

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

AUDIT REPORT

OF

VINCENNES COMMUNITY SCHOOL CORPORATION

KNOX COUNTY, INDIANA

July 1, 2006 to June 30, 2008



FILED

06/29/2009

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SCHEDULE OF OFFICIALS

<u>Office</u>	<u>Official</u>	<u>Term</u>
Treasurer	Madonna J. Williams	07-01-06 to 06-30-09
Superintendent of Schools	Douglas D. Rose	07-01-06 to 06-30-09
President of the School Board	Bryan L. Thais Alan Stewart Ronald L. Boger	07-01-06 to 06-30-07 07-01-07 to 06-30-08 07-01-08 to 06-30-09



STATE OF INDIANA
AN EQUAL OPPORTUNITY EMPLOYER

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

TO: THE OFFICIALS OF THE VINCENNES COMMUNITY
SCHOOL CORPORATION, KNOX COUNTY, INDIANA

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

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

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

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

In accordance with Government Auditing Standards, we have also issued a report dated June 1, 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

June 1, 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 VINCENNES COMMUNITY
SCHOOL CORPORATION, KNOX COUNTY, INDIANA

We have audited the financial statements of the governmental activities, each major fund, and the aggregate remaining fund information of the Vincennes Community School Corporation (School Corporation), as of and for the years ended June 30, 2007 and 2008, which collectively comprise the School Corporation's basic financial statements and have issued our report thereon dated June 1, 2009. We conducted our audit in accordance with auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in Government Auditing Standards, issued by the Comptroller General of the United States.

Internal Control Over Financial Reporting

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

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

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

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

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

Compliance and Other Matters

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

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

June 1, 2009

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

<u>Functions/Programs</u>	<u>Disbursements</u>	<u>Program Receipts</u>		<u>Net (Disbursement) Receipts and Changes in Net Assets</u>
		<u>Charges for Services</u>	<u>Operating Grants and Contributions</u>	<u>Totals</u>
Governmental activities:				
Instruction	\$ 15,851,231	\$ -	\$ 157,987	\$ (15,693,244)
Support services	8,937,800	763,962	745,380	(7,428,458)
Community services	143,301	-	-	(143,301)
Nonprogrammed charges	431,555	-	-	(431,555)
Debt service	<u>2,450,958</u>	<u>-</u>	<u>-</u>	<u>(2,450,958)</u>
Total government	<u>\$ 27,814,845</u>	<u>\$ 763,962</u>	<u>\$ 903,367</u>	<u>(26,147,516)</u>
General receipts:				
Property taxes				6,311,459
Other local sources				877,866
State aid				12,198,064
Bonds and loans				1,000,000
Grants and contributions not restricted to specific programs				3,702,555
Sale of property, adjustments, and refunds				57,099
Investment earnings				<u>376,982</u>
Total general receipts				<u>24,524,025</u>
Change in net assets				(1,623,491)
Net assets - beginning				<u>7,308,744</u>
Net assets - ending				<u>\$ 5,685,253</u>
<u>Assets</u>				
Cash and investments				\$ 5,685,032
Restricted assets:				
Cash and investments				<u>221</u>
Total assets				<u>\$ 5,685,253</u>
<u>Net Assets</u>				
Restricted for:				
Debt service				\$ 221
Unrestricted				<u>5,685,032</u>
Total net assets				<u>\$ 5,685,253</u>

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

VINCENNES COMMUNITY SCHOOL CORPORATION
STATEMENT OF ACTIVITIES AND NET ASSETS - CASH AND INVESTMENT BASIS
For the Year Ended June 30, 2008

<u>Functions/Programs</u>	<u>Disbursements</u>	<u>Program Receipts</u>		<u>Net (Disbursement) Receipts and Changes in Net Assets</u>
		<u>Charges for Services</u>	<u>Operating Grants and Contributions</u>	<u>Totals</u>
Governmental activities:				
Instruction	\$ 15,804,095	\$ -	\$ 489,655	\$ (15,314,440)
Support services	11,224,994	724,739	876,636	(9,623,619)
Community services	170,556	-	-	(170,556)
Nonprogrammed charges	456,869	-	-	(456,869)
Debt service	<u>3,434,858</u>	<u>-</u>	<u>-</u>	<u>(3,434,858)</u>
Total government	<u>\$ 31,091,372</u>	<u>\$ 724,739</u>	<u>\$ 1,366,291</u>	<u>(29,000,342)</u>
General receipts:				
Property taxes				9,382,909
Other local sources				2,003,145
State aid				12,099,015
Bonds and loans				2,100,000
Grants and contributions not restricted to specific programs				3,471,549
Sale of property, adjustments, and refunds				59,566
Investment earnings				<u>240,328</u>
Total general receipts				<u>29,356,512</u>
Change in net assets				356,170
Net assets - beginning				<u>5,685,253</u>
Net assets - ending				<u>\$ 6,041,423</u>
<u>Assets</u>				
Cash and investments				\$ 5,989,202
Restricted assets:				
Cash and investments				<u>52,221</u>
Total assets				<u>\$ 6,041,423</u>
<u>Net Assets</u>				
Restricted for:				
Debt service				\$ 52,221
Unrestricted				<u>5,989,202</u>
Total net assets				<u>\$ 6,041,423</u>

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

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

	General	Transportation Operating	Rainy Day	Title I	Debt Service	Capital Projects	School Bus Replacement	Other	Totals
Receipts:									
Local sources	\$ 3,669,142	\$ 776,482	\$ -	\$ -	\$ 1,544,087	\$ 1,152,434	\$ 41,219	\$ 1,146,491	\$ 8,329,855
Intermediate sources	414	-	-	-	-	-	-	-	414
State sources	12,349,226	-	-	-	-	-	-	1,121,319	13,470,545
Federal sources	-	-	-	1,227,893	-	-	-	2,105,548	3,333,441
Bonds and loans	425,000	-	-	-	547,000	-	-	28,000	1,000,000
Sale of property, adjustments and refunds	22,768	451	-	-	-	1,900	-	31,980	57,099
Total receipts	16,466,550	776,933	-	1,227,893	2,091,087	1,154,334	41,219	4,433,338	26,191,354
Disbursements:									
Current:									
Instruction	13,346,351	-	-	967,774	-	-	-	1,537,106	15,851,231
Support services	3,320,285	923,209	49,261	244,066	-	1,840,577	84,995	2,475,407	8,937,800
Community services	76,285	-	-	8,472	-	-	-	58,544	143,301
Nonprogrammed charges	416,623	-	-	-	-	-	-	14,932	431,555
Debt services	-	-	-	-	2,219,231	-	-	231,727	2,450,958
Total disbursements	17,159,544	923,209	49,261	1,220,312	2,219,231	1,840,577	84,995	4,317,716	27,814,845
Excess (deficiency) of receipts over disbursements	(692,994)	(146,276)	(49,261)	7,581	(128,144)	(686,243)	(43,776)	115,622	(1,623,491)
Other financing sources (uses):									
Transfers in	172,530	-	-	-	-	-	-	23,358	195,888
Transfers out	(17,291)	-	-	-	-	-	-	(178,597)	(195,888)
Total other financing sources (uses)	155,239	-	-	-	-	-	-	(155,239)	-
Excess (deficiency) of receipts and other financing sources over disbursements and other financing uses	(537,755)	(146,276)	(49,261)	7,581	(128,144)	(686,243)	(43,776)	(39,617)	(1,623,491)
Cash and investments - beginning	2,105,636	616,799	1,152,524	674,922	128,347	1,094,985	250,781	1,284,750	7,308,744
Cash and investments - ending	\$ 1,567,881	\$ 470,523	\$ 1,103,263	\$ 682,503	\$ 203	\$ 408,742	\$ 207,005	\$ 1,245,133	\$ 5,685,253
Cash and Investment Assets - Ending									
Cash and investments	\$ 1,567,881	\$ 470,523	\$ 1,103,263	\$ 682,503	\$ -	\$ 408,742	\$ 207,005	\$ 1,245,115	\$ 5,685,032
Restricted assets:									
Cash and investments	-	-	-	-	203	-	-	18	221
Total cash and investment assets - ending	\$ 1,567,881	\$ 470,523	\$ 1,103,263	\$ 682,503	\$ 203	\$ 408,742	\$ 207,005	\$ 1,245,133	\$ 5,685,253
Cash and Investment Fund Balance - Ending									
Restricted for:									
Debt service	\$ -	\$ -	\$ -	\$ -	\$ 203	\$ -	\$ -	\$ 18	\$ 221
Unrestricted	1,567,881	470,523	1,103,263	682,503	-	408,742	207,005	1,245,115	5,685,032
Total cash and investment fund balance - ending	\$ 1,567,881	\$ 470,523	\$ 1,103,263	\$ 682,503	\$ 203	\$ 408,742	\$ 207,005	\$ 1,245,133	\$ 5,685,253

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

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

	General	Transportation Operating	Rainy Day	Title I	Debt Service	Capital Projects	School Bus Replacement	Other	Totals
Receipts:									
Local sources	\$ 5,311,064	\$ 1,274,032	\$ -	\$ -	\$ 2,082,591	\$ 2,101,008	\$ 4,020	\$ 1,578,366	\$ 12,351,081
Intermediate sources	138	-	-	-	-	-	-	-	138
State sources	12,391,514	-	-	-	-	-	-	983,163	13,374,677
Federal sources	-	-	-	1,081,443	-	-	-	2,480,637	3,562,080
Bonds and loans	1,400,000	-	-	-	700,000	-	-	-	2,100,000
Sale of property, adjustments and refunds	830	435	-	-	-	1,474	-	56,827	59,566
Total receipts	19,103,546	1,274,467	-	1,081,443	2,782,591	2,102,482	4,020	5,098,993	31,447,542
Disbursements:									
Current:									
Instruction	13,328,493	-	-	921,338	-	-	-	1,554,264	15,804,095
Support services	4,268,522	998,370	481,269	144,692	-	2,033,232	183,161	3,115,748	11,224,994
Community services	95,479	-	-	7,629	-	-	-	67,448	170,556
Nonprogrammed charges	444,945	-	-	-	-	-	-	11,924	456,869
Debt services	425,000	-	-	-	2,750,120	-	-	259,738	3,434,858
Total disbursements	18,562,439	998,370	481,269	1,073,659	2,750,120	2,033,232	183,161	5,009,122	31,091,372
Excess (deficiency) of receipts over disbursements	541,107	276,097	(481,269)	7,784	32,471	69,250	(179,141)	89,871	356,170
Other financing sources (uses):									
Transfers in	-	-	750,000	-	-	-	-	7,980	757,980
Transfers out	(357,980)	(400,000)	-	-	-	-	-	-	(757,980)
Total other financing sources (uses)	(357,980)	(400,000)	750,000	-	-	-	-	7,980	-
Excess (deficiency) of receipts and other financing sources over disbursements and other financing uses	183,127	(123,903)	268,731	7,784	32,471	69,250	(179,141)	97,851	356,170
Cash and investments - beginning	1,567,881	470,523	1,103,263	682,503	203	408,742	207,005	1,245,133	5,685,253
Cash and investments - ending	\$ 1,751,008	\$ 346,620	\$ 1,371,994	\$ 690,287	\$ 32,674	\$ 477,992	\$ 27,864	\$ 1,342,984	\$ 6,041,423
Cash and Investment Assets - Ending									
Cash and investments	\$ 1,751,008	\$ 346,620	\$ 1,371,994	\$ 690,287	\$ -	\$ 477,992	\$ 27,864	\$ 1,323,437	\$ 5,989,202
Restricted assets:									
Cash and investments	-	-	-	-	32,674	-	-	19,547	52,221
Total cash and investment assets - ending	\$ 1,751,008	\$ 346,620	\$ 1,371,994	\$ 690,287	\$ 32,674	\$ 477,992	\$ 27,864	\$ 1,342,984	\$ 6,041,423
Cash and Investment Fund Balance - Ending									
Restricted for:									
Debt service	\$ -	\$ -	\$ -	\$ -	\$ 32,674	\$ -	\$ -	\$ 19,547	\$ 52,221
Unrestricted	1,751,008	346,620	1,371,994	690,287	-	477,992	27,864	1,323,437	5,989,202
Total cash and investment fund balance - ending	\$ 1,751,008	\$ 346,620	\$ 1,371,994	\$ 690,287	\$ 32,674	\$ 477,992	\$ 27,864	\$ 1,342,984	\$ 6,041,423

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

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

	Pension Trust Fund	Private-Purpose Trust Funds	Agency Funds
Additions:			
Contributions:			
Employer	\$ -	\$ 25,158	
Deductions:			
Benefits	808	-	
Administrative and general	-	21,518	
Total deductions	808	21,518	
Excess (deficiency) of total additions over total deductions	(808)	3,640	
Cash and investment fund balance - beginning	33,990	19,715	
Cash and investment fund balance - ending	\$ 33,182	\$ 23,355	\$ 90,109
Net assets:			
Cash and investments	\$ 33,182	\$ 23,355	
Total net assets - cash and investment basis held in trust	\$ 33,182	\$ 23,355	

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

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

	Pension Trust Fund	Private-Purpose Trust Funds	Agency Funds
Additions:			
Contributions:			
Other	\$ -	\$ 41,230	
Deductions:			
Benefits	20,000	-	
Administrative and general	-	41,443	
Total deductions	20,000	41,443	
Deficiency of total additions over total deductions	(20,000)	(213)	
Cash and investment fund balance - beginning	33,182	23,355	
Cash and investment fund balance - ending	\$ 13,182	\$ 23,142	\$ 163,462
Net assets:			
Cash and investments	\$ 13,182	\$ 23,142	
Total net assets - cash and investment basis held in trust	\$ 13,182	\$ 23,142	

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

VINCENNES COMMUNITY SCHOOL CORPORATION
NOTES TO FINANCIAL STATEMENTS

I. Summary of Significant Accounting Policies

A. Reporting Entity

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

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

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

Primary Government: Vincennes Community School Corporation

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

Joint Venture

The School Corporation is a participant with North Knox School Corporation and South Knox School Corporation in a joint venture to operate the Knox County Special Education Cooperative which was created to operate programs and services for handicapped children. The School Corporation is obligated by contract to remit monthly payments to supplement the Cooperative. The Cooperative's continued existence depends on continued funding by the School Corporation. The School Corporation is obligated for the debts of the Cooperative equal to their proportionate share. Complete financial statements for the Cooperative can be obtained from 300 North 6th Street, Vincennes, IN 47591.

The School Corporation is a participant with eleven other school corporations in a joint venture to operate the Twin Rivers Vocational Area which was created to develop and operate vocational education for students of the participating school corporations. The School Corporation is obligated by contract to remit annually a prorated amount based upon each participating school corporations' enrollment. The Twin Rivers Vocational Area uses its surplus resources to provide vocational education for participating schools. The School Corporation is obligated for the debts of the Twin Rivers Vocational Area. Complete financial statements for the Twin Rivers Vocational Area can be obtained from Twin Rivers Vocational Area, 20 North 3rd Street, Vincennes, IN 47591.

The School Corporation is a participant with 7 parochial schools and 33 public school corporations in a joint venture to operate Southern Indiana Education Center (SIEC) which was created to operate and maintain the educational service center in order to allow participating school corporations to cooperate and share certain programs and services. The School Corporation is obligated by contract to remit annually a fee for membership in an amount determined by the governing board of the SIEC based on each school's ADM to supplement the SIEC. The SIEC's continued existence depends on continued funding by the School Corporation. Complete financial statements for the SIEC can be obtained from Southwest Dubois County School Corporation at P.O. Box 396, Huntingburg, IN 47542.

VINCENNES COMMUNITY SCHOOL CORPORATION
NOTES TO FINANCIAL STATEMENTS
(Continued)

Related Organizations

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

B. Government-Wide and Fund Financial Statements

Government-Wide Financial Statements

The Statement of Activities and Net Assets – Cash and Investment Basis displays information about the reporting government as a whole. It includes all funds of the reporting entity except for fiduciary funds. 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, and fiduciary funds, even though the latter are excluded from the government-wide financial statements. Major individual governmental funds and major individual enterprise funds are reported as separate columns in the fund financial statements. However, at this time, the School Corporation has not established any enterprise funds.

The School Corporation reports the following major governmental funds:

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

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

The rainy day fund is used to account for funds in accordance with IC 36-1-8-5 and a locally adopted resolution.

The title 1 fund accounts for federal grants and distributions for the title 1 grants to local educational agencies.

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

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

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

VINCENNES COMMUNITY SCHOOL CORPORATION
NOTES TO FINANCIAL STATEMENTS
(Continued)

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.

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

Agency funds account for assets held by the School Corporation as an agent for payroll withholdings.

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.

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.

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

VINCENNES COMMUNITY SCHOOL CORPORATION
NOTES TO FINANCIAL STATEMENTS
(Continued)

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 fund operations are accounted for as capital outlay disbursements of the fund upon acquisition.

4. Long-Term Debt

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

VINCENNES COMMUNITY SCHOOL CORPORATION
NOTES TO FINANCIAL STATEMENTS
(Continued)

2. Operating Receipts and Disbursements

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

F. Internal and Interfund Balances and Activities

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

Fund Financial Statements

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

Government-Wide Financial Statements

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

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

II. Stewardship, Compliance and Accountability

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

VINCENNES COMMUNITY SCHOOL CORPORATION
 NOTES TO FINANCIAL STATEMENTS
 (Continued)

are received are sent to the Indiana Department of Local Government Finance. The budget becomes legally enacted after the fiscal officer of the School Corporation receives approval of the Indiana Department of Local Government Finance.

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

III. Detailed Notes on All Funds

A. Deposits and Investments

1. Deposits

Custodial credit risk is the risk that in the event of a bank failure, the government's deposits may not be returned to it. Indiana Code 5-13-8-1 allows a political subdivision of the State of Indiana to deposit public funds in a financial institution only if the financial institution is a depository eligible to receive state funds and has a principal office or branch that qualifies to receive public funds of the political subdivision. At June 30, 2008, the School Corporation had deposit balances in the amount of \$6,399,431.

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

2. Investments

Authorization for investment activity is stated in Indiana Code 5-13-9. As of June 30, 2008, the School Corporation had no investments:

B. Interfund Transfers

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

Transfer From	Transfer To	2007	2008
General Fund	Rainy Day	\$ -	\$ 350,000
	Other governmental funds	17,291	7,980
Transportation Operating	Rainy Day	-	400,000
Other governmental funds	General Fund	172,530	-
	Other governmental funds	6,067	-
Totals		<u>\$ 195,888</u>	<u>\$ 757,980</u>

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

VINCENNES COMMUNITY SCHOOL CORPORATION
NOTES TO FINANCIAL STATEMENTS
(Continued)

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. Holding Corporation

The School Corporation has entered into a capital lease with Vincennes Community School Building Corporation (the lessor). The lessor was organized as a not-for-profit corporation pursuant to state statute for the purpose of financing and constructing or reconstructing facilities for lease to the School Corporation. The lessor has been determined to be a related party of the School Corporation. Lease payments during the year ended June 30, 2008, totaled \$2,060,000.

C. Subsequent Events

The School Corporation has authorized the Vincennes Community School Building Corporation to issue bonds in an amount not to exceed \$27,300,000 for the construction of a new Clark Middle School. Upon completion of the middle school, a capital lease will be signed between the School Corporation and the Building Corporation for repayment of such bonds.

D. Termination Benefits

In addition to the pension benefits described below, the School Corporation provides postemployment social security bridge benefits, as authorized by Indiana Code 5-10-8, to all employees who retire from the School Corporation on or after attaining age fifty-five with at least twenty years of service. Currently, thirty-seven retirees meet these eligibility requirements. The School Corporation provides 100% of these postemployment benefits. Disbursements for those postemployment benefits are recognized on a pay-as-you-go basis. During the year ended June 30, 2008, disbursements of \$220,079 were recognized for postemployment benefits.

E. Pension Plans

1. Agent Multiple-Employer Defined Benefit Pension Plan

Public Employees' Retirement Fund

Plan Description

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

VINCENNES COMMUNITY SCHOOL CORPORATION
NOTES TO FINANCIAL STATEMENTS
(Continued)

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

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

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

Funding Policy and Annual Pension Cost

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

Actuarial Information for the Above Plan

	PERF
Annual required contribution	\$ 81,161
Interest on net pension obligation	(16,148)
Adjustment to annual required contribution	18,402
Annual pension cost	83,415
Contributions made	80,894
Increase in net pension obligation	2,521
Net pension obligation, beginning of year	(222,737)
Net pension obligation, end of year	\$ (220,216)

VINCENNES COMMUNITY SCHOOL CORPORATION
NOTES TO FINANCIAL STATEMENTS
(Continued)

	PERF
Contribution rates:	
School Corporation	5.5%
Plan members	3%
Actuarial valuation date	07-01-07
Actuarial cost method	Entry age
Amortization method	Level percentage of projected payroll, closed
Amortization period	30 years
Amortization period (from date)	07-01-97
Asset valuation method	75% of expected actuarial value plus 25% of market value
	PERF
Actuarial Assumptions	
Investment rate of return	7.25%
Projected future salary increases:	
Total	5%
Attributed to inflation	4%
Attributed to merit/seniority	1%
Cost-of-living adjustments	2%

Three Year Trend Information

	Year Ending	Annual Pension Cost (APC)	Percentage of APC Contributed	Net Pension Obligation
PERF	06-30-05	\$ 50,902	185%	\$ (207,491)
	06-30-06	67,374	123%	(222,737)
	06-30-07	83,415	97%	(220,216)

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

VINCENNES COMMUNITY SCHOOL CORPORATION
NOTES TO FINANCIAL STATEMENTS
(Continued)

to contribute to the plan. The TRF retirement benefit consists of the pension provided by employer contributions plus an annuity provided by the member's annuity savings account. The annuity savings account consists of member's contributions, set by state statute at 3% of compensation, plus the interest credited to the member's account. The School Corporation may elect to make the contributions on behalf of the member.

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

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

Funding Policy and Annual Pension Costs

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

The School Corporation is to contribute at an actuarially determined rate. The current rate has been actuarially determined under the entry age normal cost method to be 6.82% of covered wages. The School Corporation's required contributions to the plan for the fiscal years ended June 30, 2008, 2007, and 2006, were \$344,382, \$290,340, and \$328,544, respectively. The School Corporation actually contributed 100 % of the required contribution for each of the fiscal years, respectively.

VINCENNES COMMUNITY SCHOOL CORPORATION
 REQUIRED SUPPLEMENTARY INFORMATION
 SCHEDULE OF FUNDING PROGRESS

Public Employees' Retirement Fund

Actuarial Valuation Date	Actuarial Value of Assets (a)	Actuarial Accrued Liability (AAL) (b)	Excess of Assets Over AAL (a-b)	Funded Ratio (a/b)	Covered Payroll (c)	Excess AAL as a Percentage of Covered Payroll ((a-b)/c)
07-01-05	\$ 2,525,225	\$ 2,357,210	\$ 168,015	107%	\$ 1,499,879	11%
07-01-06	2,392,866	2,261,977	130,889	106%	1,439,089	9%
07-01-07	2,455,191	2,238,461	216,730	110%	1,440,256	15%

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

	Preschool	School Lunch	Textbook Rental	Levy Excess	Joint Services 2007-2008	Joint Services Psychology	Reading Recovery 06-07
Receipts:							
Local sources	\$ 9,194	\$ 617,101	\$ 156,559	\$ 172,530	\$ 841	\$ -	\$ -
State sources	125,176	10,582	67,035	-	780,995	4,759	102,000
Federal sources	-	657,359	-	-	-	-	-
Bonds and loans	-	-	-	-	-	-	-
Sale of property, adjustments and refunds	-	1,400	350	-	-	-	-
Total receipts	134,370	1,286,442	223,944	172,530	781,836	4,759	102,000
Disbursements:							
Current:							
Instruction	64,570	-	-	-	596,962	1,756	101,317
Support services	-	1,279,424	205,129	-	219,387	3,137	-
Community services	-	-	-	-	-	-	-
Nonprogrammed charges	12,632	-	-	-	-	-	-
Debt services	-	-	-	-	-	-	-
Total disbursements	77,202	1,279,424	205,129	-	816,349	4,893	101,317
Excess (deficiency) of receipts over disbursements	57,168	7,018	18,815	172,530	(34,513)	(134)	683
Other financing sources (uses):							
Transfers in	-	-	-	-	23,358	-	-
Transfers out	-	-	-	(172,530)	-	(6,067)	-
Total other financing sources (uses)	-	-	-	(172,530)	23,358	(6,067)	-
Excess (deficiency) of receipts and other financing sources over disbursements and other financing uses	57,168	7,018	18,815	-	(11,155)	(6,201)	683
Cash and investments - beginning	73,620	139,882	94,597	-	103,157	6,201	23,829
Cash and investments - ending	\$ 130,788	\$ 146,900	\$ 113,412	\$ -	\$ 92,002	\$ -	\$ 24,512
Cash and Investment Assets - Ending							
Cash and investments	\$ 130,788	\$ 146,900	\$ 113,412	\$ -	\$ 92,002	\$ -	\$ 24,512
Restricted assets:							
Cash and investments	-	-	-	-	-	-	-
Total cash and investment assets - ending	\$ 130,788	\$ 146,900	\$ 113,412	\$ -	\$ 92,002	\$ -	\$ 24,512
Cash and Investment Fund Balance - Ending							
Restricted for:							
Debt service	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Unrestricted	130,788	146,900	113,412	-	92,002	-	24,512
Total cash and investment fund balance - ending	\$ 130,788	\$ 146,900	\$ 113,412	\$ -	\$ 92,002	\$ -	\$ 24,512

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

	Reading Recovery 05-06	RC Fund	Gifted/ Talented 07-08	Industrial Arts	Non-English Speaking	Technology Fund	Child Care Service
Receipts:							
Local sources	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 59,959
State sources	-	-	15,825	3,780	410	-	-
Federal sources	-	-	-	-	-	62,929	-
Bonds and loans	-	-	-	-	-	-	-
Sale of property, adjustments and refunds	-	30,000	-	-	-	-	-
Total receipts	-	30,000	15,825	3,780	410	62,929	59,959
Disbursements:							
Current:							
Instruction	-	25,000	18,950	-	436	-	4,427
Support services	-	-	-	4,643	-	4,571	-
Community services	-	-	-	-	-	-	58,544
Nonprogrammed charges	-	-	-	-	-	-	-
Debt services	-	-	-	-	-	-	-
Total disbursements	-	25,000	18,950	4,643	436	4,571	62,971
Excess (deficiency) of receipts over disbursements	-	5,000	(3,125)	(863)	(26)	58,358	(3,012)
Other financing sources (uses):							
Transfers in	-	-	-	-	-	-	-
Transfers out	-	-	-	-	-	-	-
Total other financing sources (uses)	-	-	-	-	-	-	-
Excess (deficiency) of receipts and other financing sources over disbursements and other financing uses	-	5,000	(3,125)	(863)	(26)	58,358	(3,012)
Cash and investments - beginning	26,304	35,000	10,159	1,241	481	230,110	13,891
Cash and investments - ending	\$ 26,304	\$ 40,000	\$ 7,034	\$ 378	\$ 455	\$ 288,468	\$ 10,879
Cash and Investment Assets - Ending							
Cash and investments	\$ 26,304	\$ 40,000	\$ 7,034	\$ 378	\$ 455	\$ 288,468	\$ 10,879
Restricted assets:							
Cash and investments	-	-	-	-	-	-	-
Total cash and investment assets - ending	\$ 26,304	\$ 40,000	\$ 7,034	\$ 378	\$ 455	\$ 288,468	\$ 10,879
Cash and Investment Fund Balance - Ending							
Restricted for:							
Debt service	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Unrestricted	26,304	40,000	7,034	378	455	288,468	10,879
Total cash and investment fund balance - ending	\$ 26,304	\$ 40,000	\$ 7,034	\$ 378	\$ 455	\$ 288,468	\$ 10,879

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

	S.I.N.E. Library	Library Endowment	Calibration	Project Respect	Literacy S.I.N.E Grant	Title V 07-08	Children's TV
Receipts:							
Local sources	\$ -	\$ 215	\$ -	\$ -	\$ -	\$ -	\$ -
State sources	-	-	600	10,157	-	-	-
Federal sources	-	-	-	-	-	65,196	-
Bonds and loans	-	-	-	-	-	-	-
Sale of property, adjustments and refunds	230	-	-	-	-	-	-
Total receipts	230	215	600	10,157	-	65,196	-
Disbursements:							
Current:							
Instruction	7,898	-	-	19,525	371	89,877	-
Support services	1,845	75	99	-	219	24,999	-
Community services	-	-	-	-	-	-	-
Nonprogrammed charges	-	-	-	-	-	-	-
Debt services	-	-	-	-	-	-	-
Total disbursements	9,743	75	99	19,525	590	114,876	-
Excess (deficiency) of receipts over disbursements	(9,513)	140	501	(9,368)	(590)	(49,680)	-
Other financing sources (uses):							
Transfers in	-	-	-	-	-	-	-
Transfers out	-	-	-	-	-	-	-
Total other financing sources (uses)	-	-	-	-	-	-	-
Excess (deficiency) of receipts and other financing sources over disbursements and other financing uses	(9,513)	140	501	(9,368)	(590)	(49,680)	-
Cash and investments - beginning	33,851	15	-	(935)	590	101,530	28
Cash and investments - ending	\$ 24,338	\$ 155	\$ 501	\$ (10,303)	\$ -	\$ 51,850	\$ 28
Cash and Investment Assets - Ending							
Cash and investments	\$ 24,338	\$ 155	\$ 501	\$ (10,303)	\$ -	\$ 51,850	\$ 28
Restricted assets:							
Cash and investments	-	-	-	-	-	-	-
Total cash and investment assets - ending	\$ 24,338	\$ 155	\$ 501	\$ (10,303)	\$ -	\$ 51,850	\$ 28
Cash and Investment Fund Balance - Ending							
Restricted for:							
Debt service	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Unrestricted	24,338	155	501	(10,303)	-	51,850	28
Total cash and investment fund balance - ending	\$ 24,338	\$ 155	\$ 501	\$ (10,303)	\$ -	\$ 51,850	\$ 28

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

	Handicapped Grant CO	Sliver Grant	Preschool CO 06-07	Title IV 06-08	School Wellness	Katrina/Rita Fund
Receipts:						
Local sources	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
State sources	-	-	-	-	-	-
Federal sources	1,148,020	4,378	69,036	13,500	130	2,000
Bonds and loans	-	-	-	-	-	-
Sale of property, adjustments and refunds	-	-	-	-	-	-
Total receipts	1,148,020	4,378	69,036	13,500	130	2,000
Disbursements:						
Current:						
Instruction	469,632	779	61,133	12,188	-	6,000
Support services	621,911	4,967	4,186	9,153	-	-
Community services	-	-	-	-	-	-
Nonprogrammed charges	-	-	-	-	-	-
Debt services	-	-	-	-	-	-
Total disbursements	1,091,543	5,746	65,319	21,341	-	6,000
Excess (deficiency) of receipts over disbursements	56,477	(1,368)	3,717	(7,841)	130	(4,000)
Other financing sources (uses):						
Transfers in	-	-	-	-	-	-
Transfers out	-	-	-	-	-	-
Total other financing sources (uses)	-	-	-	-	-	-
Excess (deficiency) of receipts and other financing sources over disbursements and other financing uses	56,477	(1,368)	3,717	(7,841)	130	(4,000)
Cash and investments - beginning	164,650	1,368	13,105	17,881	-	4,000
Cash and investments - ending	\$ 221,127	\$ -	\$ 16,822	\$ 10,040	\$ 130	\$ -
Cash and Investment Assets - Ending						
Cash and investments	\$ 221,127	\$ -	\$ 16,822	\$ 10,040	\$ 130	\$ -
Restricted assets:						
Cash and investments	-	-	-	-	-	-
Total cash and investment assets - ending	\$ 221,127	\$ -	\$ 16,822	\$ 10,040	\$ 130	\$ -
Cash and Investment Fund Balance - Ending						
Restricted for:						
Debt service	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Unrestricted	221,127	-	16,822	10,040	130	-
Total cash and investment fund balance - ending	\$ 221,127	\$ -	\$ 16,822	\$ 10,040	\$ 130	\$ -

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

	Title II 07-08	Title II 05-06	Regional Tech Grant	Retirement Severance Bond	Construction Fund	Totals
Receipts:						
Local sources	\$ -	\$ -	\$ -	\$ 130,092	\$ -	\$ 1,146,491
State sources	-	-	-	-	-	1,121,319
Federal sources	75,000	6,000	2,000	-	-	2,105,548
Bonds and loans	-	-	-	28,000	-	28,000
Sale of property, adjustments and refunds	-	-	-	-	-	31,980
Total receipts	<u>75,000</u>	<u>6,000</u>	<u>2,000</u>	<u>158,092</u>	<u>-</u>	<u>4,433,338</u>
Disbursements:						
Current:						
Instruction	47,340	8,945	-	-	-	1,537,106
Support services	88,288	2,751	623	-	-	2,475,407
Community services	-	-	-	-	-	58,544
Nonprogrammed charges	2,300	-	-	-	-	14,932
Debt services	-	-	-	231,727	-	231,727
Total disbursements	<u>137,928</u>	<u>11,696</u>	<u>623</u>	<u>231,727</u>	<u>-</u>	<u>4,317,716</u>
Excess (deficiency) of receipts over disbursements	<u>(62,928)</u>	<u>(5,696)</u>	<u>1,377</u>	<u>(73,635)</u>	<u>-</u>	<u>115,622</u>
Other financing sources (uses):						
Transfers in	-	-	-	-	-	23,358
Transfers out	-	-	-	-	-	(178,597)
Total other financing sources (uses)	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>(155,239)</u>
Excess (deficiency) of receipts and other financing sources over disbursements and other financing uses	<u>(62,928)</u>	<u>(5,696)</u>	<u>1,377</u>	<u>(73,635)</u>	<u>-</u>	<u>(39,617)</u>
Cash and investments - beginning	<u>95,657</u>	<u>11,015</u>	<u>-</u>	<u>73,653</u>	<u>9,870</u>	<u>1,284,750</u>
Cash and investments - ending	<u>\$ 32,729</u>	<u>\$ 5,319</u>	<u>\$ 1,377</u>	<u>\$ 18</u>	<u>\$ 9,870</u>	<u>\$ 1,245,133</u>
Cash and Investment Assets - Ending						
Cash and investments	\$ 32,729	\$ 5,319	\$ 1,377	\$ -	\$ 9,870	\$ 1,245,115
Restricted assets:						
Cash and investments	-	-	-	18	-	18
Total cash and investment assets - ending	<u>\$ 32,729</u>	<u>\$ 5,319</u>	<u>\$ 1,377</u>	<u>\$ 18</u>	<u>\$ 9,870</u>	<u>\$ 1,245,133</u>
Cash and Investment Fund Balance - Ending						
Restricted for:						
Debt service	\$ -	\$ -	\$ -	\$ 18	\$ -	\$ 18
Unrestricted	<u>32,729</u>	<u>5,319</u>	<u>1,377</u>	<u>-</u>	<u>9,870</u>	<u>1,245,115</u>
Total cash and investment fund balance - ending	<u>\$ 32,729</u>	<u>\$ 5,319</u>	<u>\$ 1,377</u>	<u>\$ 18</u>	<u>\$ 9,870</u>	<u>\$ 1,245,133</u>

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

	Preschool	School Lunch	Textbook Rental	Joint Services 2007-2008	Joint Services Psychology	Reading Recovery 06-07	Reading Recovery 07-08
Receipts:							
Local sources	\$ 15,198	\$ 601,948	\$ 134,495	\$ 477,239	\$ -	\$ -	\$ 100
State sources	110,726	9,469	128,538	418,582	1,477	81,000	-
Federal sources	-	722,660	-	-	-	-	-
Sale of property, adjustments and refunds	-	1,100	2,139	375	-	-	-
Total receipts	<u>125,924</u>	<u>1,335,177</u>	<u>265,172</u>	<u>896,196</u>	<u>1,477</u>	<u>81,000</u>	<u>100</u>
Disbursements:							
Current:							
Instruction	71,374	-	765	612,850	1,477	76,731	-
Support services	-	1,339,840	211,550	260,096	-	-	26,404
Community services	-	-	-	-	-	-	-
Nonprogrammed charges	11,924	-	-	-	-	-	-
Debt services	-	-	-	-	-	-	-
Total disbursements	<u>83,298</u>	<u>1,339,840</u>	<u>212,315</u>	<u>872,946</u>	<u>1,477</u>	<u>76,731</u>	<u>26,404</u>
Excess (deficiency) of receipts over disbursements	<u>42,626</u>	<u>(4,663)</u>	<u>52,857</u>	<u>23,250</u>	<u>-</u>	<u>4,269</u>	<u>(26,304)</u>
Other financing sources:							
Transfers in	-	-	-	7,980	-	-	-
Excess (deficiency) of receipts and other financing sources over disbursements and other financing uses	42,626	(4,663)	52,857	31,230	-	4,269	(26,304)
Cash and investments - beginning	<u>130,788</u>	<u>146,900</u>	<u>113,412</u>	<u>92,002</u>	<u>-</u>	<u>24,512</u>	<u>26,304</u>
Cash and investments - ending	<u>\$ 173,414</u>	<u>\$ 142,237</u>	<u>\$ 166,269</u>	<u>\$ 123,232</u>	<u>\$ -</u>	<u>\$ 28,781</u>	<u>\$ -</u>
Cash and Investment Assets - Ending							
Cash and investments	\$ 173,414	\$ 142,237	\$ 166,269	\$ 123,232	\$ -	\$ 28,781	\$ -
Restricted assets:							
Cash and investments	-	-	-	-	-	-	-
Total cash and investment assets - ending	<u>\$ 173,414</u>	<u>\$ 142,237</u>	<u>\$ 166,269</u>	<u>\$ 123,232</u>	<u>\$ -</u>	<u>\$ 28,781</u>	<u>\$ -</u>
Cash and Investment Fund Balance - Ending							
Restricted for:							
Debt service	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Unrestricted	<u>173,414</u>	<u>142,237</u>	<u>166,269</u>	<u>123,232</u>	<u>-</u>	<u>28,781</u>	<u>-</u>
Total cash and investment fund balance - ending	<u>\$ 173,414</u>	<u>\$ 142,237</u>	<u>\$ 166,269</u>	<u>\$ 123,232</u>	<u>\$ -</u>	<u>\$ 28,781</u>	<u>\$ -</u>

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

	RC Fund	Safe Haven Grant	Gifted/ Talented 07-08	Industrial Arts	Non-English Speaking	Technology Fund	Child Care Services
Receipts:							
Local sources	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 69,924
State sources	-	-	37,550	3,780	3,406	-	-
Federal sources	-	1,492	-	-	-	60,995	-
Sale of property, adjustments and refunds	31,000	-	-	-	-	22,213	-
Total receipts	31,000	1,492	37,550	3,780	3,406	83,208	69,924
Disbursements:							
Current:							
Instruction	40,006	993	29,250	-	1,421	-	2,242
Support services	21,196	499	-	4,158	-	289,462	30
Community services	-	-	-	-	-	-	67,448
Nonprogrammed charges	-	-	-	-	-	-	-
Debt services	-	-	-	-	-	-	-
Total disbursements	61,202	1,492	29,250	4,158	1,421	289,462	69,720
Excess (deficiency) of receipts over disbursements	(30,202)	-	8,300	(378)	1,985	(206,254)	204
Other financing sources:							
Transfers in	-	-	-	-	-	-	-
Excess (deficiency) of receipts and other financing sources over disbursements and other financing uses	(30,202)	-	8,300	(378)	1,985	(206,254)	204
Cash and investments - beginning	40,000	-	7,034	378	455	288,468	10,879
Cash and investments - ending	<u>\$ 9,798</u>	<u>\$ -</u>	<u>\$ 15,334</u>	<u>\$ -</u>	<u>\$ 2,440</u>	<u>\$ 82,214</u>	<u>\$ 11,083</u>
Cash and Investment Assets - Ending							
Cash and investments	\$ 9,798	\$ -	\$ 15,334	\$ -	\$ 2,440	\$ 82,214	\$ 11,083
Restricted assets:							
Cash and investments	-	-	-	-	-	-	-
Total cash and investment assets - ending	<u>\$ 9,798</u>	<u>\$ -</u>	<u>\$ 15,334</u>	<u>\$ -</u>	<u>\$ 2,440</u>	<u>\$ 82,214</u>	<u>\$ 11,083</u>
Cash and Investment Fund Balance - Ending							
Restricted for:							
Debt service	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Unrestricted	9,798	-	15,334	-	2,440	82,214	11,083
Total cash and investment fund balance - ending	<u>\$ 9,798</u>	<u>\$ -</u>	<u>\$ 15,334</u>	<u>\$ -</u>	<u>\$ 2,440</u>	<u>\$ 82,214</u>	<u>\$ 11,083</u>

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

	S.I.N.E Library	Library Endowment	Calibration	Project Respect	Title V 07-08	Children's TV
Receipts:						
Local sources	\$ -	\$ 195	\$ -	\$ -	\$ -	\$ -
State sources	-	-	600	15,971	-	-
Federal sources	-	-	-	-	66,932	-
Sale of property, adjustments and refunds	-	-	-	-	-	-
Total receipts	-	195	600	15,971	66,932	-
Disbursements:						
Current:						
Instruction	20,969	-	-	5,668	56,061	28
Support services	161	272	1,101	-	23,664	-
Community services	-	-	-	-	-	-
Nonprogrammed charges	-	-	-	-	-	-
Debt services	-	-	-	-	-	-
Total disbursements	21,130	272	1,101	5,668	79,725	28
Excess (deficiency) of receipts over disbursements	(21,130)	(77)	(501)	10,303	(12,793)	(28)
Other financing sources:						
Transfers in	-	-	-	-	-	-
Excess (deficiency) of receipts and other financing sources over disbursements and other financing uses	(21,130)	(77)	(501)	10,303	(12,793)	(28)
Cash and investments - beginning	24,338	155	501	(10,303)	51,850	28
Cash and investments - ending	<u>\$ 3,208</u>	<u>\$ 78</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 39,057</u>	<u>\$ -</u>
Cash and Investment Assets - Ending						
Cash and investments	\$ 3,208	\$ 78	\$ -	\$ -	\$ 39,057	\$ -
Restricted assets:						
Cash and investments	-	-	-	-	-	-
Total cash and investment assets - ending	<u>\$ 3,208</u>	<u>\$ 78</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 39,057</u>	<u>\$ -</u>
Cash and Investment Fund Balance - Ending						
Restricted for:						
Debt service	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Unrestricted	3,208	78	-	-	39,057	-
Total cash and investment fund balance - ending	<u>\$ 3,208</u>	<u>\$ 78</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 39,057</u>	<u>\$ -</u>

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

	Handicapped Grant CO	Preschool CO 06-07	Title IV 06-08	School Wellness	Title II 07-08	Title II 05-06
Receipts:						
Local sources	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
State sources	-	-	-	-	172,064	-
Federal sources	1,305,167	81,001	20,266	-	-	-
Sale of property, adjustments and refunds	-	-	-	-	-	-
Total receipts	1,305,167	81,001	20,266	-	172,064	-
Disbursements:						
Current:						
Instruction	525,454	76,143	8,326	-	21,292	3,214
Support services	637,944	7,133	10,151	130	136,898	2,105
Community services	-	-	-	-	-	-
Nonprogrammed charges	-	-	-	-	-	-
Debt services	-	-	-	-	-	-
Total disbursements	1,163,398	83,276	18,477	130	158,190	5,319
Excess (deficiency) of receipts over disbursements	141,769	(2,275)	1,789	(130)	13,874	(5,319)
Other financing sources:						
Transfers in	-	-	-	-	-	-
Excess (deficiency) of receipts and other financing sources over disbursements and other financing uses	141,769	(2,275)	1,789	(130)	13,874	(5,319)
Cash and investments - beginning	221,127	16,822	10,040	130	32,729	5,319
Cash and investments - ending	\$ 362,896	\$ 14,547	\$ 11,829	\$ -	\$ 46,603	\$ -
Cash and Investment Assets - Ending						
Cash and investments	\$ 362,896	\$ 14,547	\$ 11,829	\$ -	\$ 46,603	\$ -
Restricted assets:						
Cash and investments	-	-	-	-	-	-
Total cash and investment assets - ending	\$ 362,896	\$ 14,547	\$ 11,829	\$ -	\$ 46,603	\$ -
Cash and Investment Fund Balance - Ending						
Restricted for:						
Debt service	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Unrestricted	362,896	14,547	11,829	-	46,603	-
Total cash and investment fund balance - ending	\$ 362,896	\$ 14,547	\$ 11,829	\$ -	\$ 46,603	\$ -

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

	Rural and Low Income	Regional Tech Grant	Enhanced Education/ Technology	Retirement Severance Bond	Construction Fund	Totals
Receipts:						
Local sources	\$ -	\$ -	\$ -	\$ 279,267	\$ -	\$ 1,578,366
State sources	-	-	-	-	-	983,163
Federal sources	64,530	-	157,594	-	-	2,480,637
Sale of property, adjustments and refunds	-	-	-	-	-	56,827
Total receipts	64,530	-	157,594	279,267	-	5,098,993
Disbursements:						
Current:						
Instruction	-	-	-	-	-	1,554,264
Support services	-	148	142,806	-	-	3,115,748
Community services	-	-	-	-	-	67,448
Nonprogrammed charges	-	-	-	-	-	11,924
Debt services	-	-	-	259,738	-	259,738
Total disbursements	-	148	142,806	259,738	-	5,009,122
Excess (deficiency) of receipts over disbursements	64,530	(148)	14,788	19,529	-	89,871
Other financing sources:						
Transfers in	-	-	-	-	-	7,980
Excess (deficiency) of receipts and other financing sources over disbursements and other financing uses	64,530	(148)	14,788	19,529	-	97,851
Cash and investments - beginning	-	1,377	-	18	9,870	1,245,133
Cash and investments - ending	<u>\$ 64,530</u>	<u>\$ 1,229</u>	<u>\$ 14,788</u>	<u>\$ 19,547</u>	<u>\$ 9,870</u>	<u>\$ 1,342,984</u>
Cash and Investment Assets - Ending						
Cash and investments	\$ 64,530	\$ 1,229	\$ 14,788	\$ -	\$ 9,870	\$ 1,323,437
Restricted assets:						
Cash and investments	-	-	-	19,547	-	19,547
Total cash and investment assets - ending	<u>\$ 64,530</u>	<u>\$ 1,229</u>	<u>\$ 14,788</u>	<u>\$ 19,547</u>	<u>\$ 9,870</u>	<u>\$ 1,342,984</u>
Cash and Investment Fund Balance - Ending						
Restricted for:						
Debt service	\$ -	\$ -	\$ -	\$ 19,547	\$ -	\$ 19,547
Unrestricted	64,530	1,229	14,788	-	9,870	1,323,437
Total cash and investment fund balance - ending	<u>\$ 64,530</u>	<u>\$ 1,229</u>	<u>\$ 14,788</u>	<u>\$ 19,547</u>	<u>\$ 9,870</u>	<u>\$ 1,342,984</u>

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

	<u>Toyota Grant</u>	<u>Custred Donation</u>	<u>Sports Clinic</u>	<u>LHS Daycare Center</u>	<u>Riley Summer Tutor</u>
Additions:					
Contributions:					
Other	\$ 2,200	\$ 100	\$ 8,675	\$ -	\$ -
Deductions:					
Administrative and general	-	-	7,004	-	-
Excess (deficiency) of total additions over total deductions	2,200	100	1,671	-	-
Cash and investment fund balance - beginning	-	-	6,460	320	988
Cash and investments - June 30	<u>\$ 2,200</u>	<u>\$ 100</u>	<u>\$ 8,131</u>	<u>\$ 320</u>	<u>\$ 988</u>
Net assets:					
Cash and investments	<u>\$ 2,200</u>	<u>\$ 100</u>	<u>\$ 8,131</u>	<u>\$ 320</u>	<u>\$ 988</u>
Total net assets - cash and investment basis held in trust	<u>\$ 2,200</u>	<u>\$ 100</u>	<u>\$ 8,131</u>	<u>\$ 320</u>	<u>\$ 988</u>

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

	<u>Autism Donation</u>	<u>Urban Enterprise Zone</u>	<u>ASAI</u>	<u>Totals</u>
Additions:				
Contributions:				
Other	\$ 183	\$ 4,000	\$ 10,000	\$ 25,158
Deductions:				
Administrative and general	<u>775</u>	<u>5,833</u>	<u>7,906</u>	<u>21,518</u>
Excess (deficiency) of total additions over total deductions	(592)	(1,833)	2,094	3,640
Cash and investment fund balance - beginning	<u>1,288</u>	<u>2,429</u>	<u>8,230</u>	<u>19,715</u>
Cash and investments - June 30	<u>\$ 696</u>	<u>\$ 596</u>	<u>\$ 10,324</u>	<u>\$ 23,355</u>
Net assets:				
Cash and investments	<u>\$ 696</u>	<u>\$ 596</u>	<u>\$ 10,324</u>	<u>\$ 23,355</u>
Total net assets - cash and investment basis held in trust	<u>\$ 696</u>	<u>\$ 596</u>	<u>\$ 10,324</u>	<u>\$ 23,355</u>

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

	Toyota Grant	Soccer Donation	Schott Donation	Custred Donation	Smartdesktop Donation	Sports Clinic
Additions:						
Contributions:						
Other	\$ 1,500	\$ 1,000	\$ 7,500	\$ -	\$ 10,000	\$ 3,730
Deductions:						
Administrative and general	2,200	1,000	7,500	100	-	11,861
Excess (deficiency) of total additions over total deductions	(700)	-	-	(100)	10,000	(8,131)
Cash and investment fund balance - beginning	2,200	-	-	100	-	8,131
Cash and investments - June 30	<u>\$ 1,500</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 10,000</u>	<u>\$ -</u>
Net assets:						
Cash and investments	<u>\$ 1,500</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 10,000</u>	<u>\$ -</u>
Total net assets - cash and investment basis held in trust	<u>\$ 1,500</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 10,000</u>	<u>\$ -</u>

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

	LHS Daycare Center	Riley Summer Tutor	Autism Donation	Urban Enterprise Zone	ASAI	Totals
Additions:						
Contributions:						
Other	\$ -	\$ -	\$ -	\$ 7,500	\$ 10,000	\$ 41,230
Deductions:						
Administrative and general	320	988	29	7,316	10,129	41,443
Excess (deficiency) of total additions over total deductions	(320)	(988)	(29)	184	(129)	(213)
Cash and investment fund balance - beginning	320	988	696	596	10,324	23,355
Cash and investments - June 30	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 667</u>	<u>\$ 780</u>	<u>\$ 10,195</u>	<u>\$ 23,142</u>
Net assets:						
Cash and investments	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 667</u>	<u>\$ 780</u>	<u>\$ 10,195</u>	<u>\$ 23,142</u>
Total net assets - cash and investment basis held in trust	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 667</u>	<u>\$ 780</u>	<u>\$ 10,195</u>	<u>\$ 23,142</u>

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

	<u>Indiana State Tax</u>	<u>Non-Certified Retirement</u>	<u>Group Insurance</u>	<u>County Tax</u>	<u>PERF</u>	<u>ITRF</u>	<u>Totals</u>
Cash and investments fund balance - ending	\$ 44,287	\$ 10,405	\$ 11,532	\$ 14,115	\$ 1,789	\$ 7,981	\$ 90,109

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

	<u>Indiana State Tax</u>	<u>Non-Certified Retirement</u>	<u>Group Insurance</u>	<u>County Tax</u>	<u>PERF</u>	<u>ITRF</u>	<u>Totals</u>
Cash and investments fund balance - ending	<u>\$ 41,364</u>	<u>\$ 10,631</u>	<u>\$ 88,701</u>	<u>\$ 12,996</u>	<u>\$ 2,251</u>	<u>\$ 7,519</u>	<u>\$ 163,462</u>

BOARD OF EDUCATION

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MEMBER

VINCENNES COMMUNITY SCHOOL CORPORATION
1712 S. Hart Street Road
Vincennes, Indiana 47591

VINCENNES COMMUNITY SCHOOL CORPORATION
SUPPLEMENTARY INFORMATION
SCHEDULE OF CAPITAL ASSETS

DOUGLAS D. ROSE
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THOMAS F. NONTE
EXECUTIVE DIRECTOR
FOR INSTRUCTIONAL SERVICES
812-882-3668
CHAD B. BLACKLOCK
EXECUTIVE DIRECTOR
FOR FINANCIAL SERVICES
812-882-6971
MADONNA J. WILLIAMS
CORPORATION TREASURER
BARBARA A. CANNON
ADMINISTRATIVE ASSISTANT
TO THE SUPERINTENDENT

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	\$ 845,360
Buildings	27,505,871
Improvements other than buildings	1,518,053
Machinery and equipment	<u>2,864,385</u>
Total governmental activities, capital assets not being depreciated	<u>\$ 32,733,669</u>

These numbers are a direct reflection of the 2008 asset management service conducted by Maximus, Inc.

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

The School has entered into the following debt:

Description of Debt	Ending Principal Balance	Principal and Interest Due Within One Year
Governmental Activities:		
Capital Leases:		
Lincoln High School	\$ 12,545,422	\$ 2,060,000
Notes and Loans Payable:		
Common School Loans	147,614	115,500
Revenue bonds:		
Pension Bonds	<u>1,935,000</u>	<u>236,124</u>
Total governmental activities debt	<u>\$ 14,628,036</u>	<u>\$ 2,411,624</u>

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SUPPLEMENTAL AUDIT OF
FEDERAL AWARDS



STATE OF INDIANA
AN EQUAL OPPORTUNITY EMPLOYER

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

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

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

TO: THE OFFICIALS OF THE VINCENNES COMMUNITY
SCHOOL CORPORATION, KNOX COUNTY, INDIANA

Compliance

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

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

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

Internal Control Over Compliance

The management of the School Corporation is responsible for establishing and maintaining effective internal control over compliance with requirements of laws, regulations, contracts and grants applicable to federal programs. In planning and performing our audit, we considered the School Corporation's internal control over compliance with requirements that could have a direct and material effect on a major federal program in order to determine our auditing procedures for the purpose of expressing our opinion

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

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

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

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

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

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

June 1, 2009

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

Federal Grantor Agency/Pass-Through Entity Cluster Title/Program Title/Project Title	Federal CFDA Number	Pass-Through Entity (or Other) Identifying Number	Total Federal Awards Expended 06-30-07	Total Federal Awards Expended 06-30-08
U.S. DEPARTMENT OF AGRICULTURE				
Pass-Through Indiana Department of Education				
Child Nutrition Cluster				
School Breakfast Program	10.553		\$ 187,234	\$ 199,356
National School Lunch Program	10.555		556,890	564,063
Summer Food Service Program for Children	10.559		<u>2,676</u>	<u>1,357</u>
Total for cluster			<u>746,800</u>	<u>764,776</u>
Total for federal grantor agency			<u>746,800</u>	<u>764,776</u>
U.S. DEPARTMENT OF EDUCATION				
Pass-Through Indiana Department of Education				
Special Education Cluster (IDEA)				
Special Education - Grants to States	84.027			
Handicapped 04-05 Carryover		14204-034-DY09	17,192	-
Handicapped 05-06		14206-034-PN01	495,735	-
Handicapped 05-06 Carryover		14206-034-PY02	474,956	67,118
Handicapped 06-07		14207-034-PN01	469,823	109,436
Handicapped 06-07 Carryover		14207-034-PY02	-	520,571
Handicapped 07-08		14207-034-PN01	-	459,717
Sliver 04-05		14206-034-SN01	<u>5,746</u>	<u>-</u>
Total for program			1,463,452	1,156,842
Special Education - Preschool Grants	84.173			
FY 04-05		45704-034-PN01	13,105	-
FY 05-06		45705-034-PN01	52,214	18,405
FY 07-08		45706-034-PN01	<u>-</u>	<u>66,404</u>
Total for program			<u>65,319</u>	<u>84,809</u>
Total for cluster			<u>1,528,771</u>	<u>1,241,651</u>
Title 1 Grants to Local Educational Agencies	84.010			
FY 05-06			268,947	53,410
FY 06-07			575,410	217,010
FY 07-08			-	572,960
Title 1, Part D, FY 05-06			38,497	-
Title 1, Part D, FY 06-07			235,456	-
Title 1, Part D, FY 07-08			-	144,488
School Improvement FY 05-06			39,917	-
School Improvement FY 06-07			<u>42,400</u>	<u>22,288</u>
Total for program			<u>1,200,627</u>	<u>1,010,156</u>
Pass-Through Twin Rivers Vocational Area				
Vocational Education - Basic Grants to States	84.048		<u>16,700</u>	<u>19,644</u>
Pass-Through Indiana Department of Education				
Safe and Drug Free Schools and Communities - State Grants	84.186			
FY 04-06		04-114	8,331	-
FY 05-07		05-221	13,011	10,040
FY 06-08		06-4335	<u>-</u>	<u>8,437</u>
Total for program			<u>21,342</u>	<u>18,477</u>

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

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

Federal Grantor Agency/Pass-Through Entity Cluster Title/Program Title/Project Title	Federal CFDA Number	Pass-Through Entity (or Other) Identifying Number	Total Federal Awards Expended 06-30-07	Total Federal Awards Expended 06-30-08
<u>U.S. DEPARTMENT OF EDUCATION (continued)</u>				
Pass-Through Indiana Department of Education (continued)				
State Grants for Innovative Programs	84.298			
FY 04-05		05-178	57,722	-
FY 05-06		05-282	57,154	51,852
FY 07-08		06-4335	-	27,865
			<u>114,876</u>	<u>79,717</u>
Total for program				
Education Technology State Grants	84.318			
FY 04-06			5,021	-
FY 05-07			6,675	5,319
FY 05-07			623	148
FY 07-08			-	142,806
			<u>12,319</u>	<u>148,273</u>
Total for program				
Improving Teacher Quality State Grants	84.367			
		04-172	29,854	-
		05-207	108,074	32,729
		06-4335	-	125,460
			<u>137,928</u>	<u>158,189</u>
Total for program				
Hurricane Education Recovery	84.938			
FY 06-07			6,000	-
			<u>6,000</u>	<u>-</u>
Total for federal grantor agency			<u>3,038,563</u>	<u>2,676,107</u>
<u>U.S. DEPARTMENT OF HEALTH AN HUMAN SERVICES</u>				
Pass-Through Indiana Department of Health				
Abstinence Education Program	93.235			
Project Respect		FY 05-07	19,524	5,668
			<u>19,524</u>	<u>5,668</u>
Total for federal grantor agency			<u>19,524</u>	<u>5,668</u>
Total federal awards expended			<u>\$ 3,804,887</u>	<u>\$ 3,446,551</u>

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

VINCENNES COMMUNITY SCHOOL CORPORATION
NOTES TO SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS

I. Basis of Presentation

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

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

II. Subrecipients

Of the federal expenditures presented in the schedule, the School Corporation provided federal awards to subrecipients as follows for the years ended June 30, 2007 and 2008:

Program Title	Federal CFDA Number	2007	2008
Special Education Cluster	84.027	\$ 460,869	\$ 456,344

III. 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	\$ 89,442	\$ 42,117

VINCENNES COMMUNITY SCHOOL CORPORATION
SCHEDULE OF FINDINGS AND QUESTIONED COSTS

Section I – Summary of Auditor's Results

Financial Statements:

Type of auditor's report issued: Unqualified

Internal control over financial reporting:

Material weaknesses identified?	no
Significant deficiencies identified that are not considered to be material weaknesses?	none reported

Noncompliance material to financial statements noted? no

Federal Awards:

Internal control over major programs:

Material weaknesses identified?	no
Significant deficiencies identified that are not considered to be material weaknesses?	none reported

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

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

Identification of Major Programs:

CFDA Number	Name of Federal Program or Cluster
	Special Education Cluster (IDEA)

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

Auditee qualified as low-risk auditee? yes

Section II – Financial Statement Findings

No matters are reportable.

Section III – Federal Award Findings and Questioned Costs

No matters are reportable.

VINCENNES COMMUNITY SCHOOL CORPORATION
SUMMARY SCHEDULE OF PRIOR AUDIT FINDINGS

No matters are reportable.

VINCENNES COMMUNITY SCHOOL CORPORATION
EXIT CONFERENCE

The contents of this report were discussed on June 1, 2009, with Douglas D. Rose, Superintendent of Schools; Madonna J. Williams, Treasurer; Chad B. Blacklock, Executive Director for Financial Services; and Bryan L. Thais, Secretary of the School Board. Our audit disclosed no material items that warrant comment at this time.