

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

AUDIT REPORT

OF

TOWN OF WEST COLLEGE CORNER

UNION COUNTY, INDIANA

January 1, 2007 to December 31, 2008



FILED
11/30/2009

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SCHEDULE OF OFFICIALS

<u>Office</u>	<u>Official</u>	<u>Term</u>
Clerk-Treasurer	Donna Bourne	01-01-07 to 02-26-07
	Vacant	02-27-07 to 02-29-07
	Judith Burke Starr	03-01-07 to 12-31-11
President of the Town Council	Carolyn Portwood	01-01-07 to 12-31-09



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

TO: THE OFFICIALS OF THE TOWN OF WEST COLLEGE CORNER, UNION COUNTY, INDIANA

We have audited the accompanying financial statements of the governmental activities, the business-type activities, each major fund, and the aggregate remaining fund information of the Town of West College Corner (Town), as of and for the years ended December 31, 2007 and 2008, which collectively comprise the Town's basic financial statements as listed in the Table of Contents. These financial statements are the responsibility of the Town'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 Town 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, the business-type activities, each major fund, and the aggregate remaining fund information of the Town as of December 31, 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 October 27, 2009, on our consideration of the Town'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 Town'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 Town 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 Town'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

October 27, 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 TOWN OF WEST COLLEGE CORNER, UNION COUNTY, INDIANA

We have audited the financial statements of the governmental activities, the business-type activities, each major fund, and the aggregate remaining fund information of the Town of West College Corner (Town), as of and for the years ended December 31, 2007 and 2008, which collectively comprise the Town's basic financial statements and have issued our report thereon dated October 27, 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 Town'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 Town's internal control over financial reporting. Accordingly, we do not express an opinion on the effectiveness of the Town's internal control over financial reporting.

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

A control deficiency exists when the design or operation of a control does not allow management or employees, in the normal course of performing their assigned functions, to prevent or detect misstatements on a timely basis. A significant deficiency is a control deficiency, or combination of control deficiencies, that adversely affects the entity's ability to initiate, authorize, record, process, or report financial data reliably in accordance with generally accepted accounting principles such that there is more than a remote likelihood that a misstatement of the entity's financial statements that is more than inconsequential will not be prevented or detected by the entity's internal control. We consider the deficiencies described in item 2008-1 of the accompanying Schedule of Findings and Questioned Costs to be significant deficiencies in internal control over financial reporting.

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

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

Our consideration of internal control over financial reporting was for the limited purpose described in the first paragraph of this section and would not necessarily identify all deficiencies in internal control that might be significant deficiencies or material weaknesses. However, of the significant deficiencies described above, we consider item 2008-1 to be a material weakness.

Compliance and Other Matters

As part of obtaining reasonable assurance about whether the Town'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.

The Town's response to the findings identified in our audit is described in the accompanying section of the report entitled Official Response and Corrective Action Plan. We did not audit the Town's response and, accordingly, we express no opinion on it.

This report is intended solely for the information and use of the Town's management, Town Council 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

October 27, 2009

TOWN OF WEST COLLEGE CORNER
STATEMENT OF ACTIVITIES AND NET ASSETS - CASH AND INVESTMENT BASIS
For The Year Ended December 31, 2007

<u>Functions/Programs</u>	<u>Disbursements</u>	<u>Program Receipts</u>		<u>Net (Disbursement) Receipt and Changes in Net Assets</u>		
		<u>Charges for Services</u>	<u>Capital Grants and Contributions</u>	<u>Governmental Activities</u>	<u>Business-Type Activities</u>	<u>Totals</u>
Primary government:						
Governmental activities:						
General government	\$ 66,358	\$ 2,708	\$ -	\$ (63,650)	\$ -	\$ (63,650)
Highways and streets	408,014	-	329,045	(78,969)	-	(78,969)
Total governmental activities	<u>474,372</u>	<u>2,708</u>	<u>329,045</u>	<u>(142,619)</u>	<u>-</u>	<u>(142,619)</u>
Business-type activities:						
Wastewater	149,091	183,464	-	-	34,373	34,373
Total primary government	<u>\$ 623,463</u>	<u>\$ 186,172</u>	<u>\$ 329,045</u>	<u>(142,619)</u>	<u>34,373</u>	<u>(108,246)</u>
General receipts:						
Property taxes				112,660	-	112,660
Other local sources				11,754	-	11,754
Total general receipts				<u>124,414</u>	<u>-</u>	<u>124,414</u>
Change in net assets				(18,205)	34,373	16,168
Net assets - beginning				<u>289,938</u>	<u>55,266</u>	<u>345,204</u>
Net assets - ending				<u>\$ 271,733</u>	<u>\$ 89,639</u>	<u>\$ 361,372</u>
<u>Assets</u>						
Cash and investments				\$ 85,453	\$ 38,216	\$ 123,669
Restricted assets:						
Cash and investments				186,280	51,423	237,703
Total assets				<u>\$ 271,733</u>	<u>\$ 89,639</u>	<u>\$ 361,372</u>
<u>Net Assets</u>						
Restricted for:						
Highways and streets				\$ 44,891	\$ -	\$ 44,891
Debt services				141,389	51,423	192,812
Unrestricted				85,453	38,216	123,669
Total net assets				<u>\$ 271,733</u>	<u>\$ 89,639</u>	<u>\$ 361,372</u>

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

TOWN OF WEST COLLEGE CORNER
STATEMENT OF ASSETS AND FUND BALANCES AND RECEIPTS,
DISBURSEMENTS, AND CHANGES IN FUND BALANCES - CASH AND INVESTMENT BASIS
GOVERNMENTAL FUNDS
For The Year Ended December 31, 2007

	General	Motor Vehicle Highway	CEDIT Capital Projects	Cumulative Capital Development	Cumulative Capital Improvement	Lawrenceburg Grant	Other Governmental Funds	Totals
Receipts:								
Taxes	\$ 51,981	\$ 54,684	\$ -	\$ 5,995	\$ -	\$ -	\$ -	\$ 112,660
Intergovernmental	2,692	61,620	7,113	-	2,227	248,369	7,024	329,045
Charges for services	2,708	-	-	-	-	-	-	2,708
Other	11,707	47	-	-	-	-	-	11,754
Total receipts	69,088	116,351	7,113	5,995	2,227	248,369	7,024	456,167
Disbursements:								
General government	64,791	-	-	-	-	-	1,567	66,358
Highways and streets	-	92,785	-	-	-	-	-	92,785
Capital outlay:								
Highways and streets	3,869	62,991	-	-	-	248,369	-	315,229
Total disbursements	68,660	155,776	-	-	-	248,369	1,567	474,372
Excess (deficiency) of receipts over disbursements	428	(39,425)	7,113	5,995	2,227	-	5,457	(18,205)
Other financing sources (uses):								
Transfers in	10,859	5,000	-	-	-	-	-	15,859
Transfers out	(5,000)	-	-	-	-	-	(10,859)	(15,859)
Total other financing sources (uses)	5,859	5,000	-	-	-	-	(10,859)	-
Excess (deficiency) of receipts and other financing sources over disbursements and other financing uses	6,287	(34,425)	7,113	5,995	2,227	-	(5,402)	(18,205)
Cash and investment fund balance - beginning	59,642	72,224	68,993	31,181	25,880	-	32,018	289,938
Cash and investment fund balance - ending	\$ 65,929	\$ 37,799	\$ 76,106	\$ 37,176	\$ 28,107	\$ -	\$ 26,616	\$ 271,733
Cash and Investment Assets - December 31								
Cash and investments	\$ 65,929	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 19,524	\$ 85,453
Restricted assets:								
Cash and investments	-	37,799	76,106	37,176	28,107	-	7,092	186,280
Total cash and investment assets - December 31	\$ 65,929	\$ 37,799	\$ 76,106	\$ 37,176	\$ 28,107	\$ -	\$ 26,616	\$ 271,733
Cash and Investment Fund Balance - December 31								
Restricted for:								
Highways and streets	\$ -	\$ 37,799	\$ -	\$ -	\$ -	\$ -	\$ 7,092	\$ 44,891
Capital outlay	-	-	76,106	37,176	28,107	-	-	141,389
Unrestricted	65,929	-	-	-	-	-	19,524	85,453
Total cash and investment fund balance - December 31	\$ 65,929	\$ 37,799	\$ 76,106	\$ 37,176	\$ 28,107	\$ -	\$ 26,616	\$ 271,733

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

TOWN OF WEST COLLEGE CORNER
STATEMENT OF ASSETS AND FUND BALANCES AND
RECEIPTS, DISBURSEMENTS, AND CHANGES IN FUND BALANCES - CASH AND INVESTMENT BASIS
PROPRIETARY FUNDS
As Of And For The Year Ended December 31, 2007

	<u>Wastewater Utility</u>
Operating receipts:	
Measured revenue:	
Residential	\$ 153,627
Commercial	29,250
Other	<u>25</u>
Total operating receipts	<u>182,902</u>
Operating disbursements:	
Insurance claims and premiums	2,441
Salaries and wages	7,566
Employee pensions and benefits	579
Purchased power	15,729
Sludge removal	2,751
Chemicals	1,957
Material and supplies	37,412
Contractual services	27,727
Miscellaneous disbursements	<u>3,978</u>
Total operating disbursements	<u>100,140</u>
Excess of operating receipts over operating disbursements	<u>82,762</u>
Nonoperating receipts (disbursements):	
Interest and investment receipts	562
Debt service of principal	(28,247)
Interest and investment disbursement	<u>(20,704)</u>
Total nonoperating disbursements	<u>(48,389)</u>
Excess of receipts over disbursements	34,373
Cash and investment fund balance - beginning	<u>55,266</u>
Cash and investment fund balance - ending	<u>\$ 89,639</u>
Cash and investments	\$ 38,216
Restricted assets:	
Cash and investments	<u>51,423</u>
Total cash and investment assets - December 31	<u>\$ 89,639</u>
<u>Cash and Investment Fund Balance - December 31</u>	
Restricted for:	
Debt service	\$ 51,423
Unrestricted	<u>38,216</u>
Total cash and investment fund balance - December 31	<u>\$ 89,639</u>

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

TOWN OF WEST COLLEGE CORNER
STATEMENT OF ACTIVITIES AND NET ASSETS - CASH AND INVESTMENT BASIS
For The Year Ended December 31, 2008

Functions/Programs	Program Receipts				Net (Disbursement) Receipt and Changes in Net Assets		
	Disbursements	Charges for Services	Operating Grants and Contributions	Capital Grants and Contributions	Primary Government		
					Governmental Activities	Business-Type Activities	Totals
Primary government:							
Governmental activities:							
General government	\$ 106,465	\$ 2,909	\$ 12,612	\$ 30,923	\$ (60,021)	\$ -	\$ (60,021)
Highways and streets	32,227	-	-	39,116	6,889	-	6,889
Total governmental activities	138,692	2,909	12,612	70,039	(53,132)	-	(53,132)
Business-type activities:							
Wastewater	2,680,993	202,167	-	1,860,895	-	(617,931)	(617,931)
Total primary government	\$ 2,819,685	\$ 205,076	\$ 12,612	\$ 1,930,934	(53,132)	(617,931)	(671,063)
General receipts:							
Property taxes					79,283	-	79,283
Other local sources					7,636	-	7,636
Bonds and loans					-	698,000	698,000
Unrestricted investment earnings					-	570	570
Total general receipts					86,919	698,570	785,489
Change in net assets					33,787	80,639	114,426
Net assets - beginning					271,733	89,639	361,372
Net assets - ending					\$ 305,520	\$ 170,278	\$ 475,798
<u>Assets</u>							
Cash and investments					\$ 96,524	\$ 46,090	\$ 142,614
Restricted assets:							
Cash and investments					208,996	124,188	333,184
Total assets					\$ 305,520	\$ 170,278	\$ 475,798
<u>Net Assets</u>							
Restricted for:							
Highways and streets					\$ 55,418	\$ -	\$ 55,418
Capital outlay					153,578	-	153,578
Debt services					-	94,707	-
Other purposes					-	29,481	29,481
Unrestricted					96,524	46,090	142,614
Total net assets					\$ 305,520	\$ 170,278	\$ 475,798

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

TOWN OF WEST COLLEGE CORNER
STATEMENT OF ASSETS AND FUND BALANCES AND RECEIPTS,
DISBURSEMENTS, AND CHANGES IN FUND BALANCES - CASH AND INVESTMENT BASIS
GOVERNMENTAL FUNDS
For The Year Ended December 31, 2008

	General	Motor Vehicle Highway	CEDIT Capital Projects	Cumulative Capital Development	Cumulative Capital Improvement	Other Governmental Funds	Totals
Receipts:							
Taxes	\$ 42,433	\$ 32,874	\$ -	\$ 3,976	\$ -	\$ -	\$ 79,283
Intergovernmental	12,612	29,667	28,861	-	2,062	9,449	82,651
Charges for services	2,909	-	-	-	-	-	2,909
Other	5,311	-	-	-	-	-	5,311
Total receipts	63,265	62,541	28,861	3,976	2,062	9,449	170,154
Disbursements:							
General government	60,191	45,175	-	-	-	-	105,366
Highways and streets	-	-	-	-	-	3,553	3,553
Capital outlay:							
Highways and streets	-	5,964	22,710	-	-	-	28,674
Total disbursements	60,191	51,139	22,710	-	-	3,553	137,593
Excess of receipts over disbursements	3,074	11,402	6,151	3,976	2,062	5,896	32,561
Other financing sources (uses):							
Other disbursements	(1,099)	-	-	-	-	-	(1,099)
Other receipts	2,325	-	-	-	-	-	2,325
Total other financing sources (uses)	1,226	-	-	-	-	-	1,226
Excess of receipts and other financing sources over disbursements and other financing uses	4,300	11,402	6,151	3,976	2,062	5,896	33,787
Cash and investment fund balance - beginning	65,929	37,799	76,106	37,176	28,107	26,616	271,733
Cash and investment fund balance - ending	<u>\$ 70,229</u>	<u>\$ 49,201</u>	<u>\$ 82,257</u>	<u>\$ 41,152</u>	<u>\$ 30,169</u>	<u>\$ 32,512</u>	<u>\$ 305,520</u>
<u>Cash and Investment Assets - December 31</u>							
Cash and investments	\$ 70,229	\$ -	\$ -	\$ -	\$ -	\$ 26,295	\$ 96,524
Restricted assets:							
Cash and investments	-	49,201	82,257	41,152	30,169	6,217	208,996
Total cash and investment assets - December 31	\$ 70,229	\$ 49,201	\$ 82,257	\$ 41,152	\$ 30,169	\$ 32,512	\$ 305,520
<u>Cash and Investment Fund Balance - December 31</u>							
Restricted for:							
Highways and streets	\$ -	\$ 49,201	\$ -	\$ -	\$ -	\$ 6,217	\$ 55,418
Capital outlay	-	-	82,257	41,152	30,169	-	153,578
Unrestricted	70,229	-	-	-	-	26,295	96,524
Total cash and investment fund balance - December 31	\$ 70,229	\$ 49,201	\$ 82,257	\$ 41,152	\$ 30,169	\$ 32,512	\$ 305,520

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

TOWN OF WEST COLLEGE CORNER
STATEMENT OF ASSETS AND FUND BALANCES AND
RECEIPTS, DISBURSEMENTS, AND CHANGES IN FUND BALANCES - CASH AND INVESTMENT BASIS
PROPRIETARY FUNDS
As Of And For The Year Ended December 31, 2008

	Wastewater Utility
Operating receipts:	
Metered water receipts:	
Residential	\$ 168,943
Commercial	29,615
Tap fee	750
Other	<u>2,859</u>
Total operating receipts	<u>202,167</u>
Operating disbursements:	
Insurance claims and premiums	4,144
Salaries and wages	7,180
Employee pensions and benefits	549
Purchased power	15,723
Sludge removal	2,558
Chemicals	1,061
Material and supplies	36,788
Contractual services	30,913
Miscellaneous disbursements	<u>5,286</u>
Total operating disbursements	<u>104,202</u>
Excess of operating receipts over operating disbursements	<u>97,965</u>
Nonoperating receipts (disbursements):	
Bond proceeds	698,000
Interest and investment receipts	570
Debt service of principal	(40,603)
Interest and investment disbursement	<u>(13,437)</u>
Total nonoperating receipts	<u>644,530</u>
Excess of receipts over disbursements	742,495
Capital contributions	1,860,895
Capital outlay	(2,522,751)
Transfers in	75,144
Transfers out	<u>(75,144)</u>
Excess of receipts and transfers over disbursements and transfers out	80,639
Cash and investment fund balance - beginning	<u>89,639</u>
Cash and investment fund balance - ending	<u>\$ 170,278</u>
<u>Cash and Investment Assets - December 31</u>	
Cash and investments	\$ 46,090
Restricted assets:	
Cash and investments	<u>124,188</u>
Total cash and investment assets - December 31	<u>\$ 170,278</u>
<u>Cash and Investment Fund Balance - December 31</u>	
Restricted for:	
Debt service	\$ 94,707
Other purposes	29,481
Unrestricted	<u>46,090</u>
Total cash and investment fund balance - December 31	<u>\$ 170,278</u>

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

TOWN OF WEST COLLEGE CORNER
NOTES TO FINANCIAL STATEMENTS

I. Summary of Significant Accounting Policies

A. Reporting Entity

The Town was established under the laws of the State of Indiana. The Town operates under a Town Council form of government and provides the following services: highways and streets, culture and recreation, public improvements, general administrative services, and wastewater utilities.

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

Primary Government: Town of West College Corner

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

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. The statement distinguishes between governmental and business-type activities. Governmental activities generally are financed through taxes, intergovernmental revenues, and other non-exchange revenues. Business-type activities are financed in whole or in part by fees charged to external parties for goods or services.

Fund Financial Statements

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

The Town 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 motor vehicle highway fund accounts for financial resources for highways, streets and roads.

The CEDIT capital projects fund, cumulative capital development fund, and cumulative capital improvement fund account for financial resources for capital improvements.

The cumulative capital development fund accounts for financial resources for capital improvements.

The cumulative capital improvement fund accounts for financial resources for capital improvements.

TOWN OF WEST COLLEGE CORNER
NOTES TO FINANCIAL STATEMENTS
(Continued)

The Lawrenceburg grant fund accounts for the financial resources for the Third Street project.

The Town reports the following major proprietary fund:

The wastewater utility fund accounts for the operation of the wastewater treatment plant, pumping stations, and collection systems.

C. Measurement Focus and Basis of Accounting

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

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

If the Town 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.

Private-sector standards of accounting and financial reporting issued prior to December 1, 1989, generally are followed in the enterprise fund statements to the extent that those standards do not conflict with or contradict guidance of the Governmental Accounting Standards Board. Governments also have the option of following subsequent private-sector guidance for their enterprise funds, subject to this same limitation. The Town has elected not to follow subsequent private-sector guidance.

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 between the Town and Wastewater Utility. Elimination of these charges would distort the direct costs and program receipts reported for the various functions concerned.

Enterprise funds distinguish operating receipts and disbursements from nonoperating items. Operating receipts and disbursements generally result from providing services and producing and delivering goods in connection with an enterprise fund's principal ongoing operations. The principal operating receipts of the enterprise funds are charges to customers for sales and services. Operating disbursements for enterprise funds include the cost of sales and services and administrative costs. All receipts and disbursements not meeting this definition are reported as nonoperating receipts and disbursements. Internal service funds are used to account for activities provided to other departments or agencies primarily with the government. The Town does not have any internal service funds.

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.

TOWN OF WEST COLLEGE CORNER
NOTES TO FINANCIAL STATEMENTS
(Continued)

2. Property Taxes

Property taxes levied are collected by the County Treasurer and are distributed to the Town 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 Town on or prior to December 31 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.

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

Fund Financial Statements

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

TOWN OF WEST COLLEGE CORNER
NOTES TO FINANCIAL STATEMENTS
(Continued)

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 the proprietary fund result from providing services and producing and delivering goods and/or services. They also include all receipts and disbursements not related to capital and related financing, noncapital financing, or investing activities.

F. Internal and Interfund Balances and Activities

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

Fund Financial Statements

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

Government-Wide Financial Statements

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

Internal activities – Amounts reported as interfund transfers in the fund financial statements are eliminated in the government-wide Statement of Activities and Net Assets – Cash and Investment Basis 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.

TOWN OF WEST COLLEGE CORNER
NOTES TO FINANCIAL STATEMENTS
(Continued)

II. Stewardship, Compliance and Accountability

Budgetary Information

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

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

The Town'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

Custodial credit risk is the risk that in the event of a bank failure, the government's deposits may not be returned to it. Indiana Code 5-13-8-1 allows a political subdivision of the State of Indiana to deposit public funds in a financial institution only if the financial institution is a depository eligible to receive state funds and has a principal office or branch that qualifies to receive public funds of the political subdivision. The Town does not have a deposit policy for custodial credit risk. At December 31, 2008, the Town had no balances exposed to custodial credit risk.

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.

B. Interfund Transfers

Interfund transfers for the years ended December 31, 2007 and 2008, were as follows:

<u>Transfer From</u>	<u>Transfer To</u>	<u>2007</u>	<u>2008</u>
General	Motor vehicle highway	\$ 5,000	\$ -
Other governmental funds	General	<u>10,859</u>	<u>-</u>
Total transfers		<u>\$ 15,859</u>	<u>\$ -</u>

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

TOWN OF WEST COLLEGE CORNER
NOTES TO FINANCIAL STATEMENTS
(Continued)

IV. Other Information

A. Risk Management

The Town 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; and job related illnesses or injuries to employees; 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. Risk financing is not utilized for the other risks of loss including natural disasters.

B. Rate Structure – Enterprise Funds

Wastewater Utility

The current rate structure was approved by the Town Council on July 9, 2008.

TOWN OF WEST COLLEGE CORNER
 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 December 31, 2007

	<u>Local Road and Street</u>	<u>Rainy Day</u>	<u>Riverboat</u>	<u>Levy Excess</u>	<u>Totals</u>
Receipts:					
Intergovernmental	\$ 2,872	\$ 154	\$ 3,998	\$ -	\$ 7,024
Disbursements:					
General government	-	-	1,567	-	1,567
Excess of revenue over disbursements	<u>2,872</u>	<u>154</u>	<u>2,431</u>	<u>-</u>	<u>5,457</u>
Other financing uses:					
Transfers out	-	-	-	(10,859)	(10,859)
Excess (deficiency) of receipts over disbursements	2,872	154	2,431	(10,859)	(5,402)
Cash and investment fund balance - beginning	<u>4,220</u>	<u>4,954</u>	<u>11,985</u>	<u>10,859</u>	<u>32,018</u>
Cash and investment fund balance - ending	<u>\$ 7,092</u>	<u>\$ 5,108</u>	<u>\$ 14,416</u>	<u>\$ -</u>	<u>\$ 26,616</u>
<u>Cash and Investment Assets - December 31</u>					
Cash and investments	\$ -	\$ 5,108	\$ 14,416	\$ -	\$ 19,524
Restricted assets:					
Cash and investments	<u>7,092</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>7,092</u>
Total cash and investment assets - December 31	<u>\$ 7,092</u>	<u>\$ 5,108</u>	<u>\$ 14,416</u>	<u>\$ -</u>	<u>\$ 26,616</u>
<u>Cash and Investment Fund Balance - December 31</u>					
Restricted for:					
Highways and streets	\$ 7,092	\$ -	\$ -	\$ -	\$ 7,092
Unrestricted	<u>-</u>	<u>5,108</u>	<u>14,416</u>	<u>-</u>	<u>19,524</u>
Total cash and investment fund balance - December 31	<u>\$ 7,092</u>	<u>\$ 5,108</u>	<u>\$ 14,416</u>	<u>\$ -</u>	<u>\$ 26,616</u>

TOWN OF WEST COLLEGE CORNER
 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 December 31, 2008

	<u>Local Road and Street</u>	<u>Rainy Day</u>	<u>Riverboat</u>	<u>Totals</u>
Receipts:				
Intergovernmental	\$ 2,678	\$ 2,794	\$ 3,977	\$ 9,449
Disbursements:				
Highways and streets	<u>3,553</u>	<u>-</u>	<u>-</u>	<u>3,553</u>
Excess (deficiency) of receipts over disbursements	<u>(875)</u>	<u>2,794</u>	<u>3,977</u>	<u>5,896</u>
Cash and investment fund balance - beginning	<u>7,092</u>	<u>5,108</u>	<u>14,416</u>	<u>26,616</u>
Cash and investment fund balance - ending	<u>\$ 6,217</u>	<u>\$ 7,902</u>	<u>\$ 18,393</u>	<u>\$ 32,512</u>
<u>Cash and Investment Assets - December 31</u>				
Cash and investments	\$ -	\$ 7,902	\$ 18,393	\$ 26,295
Restricted assets:				
Cash and investments	<u>6,217</u>	<u>-</u>	<u>-</u>	<u>6,217</u>
Total cash and investment assets - December 31	<u>\$ 6,217</u>	<u>\$ 7,902</u>	<u>\$ 18,393</u>	<u>\$ 32,512</u>
<u>Cash and Investment Fund Balance - December 31</u>				
Restricted for:				
Highways and streets	\$ 6,217	\$ -	\$ -	\$ 6,217
Unrestricted	<u>-</u>	<u>7,902</u>	<u>18,393</u>	<u>26,295</u>
Total cash and investment fund balance - December 31	<u>\$ 6,217</u>	<u>\$ 7,902</u>	<u>\$ 18,393</u>	<u>\$ 32,512</u>

TOWN OF WEST COLLEGE CORNER
 SUPPLEMENTARY INFORMATION
 SCHEDULE OF CAPITAL ASSETS
 For The Year Ended December 31, 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	\$ 2,500
Infrastructure	424,555
Buildings	25,282
Improvements other than buildings	5,858
Machinery and equipment	<u>94,214</u>
Total governmental activities, capital assets not being depreciated	<u>\$ 552,409</u>

<u>Primary Government</u>	<u>Ending Balance</u>
Business-type activities:	
Wastewater Utility:	
Capital assets, not being depreciated:	
Land	\$ 8,000
Construction in progress	2,232,011
Buildings	4,738
Improvements other than buildings	1,018,280
Machinery and equipment	<u>9,260</u>
Total Wastewater Utility capital assets	<u>\$ 3,272,289</u>

TOWN OF WEST COLLEGE CORNER
 SUPPLEMENTARY INFORMATION
 SCHEDULE OF LONG-TERM DEBT
 December 31, 2008

The Town has entered into the following debt:

Description of Debt	Ending Principal Balance	Principal and Interest Due Within One Year
Business-type activities:		
Wastewater Utility:		
Loans:		
1973 Rural Development for Wastewater Plant Expansion	\$ 74,000	\$ 16,700
2003 Emergency Loan from the Indiana Department for Environmental Management for Clean-up of Contaminated Plant	7,924	7,924
2004 State Revolving Loans for Wastewater Improvements	124,392	9,867
2008 Rural Development Loans for Wastewater and Plant Improvements	<u>1,516,000</u>	<u>65,567</u>
Total business-type activities	<u>\$ 1,722,316</u>	<u>\$ 100,058</u>

TOWN OF WEST COLLEGE CORNER
AUDIT RESULT AND COMMENT

SEGREGATION OF DUTIES

Segregation of duties and accounting functions are an important aspect of internal control. Due to the small staff size, the Town is not able to adequately segregate the receipting of cash, disbursing of funds (including payroll), recording of transactions, reconciling ledgers to bank statements, and reporting functions. The Clerk-Treasurer is involved in all of the accounting functions with the assistance of a Deputy Clerk-Treasurer and Office Assistant. Such lack of segregation could cause incorrect recording and reporting of transactions which could go undetected resulting in material misstatement of the financial statements.

Governmental units should have internal controls in effect which provide reasonable assurance regarding the reliability of financial information and records, effectiveness and efficiency of operations, proper execution of management's objectives, and compliance with laws and regulations. Among other things, segregation of duties, safeguarding controls over cash and all other assets and all forms of information processing are necessary for proper internal control. (Accounting and Uniform Compliance Guidelines Manual for Cities and Towns, Chapter 7)

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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 TOWN OF WEST COLLEGE CORNER, UNION COUNTY, INDIANA

Compliance

We have audited the compliance of the Town of West College Corner (Town) 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 December 31, 2007 and 2008. The Town'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 Town's management. Our responsibility is to express an opinion on the Town'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 Town'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 Town's compliance with those requirements.

In our opinion, the Town 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 December 31, 2007 and 2008.

Internal Control Over Compliance

The management of the Town 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 Town's internal control over compliance with requirements that could have a direct and material effect on a major federal program in order to determine our auditing procedures for the purpose of expressing our opinion on compliance, but not for the purpose of expressing an opinion on the effectiveness of internal control over compliance. Accordingly, we do not express an opinion on the effectiveness of the Town's internal control over compliance.

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

A control deficiency in a Town'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.

The Town's response to the findings identified in our audit is described in the accompanying Official Response and Corrective Action Plan. We did not audit the Town's response and, accordingly, we express no opinion on it.

This report is intended solely for the information and use of the Town's management, Town Council, 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

October 27, 2009

TOWN OF WEST COLLEGE CORNER
SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS
For The Years Ended December 31, 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 12-31-07	Total Federal Awards Expended 12-31-08
<u>U.S. DEPARTMENT OF AGRICULTURE</u>				
Direct Grant				
Water and Waste Disposal Systems for Rural Communities Wastewater Utility Project - Rural Development Loan Wastewater Utility Project - Rural Development Grant	10.76		\$ -	\$ 698,000
			-	1,516,000
Total for program			-	2,214,000
Community Facilities Loan and Grant Program Third Street Project	10.766		14,170	-
Total for federal grantor agency			14,170	2,214,000
<u>U.S. DEPARTMENT OF HOUSING AND URBAN DEVELOPMENT</u>				
Pass-Through Indiana Office of Community and Rural Affairs Community Development Block Grants/States Program Wastewater Utility Project	14.228	CF-06-248	-	334,895
<u>FEDERAL EMERGENCY MANAGEMENT AGENCY</u>				
Pass-Through Indiana Department of Homeland Security Disaster Grants - Public Assistance Grants(Presidentially Declared Disasters) Disaster 1795	97.036		-	5,634
Total federal awards expended			\$ 14,170	\$ 2,554,529

The accompanying note is an integral part of the Schedule of Expenditures of Federal Awards.

TOWN OF WEST COLLEGE CORNER
NOTE TO SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS

Basis of Presentation

The accompanying Schedule of Expenditures of Federal Awards includes the federal grant activity of West College Corner (Town) 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 Towns with populations under 5,000 shall be conducted biennially. Such audits shall include both years within the biennial period.

TOWN OF WEST COLLEGE CORNER
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?	yes
Significant deficiencies identified that are not considered to be material weaknesses?	none reported

Noncompliance material to financial statements noted? no

Federal Awards:

Internal control over major programs:

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

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

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

Identification of Major Programs:

CFDA Number	Name of Federal Program or Cluster
10.760	Water and Waste Disposal Systems for Rural Communities
14.228	Community Development Block Grant/States Program

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

Auditee qualified as low-risk auditee? no

TOWN OF WEST COLLEGE CORNER
SCHEDULE OF FINDINGS AND QUESTIONED COST
(Continued)

Section II – Financial Statement Findings

Segregation of duties and accounting functions are an important aspect of internal control. Due to the small staff size, the Town is not able to adequately segregate the receipting of cash, disbursing of funds (including payroll), recording of transactions, reconciling ledgers to bank statements, and reporting functions. The Clerk-Treasurer is involved in all of the accounting functions with the assistance of a Deputy Clerk-Treasurer and Office Assistant. Such lack of segregation could cause incorrect recording and reporting of transactions which could go undetected resulting in material misstatement of the financial statements.

Governmental units should have internal controls in effect which provide reasonable assurance regarding the reliability of financial information and records, effectiveness and efficiency of operations, proper execution of management's objectives, and compliance with laws and regulations. Among other things, segregation of duties, safeguarding controls over cash and all other assets and all forms of information processing are necessary for proper internal control. (Accounting and Uniform Compliance Guidelines Manual for Cities and Towns, Chapter 7)

Section III – Federal Award Findings and Questioned Costs

No matters are reportable.

TOWN OF WEST COLLEGE CORNER
SUMMARY SCHEDULE OF PRIOR AUDIT FINDINGS

No matters are reportable.

Town of West College Corner, Indiana
403 Liberty Avenue, P.O. Box 177
West College Corner, Indiana 47003
Phone (765) 732-3482- (765) 732-4619
Email: wccitown@uconline.com

October 27, 2009

Finding 2008-1 Segregation of Duties

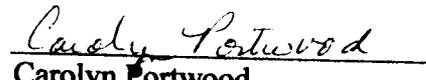
Contact Person: Judith Burke Starr

The Town of West College Corner is aware of the risks associated with a limited staff and has determined the benefits of hiring additional staff in order that all accounting functions are performed by different individuals are not sufficient to justify the increase in cost to the taxpayers of hiring additional staff.

The Town has compensating controls including oversight of the Town Council provided on a monthly basis through reviewing monthly bank reconcilements and balance reports.

The Clerk Treasurer provides each of the three Town Council members at the monthly council meeting a balance sheet showing the month's beginning balance, the approved budget amount for each fund, the disbursements for each fund and the balance of each fund.


Judith Burke Starr
Clerk/Treasurer


Carolyn Fortwood
Council President

TOWN OF WEST COLLEGE CORNER
EXIT CONFERENCE

The contents of this report were discussed on October 27, 2009, with Judith Burke Starr, Clerk-Treasurer; and Carolyn Portwood, President of the Town Council. The official response has been made a part of this report and may be found on page 35.

Town of West College Corner, Indiana
403 Liberty Avenue, P.O. Box 177
West College Corner, Indiana 47003
Phone (765) 732-3482- (765) 732-4619
Email: wccitown@uconline.com

October 27, 2009

Audit Result And Comment: Segregation of Duties

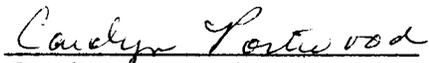
Contact Person: Judith Burke Starr

The Town of West College Corner is aware of the risks associated with a limited staff and has determined the benefits of hiring additional staff in order that all accounting functions are performed by different individuals are not sufficient to justify the increase in cost to the taxpayers of hiring additional staff.

The Town has compensating controls including oversight of the Town Council provided on a monthly basis through reviewing monthly bank reconcilements and balance reports.

The Clerk Treasurer provides each of the three Town Council members at the monthly council meeting a balance sheet showing the month's beginning balance, the approved budget amount for each fund, the disbursements for each fund and the balance of each fund.


Judith Burke Starr
Clerk/Treasurer


Carolyn Portwood
Council President