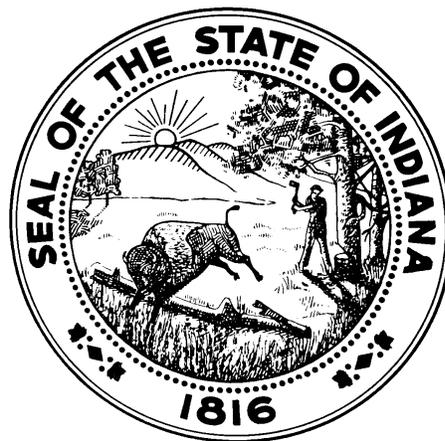


STATE BOARD OF ACCOUNTS
302 West Washington Street
Room E418
INDIANAPOLIS, INDIANA 46204-2769

AUDIT REPORT
OF
WHITE RIVER VALLEY SCHOOL CORPORATION
GREENE COUNTY, INDIANA
July 1, 2006 to June 30, 2008



FILED
06/23/2009

TABLE OF CONTENTS

<u>Description</u>	<u>Page</u>
Schedule of Officials	2
Independent Auditor's Report on Financial Statements and Supplementary Schedule of Expenditures of Federal Awards	3-4
Report on Internal Control Over Financial Reporting and on Compliance and Other Matters Based on an Audit of Financial Statements Performed in Accordance With Government Auditing Standards	5-6
Basic Financial Statements:	
Government-Wide Financial Statements:	
Statement of Activities and Net Assets – Cash and Investment Basis	7-8
Fund Financial Statements:	
Governmental Funds:	
Statement of Assets and Fund Balances and Receipts, Disbursements, and Changes in Fund Balances – Cash and Investment Basis – Governmental Funds	9-10
Fiduciary Funds:	
Statement of Additions, Deductions, and Changes in Cash and Investment Balances – Fiduciary Funds	11-12
Notes to Financial Statements	13-22
Required Supplementary Information:	
Schedule of Funding Progress	23
Supplementary Information:	
Combining Schedule of Assets and Fund Balances and Receipts, Disbursements, and Changes in Fund Balances – Cash and Investment Basis – Other Governmental Funds.....	24-34
Combining Schedule of Cash and Investment Balances – Agency Funds	35-45
Schedule of Capital Assets.....	46
Schedule of Long-Term Debt	47
Audit Results and Comments:	
Textbook Rental.....	48
Payroll Deductions.....	48
Extra-Curricular Software	49-50
Overdrawn Cash Balances.....	50
Supplemental Audit of Federal Awards:	
Independent Auditor's Report on Compliance with Requirements Applicable to Each Major Program and Internal Control Over Compliance in Accordance With OMB Circular A-133.....	52-53
Schedule of Expenditures of Federal Awards	54
Notes to Schedule of Expenditures of Federal Awards.....	55
Schedule of Findings and Questioned Costs	56
Auditee Prepared Schedule:	
Summary Schedule of Prior Audit Findings	57
Exit Conference.....	58

SCHEDULE OF OFFICIALS

<u>Office</u>	<u>Official</u>	<u>Term</u>
Treasurer	Jayne A. Kaho	07-01-06 to 06-30-09
Superintendent of Schools	Layton Wall	07-01-06 to 06-30-09
President of the School Board	Roger Shake Andrew Graves Gerald D. Murdock	07-01-06 to 06-30-07 07-01-07 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 WHITE RIVER VALLEY
SCHOOL CORPORATION, GREENE COUNTY, INDIANA

We have audited the accompanying financial statements of the governmental activities, each major fund, and the aggregate remaining fund information of the White River Valley School Corporation (School Corporation), as of and for the years ended June 30, 2007 and 2008, which collectively comprise the School Corporation's basic financial statements as listed in the Table of Contents. These financial statements are the responsibility of the School Corporation's management. Our responsibility is to express opinions on these financial statements based on our audit.

We conducted our audit in accordance with auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in Government Auditing Standards, issued by the Comptroller General of the United States. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free of material misstatement. An audit includes examining, on a test basis, evidence supporting the amounts and disclosures in the financial statements. An audit also includes assessing the accounting principles used and significant estimates made by management, as well as evaluating the overall financial statement presentation. We believe that our audit provides a reasonable basis for our opinions.

As discussed in Note I, the School Corporation prepares its financial statements on the prescribed basis of accounting that demonstrates compliance with the cash and investment basis and budget laws of the State of Indiana, which is a comprehensive basis of accounting other than accounting principles generally accepted in the United States of America.

In our opinion, the financial statements referred to above present fairly, in all material respects, the respective cash and investment balances of the governmental activities, each major fund, and the aggregate remaining fund information of the School Corporation as of June 30, 2007 and 2008, and the respective cash receipts and cash disbursements during the years then ended on the basis of accounting described in Note I.

In accordance with Government Auditing Standards, we have also issued a report dated April 29, 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

April 29, 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 WHITE RIVER VALLEY
SCHOOL CORPORATION, GREENE COUNTY, INDIANA

We have audited the financial statements of the governmental activities, each major fund, and the aggregate remaining fund information of the White River Valley School Corporation (School Corporation), as of and for the years ended June 30, 2007 and 2008, which collectively comprise the School Corporation's basic financial statements and have issued our report thereon dated April 29, 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.

We noted certain matters that we reported to management in a separate letter dated April 29, 2009.

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

STATE BOARD OF ACCOUNTS

April 29, 2009

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

<u>Functions/Programs</u>	<u>Disbursements</u>	<u>Program Receipts</u>		<u>Totals</u>
		<u>Charges for Services</u>	<u>Operating Grants and Contributions</u>	<u>Net (Disbursement) Receipts and Changes in Net Assets</u>
Governmental activities:				
Instruction	\$ 5,287,035	\$ -	\$ 38,698	\$ (5,248,337)
Support services	2,988,663	118,807	200,872	(2,668,984)
Community services	86,692	-	-	(86,692)
Nonprogrammed charges	146,338	-	-	(146,338)
Debt service	976,567	-	-	(976,567)
Total government	<u>\$ 9,485,295</u>	<u>\$ 118,807</u>	<u>\$ 239,570</u>	<u>(9,126,918)</u>
General receipts:				
Property taxes				2,715,262
Other local sources				503,234
State aid				3,629,753
Bonds and loans				1,000,000
Grants and contributions not restricted to specific programs				594,181
Sale of property, adjustments, and refunds				15,932
Investment earnings				90,934
Total general receipts				<u>8,549,296</u>
Change in net assets				(577,622)
Net assets - beginning				<u>3,336,048</u>
Net assets - ending				<u>\$ 2,758,426</u>
Assets				
Cash and investments				<u>\$ 2,758,426</u>
Net Assets				
Unrestricted				<u>\$ 2,758,426</u>

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

WHITE RIVER VALLEY 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	\$ 5,367,749	\$ -	\$ 57,233	\$ (5,310,516)
Support services	3,535,399	54,556	212,155	(3,268,688)
Community services	105,616	-	-	(105,616)
Nonprogrammed charges	137,337	-	-	(137,337)
Debt service	1,996,567	-	-	(1,996,567)
Total government	<u>\$ 11,142,668</u>	<u>\$ 54,556</u>	<u>\$ 269,388</u>	<u>(10,818,724)</u>
General receipts:				
Property taxes				3,862,839
Other local sources				945,398
State aid				3,636,527
Bonds and loans				2,000,000
Grants and contributions not restricted to specific programs				717,302
Sale of property, adjustments, and refunds				19,555
Investment earnings				<u>147,179</u>
Total general receipts				<u>11,328,800</u>
Change in net assets				510,076
Net assets - beginning				<u>2,758,426</u>
Net assets - ending				<u>\$ 3,268,502</u>
<u>Assets</u>				
Cash and investments				<u>\$ 3,268,502</u>
<u>Net Assets</u>				
Unrestricted				<u>\$ 3,268,502</u>

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

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

	General	Transportation Operating	Rainy Day	Cape Grant	Debt Service	Capital Projects	School Bus Replacement	Other	Totals
Receipts:									
Local sources	\$ 1,662,244	\$ 348,109	\$ -	\$ 119,293	\$ 415,541	\$ 432,055	\$ 63,807	\$ 386,586	\$ 3,427,635
Intermediate sources	-	-	-	-	-	-	-	600	600
State sources	3,729,676	-	-	-	-	-	-	(12,420)	3,717,256
Federal sources	124,459	-	-	-	-	-	-	623,936	748,395
Bonds and loans	1,000,000	-	-	-	-	-	-	-	1,000,000
Sale of property, adjustments and refunds	2,275	177	-	-	-	-	-	11,335	13,787
Total receipts	6,518,654	348,286	-	119,293	415,541	432,055	63,807	1,010,037	8,907,673
Disbursements:									
Current:									
Instruction	4,461,409	-	-	437,450	-	-	-	388,176	5,287,035
Support services	1,316,208	503,621	-	50,197	-	731,872	45,169	341,596	2,988,663
Community services	85,088	-	-	-	-	-	-	1,604	86,692
Nonprogrammed charges	146,338	-	-	-	-	-	-	-	146,338
Debt services	-	-	-	-	608,000	-	-	368,567	976,567
Total disbursements	6,009,043	503,621	-	487,647	608,000	731,872	45,169	1,099,943	9,485,295
Excess (deficiency) of receipts over disbursements	509,611	(155,335)	-	(368,354)	(192,459)	(299,817)	18,638	(89,906)	(577,622)
Other financing sources (uses):									
Transfers in	-	-	450,000	-	-	-	-	9,612	459,612
Transfers out	-	(100,000)	-	-	(100,000)	(250,000)	-	(9,612)	(459,612)
Total other financing sources (uses)	-	(100,000)	450,000	-	(100,000)	(250,000)	-	-	-
Excess (deficiency) of receipts and other financing sources over disbursements and other financing uses	509,611	(255,335)	450,000	(368,354)	(292,459)	(549,817)	18,638	(89,906)	(577,622)
Cash and investments - beginning	66,934	311,250	77,700	1,061,578	277,946	1,203,368	81,540	255,732	3,336,048
Cash and investments - ending	\$ 576,545	\$ 55,915	\$ 527,700	\$ 693,224	\$ (14,513)	\$ 653,551	\$ 100,178	\$ 165,826	\$ 2,758,426
Cash and Investment Assets - Ending									
Cash and investments	\$ 576,545	\$ 55,915	\$ 527,700	\$ 693,224	\$ -	\$ 653,551	\$ 100,178	\$ 346,775	\$ 2,953,888
Restricted assets:									
Cash and investments	-	-	-	-	(14,513)	-	-	(180,949)	(195,462)
Total cash and investment assets - ending	\$ 576,545	\$ 55,915	\$ 527,700	\$ 693,224	\$ (14,513)	\$ 653,551	\$ 100,178	\$ 165,826	\$ 2,758,426
Cash and Investment Fund Balance - Ending									
Restricted for:									
Debt service	\$ -	\$ -	\$ -	\$ -	\$ (14,513)	\$ -	\$ -	\$ (180,949)	\$ (195,462)
Unrestricted	576,545	55,915	527,700	693,224	-	653,551	100,178	346,775	2,953,888
Total cash and investment fund balance - ending	\$ 576,545	\$ 55,915	\$ 527,700	\$ 693,224	\$ (14,513)	\$ 653,551	\$ 100,178	\$ 165,826	\$ 2,758,426

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

WHITE RIVER VALLEY SCHOOL CORPORATION
STATEMENT OF ASSETS AND FUND BALANCES AND RECEIPTS,
DISBURSEMENTS, AND CHANGES IN FUND BALANCES - CASH AND INVESTMENT BASIS
GOVERNMENTAL FUNDS
For the Year Ended June 30, 2008

	General	Transportation Operating	Rainy Day	Cape Grant	Debt Service	Capital Projects	School Bus Replacement	Other	Totals
Receipts:									
Local sources	\$ 2,564,845	\$ 569,453	\$ -	\$ 21,094	\$ 599,810	\$ 556,623	\$ 41,028	\$ 646,780	\$ 4,999,633
Intermediate sources	-	-	-	-	-	-	-	338	338
State sources	3,635,032	-	-	-	-	-	-	114,756	3,749,788
Federal sources	22,400	-	-	-	-	-	-	861,029	883,429
Bonds and loans	2,000,000	-	-	-	-	-	-	-	2,000,000
Sale of property, adjustments and refunds	18,056	1,500	-	-	-	-	-	-	19,556
Total receipts	8,240,333	570,953	-	21,094	599,810	556,623	41,028	1,622,903	11,652,744
Disbursements:									
Current:									
Instruction	4,536,379	-	-	187,883	-	-	-	643,487	5,367,749
Support services	1,561,774	603,566	-	32,472	-	819,853	76,500	441,234	3,535,399
Community services	93,005	-	-	-	-	-	-	12,611	105,616
Nonprogrammed charges	137,337	-	-	-	-	-	-	-	137,337
Debt services	1,000,000	-	-	-	633,103	-	-	363,464	1,996,567
Total disbursements	7,328,495	603,566	-	220,355	633,103	819,853	76,500	1,460,796	11,142,668
Excess (deficiency) of receipts over disbursements	911,838	(32,613)	-	(199,261)	(33,293)	(263,230)	(35,472)	162,107	429,976
Other financing sources (uses):									
Transfers in	244,479	-	600,000	-	-	-	-	286,746	1,131,225
Transfers out	(127,990)	(27,576)	-	-	(43,706)	(639,177)	(4,790)	(287,986)	(1,131,225)
Total other financing sources (uses)	116,489	(27,576)	600,000	-	(43,706)	(639,177)	(4,790)	(1,240)	-
Excess (deficiency) of receipts and other financing sources over disbursements and other financing uses	1,028,327	(60,189)	600,000	(199,261)	(76,999)	(902,407)	(40,262)	160,867	510,076
Cash and investments - beginning	576,545	55,915	527,700	693,224	(14,513)	653,551	100,178	165,826	2,758,426
Cash and investments - ending	<u>\$ 1,604,872</u>	<u>\$ (4,274)</u>	<u>\$ 1,127,700</u>	<u>\$ 493,963</u>	<u>\$ (91,512)</u>	<u>\$ (248,856)</u>	<u>\$ 59,916</u>	<u>\$ 326,693</u>	<u>\$ 3,268,502</u>
Cash and Investment Assets - Ending									
Cash and investments	\$ 1,604,872	\$ (4,274)	\$ 1,127,700	\$ 493,963	\$ -	\$ (248,856)	\$ 59,916	\$ 492,066	\$ 3,525,387
Restricted assets:									
Cash and investments	-	-	-	-	(91,512)	-	-	(165,373)	(256,885)
Total cash and investment assets - ending	<u>\$ 1,604,872</u>	<u>\$ (4,274)</u>	<u>\$ 1,127,700</u>	<u>\$ 493,963</u>	<u>\$ (91,512)</u>	<u>\$ (248,856)</u>	<u>\$ 59,916</u>	<u>\$ 326,693</u>	<u>\$ 3,268,502</u>
Cash and Investment Fund Balance - Ending									
Restricted for:									
Debt service	\$ -	\$ -	\$ -	\$ -	\$ (91,512)	\$ -	\$ -	\$ (165,373)	\$ (256,885)
Unrestricted	1,604,872	(4,274)	1,127,700	493,963	-	(248,856)	59,916	492,066	3,525,387
Total cash and investment fund balance - ending	<u>\$ 1,604,872</u>	<u>\$ (4,274)</u>	<u>\$ 1,127,700</u>	<u>\$ 493,963</u>	<u>\$ (91,512)</u>	<u>\$ (248,856)</u>	<u>\$ 59,916</u>	<u>\$ 326,693</u>	<u>\$ 3,268,502</u>

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

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

	<u>Retirement/ Severance</u>	<u>Agency Funds</u>
Additions:		
Contributions:		
Other	<u>\$ 79,007</u>	
Deductions:		
Benefits	<u>135,292</u>	
Deficiency of total additions over total deductions	(56,285)	
Cash and investment fund balance - beginning	<u>687,393</u>	
Cash and investment fund balance - ending	<u>\$ 631,108</u>	<u>\$ 118,613</u>
Net assets:		
Cash and investments	<u>\$ 631,108</u>	
Total net assets - cash and investment basis held in trust	<u>\$ 631,108</u>	

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

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

	Retirement/ Severance	Agency Funds
Deductions:		
Benefits	\$ <u>92,217</u>	
Deficiency of total additions over total deductions	(92,217)	
Cash and investment fund balance - beginning	<u>631,108</u>	
Cash and investment fund balance - ending	<u>\$ 538,891</u>	<u>\$ 225,296</u>
Net assets:		
Cash and investments	<u>\$ 538,891</u>	
Total net assets - cash and investment basis held in trust	<u>\$ 538,891</u>	

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

WHITE RIVER VALLEY 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.

These financial statements present the School Corporation(primary government). There are no significant component units which require inclusion.

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 five other school corporations in a joint venture to operate Greene-Sullivan Special Education Cooperative which was created to teach special education classes. The School Corporation is obligated for the debts of the Greene-Sullivan Special Education Cooperative based on a percentage of average daily membership. Complete financial statements for the Cooperative can be obtained from 77 "A" Street, Linton, Indiana, 47441.

The School Corporation is a participant with twelve other school corporations in a joint venture to operate the Twin Rivers Vocational Area which was created to teach vocational education. The School Corporation is obligated for a share of the debts of the Twin Rivers Vocational Area based upon a percentage of the average daily membership (ADM). Complete financial statements can be obtained from Twin Rivers Vocational Area, 20 N. 3rd Street, Vincennes, Indiana, 47591.

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. Governmental activities generally are financed through taxes, intergovernmental revenues, and other nonexchange revenues.

Fund Financial Statements

Fund financial statements of the reporting entity are organized into funds, each of which is considered to be a separate accounting entity. Each fund is accounted for by providing a separate set of self-balancing accounts that constitutes its assets, fund equity, receipts, and disbursements. Separate financial statements are provided for governmental funds, proprietary funds,

WHITE RIVER VALLEY SCHOOL CORPORATION
NOTES TO FINANCIAL STATEMENTS
(Continued)

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 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 rainy day fund is used to account for funds in accordance with IC 36-1-8-5.1 and a locally adopted resolution.

The cape grant fund accounts for receipts and disbursements concerning the attendance of students in all Greene County Schools. White River Valley School Corporation is the LEA for the \$4.6 million grant which was received from the Lilly Foundation. An additional \$800,000 dollar grant was received from the Lilly Foundation during the 2005-2006 school year.

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

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

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

Additionally, the School Corporation reports the following fund types:

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

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

C. Measurement Focus and Basis of Accounting

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

WHITE RIVER VALLEY SCHOOL CORPORATION
NOTES TO FINANCIAL STATEMENTS
(Continued)

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. Exceptions to this general rule are payments-in-lieu of taxes and other charges. Elimination of these charges would distort the direct costs and program receipts reported for the various functions concerned.

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

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

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. All property taxes collected by the County Treasurer and available for distribution were distributed to the School Corporation on or prior to June 30 of the year collected.

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.

WHITE RIVER VALLEY SCHOOL CORPORATION
NOTES TO FINANCIAL STATEMENTS
(Continued)

4. Long-Term Debt

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

5. Equity Classification

Government-Wide Statements

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

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

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

Fund Financial Statements

Governmental fund equity is classified as fund balance.

E. Receipts and Disbursements

1. Program Receipts

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

2. Operating Receipts and Disbursements

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

F. Internal and Interfund Balances and Activities

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

WHITE RIVER VALLEY 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 not reported as reimbursements but as adjustments to disbursements in the respective funds.
3. Interfund transfers – Flow of assets from one fund to another where repayment is not expected is reported as transfers in and out.

Government-Wide Financial Statements

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

1. 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.

II. Stewardship, Compliance and Accountability

A. Budgetary Information

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

Prior to the first required publication, the fiscal officer of the School Corporation submits to the governing board a proposed operating budget for the year commencing the following July 1. Prior to adoption, the budget is advertised and public hearings are conducted by the governing board to obtain taxpayer comments. In September of each year, the governing board, through the passage of a resolution/ordinance, approves the budget for the next year. Copies of the budget resolution/ordinance and the advertisement for funds for which property taxes are levied or highway use taxes are received are sent to the Indiana Department of Local Government Finance. The budget becomes legally enacted after the fiscal officer of the School Corporation receives approval of the Indiana Department of Local Government Finance.

The School Corporation's management cannot transfer budgeted appropriations between object classifications of a budget without approval of the governing board. The Indiana Department of Local Government Finance must approve any revisions to the appropriations for any fund or any department of the General Fund. The legal level of budgetary control is by object and department within the fund for the General Fund and by object within the fund for all other budgeted funds.

B. Disbursements in Excess of Appropriations

For the year ended June 30, 2007, disbursements exceeded budgeted appropriations in the following funds by the amounts below:

WHITE RIVER VALLEY SCHOOL CORPORATION
NOTES TO FINANCIAL STATEMENTS
(Continued)

Fund	2007
Special Education Preschool	\$ (2,783)
Retirement/Severance Bond Debt Service	(67,450)
Total	\$ (70,233)

These disbursements were funded by available fund balance.

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	2007	2008
Debt Service	\$ (14,513)	\$ (91,512)
Transportation Operating	-	(4,274)
Capital Projects	-	(248,856)
IN School Academic Improvement Program	(18)	(18)
Drug Free Title IV	(2,523)	-
Indiana Workforce Development	(201)	-
Retirement/Severance Bond Debt Service	(180,949)	(165,373)
Special Education Preschool	-	(2,954)
Title II Part D	-	(168)

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

III. Detailed Notes on All Funds

A. 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 \$4,180,981. All of these deposits were insured by the Federal Deposit Insurance Corporation or the Public Deposit Insurance Fund, which covers all public funds held in approved depositories.

B. Interfund Transfers

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

WHITE RIVER VALLEY SCHOOL CORPORATION
NOTES TO FINANCIAL STATEMENTS
(Continued)

<u>Transfer From</u>	<u>Transfer To</u>	<u>2006-2007</u>	<u>2007-2008</u>
General Fund	Other governmental funds	\$ -	\$ 127,990
Debt Service	Rainy Day	100,000	-
	Other governmental funds	-	43,706
Capital Projects	Rainy Day	250,000	600,000
	Other governmental funds	-	39,177
Transportation	Rainy Day	100,000	-
	Other governmental funds	-	27,576
School Bus Replacement	Other governmental funds	-	4,790
Other governmental funds	General Fund	-	244,479
	Other governmental funds	9,612	43,507
		<u>9,612</u>	<u>43,507</u>
Totals		<u>\$ 459,612</u>	<u>\$ 1,131,225</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; 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.

B. Pension Plans

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

Public Employees' Retirement Fund

Plan Description

The School Corporation contributes to the Indiana Public Employees' Retirement Fund (PERF), a defined benefit pension plan. PERF is an agent multiple-employer public employee retirement system, which provides retirement benefits to plan members and beneficiaries. All full-time employees are eligible to participate in the defined benefit plan. State statutes (IC 5-10.2 and 5-10.3) govern, through the PERF Board, most requirements of the system and give the School Corporation authority to contribute to the plan. The PERF retirement benefit consists of the pension provided by employer contributions plus an annuity

WHITE RIVER VALLEY SCHOOL CORPORATION
NOTES TO FINANCIAL STATEMENTS
(Continued)

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	\$ 71,186
Interest on net pension obligation	(3,360)
Adjustment to annual required contribution	3,829
Annual pension cost	71,655
Contributions made	35,923
Increase in net pension obligation	35,732
Net pension obligation, beginning of year	(46,342)
Net pension obligation, end of year	\$ (10,610)

WHITE RIVER VALLEY SCHOOL CORPORATION
 NOTES TO FINANCIAL STATEMENTS
 (Continued)

	PERF
Contribution rates:	
School Corporation	5.5%
Plan members	3%
Actuarial valuation date	07-01-06
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

N/A = Not available

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

Three Year Trend Information

	Year Ending	Annual Pension Cost (APC)	Percentage of APC Contributed	Net Pension Obligation
PERF	06-30-05	\$ 18,922	178%	\$ (68,129)
	06-30-06	52,833	59%	(46,342)
	06-30-07	71,655	50%	(10,610)

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.

WHITE RIVER VALLEY 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.

The School Corporation is to contribute at an actuarially determined rate. The current rate has been actuarially determined under the entry age normal cost method to be 6.82% of covered wages. The School Corporation's required contributions to the plan for the fiscal years ended June 30, 2006, 2007, and 2008, were \$47,036, \$44,859, and \$54,305, respectively. The School Corporation actually contributed 100% of the required contribution for each of the fiscal years.

WHITE RIVER VALLEY SCHOOL CORPORATION
 REQUIRED SUPPLEMENTARY INFORMATION
 SCHEDULE OF FUNDING PROGRESS

Public Employees' Retirement Fund

Actuarial Valuation Date	Actuarial Value of Assets (a)	Actuarial Accrued Liability (AAL) (b)	Unfunded AAL (a-b)	Funded Ratio (a/b)	Covered Payroll (c)	Unfunded AAL as a Percentage of Covered Payroll ((a-b)/c)
07-01-05	\$ 894,642	\$ 929,667	\$ (35,025)	96%	\$ 940,766	(4%)
07-01-06	811,823	970,146	(158,323)	84%	958,878	(17%)
07-01-07	880,276	991,806	(111,530)	89%	861,153	(13%)

WHITE RIVER VALLEY 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 Ed Preschool	School Lunch	Textbook Rental	Education License Plate	Safe Haven 2003	Achieve
Receipts:						
Local sources	\$ 4,428	\$ 150,016	\$ 39,105	\$ -	\$ -	\$ 4,055
Intermediate sources	-	-	-	600	-	-
State sources	3,139	4,274	16,415	-	-	-
Federal sources	-	157,707	-	-	-	-
Sale of property, adjustments and refunds	-	-	-	-	-	-
Total receipts	7,567	311,997	55,520	600	-	4,055
Disbursements:						
Current:						
Instruction	8,250	-	39,078	2,000	366	-
Support services	-	272,296	-	-	-	-
Community services	-	-	-	-	-	-
Debt services	-	-	-	-	-	-
Total disbursements	8,250	272,296	39,078	2,000	366	-
Excess (deficiency) of receipts over disbursements	(683)	39,701	16,442	(1,400)	(366)	4,055
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	(683)	39,701	16,442	(1,400)	(366)	4,055
Cash and investments - beginning	31,068	55,651	17,243	4,567	366	-
Cash and investments - ending	\$ 30,385	\$ 95,352	\$ 33,685	\$ 3,167	\$ -	\$ 4,055
Cash and Investment Assets - Ending						
Cash and investments	\$ 30,385	\$ 95,352	\$ 33,685	\$ 3,167	\$ -	\$ 4,055
Restricted assets:						
Cash and investments	-	-	-	-	-	-
Total cash and investment assets - ending	\$ 30,385	\$ 95,352	\$ 33,685	\$ 3,167	\$ -	\$ 4,055
Cash and Investment Fund Balance - Ending						
Restricted for:						
Debt service	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Unrestricted	30,385	95,352	33,685	3,167	-	4,055
Total cash and investment fund balance - ending	\$ 30,385	\$ 95,352	\$ 33,685	\$ 3,167	\$ -	\$ 4,055

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

WHITE RIVER VALLEY 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)

	Insurance Refunds	Economic Education Grant	Gifted and Talented Fund - 06-07	Adult Continuing Education	Medicaid Reimbursement Fund	Language Minority Grant
Receipts:						
Local sources	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Intermediate sources	-	-	-	-	-	-
State sources	-	2,500	11,846	25,226	(75,820)	-
Federal sources	-	-	-	7,000	-	-
Sale of property, adjustments and refunds	11,335	-	-	-	-	-
Total receipts	<u>11,335</u>	<u>2,500</u>	<u>11,846</u>	<u>32,226</u>	<u>(75,820)</u>	<u>-</u>
Disbursements:						
Current:						
Instruction	-	2,500	11,846	32,226	-	-
Support services	-	-	-	-	-	-
Community services	-	-	-	-	-	-
Debt services	-	-	-	-	-	-
Total disbursements	<u>-</u>	<u>2,500</u>	<u>11,846</u>	<u>32,226</u>	<u>-</u>	<u>-</u>
Excess (deficiency) of receipts over disbursements	<u>11,335</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>(75,820)</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>	<u>-</u>
Excess (deficiency) of receipts and other financing sources over disbursements and other financing uses	<u>11,335</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>(75,820)</u>	<u>-</u>
Cash and investments - beginning	<u>(696)</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>75,820</u>	<u>75</u>
Cash and investments - ending	<u>\$ 10,639</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 75</u>
<u>Cash and Investment Assets - Ending</u>						
Cash and investments	\$ 10,639	\$ -	\$ -	\$ -	\$ -	\$ 75
Restricted assets:						
Cash and investments	-	-	-	-	-	-
Total cash and investment assets - ending	<u>\$ 10,639</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 75</u>
<u>Cash and Investment Fund Balance - Ending</u>						
Restricted for:						
Debt service	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Unrestricted	10,639	-	-	-	-	75
Total cash and investment fund balance - ending	<u>\$ 10,639</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 75</u>

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

WHITE RIVER VALLEY 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)

	IN School Academic Improvement	Title 1 School Improvement	Title 2005-06	Title 1 2006-07	Title V 2005-06	Title V 2006-07
Receipts:						
Local sources	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Intermediate sources	-	-	-	-	-	-
State sources	-	-	-	-	-	-
Federal sources	-	12,146	-	254,064	3,143	1,483
Sale of property, adjustments and refunds	-	-	-	-	-	-
Total receipts	-	12,146	-	254,064	3,143	1,483
Disbursements:						
Current:						
Instruction	438	3,808	28,180	155,576	-	-
Support services	-	-	1,981	18,220	-	-
Community services	-	-	51	1,553	-	-
Debt services	-	-	-	-	-	-
Total disbursements	438	3,808	30,212	175,349	-	-
Excess (deficiency) of receipts over disbursements	(438)	8,338	(30,212)	78,715	3,143	1,483
Other financing sources (uses):						
Transfers in	-	-	2,146	-	-	-
Transfers out	-	(2,146)	-	-	-	-
Total other financing sources (uses)	-	(2,146)	2,146	-	-	-
Excess (deficiency) of receipts and other financing sources over disbursements and other financing uses	(438)	6,192	(28,066)	78,715	3,143	1,483
Cash and investments - beginning	420	-	28,066	-	-	-
Cash and investments - ending	\$ (18)	\$ 6,192	\$ -	\$ 78,715	\$ 3,143	\$ 1,483
Cash and Investment Assets - Ending						
Cash and investments	\$ (18)	\$ 6,192	\$ -	\$ 78,715	\$ 3,143	\$ 1,483
Restricted assets:						
Cash and investments	-	-	-	-	-	-
Total cash and investment assets - ending	\$ (18)	\$ 6,192	\$ -	\$ 78,715	\$ 3,143	\$ 1,483
Cash and Investment Fund Balance - Ending						
Restricted for:						
Debt service	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Unrestricted	(18)	6,192	-	78,715	3,143	1,483
Total cash and investment fund balance - ending	\$ (18)	\$ 6,192	\$ -	\$ 78,715	\$ 3,143	\$ 1,483

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

WHITE RIVER VALLEY 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)

	Serve America	Drug-Free School	Drug Free Title IV 2005-06	Drug Free Title IV 2006-07	Greene County Consortium	Vocational and Technical Board
Receipts:						
Local sources	\$ -	\$ -	\$ -	\$ -	\$ 24,000	\$ -
Intermediate sources	-	-	-	-	-	-
State sources	-	-	-	-	-	-
Federal sources	52,000	-	-	5,345	-	-
Sale of property, adjustments and refunds	-	-	-	-	-	-
Total receipts	52,000	-	-	5,345	24,000	-
Disbursements:						
Current:						
Instruction	615	151	6,518	1,838	-	-
Support services	49,099	-	-	-	-	-
Community services	-	-	-	-	-	-
Debt services	-	-	-	-	-	-
Total disbursements	49,714	151	6,518	1,838	-	-
Excess (deficiency) of receipts over disbursements	2,286	(151)	(6,518)	3,507	24,000	-
Other financing sources (uses):						
Transfers in	-	480	-	4,500	-	-
Transfers out	-	-	(2,966)	-	-	-
Total other financing sources (uses)	-	480	(2,966)	4,500	-	-
Excess (deficiency) of receipts and other financing sources over disbursements and other financing uses	2,286	329	(9,484)	8,007	24,000	-
Cash and investments - beginning	11,454	(329)	6,961	-	(3,073)	78
Cash and investments - ending	\$ 13,740	\$ -	\$ (2,523)	\$ 8,007	\$ 20,927	\$ 78
Cash and Investment Assets - Ending						
Cash and investments	\$ 13,740	\$ -	\$ (2,523)	\$ 8,007	\$ 20,927	\$ 78
Restricted assets:						
Cash and investments	-	-	-	-	-	-
Total cash and investment assets - ending	\$ 13,740	\$ -	\$ (2,523)	\$ 8,007	\$ 20,927	\$ 78
Cash and Investment Fund Balance - Ending						
Restricted for:						
Debt service	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Unrestricted	13,740	-	(2,523)	8,007	20,927	78
Total cash and investment fund balance - ending	\$ 13,740	\$ -	\$ (2,523)	\$ 8,007	\$ 20,927	\$ 78

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

WHITE RIVER VALLEY 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)

	Indiana Workforce Development	Title II	Title II - Part D	Retirement/ Severance Bond Debt Service	Totals
Receipts:					
Local sources	\$ -	\$ -	\$ 100	\$ 164,882	\$ 386,586
Intermediate sources	-	-	-	-	600
State sources	-	-	-	-	(12,420)
Federal sources	86,674	44,374	-	-	623,936
Sale of property, adjustments and refunds	-	-	-	-	11,335
Total receipts	<u>86,674</u>	<u>44,374</u>	<u>100</u>	<u>164,882</u>	<u>1,010,037</u>
Disbursements:					
Current:					
Instruction	84,725	8,234	1,827	-	388,176
Support services	-	-	-	-	341,596
Community services	-	-	-	-	1,604
Debt services	-	-	-	368,567	368,567
Total disbursements	<u>84,725</u>	<u>8,234</u>	<u>1,827</u>	<u>368,567</u>	<u>1,099,943</u>
Excess (deficiency) of receipts over disbursements	<u>1,949</u>	<u>36,140</u>	<u>(1,727)</u>	<u>(203,685)</u>	<u>(89,906)</u>
Other financing sources (uses):					
Transfers in	-	2,486	-	-	9,612
Transfers out	-	(4,500)	-	-	(9,612)
Total other financing sources (uses)	<u>-</u>	<u>(2,014)</u>	<u>-</u>	<u>-</u>	<u>-</u>
Excess (deficiency) of receipts and other financing sources over disbursements and other financing uses	1,949	34,126	(1,727)	(203,685)	(89,906)
Cash and investments - beginning	<u>(2,150)</u>	<u>5,748</u>	<u>1,727</u>	<u>22,736</u>	<u>255,732</u>
Cash and investments - ending	<u>\$ (201)</u>	<u>\$ 39,874</u>	<u>\$ -</u>	<u>\$ (180,949)</u>	<u>\$ 165,826</u>
Cash and Investment Assets - Ending					
Cash and investments	\$ (201)	\$ 39,874	\$ -	\$ -	\$ 346,775
Restricted assets:					
Cash and investments	-	-	-	(180,949)	(180,949)
Total cash and investment assets - ending	<u>\$ (201)</u>	<u>\$ 39,874</u>	<u>\$ -</u>	<u>\$ (180,949)</u>	<u>\$ 165,826</u>
Cash and Investment Fund Balance - Ending					
Restricted for:					
Debt service	\$ -	\$ -	\$ -	\$ (180,949)	\$ (180,949)
Unrestricted	<u>(201)</u>	<u>39,874</u>	<u>-</u>	<u>-</u>	<u>346,775</u>
Total cash and investment fund balance - ending	<u>\$ (201)</u>	<u>\$ 39,874</u>	<u>\$ -</u>	<u>\$ (180,949)</u>	<u>\$ 165,826</u>

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

WHITE RIVER VALLEY 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 Ed Preschool	School Lunch	Textbook Rental	Levy Excess	Education License Plate	ISU Tech Fees
Receipts:						
Local sources	\$ 6,478	\$ 151,496	\$ 48,921	\$ -	\$ -	\$ 5,250
Intermediate sources	-	-	-	-	338	-
State sources	5,536	4,075	23,284	-	-	-
Federal sources	-	172,463	-	-	-	-
Total receipts	<u>12,014</u>	<u>328,034</u>	<u>72,205</u>	<u>-</u>	<u>338</u>	<u>5,250</u>
Disbursements:						
Current:						
Instruction	44,974	-	72,365	-	1,196	1,125
Support services	-	340,207	-	-	-	-
Community services	-	-	-	-	-	-
Debt services	-	-	-	-	-	-
Total disbursements	<u>44,974</u>	<u>340,207</u>	<u>72,365</u>	<u>-</u>	<u>1,196</u>	<u>1,125</u>
Excess (deficiency) of receipts over disbursements	<u>(32,960)</u>	<u>(12,173)</u>	<u>(160)</u>	<u>-</u>	<u>(858)</u>	<u>4,125</u>
Other financing sources (uses):						
Transfers in	-	-	11,515	244,379	-	-
Transfers out	(379)	-	-	(244,379)	-	-
Total other financing sources (uses)	<u>(379)</u>	<u>-</u>	<u>11,515</u>	<u>-</u>	<u>-</u>	<u>-</u>
Excess (deficiency) of receipts and other financing sources over disbursements and other financing uses	<u>(33,339)</u>	<u>(12,173)</u>	<u>11,355</u>	<u>-</u>	<u>(858)</u>	<u>4,125</u>
Cash and investments - beginning	<u>30,385</u>	<u>95,352</u>	<u>33,685</u>	<u>-</u>	<u>3,167</u>	<u>-</u>
Cash and investments - ending	<u>\$ (2,954)</u>	<u>\$ 83,179</u>	<u>\$ 45,040</u>	<u>\$ -</u>	<u>\$ 2,309</u>	<u>\$ 4,125</u>
<u>Cash and Investment Assets - Ending</u>						
Cash and investments	\$ (2,954)	\$ 83,179	\$ 45,040	\$ -	\$ 2,309	\$ 4,125
Restricted assets:						
Cash and investments	-	-	-	-	-	-
Total cash and investment assets - ending	<u>\$ (2,954)</u>	<u>\$ 83,179</u>	<u>\$ 45,040</u>	<u>\$ -</u>	<u>\$ 2,309</u>	<u>\$ 4,125</u>
<u>Cash and Investment Fund Balance - Ending</u>						
Restricted for:						
Debt service	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Unrestricted	(2,954)	83,179	45,040	-	2,309	4,125
Total cash and investment fund balance - ending	<u>\$ (2,954)</u>	<u>\$ 83,179</u>	<u>\$ 45,040</u>	<u>\$ -</u>	<u>\$ 2,309</u>	<u>\$ 4,125</u>

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

WHITE RIVER VALLEY 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)

	Achieve	Hope Club Grant	GED	Gifted and Talented 07-08	Project Lead the Way	Adult Continuing Education
Receipts:						
Local sources	\$ 1,155	\$ -	\$ -	\$ -	\$ -	\$ -
Intermediate sources	-	-	-	-	-	-
State sources	-	800	-	28,959	10,000	42,102
Federal sources	-	-	720	-	-	-
Total receipts	<u>1,155</u>	<u>800</u>	<u>720</u>	<u>28,959</u>	<u>10,000</u>	<u>42,102</u>
Disbursements:						
Current:						
Instruction	-	729	210	27,421	5,000	42,102
Support services	-	-	-	-	-	-
Community services	-	-	-	-	-	-
Debt services	-	-	-	-	-	-
Total disbursements	<u>-</u>	<u>729</u>	<u>210</u>	<u>27,421</u>	<u>5,000</u>	<u>42,102</u>
Excess (deficiency) of receipts over disbursements	<u>1,155</u>	<u>71</u>	<u>510</u>	<u>1,538</u>	<u>5,000</u>	<u>-</u>
Other financing sources (uses):						
Transfers in	-	-	-	-	7,960	-
Transfers out	-	-	-	(100)	-	-
Total other financing sources (uses)	<u>-</u>	<u>-</u>	<u>-</u>	<u>(100)</u>	<u>7,960</u>	<u>-</u>
Excess (deficiency) of receipts and other financing sources over disbursements and other financing uses	<u>1,155</u>	<u>71</u>	<u>510</u>	<u>1,438</u>	<u>12,960</u>	<u>-</u>
Cash and investments - beginning	<u>4,055</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Cash and investments - ending	<u>\$ 5,210</u>	<u>\$ 71</u>	<u>\$ 510</u>	<u>\$ 1,438</u>	<u>\$ 12,960</u>	<u>\$ -</u>
<u>Cash and Investment Assets - Ending</u>						
Cash and investments	\$ 5,210	\$ 71	\$ 510	\$ 1,438	\$ 12,960	\$ -
Restricted assets:						
Cash and investments	-	-	-	-	-	-
Total cash and investment assets - ending	<u>\$ 5,210</u>	<u>\$ 71</u>	<u>\$ 510</u>	<u>\$ 1,438</u>	<u>\$ 12,960</u>	<u>\$ -</u>
<u>Cash and Investment Fund Balance - Ending</u>						
Restricted for:						
Debt service	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Unrestricted	5,210	71	510	1,438	12,960	-
Total cash and investment fund balance - ending	<u>\$ 5,210</u>	<u>\$ 71</u>	<u>\$ 510</u>	<u>\$ 1,438</u>	<u>\$ 12,960</u>	<u>\$ -</u>

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

WHITE RIVER VALLEY SCHOOL CORPORATION
 COMBINING SCHEDULE OF ASSETS AND FUND BALANCES AND RECEIPTS,
 DISBURSEMENTS, AND CHANGES IN FUND BALANCES - CASH AND INVESTMENT BASIS
 OTHER GOVERNMENTAL FUNDS
 For the Year Ended June 30, 2008
 (Continued)

	Drug Free Title IV 2007-08	Language Minority Grant	IN School Academic Improvement	Title I 2007-08	Title 1 School Improvement	Title 1 2006-07
Receipts:						
Local sources	\$ 720	\$ -	\$ -		\$ -	\$ 2,124
Intermediate sources	-	-	-	-	-	-
State sources	-	-	-	-	-	-
Federal sources	5,296	-	-	297,932	30,000	-
Total receipts	6,016	-	-	297,932	30,000	2,124
Disbursements:						
Current:						
Instruction	18,049	-	-	195,688	19,157	66,075
Support services	-	-	-	29,171	-	3,763
Community services	-	-	-	1,610	-	11,001
Debt services	-	-	-	-	-	-
Total disbursements	18,049	-	-	226,469	19,157	80,839
Excess (deficiency) of receipts over disbursements	(12,033)	-	-	71,463	10,843	(78,715)
Other financing sources (uses):						
Transfers in	19,730	-	-	-	-	-
Transfers out	-	-	-	-	-	-
Total other financing sources (uses)	19,730	-	-	-	-	-
Excess (deficiency) of receipts and other financing sources over disbursements and other financing uses	7,697	-	-	71,463	10,843	(78,715)
Cash and investments - beginning	-	75	(18)	-	6,192	78,715
Cash and investments - ending	\$ 7,697	\$ 75	\$ (18)	\$ 71,463	\$ 17,035	\$ -
Cash and Investment Assets - Ending						
Cash and investments	\$ 7,697	\$ 75	\$ (18)	\$ 71,463	\$ 17,035	\$ -
Restricted assets:						
Cash and investments	-	-	-	-	-	-
Total cash and investment assets - ending	\$ 7,697	\$ 75	\$ (18)	\$ 71,463	\$ 17,035	\$ -
Cash and Investment Fund Balance - Ending						
Restricted for:						
Debt service	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Unrestricted	7,697	75	(18)	71,463	17,035	-
Total cash and investment fund balance - ending	\$ 7,697	\$ 75	\$ (18)	\$ 71,463	\$ 17,035	\$ -

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

WHITE RIVER VALLEY SCHOOL CORPORATION
 COMBINING SCHEDULE OF ASSETS AND FUND BALANCES AND RECEIPTS,
 DISBURSEMENTS, AND CHANGES IN FUND BALANCES - CASH AND INVESTMENT BASIS
 OTHER GOVERNMENTAL FUNDS
 For the Year Ended June 30, 2008
 (Continued)

	Title V 2005-06	Title V 2006-07	Serve America	Drug Free Title IV 2005-06	Drug Free Title IV 2006-07
Receipts:					
Local sources	\$ -	\$ -	\$ 34	\$ -	\$ -
Intermediate sources	-	-	-	-	-
State sources	-	-	-	-	-
Federal sources	-	-	50,000	-	-
Total receipts	<u>-</u>	<u>-</u>	<u>50,034</u>	<u>-</u>	<u>-</u>
Disbursements:					
Current:					
Instruction	-	-	-	639	7,368
Support services	-	-	42,182	-	-
Community services	-	-	-	-	-
Debt services	-	-	-	-	-
Total disbursements	<u>-</u>	<u>-</u>	<u>42,182</u>	<u>639</u>	<u>7,368</u>
Excess (deficiency) of receipts over disbursements	<u>-</u>	<u>-</u>	<u>7,852</u>	<u>(639)</u>	<u>(7,368)</u>
Other financing sources (uses):					
Transfers in	-	-	-	3,162	-
Transfers out	-	-	-	-	(639)
Total other financing sources (uses)	<u>-</u>	<u>-</u>	<u>-</u>	<u>3,162</u>	<u>(639)</u>
Excess (deficiency) of receipts and other financing sources over disbursements and other financing uses	<u>-</u>	<u>-</u>	<u>7,852</u>	<u>2,523</u>	<u>(8,007)</u>
Cash and investments - beginning	<u>3,143</u>	<u>1,483</u>	<u>13,740</u>	<u>(2,523)</u>	<u>8,007</u>
Cash and investments - ending	<u>\$ 3,143</u>	<u>\$ 1,483</u>	<u>\$ 21,592</u>	<u>\$ -</u>	<u>\$ -</u>
<u>Cash and Investment Assets - Ending</u>					
Cash and investments	\$ 3,143	\$ 1,483	\$ 21,592	\$ -	\$ -
Restricted assets:					
Cash and investments	-	-	-	-	-
Total cash and investment assets - ending	<u>\$ 3,143</u>	<u>\$ 1,483</u>	<u>\$ 21,592</u>	<u>\$ -</u>	<u>\$ -</u>
<u>Cash and Investment Fund Balance - Ending</u>					
Restricted for:					
Debt service	\$ -	\$ -	\$ -	\$ -	\$ -
Unrestricted	3,143	1,483	21,592	-	-
Total cash and investment fund balance - ending	<u>\$ 3,143</u>	<u>\$ 1,483</u>	<u>\$ 21,592</u>	<u>\$ -</u>	<u>\$ -</u>

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

WHITE RIVER VALLEY 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)

	Greene County Consortium	Vocational and Technical Board	Indiana Workforce Development	Title II	Title II Part D
Receipts:					
Local sources	\$ 23,786	\$ -	\$ 15,000	\$ -	\$ -
Intermediate sources	-	-	-	-	-
State sources	-	-	-	-	-
Federal sources	-	-	70,076	45,399	4,369
Total receipts	<u>23,786</u>	<u>-</u>	<u>85,076</u>	<u>45,399</u>	<u>4,369</u>
Disbursements:					
Current:					
Instruction	-	-	75,034	800	4,537
Support services	20,474	-	-	-	-
Community services	-	-	-	-	-
Debt services	-	-	-	-	-
Total disbursements	<u>20,474</u>	<u>-</u>	<u>75,034</u>	<u>800</u>	<u>4,537</u>
Excess (deficiency) of receipts over disbursements	<u>3,312</u>	<u>-</u>	<u>10,042</u>	<u>44,599</u>	<u>(168)</u>
Other financing sources (uses):					
Transfers in	-	-	-	-	-
Transfers out	-	-	-	(22,253)	-
Total other financing sources (uses)	<u>-</u>	<u>-</u>	<u>-</u>	<u>(22,253)</u>	<u>-</u>
Excess (deficiency) of receipts and other financing sources over disbursements and other financing uses	3,312	-	10,042	22,346	(168)
Cash and investments - beginning	<u>20,927</u>	<u>78</u>	<u>(201)</u>	<u>39,874</u>	<u>-</u>
Cash and investments - ending	<u>\$ 24,239</u>	<u>\$ 78</u>	<u>\$ 9,841</u>	<u>\$ 62,220</u>	<u>\$ (168)</u>
Cash and Investment Assets - Ending					
Cash and investments	\$ 24,239	\$ 78	\$ 9,841	\$ 62,220	\$ (168)
Restricted assets:					
Cash and investments	-	-	-	-	-
Total cash and investment assets - ending	<u>\$ 24,239</u>	<u>\$ 78</u>	<u>\$ 9,841</u>	<u>\$ 62,220</u>	<u>\$ (168)</u>
Cash and Investment Fund Balance - Ending					
Restricted for:					
Debt service	\$ -	\$ -	\$ -	\$ -	\$ -
Unrestricted	24,239	78	9,841	62,220	(168)
Total cash and investment fund balance - ending	<u>\$ 24,239</u>	<u>\$ 78</u>	<u>\$ 9,841</u>	<u>\$ 62,220</u>	<u>\$ (168)</u>

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

WHITE RIVER VALLEY 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)

	OCRA Office Community Rural Affairs	Title II Part B Math and Science	Retirement/ Severance Bond Debt Service	Insurance Refunds	Totals
Receipts:					
Local sources	\$ 500	\$ -	\$ 391,316	\$ -	\$ 646,780
Intermediate sources	-	-	-	-	338
State sources	-	-	-	-	114,756
Federal sources	97,500	87,274	-	-	861,029
Total receipts	98,000	87,274	391,316	-	1,622,903
Disbursements:					
Current:					
Instruction	53,978	7,040	-	-	643,487
Support services	-	-	-	5,437	441,234
Community services	-	-	-	-	12,611
Debt services	-	-	363,464	-	363,464
Total disbursements	53,978	7,040	363,464	5,437	1,460,796
Excess (deficiency) of receipts over disbursements	44,022	80,234	27,852	(5,437)	162,107
Other financing sources (uses):					
Transfers in	-	-	-	-	286,746
Transfers out	-	(7,960)	(12,276)	-	(287,986)
Total other financing sources (uses)	-	(7,960)	(12,276)	-	(1,240)
Excess (deficiency) of receipts and other financing sources over disbursements and other financing uses	44,022	72,274	15,576	(5,437)	160,867
Cash and investments - beginning	-	-	(180,949)	10,639	165,826
Cash and investments - ending	\$ 44,022	\$ 72,274	\$ (165,373)	\$ 5,202	\$ 326,693
Cash and Investment Assets - Ending					
Cash and investments	\$ 44,022	\$ 72,274	\$ -	\$ 5,202	\$ 492,066
Restricted assets:					
Cash and investments	-	-	(165,373)	-	(165,373)
Total cash and investment assets - ending	\$ 44,022	\$ 72,274	\$ (165,373)	\$ 5,202	\$ 326,693
Cash and Investment Fund Balance - Ending					
Restricted for:					
Debt service	\$ -	\$ -	\$ (165,373)	\$ -	\$ (165,373)
Unrestricted	44,022	72,274	-	5,202	492,066
Total cash and investment fund balance - ending	\$ 44,022	\$ 72,274	\$ (165,373)	\$ 5,202	\$ 326,693

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

WHITE RIVER VALLEY SCHOOL CORPORATION
 COMBINING SCHEDULE OF CASH AND INVESTMENT BALANCES
 AGENCY FUNDS
 For the Year Ended June 30, 2007

	<u>Fica/Medicare</u>	<u>State Tax</u>	<u>County Tax</u>	<u>Sub Retirement</u>	<u>PERF</u>
Cash and investments fund balance - ending	\$ 1,838	\$ 658	\$ 1,500	\$ 67	\$ (46)

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

	Health Insurance 125	Aflac 125	Aflac non 125	Non Certified Fica/Medicare	Dental Insurance 125
Cash and investments fund balance - ending	<u>\$ 68,601</u>	<u>\$ 309</u>	<u>\$ 84</u>	<u>\$ (937)</u>	<u>\$ 5,852</u>

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

	Vision Insurance 125	American Fidelity 125	American Fidelity - Disability	American Fidelity Life	Additional Life
Cash and investments fund balance - ending	<u>\$ 35,263</u>	<u>\$ 437</u>	<u>\$ 338</u>	<u>\$ (1,415)</u>	<u>\$ 5,140</u>

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

	Paylogix One	ISTA Financial Services	Paylogix Two	Mutual of Omaha Annuity	American Fidelity Assurance Co
Cash and investments fund balance - ending	\$ (439)	\$ 1,633	\$ 276	\$ 359	\$ (1,850)

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

	Pacific Life Annuity	Horace Mann Annuity	Voluntary PERF	Life Ins. Over \$50,000	Totals
Cash and investments fund balance - ending	\$ 366	\$ 504	\$ (13)	\$ 88	\$ 118,613

WHITE RIVER VALLEY SCHOOL CORPORATION
 COMBINING SCHEDULE OF CASH AND INVESTMENT BALANCES
 AGENCY FUNDS
 For the Year Ended June 30, 2008

	Federal Withholding	Fica/Medicare	State Tax	County Tax	Sub Retirement	PERF
Cash and investments fund balance - ending	<u>\$ 1</u>	<u>\$ (5,558)</u>	<u>\$ (7,823)</u>	<u>\$ 3,056</u>	<u>\$ 67</u>	<u>\$ 61</u>

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

	Health Insurance 125	Aflac 125	Aflac non 125	Non Certified Fica/Medicare	Dental Insurance 125
Cash and investments fund balance - ending	<u>\$ 161,161</u>	<u>\$ 217</u>	<u>\$ 121</u>	<u>\$ 7,332</u>	<u>\$ 16,881</u>

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

	Vision Insurance 125	American Fidelity 125	American Fidelity-Disability	American Fidelity Life	Additional Life
Cash and investments fund balance - ending	<u>\$ 39,300</u>	<u>\$ 2,531</u>	<u>\$ (4,785)</u>	<u>\$ 1,642</u>	<u>\$ 6,391</u>

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

	Paylogix One	ISTA Financial Services	Paylogix Two	Mutual of Omaha Annuity	Janus Annuity
Cash and investments fund balance - ending	\$ 464	\$ 2,329	\$ (659)	\$ 359	\$ 625

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

	American Fidelity Assurance Co	Pacific Life Annuity	Horace Mann Annuity	American Funds	Indiana University Credit Union
Cash and investments fund balance - ending	\$ 2,158	\$ 365	\$ (1,092)	\$ 75	\$ (1,450)

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

	Crane Federal Credit Union	Voluntary Teacher Retirement	Voluntary PERF	Life Ins. Over \$50,000	Totals
Cash and investments fund balance - ending	<u>\$ 1,450</u>	<u>\$ 2</u>	<u>\$ (13)</u>	<u>\$ 88</u>	<u>\$ 225,296</u>

White River Valley School Corporation

Post Office Box 1470
State Road 54
Switz City, Indiana 47465
812-659-1424
Fax 812-659-2278
admincenter@wrv.k12.in.us

Layton E. Wall
Superintendent

Jayne A. Kaho
Corporation Treasurer

Kim Downey
Deputy Treasurer/Secretary

WHITE RIVER VALLEY SCHOOL CORPORATION SUPPLEMENTARY INFORMATION SCHEDULE OF CAPITAL ASSETS

For The Year Ended June 30, 2008

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

<u>Primary Government</u>	<u>Ending Balance</u>
Governmental activities:	
Capital assets, not being depreciated:	
Land	\$ 129,000
Buildings	19,431,920
Improvements other than buildings	1,385,739
Machinery and equipment	<u>3,616,345</u>
Total governmental activities, capital assets not being depreciated	<u>\$ 24,563,004</u>

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WHITE RIVER VALLEY 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:		
Notes and loans payable	\$ 2,000,000	\$ 2,059,486
Bonds payable:		
Retirement Severance Bonds, Series 3	535,000	112,956
Retirement Severance Bonds, Series 11	2,250,000	65,551
Total governmental activities debt	<u>\$ 4,785,000</u>	<u>\$ 2,237,993</u>

- 47 -

WRV Lyons Elementary
RR 1 Box 70A
Lyons, Indiana 47443
812-659-3912

White River Valley Jr/Sr High
Post Office Box 1470
Switz City, Indiana 47465
812-659-2274

WRV Worthington Elementary
484 West Main Street
Worthington, Indiana 47471
812-875-3839

WHITE RIVER VALLEY SCHOOL CORPORATION
AUDIT RESULTS AND COMMENTS

TEXTBOOK RENTAL

We noted in reviewing high school textbook rental receipts, that changes were made to charges during the year even when schedule changes were not made. Many times this resulted in additional charges to the student.

Textbook rental charges have not been approved by the school board since the 2005-2006 school year.

IC 20-26-12-2 states in part:

"(a) A governing body may purchase from a contracting publisher, at a price equal to or less than the net contract price, any textbook adopted by the state board and selected by the proper local officials. The governing body may rent these textbooks to students enrolled in any public or non-public school that is:

- (1) in compliance with the minimum certification standards of the state board; and
- (2) located within the attendance unit served by the governing body.

The annual rental may not exceed twenty-five percent (25%) of the retail price of the textbooks."

All authorized educational fees (the School Board should be able to justify any educational fees (nonpayroll positions) and ensure constitutional problems do not exist) must be receipted to the General Fund of the school corporation and included as miscellaneous revenues when preparing the school corporation budget. Textbook rental funds maintained at a school building may be used to temporarily record proper fees collected (as a convenience during the collection process of textbook rental). However, proper educational fees belong in the school corporation general fund and should be transferred timely. (Accounting and Uniform Compliance Guidelines Manual for Extra-Curricular Accounts, Chapter 6)

Fees should only be collected as specifically authorized by statute or properly authorized resolutions or ordinances, as applicable, which are not contrary to statutory or Constitutional provisions. (Accounting and Uniform Compliance Guidelines Manual for Extra-Curricular Accounts, Chapter 7)

PAYROLL DEDUCTIONS

Payroll deduction withholding accounts were not used for the purpose intended. The receipts and disbursements were not always recorded in the same fund.

Political subdivisions are required to comply with all grant agreements, rules, regulations, bulletins, directives, letters, letter rulings, and filing requirements concerning reports and other procedural matters of federal and state agencies, including opinions of the Attorney General of the State of Indiana, and court decisions. Governmental units should file accurate reports required by federal and state agencies. Noncompliance may require corrective action. (Accounting and Uniform Compliance Guidelines Manual for Indiana Public School Corporations, Chapter 9)

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 Indiana Public School Corporations, Chapter 9)

WHITE RIVER VALLEY SCHOOL CORPORATION
AUDIT RESULTS AND COMMENTS
(Continued)

EXTRA-CURRICULAR SOFTWARE

As of June 1, 2006, the financial records of the junior high/high school extra-curricular accounts (including school lunch and textbook rental) are being maintained using Harmony Software. The following deficiencies were noted:

1. The vendor has on-line access to the system continuously. The vendor can make changes/updates to the system without the school knowing what changes were made. Changes do not have to be authorized by the school nor is there a log maintained of what changes or updates have been made by the vendor.
2. Users are not required to change their password. Some passwords have not been changed since implementation of the software.
3. Audit trails do not exist for all information entered into the system. An ending balance from one month did not agree to the beginning balance of the next month with no transactions recorded to reflect a reason for the change. The accounting system allows cash balances to be changed without posting transactions to the account. The check register and receipt register printed for the school year did not always agree with the receipts and disbursements posted to the yearly activity report for the same period. Adjustments made to accounts showed up under the "uncleared items" of the reconcile report at month end.
4. The reconciliation process is not complete. Per the Harmony User's Guide, if after entering the opening and closing bank balance from the bank statement and checking off items that are in the statement, if a difference of \$0 shows up then the account is considered reconciled. At no point does the system prompt the Treasurers to compare the reconciled bank balance to the account balances as of the same date to be sure they agree. The Treasurers think they are reconciled but may not be because of an adjustment, a change in cash balance, etc.

Changes to the accounting system's computer programs must be adequately controlled. (Accounting and Uniform Compliance Guidelines Manual for Extra-Curricular Accounts, Chapter 8)

Passwords are confidential keywords associated with the user ID to provide verification of the user's identity. Each user must have a unique user ID and password which must not be shared. Passwords must meet the following criteria: passwords must be changed every 30 days; passwords must be a minimum of six (6) characters in length; passwords must be a combination of alphabetic and numeric characters; passwords may not be the same for a user ID as the last five (5) passwords used by this user ID; individuals must assign their own passwords; and passwords must be encrypted while stored on the computer. (Accounting and Uniform Compliance Guidelines Manual for Extra-Curricular Accounts, Chapter 8)

The computerized accounting system must maintain electronic audit trails sufficient to trace all transactions from original source of entry into the system, through all system processing, and to the results produced by the system. The audit trails must also maintain sufficient information to track all transactions from the final results produced by the system, through all system processing, and to the original source of entry into the system. Audit trails must also identify the user that processed the transaction or updated the information. These audit trails must be protected from modification and deletion. (Accounting and Uniform Compliance Guidelines Manual for Extra-Curricular Accounts, Chapter 8)

WHITE RIVER VALLEY SCHOOL CORPORATION
AUDIT RESULTS AND COMMENTS
(Continued)

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

OVERDRAWN CASH BALANCES

The Debt Service Fund, Indiana School Academic Improvement Program Fund, Drug Free Title IV Fund, Indiana Workforce Development Fund and Retirement Severance Bond DS Fund were overdrawn at June 30, 2007. The Debt Service Fund, Transportation Operating Fund, Capital Projects Fund, Indiana School Academic Improvement Program Fund, Retirement Severance Bond DS Fund, Special Education Preschool, and Title II Part D were overdrawn at June 30, 2008.

The cash balance of any fund may not be reduced below zero. Routinely overdrawn funds could be an indicator of serious financial problems which should be investigated by the governmental unit. (Accounting and Uniform Compliance Guidelines Manual for Indiana Public School Corporations, Chapter 9)

SUPPLEMENTAL AUDIT OF
FEDERAL AWARDS



STATE OF INDIANA
AN EQUAL OPPORTUNITY EMPLOYER

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

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

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

TO: THE OFFICIALS OF THE WHITE RIVER VALLEY
SCHOOL CORPORATION, GREENE COUNTY, INDIANA

Compliance

We have audited the compliance of the White River Valley 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

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)

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

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

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

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

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

STATE BOARD OF ACCOUNTS

April 29, 2009

WHITE RIVER VALLEY 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	10.555			
School Breakfast Program			\$ 38,888	\$ 46,237
National School Lunch Program			<u>150,949</u>	<u>151,761</u>
Total for cluster			<u>189,837</u>	<u>197,998</u>
Total for federal grantor agency			<u>189,837</u>	<u>197,998</u>
<u>U.S. DEPARTMENT OF EDUCATION</u>				
Pass-Through Indiana Department of Education Title 1 Grants to Local Educational Agencies	84.010			
05-06			30,212	-
06-07			175,349	80,839
07-08			-	209,434
FY2007 School Improvement			5,954	6,192
FY2008 School Improvement			<u>-</u>	<u>30,000</u>
Total for program			<u>211,515</u>	<u>326,465</u>
Safe and Drug Free Schools and Communities - State Grants	84.186			
05-06			151	-
06-07			1,838	2,868
07-08			<u>-</u>	<u>2,679</u>
Total for program			<u>1,989</u>	<u>5,547</u>
Tech-Prep Education	84.243			
TP-5-266			40,876	9,124
C1-8-PLTW-7-266			-	65,910
05-06			<u>43,849</u>	<u>-</u>
Total for program			<u>84,725</u>	<u>75,034</u>
Education Technology State Grants	84.318			
05-07			<u>1,827</u>	<u>4,537</u>
Mathematics and Science Partnerships	84.366		<u>-</u>	<u>7,960</u>
Improving Teacher Quality State Grants	84.367			
05-221			12,734	22,253
06-2980			<u>-</u>	<u>800</u>
Total for program			<u>12,734</u>	<u>23,053</u>
Total for federal grantor agency			<u>502,627</u>	<u>640,594</u>
<u>U.S. CORPORATION FOR NATIONAL AND COMMUNITY SERVICE</u> (Previously U.S. Department of Homeland Security)				
Pass-Through Indiana Department of Education Learn and Serve America-School and Community Based Programs	94.004			
			<u>49,714</u>	<u>42,182</u>
Total for federal grantor agency			<u>49,714</u>	<u>42,182</u>
Total federal awards expended			<u>\$ 552,341</u>	<u>\$ 682,776</u>

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

WHITE RIVER VALLEY 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 White River Valley 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 Corporation 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
Child Nutrition Cluster	10.555	\$ 32,130	\$ 25,535

WHITE RIVER VALLEY SCHOOL CORPORATION
SCHEDULE OF FINDINGS AND QUESTIONED COSTS

Section I – Summary of Auditor's Results

Financial Statements:

Type of auditor's report issued: Unqualified

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

Noncompliance material to financial statements noted? no

Federal Awards:

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

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

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

Identification of Major Programs:

CFDA Number	Name of Federal Program or Cluster
84.010	Child Nutrition Cluster Title 1 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? no

Section II – Financial Statement Findings

No matters are reportable.

Section III – Federal Award Findings and Questioned Costs

No matters are reportable.

WHITE RIVER VALLEY SCHOOL CORPORATION
SUMMARY SCHEDULE OF PRIOR AUDIT FINDINGS

No matters are reportable.

WHITE RIVER VALLEY SCHOOL CORPORATION
EXIT CONFERENCE

The contents of this report were discussed on April 29, 2009, with Gerald D. Murdock, President of the School Board; Jayne A. Kaho, Treasurer; Kimberly D. Downey, Deputy Treasurer; and Layton Wall, Superintendent of Schools. The officials concurred with our audit findings.