-	70,545	228,231
Support services	-	-	4,488	-	54,303
Community services	-	-	-	247	5,361
Nonprogrammed charges	-	-	-	-	33,204
Debt services	-	-	-	-	-
Total disbursements	<u>17,203</u>	<u>111</u>	<u>4,488</u>	<u>70,792</u>	<u>321,099</u>
Excess (deficiency) of receipts over disbursements	<u>1,449</u>	<u>(111)</u>	<u>(4,488)</u>	<u>7,208</u>	<u>4,864</u>
Other financing sources (uses):					
Transfers in	-	-	-	-	9,476
Transfers out	-	-	-	(9,476)	-
Total other financing sources (uses)	<u>-</u>	<u>-</u>	<u>-</u>	<u>(9,476)</u>	<u>9,476</u>
Excess (deficiency) of receipts and other financing sources over disbursements and other financing uses	<u>1,449</u>	<u>(111)</u>	<u>(4,488)</u>	<u>(2,268)</u>	<u>14,340</u>
Cash and investments - beginning	<u>-</u>	<u>111</u>	<u>4,554</u>	<u>2,268</u>	<u>-</u>
Cash and investments - ending	<u>\$ 1,449</u>	<u>\$ -</u>	<u>\$ 66</u>	<u>\$ -</u>	<u>\$ 14,340</u>
Cash and Investment Assets - Ending					
Cash and investments	\$ 1,449	\$ -	\$ 66	\$ -	\$ 14,340
Restricted assets:					
Cash and investments	-	-	-	-	-
Total cash and investment assets - ending	<u>\$ 1,449</u>	<u>\$ -</u>	<u>\$ 66</u>	<u>\$ -</u>	<u>\$ 14,340</u>
Cash and Investment Fund Balance - Ending					
Restricted for:					
Debt service	\$ -	\$ -	\$ -	\$ -	\$ -
Unrestricted	<u>1,449</u>	<u>-</u>	<u>66</u>	<u>-</u>	<u>14,340</u>
Total cash and investment fund balance - ending	<u>\$ 1,449</u>	<u>\$ -</u>	<u>\$ 66</u>	<u>\$ -</u>	<u>\$ 14,340</u>

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

EAST NOBLE 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)

	School Improvement	FY 07/08 Title V, Part A	FY 05/06 Title V, Part A	FY 07/08 Part B IDEA	FY 06/07 Part B IDEA
Receipts:					
Local sources	\$ -	\$ -	\$ -	\$ -	\$ -
Intermediate sources	-	-	-	-	-
State sources	-	-	-	-	-
Federal sources	85,434	6,353	-	600,140	204,024
Sale of property, adjustments and refunds	-	-	-	-	-
Total receipts	<u>85,434</u>	<u>6,353</u>	<u>-</u>	<u>600,140</u>	<u>204,024</u>
Disbursements:					
Current:					
Instruction	-	5,066	483	332,965	143,417
Support services	85,383	340	-	199,470	61,909
Community services	-	-	-	-	-
Nonprogrammed charges	-	-	-	70,905	-
Debt services	-	-	-	-	-
Total disbursements	<u>85,383</u>	<u>5,406</u>	<u>483</u>	<u>603,340</u>	<u>205,326</u>
Excess (deficiency) of receipts over disbursements	<u>51</u>	<u>947</u>	<u>(483)</u>	<u>(3,200)</u>	<u>(1,302)</u>
Other financing sources (uses):					
Transfers in	-	-	-	-	-
Transfers out	-	-	-	-	-
Total other financing sources (uses)	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Excess (deficiency) of receipts and other financing sources over disbursements and other financing uses	<u>51</u>	<u>947</u>	<u>(483)</u>	<u>(3,200)</u>	<u>(1,302)</u>
Cash and investments - beginning	<u>-</u>	<u>-</u>	<u>483</u>	<u>-</u>	<u>1,302</u>
Cash and investments - ending	<u>\$ 51</u>	<u>\$ 947</u>	<u>\$ -</u>	<u>\$ (3,200)</u>	<u>\$ -</u>
Cash and Investment Assets - Ending					
Cash and investments	\$ 51	\$ 947	\$ -	\$ (3,200)	\$ -
Restricted assets:					
Cash and investments	-	-	-	-	-
Total cash and investment assets - ending	<u>\$ 51</u>	<u>\$ 947</u>	<u>\$ -</u>	<u>\$ (3,200)</u>	<u>\$ -</u>
Cash and Investment Fund Balance - Ending					
Restricted for:					
Debt service	\$ -	\$ -	\$ -	\$ -	\$ -
Unrestricted	<u>51</u>	<u>947</u>	<u>-</u>	<u>(3,200)</u>	<u>-</u>
Total cash and investment fund balance - ending	<u>\$ 51</u>	<u>\$ 947</u>	<u>\$ -</u>	<u>\$ (3,200)</u>	<u>\$ -</u>

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

EAST NOBLE 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)

	FY 06/07 Preschool Handicap	FY 07/08 Preschool Handicap	FY 05/06 Drug Free Schools	FY 06/07 Drug Free Schools	FY 05/06 Title II-A
Receipts:					
Local sources	\$ -	\$ -	\$ -	\$ -	\$ -
Intermediate sources	-	-	-	-	-
State sources	-	-	-	-	-
Federal sources	7,421	14,764	-	8,997	125,268
Sale of property, adjustments and refunds	-	-	-	-	-
Total receipts	7,421	14,764	-	8,997	125,268
Disbursements:					
Current:					
Instruction	-	-	-	779	9,274
Support services	7,565	14,744	618	8,597	125,470
Community services	-	-	-	-	-
Nonprogrammed charges	-	-	-	-	802
Debt services	-	-	-	-	-
Total disbursements	7,565	14,744	618	9,376	135,546
Excess (deficiency) of receipts over disbursements	(144)	20	(618)	(379)	(10,278)
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	(144)	20	(618)	(379)	(10,278)
Cash and investments - beginning	144	-	618	1,056	10,992
Cash and investments - ending	\$ -	\$ 20	\$ -	\$ 677	\$ 714
Cash and Investment Assets - Ending					
Cash and investments	\$ -	\$ 20	\$ -	\$ 677	\$ 714
Restricted assets:					
Cash and investments	-	-	-	-	-
Total cash and investment assets - ending	\$ -	\$ 20	\$ -	\$ 677	\$ 714
Cash and Investment Fund Balance - Ending					
Restricted for:					
Debt service	\$ -	\$ -	\$ -	\$ -	\$ -
Unrestricted	-	20	-	677	714
Total cash and investment fund balance - ending	\$ -	\$ 20	\$ -	\$ 677	\$ 714

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

EAST NOBLE 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)

	FY 06/07 Title II-D Technology	Title III English Proficiency	FY 06/07 Title III-A	Retirement/ Severance Bond	Totals
Receipts:					
Local sources	\$ -	\$ -	\$ -	\$ 250,027	\$ 1,805,820
Intermediate sources	-	-	-	-	488
State sources	-	-	-	-	237,835
Federal sources	-	15,364	-	-	2,083,061
Sale of property, adjustments and refunds	-	-	-	-	9,014
Total receipts	-	15,364	-	250,027	4,136,218
Disbursements:					
Current:					
Instruction	91	10,355	18,455	-	1,104,680
Support services	2,086	-	-	-	2,592,260
Community services	-	-	-	-	6,108
Nonprogrammed charges	-	-	-	-	169,911
Debt services	-	-	-	254,014	254,014
Total disbursements	2,177	10,355	18,455	254,014	4,126,973
Excess (deficiency) of receipts over disbursements	(2,177)	5,009	(18,455)	(3,987)	9,245
Other financing sources (uses):					
Transfers in	-	-	-	-	195,483
Transfers out	-	-	-	-	(195,483)
Total other financing sources (uses)	-	-	-	-	-
Excess (deficiency) of receipts and other financing sources over disbursements and other financing uses	(2,177)	5,009	(18,455)	(3,987)	9,245
Cash and investments - beginning	2,177	-	18,455	11,824	584,411
Cash and investments - ending	<u>\$ -</u>	<u>\$ 5,009</u>	<u>\$ -</u>	<u>\$ 7,837</u>	<u>\$ 593,656</u>
Cash and Investment Assets - Ending					
Cash and investments	\$ -	\$ 5,009	\$ -	\$ -	\$ 585,819
Restricted assets:					
Cash and investments	-	-	-	7,837	7,837
Total cash and investment assets - ending	<u>\$ -</u>	<u>\$ 5,009</u>	<u>\$ -</u>	<u>\$ 7,837</u>	<u>\$ 593,656</u>
Cash and Investment Fund Balance - Ending					
Restricted for:					
Debt service	\$ -	\$ -	\$ -	\$ 7,837	\$ 7,837
Unrestricted	-	5,009	-	-	585,819
Total cash and investment fund balance - ending	<u>\$ -</u>	<u>\$ 5,009</u>	<u>\$ -</u>	<u>\$ 7,837</u>	<u>\$ 593,656</u>

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

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

	<u>Payroll Deductions</u>
Cash and investments fund balance - ending	\$ <u><u>86,740</u></u>

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

	Payroll Deductions	Payroll Clearing	SSES After School Tutoring	Flex Clearing	Totals
Cash and investments fund balance - ending	\$ 112,479	\$ 402	\$ 269	\$ 657	\$ 113,807

EAST NOBLE SCHOOL CORPORATION
 SUPPLEMENTARY INFORMATION
 SCHEDULE OF CAPITAL ASSETS

For the Fiscal Year Ended June 30, 2008

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

The School Corporation does not have any infrastructure assets.

<u>Primary Government</u>	<u>Ending Balance</u>
Governmental activities:	
Capital assets, not being depreciated:	
Land	\$ 3,070,366
Buildings	64,542,895
Improvements other than buildings	938,108
Machinery and equipment	4,195,029
Construction in progress	<u>5,432,701</u>
 Total governmental activities, capital assets not being depreciated	 <u>\$ 78,179,099</u>

EAST NOBLE SCHOOL CORPORATION
 SUPPLEMENTARY INFORMATION
 SCHEDULE OF LONG-TERM DEBT
 June 30, 2008

The School Corporation has entered into the following debt:

Description of Debt	Ending Principal Balance	Principal and Interest Due Within One Year
Governmental Activities:		
Capital leases:		
Building corporations:		
Avilla 2002	\$ 5,745,000	\$ 510,000
ENHS 2003	6,710,000	381,500
Northside 2004	8,910,000	533,500
KMS & ENHS 2005	12,580,000	914,500
Wayne Center 2007	6,025,000	165,000
Buses	193,209	60,320
Technology equipment and software	274,481	269,370
Bonds payable:		
General obligation bonds:		
Pension obligation 2003	1,220,000	129,236
General obligation 2007	650,000	282,675
Total governmental activities debt	<u>\$ 42,307,690</u>	<u>\$ 3,246,101</u>

EAST NOBLE SCHOOL CORPORATION
AUDIT RESULTS AND COMMENTS

OVERDRAWN CASH BALANCES

The General, Transportation Operating and School Bus Replacement funds were overdrawn for the fiscal year ended June 30, 2007, by \$559,610, \$288,478, and \$100,109, respectively. The Access Indiana, Workforce Development Grant, and FY 07/08 Part B IDEA funds were overdrawn for the fiscal year ended June 30, 2008, by \$24,645, \$5,104 and \$3,200, respectively.

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)

APPROPRIATIONS

Records presented for audit indicated expenditures in excess of the budgeted appropriations in 2007 of \$53,150 for the General Fund.

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

DISBURSEMENTS

The following deficiencies were found during the review of the accounts payable vouchers:

1. A receipt of goods and services was not recorded on many of the vouchers reviewed nor was there a copy of a signed purchase order attached.
2. Items promotional in nature were purchased from accounts other than a promotion account.

IC 5-11-10-1.6(c) provides: "The fiscal officer of a governmental entity may not draw a warrant or check for payment of a claim unless:

- (1) there is a fully itemized invoice or bill for the claim;
- (2) the invoice or bill is approved by the officer or person receiving the goods or services;
- (3) the invoice or bill is filed with the governmental entity's fiscal officer;
- (4) the fiscal officer audits and certifies before payment that the invoice or bill is true and correct; and
- (5) payment of the claim is allowed by the governmental entity's legislative body or the board having jurisdiction over allowance of payment of the claim."

EAST NOBLE SCHOOL CORPORATION
AUDIT RESULTS AND COMMENTS
(Continued)

This subsection does not prohibit a school corporation, with prior approval of the board having jurisdiction over allowance of payment of the claim, from making payment in advance of receipt of services as allowed by guidelines developed under IC 20-20-13-10. We are of the audit position IC 5-11-10-1.6(c)(2) may be complied with by attaching to the Accounts Payable Voucher Form 523, the receiving copy of the Purchase Order Form 98, signed by the person receiving the goods or services. (The School Administrator and Uniform Compliance Guidelines, June 2006)

IC 20-26-5-4(3) concerning promotion of school states in part: "To appropriate from the school corporation's general fund an amount, not to exceed the greater of three thousand dollars (\$3,000) per budget year or one dollar (\$1) per pupil, not to exceed twelve thousand five hundred dollars (\$12,500), based on the school corporation's previous year's ADM to promote the best interests of the school corporation through: (A) the purchase of meals, decorations, memorabilia, or awards;"

AVERAGE DAILY MEMBERSHIP (ADM) - LACK OF RECORDS

Records were not presented for audit to support the ADM claimed by the School Corporation.

Officials should maintain records (enrollment cards, rosters, reporting forms, etc.) which substantiate the number of students claimed for ADM.

The building level official (Principal, Assistant Principal, etc.) responsible for reporting ADM to the School Corporation Central Office, should provide a written certification of ADM to properly document responsibility. The certification should at a minimum include a statement detailing the names and location of the records used (these records must be retained for public inspection and audit) to substantiate ADM claimed. (Accounting and Uniform Compliance Guidelines Manual for Indiana Public School Corporations, Chapter 8)

IC 5-15-6-3(f) concerning destruction of public records, states in part: "Original records may be disposed of only with the approval of the commission according to guidelines established by the commission." (Accounting and Uniform Compliance Guidelines Manual for Indiana Public School Corporations, Chapter 11)

CONDITION OF RECORDS (Applies to Rome City K-8)

Financial records presented for audit were incomplete and not reflective of the activity of the extra-curricular funds. The records presented did not provide sufficient information to audit or establish beginning balances, receipts, disbursements, ending balances, or the accuracy or correctness of the transactions. The school year end totals for receipts and disbursements by fund should agree to the SA5-1 Financial Report.

At all times, the manual and/or computerized records, subsidiary ledgers, control ledger, and reconciled bank balance should agree. If the reconciled bank balance is less than the subsidiary or control ledgers, then the responsible official or employee may be held personally responsible for the amount needed to balance the fund. (Accounting and Uniform Compliance Guidelines Manual for Extra-Curricular Accounts, Chapter 7)

EAST NOBLE SCHOOL CORPORATION
AUDIT RESULTS AND COMMENTS
(Continued)

PRESCRIBED FORMS (Applies to East Noble High School and Rome City K-8)

The SA-6 Extra-Curricular Ledger, a prescribed or approved form, was not in use for Rome City K-8. Instead a modified form was used which did not contain any totals such as a running cash balance by fund or totals for receipts and disbursements.

The SA-1 Purchase Order Accounts Payable Voucher is being used at East Noble High School; however, the SA-1 is not always properly supported by receipts or invoices. Several SA-1 forms for athletic disbursements of entry fees and greens fees did not have supporting documentation. Per the SA-1 form, "An invoice or bill to be properly itemized must show: kind of service, where performed, dates services rendered, by whom, rates per day, number of hours, rate per hour, number of units, price per unit, etc."

Officials and employees are required to use State Board of Accounts prescribed or approved forms in the manner prescribed. (Accounting and Uniform Compliance Guidelines Manual for Extra-Curricular Accounts, Chapter 7)

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
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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 EAST NOBLE SCHOOL CORPORATION, NOBLE COUNTY, INDIANA

Compliance

We have audited the compliance of the East Noble School Corporation (School Corporation) with the types of compliance requirements described in the U.S. Office of Management and Budget (OMB) Circular A-133 Compliance Supplement that are applicable to each of its major federal programs for the years ended June 30, 2007 and 2008. The School Corporation's major federal programs are identified in the Summary of Auditor's Results section of the accompanying Schedule of Findings and Questioned Costs. Compliance with the requirements of laws, regulations, contracts and grants applicable to each of its major federal programs is the responsibility of the School Corporation's management. Our responsibility is to express an opinion on the School Corporation's compliance based on our audit.

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

In our opinion, the School Corporation complied in all material respects with the requirements referred to above that are applicable to each of its major federal programs for the years ended June 30, 2007 and 2008.

Internal Control Over Compliance

The management of the School Corporation is responsible for establishing and maintaining effective internal control over compliance with requirements of laws, regulations, contracts and grants applicable to federal programs. In planning and performing our audit, we considered the School Corporation's internal control over compliance with requirements that could have a direct and material effect on a major federal program in order to determine our auditing procedures for the purpose of expressing our opinion on compliance, but not for the purpose of expressing an opinion on the effectiveness of internal control over compliance. Accordingly, we do not express an opinion on the effectiveness of the School Corporation's internal control over compliance.

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

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, 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 11, 2009

EAST NOBLE SCHOOL CORPORATION
SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS
For The Years Ended June 30, 2007 and 2008

Federal Grantor Agency/Pass-Through Entity Cluster Title/Program Title/Project Title	Federal CFDA Number	Pass-Through Entity (or Other) Identifying Number	Total Federal Awards Expended 06-30-07	Total Federal Awards Expended 06-30-08
<u>U.S. DEPARTMENT OF AGRICULTURE</u>				
Pass-Through Indiana Department of Education				
Child Nutrition Cluster				
School Breakfast Program	10.553		\$ 86,483	\$ 88,832
National School Lunch Program	10.555		598,751	634,176
			<u>685,234</u>	<u>723,008</u>
Total for federal grantor agency				
<u>U.S DEPARTMENT OF LABOR</u>				
Pass-Through Indiana Department of Education				
School to Work	17.249	FY 1996	262	-
			<u>262</u>	<u>-</u>
Total for federal grantor agency				
<u>U.S. DEPARTMENT OF EDUCATION</u>				
Pass-Through Indiana Department of Education				
Special Education Cluster				
Special Education Grants to States	84.027	14205-067-DY01	2,605	-
		14205-067-PN01	2,767	-
		14206-067-PN01	135,355	-
		14207-067-PN01	593,198	205,326
		14208-067-PN01	-	603,340
			<u>733,925</u>	<u>808,666</u>
Total for program				
Special Education Preschool Grants	84.173	45706-067-PN01	4,666	-
		45707-067-PN01	15,938	7,565
		45708-067-PN01	-	14,744
			<u>20,604</u>	<u>22,309</u>
Total for program				
Total for cluster			<u>754,529</u>	<u>830,975</u>
Pass-Through Indiana Department of Education				
Title I Grants to Local Educational Agencies	84.010	06-6060	50,689	-
		07-6060	278,424	70,793
		08-6060	-	321,099
			<u>329,113</u>	<u>391,892</u>
Total for program				
Safe and Drug Free Schools and Communities State Grants	84.186	05-202	10,957	619
		06-6060	1,945	9,375
			<u>12,902</u>	<u>9,994</u>
Total for program				
Even Start - State Educational Agencies	84.213	05-1018	12,692	-

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

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

Federal Grantor Agency/Pass-Through Entity Cluster Title/Program Title/Project Title	Federal CFDA Number	Pass-Through Entity (or Other) Identifying Number	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)				
State Grants for Innovative Programs	84.298	04-193 05-248 07-6060	67 7,831 -	- 483 5,406
Total for program			7,898	5,889
Education Technology State Grants	84.318	FY 04-05 FY 05-06	1,880 5,063	- 2,178
Total for program			6,943	2,178
English Language Acquisition Grants	84.365A	FY 05-06 FY 06-07 FY 07-08	10,205 1,112 -	- 18,455 10,355
Total for program			11,317	28,810
Improving Teacher Quality State Grants	84.367	04-263 05-215 06-6060	24,414 109,311 -	- 10,992 124,554
Total for program			133,725	135,546
School Improvement Grants	84.377	08-6060	-	85,383
Total for federal grantor agency			1,269,119	1,490,667
<u>U.S. DEPARTMENT OF HOMELAND SECURITY</u>				
Pass-Through Indiana Department of Homeland Security				
Disaster Grants - Public Assistance (Presidentially Declared Disasters)	97.036	3274	3,392	-
Total for federal grantor agency			3,392	-
			\$ 1,958,007	\$ 2,213,675

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

EAST NOBLE 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 East Noble 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	10.555	\$ 15,291	\$ 12,845
National School Lunch Program	10.553	104,404	90,496

EAST NOBLE SCHOOL CORPORATION
SCHEDULE OF FINDINGS AND QUESTIONED COSTS

Section I – Summary of Auditor's Results

Financial Statements:

Type of auditor's report issued: Unqualified

Internal control over financial reporting:
 Material weaknesses identified? no
 Significant deficiencies identified that are not considered to be material weaknesses? none reported

Noncompliance material to financial statements noted? no

Federal Awards:

Internal control over major programs:
 Material weaknesses identified? no
 Significant deficiencies identified that are not considered to be material weaknesses? none reported

Type of auditor's report issued on compliance for major programs: Unqualified
 Any audit findings disclosed that are required to be reported in accordance with section 510(a) of Circular A-133? no

Identification of Major Programs:

CFDA Number	Name of Federal Program or Cluster
10.555	Child Nutrition Cluster
84.010	Title I Grants to Local Educational Agencies

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.

EAST NOBLE SCHOOL CORPORATION
SUMMARY SCHEDULE OF PRIOR AUDIT FINDINGS

No prior findings.

EAST NOBLE SCHOOL CORPORATION
EXIT CONFERENCE

The contents of this report were discussed on May 11, 2009, with Dr. H. Steve Sprunger, Superintendent of Schools; and Craig A. Ream, Treasurer. The official response has been made a part of this report and may be found on page 64.

East Noble School Corporation

126 W. Rush Street
KENDALLVILLE, INDIANA 46755
PHONE 260-347-2502 ~ FAX 260-347-0111

Dr. H. Steve Sprunger
Superintendent of Schools

Ann W. Linson
Assistant Superintendent

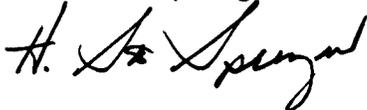
Joanne H. Willer
Director of Special Education

Craig A. Ream
Business Manager

May 13, 2009

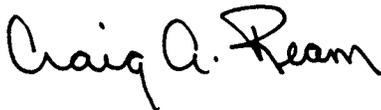
East Noble School Corporation concurs with the audit comment made in the exit conference with us on May 11, 2009. The auditors have discussed with us their findings and we are taking appropriate actions on these items. We appreciate the help of the State Board of Accounts in this audit.

H. Steve Sprunger



Superintendent

Craig A. Ream



Business Manager

Mary Casselman



Accounting Coordinator

"East Noble School Corporation: Excellence in Education!"