

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

AUDIT REPORT

OF

TIPPECANOE VALLEY SCHOOL CORPORATION

KOSCIUSKO COUNTY, INDIANA

July 1, 2007 to June 30, 2009



FILED

01/27/2010

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SCHEDULE OF OFFICIALS

<u>Office</u>	<u>Official</u>	<u>Term</u>
Treasurer	Sherri Adamson	07-01-07 to 06-30-10
Superintendent of Schools	Dr. Daniel V. Kramer Brett R. Boggs	07-01-08 to 06-30-09 07-01-09 to 06-30-12
President of the School Board	Mark Wise Bryan Murphy David O'Brien	07-01-07 to 06-30-08 07-01-08 to 06-30-09 07-01-09 to 06-30-10



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 TIPPECANOE VALLEY SCHOOL
CORPORATION, KOSCIUSKO COUNTY, INDIANA

We have audited the accompanying financial statements of the governmental activities, each major fund, and the aggregate remaining fund information of the Tippecanoe Valley School Corporation (School Corporation), as of and for the years ended June 30, 2008 and 2009, 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, 2008 and 2009, 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 December 16, 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

December 16, 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 TIPPECANOE VALLEY SCHOOL
CORPORATION, KOSCIUSKO COUNTY, INDIANA

We have audited the financial statements of the governmental activities, each major fund, and the aggregate remaining fund information of the Tippecanoe Valley School Corporation (School Corporation), as of and for the years ended June 30, 2008 and 2009, which collectively comprise the School Corporation's basic financial statements and have issued our report thereon dated December 16, 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, the School Board, and federal awarding agencies and pass-through entities and is not intended to be and should not be used by anyone other than these specified parties. In accordance with Indiana Code 5-11-5-1, this report is a part of the public records of the State Board of Accounts and of the office examined.

STATE BOARD OF ACCOUNTS

December 16, 2009

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

<u>Functions/Programs</u>	<u>Disbursements</u>	Program Receipts		<u>Net (Disbursement) Receipts and Changes in Net Assets</u>
		Charges for Services	Operating Grants and Contributions	<u>Totals</u>
Governmental activities:				
Instruction	\$ 9,150,043	\$ -	\$ 201,621	\$ (8,948,422)
Support services	6,214,151	508,356	521,291	(5,184,504)
Noninstructional services	857,456	-	-	(857,456)
Facilities acquisition and construction	605,409	-	-	(605,409)
Debt service	6,477,477	-	-	(6,477,477)
Nonprogrammed charges	<u>4,112</u>	<u>-</u>	<u>-</u>	<u>(4,112)</u>
 Total government	 <u>\$ 23,308,648</u>	 <u>\$ 508,356</u>	 <u>\$ 722,912</u>	 <u>(22,077,380)</u>
 General receipts:				
Property taxes				7,259,629
Other local sources				1,165,774
State aid				9,178,549
Bonds and loans				3,506,375
Grants and contributions not restricted to specific programs				1,023,741
Sale of property				29,864
Investment earnings				411,031
Other				<u>98,052</u>
 Total general receipts				 <u>22,673,015</u>
 Change in net assets				 595,635
 Net assets - beginning				 <u>10,779,716</u>
 Net assets - ending				 <u>\$ 11,375,351</u>
 <u>Assets</u>				
Cash and investments				\$ 7,346,835
Restricted assets:				
Cash and investments				<u>4,028,516</u>
 Total assets				 <u>\$ 11,375,351</u>
 <u>Net Assets</u>				
Restricted for:				
Debt service				\$ 304,152
Other purposes				3,724,364
Unrestricted				<u>7,346,835</u>
 Total net assets				 <u>\$ 11,375,351</u>

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

TIPPECANOE VALLEY SCHOOL CORPORATION
STATEMENT OF ACTIVITIES AND NET ASSETS - CASH AND INVESTMENT BASIS
For the Year Ended June 30, 2009

<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	\$ 9,235,207	\$ -	\$ 248,227	\$ (8,986,980)
Support services	6,093,977	401,649	568,970	(5,123,358)
Noninstructional services	874,922	-	-	(874,922)
Facilities acquisition and construction	754,387	-	-	(754,387)
Debt service	6,437,017	-	-	(6,437,017)
Nonprogrammed charges	28,580	-	-	(28,580)
Total government	<u>\$ 23,424,090</u>	<u>\$ 401,649</u>	<u>\$ 817,197</u>	<u>(22,205,244)</u>
General receipts:				
Property taxes				10,050,959
Other local sources				2,015,381
State aid				9,803,772
Bonds and loans				479,684
Grants and contributions not restricted to specific programs				2,035,701
Sale of property				158
Investment earnings				164,496
Other				<u>85,013</u>
Total general receipts				<u>24,635,164</u>
Change in net assets				2,429,920
Net assets - beginning				<u>11,375,351</u>
Net assets - ending				<u><u>\$ 13,805,271</u></u>
Assets				
Cash and investments				\$ 7,617,880
Cash with fiscal agent				619,204
Restricted assets:				
Cash and investments				<u>5,568,187</u>
Total assets				<u><u>\$ 13,805,271</u></u>
Net Assets				
Restricted for:				
Debt service				\$ 484,829
Other purposes				5,083,358
Unrestricted				<u>8,237,084</u>
Total net assets				<u><u>\$ 13,805,271</u></u>

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

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

	General	Transportation Operating	Debt Service	Capital Projects	Other	Totals
Receipts:						
Local sources	\$ 3,606,547	\$ 944,904	\$ 2,661,688	\$ 1,344,709	\$ 786,207	\$ 9,344,055
Intermediate sources	360	-	-	-	375	735
State sources	9,331,721	-	-	-	242,256	9,573,977
Federal sources	8,367	-	-	-	1,342,858	1,351,225
Temporary loans	1,440,000	400,000	960,000	600,000	106,375	3,506,375
Other	75,497	200	-	-	22,355	98,052
Total receipts	<u>14,462,492</u>	<u>1,345,104</u>	<u>3,621,688</u>	<u>1,944,709</u>	<u>2,500,426</u>	<u>23,874,419</u>
Disbursements:						
Current:						
Instruction	8,153,255	-	-	-	603,528	8,756,783
Support services	3,411,968	946,162	-	833,180	760,667	5,951,977
Noninstructional services	15,689	-	-	-	841,767	857,456
Facilities acquisition and construction	-	-	-	518,289	87,120	605,409
Debt services	1,380,000	400,000	4,432,477	147,000	118,000	6,477,477
Nonprogrammed charges	4,112	-	-	-	-	4,112
Total disbursements	<u>12,965,024</u>	<u>1,346,162</u>	<u>4,432,477</u>	<u>1,498,469</u>	<u>2,411,082</u>	<u>22,653,214</u>
Excess (deficiency) of receipts over disbursements	<u>1,497,468</u>	<u>(1,058)</u>	<u>(810,789)</u>	<u>446,240</u>	<u>89,344</u>	<u>1,221,205</u>
Other financing sources (uses):						
Sale of capital assets	13,203	16,661	-	-	-	29,864
Transfers in	-	-	-	-	120,465	120,465
Transfers out	(1,385,000)	(100,000)	(22,394)	(11,500)	(147,310)	(1,666,204)
Total other financing sources (uses)	<u>(1,371,797)</u>	<u>(83,339)</u>	<u>(22,394)</u>	<u>(11,500)</u>	<u>(26,845)</u>	<u>(1,515,875)</u>
Excess (deficiency) of receipts and other financing sources over disbursements and other financing uses	125,671	(84,397)	(833,183)	434,740	62,499	(294,670)
Cash and investments - beginning	<u>4,256,254</u>	<u>558,478</u>	<u>1,137,335</u>	<u>869,884</u>	<u>1,123,706</u>	<u>7,945,657</u>
Cash and investments - ending	<u>\$ 4,381,925</u>	<u>\$ 474,081</u>	<u>\$ 304,152</u>	<u>\$ 1,304,624</u>	<u>\$ 1,186,205</u>	<u>7,650,987</u>
Amounts reported for governmental activities in the Statement of Cash Activities and Net Assets - Cash and Investment Basis are different because:						
Internal service funds are used by management to charge the costs of certain services to individual funds. The assets and liabilities of the internal service funds are included in governmental activities in the Statement of Activities and Net Assets - Cash and Investment Basis.						
						<u>3,724,364</u>
Net assets of governmental activities						<u>\$ 11,375,351</u>
Cash and Investment Assets - Ending						
Cash and investments	\$ 4,381,925	\$ 474,081	\$ -	\$ 1,304,624	\$ 1,186,205	\$ 7,346,835
Restricted assets:						
Cash and investments	-	-	304,152	-	-	304,152
Total cash and investment assets - ending	<u>\$ 4,381,925</u>	<u>\$ 474,081</u>	<u>\$ 304,152</u>	<u>\$ 1,304,624</u>	<u>\$ 1,186,205</u>	<u>\$ 7,650,987</u>
Cash and Investment Fund Balance - Ending						
Restricted for:						
Debt service	\$ -	\$ -	\$ 304,152	\$ -	\$ -	\$ 304,152
Unrestricted	<u>4,381,925</u>	<u>474,081</u>	<u>-</u>	<u>1,304,624</u>	<u>1,186,205</u>	<u>7,346,835</u>
Total cash and investment fund balance - ending	<u>\$ 4,381,925</u>	<u>\$ 474,081</u>	<u>\$ 304,152</u>	<u>\$ 1,304,624</u>	<u>\$ 1,186,205</u>	<u>\$ 7,650,987</u>

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

TIPPECANOE VALLEY SCHOOL CORPORATION
STATEMENT OF ASSETS AND FUND BALANCES AND RECEIPTS,
DISBURSEMENTS, AND CHANGES IN FUND BALANCES - CASH AND INVESTMENT BASIS
GOVERNMENTAL FUNDS
For the Year Ended June 30, 2009

	General	Transportation Operating	Fiscal Stabilization	Debt Service	Capital Projects	Other	Totals
Receipts:							
Local sources	\$ 3,806,361	\$ 1,482,757	\$ -	\$ 4,077,694	\$ 2,035,332	\$ 779,319	\$ 12,181,463
Intermediate sources	360	-	-	-	-	663	1,023
State sources	10,014,466	-	-	-	-	245,343	10,259,809
Federal sources	3,758	-	1,078,815	-	-	1,314,288	2,396,861
Other	44,409	20,077	-	-	-	470,525	535,011
Total receipts	13,869,354	1,502,834	1,078,815	4,077,694	2,035,332	2,810,138	25,374,167
Disbursements:							
Current:							
Instruction	9,483,004	-	-	-	-	567,598	10,050,602
Support services	3,890,192	1,024,751	-	-	992,082	730,550	6,637,575
Noninstructional services	16,018	-	-	-	-	858,904	874,922
Facilities acquisition and construction	-	-	-	-	443,907	310,480	754,387
Debt services	1,440,000	400,000	-	3,897,017	600,000	100,000	6,437,017
Nonprogrammed charges	28,580	-	-	-	-	-	28,580
Total disbursements	14,857,794	1,424,751	-	3,897,017	2,035,989	2,567,532	24,783,083
Excess (deficiency) of receipts over disbursements	(988,440)	78,083	1,078,815	180,677	(657)	242,606	591,084
Other financing sources (uses):							
Proceeds of long-term debt	-	-	-	-	-	479,684	479,684
Sale of capital assets	-	-	-	-	-	158	158
Transfers in	-	-	-	-	-	72,990	72,990
Transfers out	-	-	-	-	-	(72,990)	(72,990)
Total other financing sources (uses)	-	-	-	-	-	479,842	479,842
Excess (deficiency) of receipts and other financing sources over disbursements and other financing uses	(988,440)	78,083	1,078,815	180,677	(657)	722,448	1,070,926
Cash and investments - beginning	4,381,925	474,081	-	304,152	1,304,624	1,186,205	7,650,987
Cash and investments - ending	\$ 3,393,485	\$ 552,164	\$ 1,078,815	\$ 484,829	\$ 1,303,967	\$ 1,908,653	8,721,913
Amounts reported for governmental activities in the Statement of Cash Activities and Net Assets - Cash and Investment Basis are different because:							
Internal service funds are used by management to charge the costs of certain services to individual funds. The assets and liabilities of the internal service funds are included in governmental activities in the Statement of Activities and Net Assets - Cash and Investment Basis.							
							5,083,358
Net assets of governmental activities							\$ 13,805,271
Cash and Investment Assets - Ending							
Cash and investments	\$ 3,393,485	\$ 552,164	\$ 1,078,815	\$ -	\$ 1,303,967	\$ 1,289,449	\$ 7,617,880
Cash with fiscal agent	-	-	-	-	-	619,204	619,204
Restricted assets:							
Cash and investments	-	-	-	484,829	-	-	484,829
Total cash and investment assets - ending	\$ 3,393,485	\$ 552,164	\$ 1,078,815	\$ 484,829	\$ 1,303,967	\$ 1,908,653	\$ 8,721,913
Cash and Investment Fund Balance - Ending							
Restricted for:							
Debt service	\$ -	\$ -	\$ -	\$ 484,829	\$ -	\$ -	\$ 484,829
Unrestricted	3,393,485	552,164	1,078,815	-	1,303,967	1,908,653	8,237,084
Total cash and investment fund balance - ending	\$ 3,393,485	\$ 552,164	\$ 1,078,815	\$ 484,829	\$ 1,303,967	\$ 1,908,653	\$ 8,721,913

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

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

	<u>Internal Service Fund</u>
Operating receipts:	
Charges for services	\$ 1,232,437
Miscellaneous	<u>283,786</u>
Total operating receipts	<u>1,516,223</u>
Operating disbursements:	
Insurance claims and expense	<u>2,171,657</u>
Deficiency of operating receipts over operating disbursements	(655,434)
Transfers in	<u>1,545,739</u>
Change in net assets	890,305
Cash and investment fund balance - beginning	<u>2,834,059</u>
Cash and investment fund balance - ending	<u><u>\$ 3,724,364</u></u>
<u>Cash and Investment Assets - Ending</u>	
Restricted assets:	
Cash and investments	<u><u>\$ 3,724,364</u></u>
<u>Cash and Investment Fund Balance - Ending</u>	
Restricted for:	
Other purposes	<u><u>\$ 3,724,364</u></u>

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

TIPPECANOE VALLEY SCHOOL CORPORATION
STATEMENT OF ASSETS AND FUND BALANCES AND RECEIPTS, DISBURSEMENTS,
AND CHANGES IN FUND BALANCES - CASH AND INVESTMENT BASIS
PROPRIETARY FUNDS
For the Year Ended June 30, 2009

	<u>Internal Service Fund</u>
Operating receipts:	
Charges for services	\$ 3,266,815
Operating disbursements:	
Insurance claims and expense	<u>1,907,821</u>
Excess of operating receipts over operating disbursements	1,358,994
Cash and investment fund balance - beginning	<u>3,724,364</u>
Cash and investment fund balance - ending	<u><u>\$ 5,083,358</u></u>
 <u>Cash and Investment Assets - Ending</u>	
Restricted assets:	
Cash and investments	<u><u>\$ 5,083,358</u></u>
 <u>Cash and Investment Fund Balance - Ending</u>	
Restricted for:	
Other purposes	<u><u>\$ 5,083,358</u></u>

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

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

	<u>Private-Purpose Trust Funds</u>
Additions:	
Contributions:	
Other	\$ <u>31,361</u>
Deductions:	
Administrative and general	<u>36,303</u>
Deficiency of total additions over total deductions	(4,942)
Cash and investment fund balance - beginning	<u>16,092</u>
Cash and investment fund balance - ending	<u><u>\$ 11,150</u></u>
Net assets:	
Cash and investments held in trust	<u><u>\$ 11,150</u></u>

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

TIPPECANOE VALLEY SCHOOL CORPORATION
STATEMENT OF ADDITIONS, DEDUCTIONS, AND CHANGES IN CASH AND INVESTMENT BALANCES
FIDUCIARY FUNDS
For the Year Ended June 30, 2009

	<u>Private-Purpose Trust Funds</u>
Additions: Contributions: Other	\$ <u>25,306</u>
Deductions: Administrative and general	<u>29,988</u>
Deficiency of total additions over total deductions	(4,682)
Cash and investment fund balance - beginning	<u>11,150</u>
Cash and investment fund balance - ending	\$ <u><u>6,468</u></u>
Net assets: Cash and investments	\$ <u>6,468</u>
Total net assets - cash and investment basis held in trust	\$ <u><u>6,468</u></u>

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

TIPPECANOE VALLEY SCHOOL CORPORATION
NOTES TO FINANCIAL STATEMENTS

I. Summary of Significant Accounting Policies

A. Reporting Entity

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

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

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

Primary Government: Tippecanoe Valley 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 several other schools in a joint venture to operate the Northern Indiana Education Service Center (NIESC) which was created to allow participating schools to cooperate and share certain programs and services which they collectively may implement. The School Corporation is obligated by contract to remit a per student rate determined annually supplement the NIESC. The NIESC's continued existence depends on continued funding by the member school corporations. Member school corporations are obligated for the debts of the NIESC. Complete financial statements for the NIESC can be obtained from NIESC at 56535 Magnetic Drive, Mishawaka, Indiana, 46545.

The School Corporation is a participant with Warsaw Community Schools and Whitko Community School Corporation in a joint venture to operate the Warsaw Area Career Center (Center) which was created to provide vocational education to its students. The School Corporation is obligated by contract to remit an amount annually based on a formula per ADM to supplement the Center. The Center's continued existence depends on continued funding by the member school corporations. Complete financial statements for the Center can be obtained from Warsaw Community Schools at 1 Tiger Lane, Warsaw, IN 46580.

The School Corporation is a participant with four other school corporations in a joint venture to operate North Central Indiana Special Education Cooperative (NCI) which was created to implement jointly operated services for the education of students with disabilities. The NCI's continued existence depends on continued funding by the School Corporation. Participating school corporations employ personnel and provide facilities for local special education programs housed with each school corporations' boundaries. Member school corporations are assessed their share of the program administrative costs. No other fees are assessed member school corporations for the operation of the NCI. As of June 30, 2009, the NCI had \$401,066 payable to member school corporations, of which \$45,759 is the School Corporation's portion. This balance resulted from selling the NCI administration building and other sources. This balance is used to pay administration costs. Complete financial statements for the NCI can be obtained from Warsaw Community Schools at One Administration Drive, Warsaw, IN 46581.

TIPPECANOE VALLEY SCHOOL CORPORATION
NOTES TO FINANCIAL STATEMENTS
(Continued)

The School Corporation is a member with approximately 30 school corporations in a joint venture to operate North Central Energy Cooperative (NCEC), which was created to procure natural gas in an economical and efficient manner. The School Corporation is obligated by contract to remit its actual natural gas expenses directly to the seller of the natural gas. There are no separate financial statements for NCEC. Elkhart Community Schools is the administrative agent for the NCEC.

B. Government-Wide and Fund Financial Statements

Government-Wide Financial Statements

The Statement of Activities and Net Assets – Cash and Investment Basis displays information about the reporting government as a whole. It includes all funds of the reporting entity except for fiduciary funds. The statement distinguishes between governmental and business-type activities. Governmental activities generally are financed through taxes, intergovernmental revenues, and other nonexchange revenues. Business-type activities are financed in whole or in part by fees charged to external parties for goods or services. The School Corporation has not established any business-type activities.

Fund Financial Statements

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

The School Corporation reports the following major governmental funds:

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

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

Fiscal stabilization – education (stimulus) fund accounts for receipts and disbursements of cash received from the federal government to be used to supplement funding of local, state, and federal programs.

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.

TIPPECANOE VALLEY SCHOOL CORPORATION
NOTES TO FINANCIAL STATEMENTS
(Continued)

Additionally, the School Corporation reports the following fund types:

The internal service fund, self-insurance fund, accounts for risks associated with medical benefits to employees, eligible retirees, and dependents.

The private-purpose trust funds report a trust arrangement under which principal and income benefit the School Corporation and its students.

C. Measurement Focus and Basis of Accounting

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

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

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

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

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

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

D. Assets and Cash and Investment Balances

1. Cash and Investments

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

2. Property Taxes

Property taxes levied are collected by the County Treasurer and are distributed to the School Corporation in June and in December. State statute (IC 6-1.1-17-16) requires the Indiana Department of Local Government Finance to establish property tax rates and levies by

TIPPECANOE VALLEY SCHOOL CORPORATION
NOTES TO FINANCIAL STATEMENTS
(Continued)

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.

Due to its location, the School Corporation receives property taxes from two counties. All property taxes collected by the Kosciusko County Treasurer and available for distribution were distributed to the School Corporation on or prior to June 30, 2009, of the year collected. No 2009 property taxes were received from Fulton County until August 10, 2009, when the County paid the School Corporation \$1,016,922 for the taxes collected during the first half of the year.

Beginning in 2009, the State General Fund as part of the basic grant distribution shall pay to each school corporation, an amount sufficient to provide all funding for the General and Special Education Pre-school Funds. For property taxes due and payable after December 31, 2008, the Indiana Department of Local Government Finance shall reduce the maximum permissible property tax levy of any school corporation by the amount of the payment to be made in 2009 by the State.

3. Capital Assets

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

4. Long-Term Debt

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

5. Equity Classification

Government-Wide Statements

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

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

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

TIPPECANOE VALLEY SCHOOL CORPORATION
NOTES TO FINANCIAL STATEMENTS
(Continued)

Fund Financial Statements

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

E. Receipts and Disbursements

1. Program Receipts

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

2. Operating Receipts and Disbursements

Operating receipts and disbursements for proprietary funds 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.

TIPPECANOE VALLEY SCHOOL CORPORATION
NOTES TO FINANCIAL STATEMENTS
(Continued)

II. Stewardship, Compliance and Accountability

Budgetary Information

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

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

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

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 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.

TIPPECANOE VALLEY SCHOOL CORPORATION
NOTES TO FINANCIAL STATEMENTS
(Continued)

B. Interfund Transfers

Interfund transfers for the years ended June 30, 2008 and 2009, were as follows:

Transfer In	Transfer Out	2007	2008
Other governmental funds	Other governmental funds	\$ 97,471	\$ 72,990
Other governmental funds	Debt Service Fund	22,994	-
Internal Service Fund	General Fund	1,385,000	-
Internal Service Fund	Transportation Operating Fund	100,000	-
Internal Service Fund	Capital Projects Fund	11,500	-
Internal Service Fund	Other governmental funds	49,239	-
Totals		<u>\$ 1,666,204</u>	<u>\$ 72,990</u>

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

IV. Other Information

A. Risk Management

The School Corporation is exposed to various risks of loss related to torts; theft of, damage to, and destruction of assets; errors and omissions; job related illnesses or injuries to employees; and natural disasters.

The risks of torts; theft of, damage to, and destruction of assets; errors and omissions; job related illnesses or injuries to employees; and natural disasters are covered by commercial insurance from independent third parties. Settled claims from these risks have not exceeded commercial insurance coverage for the past three years. There were no significant reductions in insurance by major category of risk.

Medical Benefits to Employees, Retirees, and Dependents

The School Corporation has chosen to establish a risk financing fund for risks associated with medical benefits to employees and eligible retirees. The risk financing fund is accounted for in the Internal Service Fund, where assets are set aside for claim settlements. An excess policy through commercial insurance covers individual claims in excess of \$100,000 per year. Settled claims resulting from this risk did not exceed commercial insurance coverage in the past three years. Interfund premiums are paid into the fund by all affected funds and are available to pay claims, claim reserves, and administrative costs of the program. Interfund premiums are based upon an overall premium percentage which is applied to each affected fund and are reported as quasi-external interfund transactions.

TIPPECANOE VALLEY SCHOOL CORPORATION
NOTES TO FINANCIAL STATEMENTS
(Continued)

B. Holding Corporations

The School Corporation has entered into a capital lease with Tippecanoe Valley Elementary School Building Corporation, Tippecanoe Valley Middle School Building Corporation and Tippecanoe Valley High School Building Corporation (the lessors). The lessors were 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 related parties of the School Corporation. Lease payments during the years 2007-2008 and 2008-2009 totaled \$2,805,880 and \$2,811,500, respectively.

C. Termination Benefits

Teachers with at least ten years of teaching experience in the School Corporation and at the age of 55, may elect to retire under the provisions of an early retirement program established by the School Corporation. Under this program, the School Corporation makes contributions to a School Corporation sponsored 403(b) plan for a maximum of five years for each retiree. During the years 2007-2008 and 2008-2009, the School Corporation contributed \$129,762 and \$161,410 to the program.

D. Other Postemployment Benefits

Single-Employer Defined Benefit Healthcare Plan

Plan Description

Tippecanoe Valley School Corporation Healthcare Plan is a single-employer defined benefit healthcare plan administered by the School Corporation. The plan provides health, vision, dental and prescription benefits to eligible retirees and their spouses. The teachers' agreement assigns the authority to establish and amend benefit provisions to the School Corporation. The School Corporation issues a publicly available financial report that includes financial statements and required supplementary information for the plan as a whole and for the participants. That report may be obtained by contacting the School Corporation.

Funding Policy

The contribution requirements of plan members for the Tippecanoe Valley School Corporation Healthcare Plan are established by the School Corporation's School Board. The required contribution is based on projected pay-as-you-go financing requirements, with an additional amount to prefund benefits as determined annually by the governing board. For the year ended December 31, 2008, the School Corporation contributed \$0 to the plan. Plan members receiving benefits contributed \$108,540, or 100% of the total premiums, through their required contribution of \$275 per month for retiree-only coverage and \$455 for retiree and spouse coverage.

TIPPECANOE VALLEY SCHOOL CORPORATION
 NOTES TO FINANCIAL STATEMENTS
 (Continued)

E. Pension Plans

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

Public Employees' Retirement Fund

Plan Description

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

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

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

Funding Policy and Annual Pension Cost

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

Actuarial Information for the Above Plan

Annual required contribution	\$ 106,098
Interest on net pension obligation	(7,819)
Adjustment to annual required contribution	<u>8,911</u>
Annual pension cost	107,190
Contributions made	<u>99,791</u>
Increase (decrease) in net pension obligation	7,399
Net pension obligation, beginning of year	<u>(107,852)</u>
Net pension obligation, end of year	<u><u>\$ (100,453)</u></u>

TIPPECANOE VALLEY SCHOOL CORPORATION
NOTES TO FINANCIAL STATEMENTS
(Continued)

Contribution rates:	
School Corporation	6.38%
Plan members	3%
Actuarial valuation date	07-01-08
Actuarial cost method	Entry age
Amortization method	Level percentage of projected payroll, closed
Amortization period	30 years
Amortization period (from date)	07-01-97
Asset valuation method	75% of expected actuarial value plus 25% of market value

Actuarial Assumptions

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

Three Year Trend Information

Year Ending	Annual Pension Cost (APC)	Percentage of APC Contributed	Net Pension Obligation
06-30-06	\$ 106,553	85%	\$ (116,805)
06-30-07	103,573	91%	(107,852)
06-30-08	107,190	93%	(100,453)

2. Cost-Sharing Multiple-Employer Defined Benefit Pension Plan

Teachers' Retirement Fund

Plan Description

The School Corporation contributes to the Indiana Teachers' Retirement Fund (TRF), a defined benefit pension plan. TRF is a cost-sharing multiple-employer public employee retirement system, which provides retirement benefits to plan members and beneficiaries. All employees engaged in teaching or in the supervision of teaching in the public schools of the State of Indiana are eligible to participate in TRF. State statute (IC 5-10.2) governs, through the TRF Board, most requirements of the system and gives the School Corporation authority to contribute to the plan. The TRF retirement benefit consists of the pension provided by

TIPPECANOE VALLEY SCHOOL CORPORATION
NOTES TO FINANCIAL STATEMENTS
(Continued)

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 7% of covered wages. The School Corporation's required contributions to the plan for the fiscal years ended June 30, 2009, 2008, and 2007, were \$238,536, \$219,500, and \$177,552, respectively. The School Corporation actually contributed 100% of the required contribution for each of the fiscal years, respectively.

TIPPECANOE VALLEY SCHOOL CORPORATION
 REQUIRED SUPPLEMENTARY INFORMATION
 SCHEDULE OF FUNDING PROGRESS

Public Employees' Retirement Fund

Actuarial Valuation Date	Actuarial Value of Assets (a)	Actuarial Accrued Liability (AAL) (b)	Excess of Assets Over (Unfunded) AAL (a-b)	Funded Ratio (a/b)	Covered Payroll (c)	Excess (Unfunded) AAL as a Percentage of Covered Payroll ((a-b)/c)
07-01-06	\$ 2,201,632	\$ 2,269,639	\$ (68,007)	97%	\$ 1,581,440	(4%)
07-01-07	2,466,546	2,540,251	(73,705)	97%	1,581,954	(5%)
07-01-08	2,544,933	2,521,635	23,298	101%	1,438,571	2%

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

	Pre-School	School Lunch	Textbook	Extended Day Kindergarten	Educational License Plates
Receipts:					
Local sources	\$ 8,915	\$ 454,194	\$ 143,075	\$ 19,190	\$ -
Intermediate sources	-	-	-	-	375
State sources	59,595	12,700	90,086	-	-
Federal sources	-	419,719	16,545	-	-
Temporary loans	-	-	-	-	-
Other	-	21,510	300	-	-
Total receipts	<u>68,510</u>	<u>908,123</u>	<u>250,006</u>	<u>19,190</u>	<u>375</u>
Disbursements:					
Current:					
Instruction	40,178	-	-	12,946	-
Support services	-	30,703	210,075	24,109	-
Noninstructional services	-	841,767	-	-	-
Facilities acquisition and construction	-	-	-	-	-
Debt services	-	-	-	-	-
Total disbursements	<u>40,178</u>	<u>872,470</u>	<u>210,075</u>	<u>37,055</u>	<u>-</u>
Excess (deficiency) of receipts over disbursements	<u>28,332</u>	<u>35,653</u>	<u>39,931</u>	<u>(17,865)</u>	<u>375</u>
Other financing sources (uses):					
Transfers in	-	-	22,394	-	-
Transfers out	-	-	-	-	-
Total other financing sources (uses)	<u>-</u>	<u>-</u>	<u>22,394</u>	<u>-</u>	<u>-</u>
Excess (deficiency) of receipts and other financing sources over disbursements and other financing uses	<u>28,332</u>	<u>35,653</u>	<u>62,325</u>	<u>(17,865)</u>	<u>375</u>
Cash and investments - beginning	<u>185,659</u>	<u>384,898</u>	<u>241,751</u>	<u>56,461</u>	<u>3,825</u>
Cash and investments - ending	<u>\$ 213,991</u>	<u>\$ 420,551</u>	<u>\$ 304,076</u>	<u>\$ 38,596</u>	<u>\$ 4,200</u>
<u>Cash and Investment Assets - Ending</u>					
Cash and investments	<u>\$ 213,991</u>	<u>\$ 420,551</u>	<u>\$ 304,076</u>	<u>\$ 38,596</u>	<u>\$ 4,200</u>
<u>Cash and Investment Fund Balance - Ending</u>					
Unrestricted	<u>\$ 213,991</u>	<u>\$ 420,551</u>	<u>\$ 304,076</u>	<u>\$ 38,596</u>	<u>\$ 4,200</u>

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

	Alternative Education	Safe Haven 2007-2008	Dekko Grant 2005-2006	Gifted and Talented 2006-2007	Gifted and Talented 2008-2009
Receipts:					
Local sources	\$ -	\$ -	\$ -	\$ -	\$ -
Intermediate sources	-	-	-	-	-
State sources	20,736	6,750	-	-	34,937
Federal sources	-	-	-	-	-
Temporary loans	-	-	-	-	-
Other	-	-	-	-	-
Total receipts	<u>20,736</u>	<u>6,750</u>	<u>-</u>	<u>-</u>	<u>34,937</u>
Disbursements:					
Current:					
Instruction	23,948	-	-	4,455	19,506
Support services	-	3,080	800	-	-
Noninstructional services	-	-	-	-	-
Facilities acquisition and construction	-	-	-	-	-
Debt services	-	-	-	-	-
Total disbursements	<u>23,948</u>	<u>3,080</u>	<u>800</u>	<u>4,455</u>	<u>19,506</u>
Excess (deficiency) of receipts over disbursements	<u>(3,212)</u>	<u>3,670</u>	<u>(800)</u>	<u>(4,455)</u>	<u>15,431</u>
Other financing sources (uses):					
Transfers in	-	-	-	-	-
Transfers out	-	-	-	-	-
Total other financing sources (uses)	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Excess (deficiency) of receipts and other financing sources over disbursements and other financing uses	<u>(3,212)</u>	<u>3,670</u>	<u>(800)</u>	<u>(4,455)</u>	<u>15,431</u>
Cash and investments - beginning	<u>13,342</u>	<u>(1,906)</u>	<u>970</u>	<u>4,455</u>	<u>-</u>
Cash and investments - ending	<u>\$ 10,130</u>	<u>\$ 1,764</u>	<u>\$ 170</u>	<u>\$ -</u>	<u>\$ 15,431</u>
Cash and Investment Assets - Ending					
Cash and investments	<u>\$ 10,130</u>	<u>\$ 1,764</u>	<u>\$ 170</u>	<u>\$ -</u>	<u>\$ 15,431</u>
Cash and Investment Fund Balance - Ending					
Unrestricted	<u>\$ 10,130</u>	<u>\$ 1,764</u>	<u>\$ 170</u>	<u>\$ -</u>	<u>\$ 15,431</u>

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

	Economic Education Grant	Non-English Speaking Program	School Technology	Tech Plan Grant 2007	Random Drug Testing Program
Receipts:					
Local sources	\$ -	\$ -	\$ -	\$ -	\$ 2,250
Intermediate sources	-	-	-	-	-
State sources	-	13,625	-	-	-
Federal sources	-	-	-	-	-
Temporary loans	-	-	-	-	-
Other	-	-	-	-	545
Total receipts	-	13,625	-	-	2,795
Disbursements:					
Current:					
Instruction	-	5,831	-	-	2,250
Support services	228	261	1,180	4,043	545
Noninstructional services	-	-	-	-	-
Facilities acquisition and construction	-	-	-	87,120	-
Debt services	-	-	-	-	-
Total disbursements	228	6,092	1,180	91,163	2,795
Excess (deficiency) of receipts over disbursements	(228)	7,533	(1,180)	(91,163)	-
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	(228)	7,533	(1,180)	(91,163)	-
Cash and investments - beginning	883	1,173	1,850	91,163	-
Cash and investments - ending	\$ 655	\$ 8,706	\$ 670	\$ -	\$ -
Cash and Investment Assets - Ending					
Cash and investments	\$ 655	\$ 8,706	\$ 670	\$ -	\$ -
Cash and Investment Fund Balance - Ending					
Unrestricted	\$ 655	\$ 8,706	\$ 670	\$ -	\$ -

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

	Title I 2008-2009	Title I 2007-2008	Title I High Performance Grant	Title I 2006-2007	Title V Innovative Ed 2005-2006
Receipts:					
Local sources	\$ -	\$ -	\$ -	\$ -	\$ -
Intermediate sources	-	-	-	-	-
State sources	-	-	-	-	-
Federal sources	306,290	-	2,000	27,497	-
Temporary loans	-	-	-	-	-
Other	-	-	-	-	-
	<u>306,290</u>	<u>-</u>	<u>2,000</u>	<u>27,497</u>	<u>-</u>
Total receipts					
	<u>306,290</u>	<u>-</u>	<u>2,000</u>	<u>27,497</u>	<u>-</u>
Disbursements:					
Current:					
Instruction	173,674	-	964	24,259	-
Support services	60,072	-	-	12,678	2,640
Noninstructional services	-	-	-	-	-
Facilities acquisition and construction	-	-	-	-	-
Debt services	-	-	-	-	-
	<u>233,746</u>	<u>-</u>	<u>964</u>	<u>36,937</u>	<u>2,640</u>
Total disbursements					
	<u>233,746</u>	<u>-</u>	<u>964</u>	<u>36,937</u>	<u>2,640</u>
Excess (deficiency) of receipts over disbursements					
	<u>72,544</u>	<u>-</u>	<u>1,036</u>	<u>(9,440)</u>	<u>(2,640)</u>
Other financing sources (uses):					
Transfers in	25,150	39,817	-	-	-
Transfers out	(57,446)	-	-	(25,150)	-
	<u>(32,296)</u>	<u>39,817</u>	<u>-</u>	<u>(25,150)</u>	<u>-</u>
Total other financing sources (uses)					
	<u>(32,296)</u>	<u>39,817</u>	<u>-</u>	<u>(25,150)</u>	<u>-</u>
Excess (deficiency) of receipts and other financing sources over disbursements and other financing uses					
	40,248	39,817	1,036	(34,590)	(2,640)
Cash and investments - beginning					
	-	-	-	34,590	2,640
Cash and investments - ending					
	<u>\$ 40,248</u>	<u>\$ 39,817</u>	<u>\$ 1,036</u>	<u>\$ -</u>	<u>\$ -</u>
<u>Cash and Investment Assets - Ending</u>					
Cash and investments	<u>\$ 40,248</u>	<u>\$ 39,817</u>	<u>\$ 1,036</u>	<u>\$ -</u>	<u>\$ -</u>
<u>Cash and Investment Fund Balance - Ending</u>					
Unrestricted	<u>\$ 40,248</u>	<u>\$ 39,817</u>	<u>\$ 1,036</u>	<u>\$ -</u>	<u>\$ -</u>

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

	Title V Part A 2006-2007	Title I Migrant 2007-2008	Migrant Ed Title I 2006-2007	Federal School Age 2008-2009	Federal School Age 2007-2008
Receipts:					
Local sources	\$ -	\$ -	\$ -	\$ -	\$ -
Intermediate sources	-	-	-	-	-
State sources	-	-	-	-	-
Federal sources	3,459	29,547	-	32,408	395,525
Temporary loans	-	-	-	-	-
Other	-	-	-	-	-
Total receipts	<u>3,459</u>	<u>29,547</u>	<u>-</u>	<u>32,408</u>	<u>395,525</u>
Disbursements:					
Current:					
Instruction	-	24,840	1,125	9,348	124,755
Support services	3,459	-	-	26,706	207,058
Noninstructional services	-	-	-	-	-
Facilities acquisition and construction	-	-	-	-	-
Debt services	-	-	-	-	-
Total disbursements	<u>3,459</u>	<u>24,840</u>	<u>1,125</u>	<u>36,054</u>	<u>331,813</u>
Excess (deficiency) of receipts over disbursements	<u>-</u>	<u>4,707</u>	<u>(1,125)</u>	<u>(3,646)</u>	<u>63,712</u>
Other financing sources (uses):					
Transfers in	-	-	-	-	-
Transfers out	-	-	-	(33,104)	(31,610)
Total other financing sources (uses)	<u>-</u>	<u>-</u>	<u>-</u>	<u>(33,104)</u>	<u>(31,610)</u>
Excess (deficiency) of receipts and other financing sources over disbursements and other financing uses	<u>-</u>	<u>4,707</u>	<u>(1,125)</u>	<u>(36,750)</u>	<u>32,102</u>
Cash and investments - beginning	<u>-</u>	<u>-</u>	<u>1,125</u>	<u>36,750</u>	<u>-</u>
Cash and investments - ending	<u>\$ -</u>	<u>\$ 4,707</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 32,102</u>
Cash and Investment Assets - Ending					
Cash and investments	<u>\$ -</u>	<u>\$ 4,707</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 32,102</u>
Cash and Investment Fund Balance - Ending					
Unrestricted	<u>\$ -</u>	<u>\$ 4,707</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 32,102</u>

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

	Federal School Age Carry Over 2006-2007	Federal School Age Carry Over	Federal Pre-School 2006-2007	Federal Pre-School 2007-2008	Drug Free Schools 2008-2009
Receipts:					
Local sources	\$ -	\$ -	\$ -	\$ -	\$ -
Intermediate sources	-	-	-	-	-
State sources	-	-	-	-	3,827
Federal sources	-	-	986	11,602	3,800
Temporary loans	-	-	-	-	-
Other	-	-	-	-	-
Total receipts	-	-	986	11,602	7,627
Disbursements:					
Current:					
Instruction	-	13,380	2,307	10,726	3,205
Support services	754	19,456	-	-	-
Noninstructional services	-	-	-	-	-
Facilities acquisition and construction	-	-	-	-	-
Debt services	-	-	-	-	-
Total disbursements	754	32,836	2,307	10,726	3,205
Excess (deficiency) of receipts over disbursements	(754)	(32,836)	(1,321)	876	4,422
Other financing sources (uses):					
Transfers in	-	33,104	-	-	-
Transfers out	-	-	-	-	-
Total other financing sources (uses)	-	33,104	-	-	-
Excess (deficiency) of receipts and other financing sources over disbursements and other financing uses	(754)	268	(1,321)	876	4,422
Cash and investments - beginning	754	-	1,321	-	-
Cash and investments - ending	\$ -	\$ 268	\$ -	\$ 876	\$ 4,422
Cash and Investment Assets - Ending					
Cash and investments	\$ -	\$ 268	\$ -	\$ 876	\$ 4,422
Cash and Investment Fund Balance - Ending					
Unrestricted	\$ -	\$ 268	\$ -	\$ 876	\$ 4,422

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

	Drug Free Schools 2005-2006	Ag Grant Upgrade Program	Title II Part A 2005-2006	Title II Part A 2006-2007	LEP Title III
Receipts:					
Local sources	\$ -	\$ -	\$ -	\$ -	\$ -
Intermediate sources	-	-	-	-	-
State sources	-	-	-	-	-
Federal sources	-	9,959	-	72,001	10,020
Temporary loans	-	-	-	-	-
Other	-	-	-	-	-
	<u>-</u>	<u>9,959</u>	<u>-</u>	<u>72,001</u>	<u>10,020</u>
Total receipts	<u>-</u>	<u>9,959</u>	<u>-</u>	<u>72,001</u>	<u>10,020</u>
Disbursements:					
Current:					
Instruction	5,431	9,959	11,874	59,000	19,567
Support services	1,332	-	-	-	-
Noninstructional services	-	-	-	-	-
Facilities acquisition and construction	-	-	-	-	-
Debt services	-	-	-	-	-
	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Total disbursements	<u>6,763</u>	<u>9,959</u>	<u>11,874</u>	<u>59,000</u>	<u>19,567</u>
Excess (deficiency) of receipts over disbursements	<u>(6,763)</u>	<u>-</u>	<u>(11,874)</u>	<u>13,001</u>	<u>(9,547)</u>
Other financing sources (uses):					
Transfers in	-	-	-	-	-
Transfers out	-	-	-	-	-
	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Total other financing sources (uses)	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Excess (deficiency) of receipts and other financing sources over disbursements and other financing uses	<u>(6,763)</u>	<u>-</u>	<u>(11,874)</u>	<u>13,001</u>	<u>(9,547)</u>
Cash and investments - beginning	<u>6,763</u>	<u>-</u>	<u>11,874</u>	<u>-</u>	<u>9,891</u>
Cash and investments - ending	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 13,001</u>	<u>\$ 344</u>
<u>Cash and Investment Assets - Ending</u>					
Cash and investments	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 13,001</u>	<u>\$ 344</u>
<u>Cash and Investment Fund Balance - Ending</u>					
Unrestricted	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 13,001</u>	<u>\$ 344</u>

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

	Title II Part D Technology 2005-2006	Transportation Bus Replacement	Construction	Peers Education Peers	Totals
Receipts:					
Local sources	\$ -	\$ 158,583	\$ -	\$ -	\$ 786,207
Intermediate sources	-	-	-	-	375
State sources	-	-	-	-	242,256
Federal sources	1,500	-	-	-	1,342,858
Temporary loans	-	100,000	6,375	-	106,375
Other	-	-	-	-	22,355
Total receipts	1,500	258,583	6,375	-	2,500,426
Disbursements:					
Current:					
Instruction	-	-	-	-	603,528
Support services	4,754	139,912	6,775	47	760,667
Noninstructional services	-	-	-	-	841,767
Facilities acquisition and construction	-	-	-	-	87,120
Debt services	-	118,000	-	-	118,000
Total disbursements	4,754	257,912	6,775	47	2,411,082
Excess (deficiency) of receipts over disbursements	(3,254)	671	(400)	(47)	89,344
Other financing sources (uses):					
Transfers in	-	-	-	-	120,465
Transfers out	-	-	-	-	(147,310)
Total other financing sources (uses)	-	-	-	-	(26,845)
Excess (deficiency) of receipts and other financing sources over disbursements and other financing uses	(3,254)	671	(400)	(47)	62,499
Cash and investments - beginning	3,254	29,448	725	47	1,123,706
Cash and investments - ending	<u>\$ -</u>	<u>\$ 30,119</u>	<u>\$ 325</u>	<u>\$ -</u>	<u>\$ 1,186,205</u>
Cash and Investment Assets - Ending					
Cash and investments	<u>\$ -</u>	<u>\$ 30,119</u>	<u>\$ 325</u>	<u>\$ -</u>	<u>\$ 1,186,205</u>
Cash and Investment Fund Balance - Ending					
Unrestricted	<u>\$ -</u>	<u>\$ 30,119</u>	<u>\$ 325</u>	<u>\$ -</u>	<u>\$ 1,186,205</u>

TIPPECANOE VALLEY SCHOOL CORPORATION
 COMBINING SCHEDULE OF ASSETS AND FUND BALANCES AND RECEIPTS,
 DISBURSEMENTS, AND CHANGES IN FUND BALANCES - CASH AND INVESTMENT BASIS
 OTHER GOVERNMENTAL FUNDS
 For the Year Ended June 30, 2009

	Pre-School	School Lunch	Textbook	Extended Day Kindergarten	Educational License Plates
Receipts:					
Local sources	\$ 9,303	\$ 432,319	\$ 140,860	\$ -	\$ -
Intermediate sources	-	-	-	-	663
State sources	71,737	12,264	73,750	-	-
Federal sources	-	482,760	-	-	-
Other	-	1,511	803	-	-
Total receipts	81,040	928,854	215,413	-	663
Disbursements:					
Current:					
Instruction	72,719	-	-	-	-
Support services	-	51,544	160,190	-	-
Noninstructional services	-	858,904	-	-	-
Facilities acquisition and construction	-	-	-	-	-
Debt services	-	-	-	-	-
Total disbursements	72,719	910,448	160,190	-	-
Excess (deficiency) of receipts over disbursements	8,321	18,406	55,223	-	663
Other financing sources (uses):					
Proceeds of long-term debt	-	-	-	-	-
Sale of capital assets	-	-	-	-	-
Transfers in	-	-	-	-	-
Transfers out	-	-	-	-	-
Total other financing sources (uses)	-	-	-	-	-
Excess (deficiency) of receipts and other financing sources over disbursements and other financing uses	8,321	18,406	55,223	-	663
Cash and investments - beginning	213,991	420,551	304,076	38,596	4,200
Cash and investments - ending	\$ 222,312	\$ 438,957	\$ 359,299	\$ 38,596	\$ 4,863
Cash and Investment Assets - Ending					
Cash and investments	\$ 222,312	\$ 438,957	\$ 359,299	\$ 38,596	\$ 4,863
Cash with fiscal agent	-	-	-	-	-
Total cash and investment assets - ending	\$ 222,312	\$ 438,957	\$ 359,299	\$ 38,596	\$ 4,863
Cash and Investment Fund Balance - Ending					
Unrestricted	\$ 222,312	\$ 438,957	\$ 359,299	\$ 38,596	\$ 4,863

TIPPECANOE VALLEY SCHOOL CORPORATION
 COMBINING SCHEDULE OF ASSETS AND FUND BALANCES AND RECEIPTS,
 DISBURSEMENTS, AND CHANGES IN FUND BALANCES - CASH AND INVESTMENT BASIS
 OTHER GOVERNMENTAL FUNDS
 For the Year Ended June 30, 2009
 (Continued)

	Alternative Education	Safe Haven 2007-2008	Dekko Grant 2005-2006	Gifted and Talented 2008-2009	Economic Education Grant
Receipts:					
Local sources	\$ -	\$ -	\$ -	\$ -	\$ -
Intermediate sources	-	-	-	-	-
State sources	25,727	-	-	34,937	-
Federal sources	-	-	-	-	-
Other	-	-	-	-	-
	<u>25,727</u>	<u>-</u>	<u>-</u>	<u>34,937</u>	<u>-</u>
Total receipts					
	<u>25,727</u>	<u>-</u>	<u>-</u>	<u>34,937</u>	<u>-</u>
Disbursements:					
Current:					
Instruction	22,971	-	-	39,438	-
Support services	-	1,764	170	-	-
Noninstructional services	-	-	-	-	-
Facilities acquisition and construction	-	-	-	-	-
Debt services	-	-	-	-	-
	<u>22,971</u>	<u>1,764</u>	<u>170</u>	<u>39,438</u>	<u>-</u>
Total disbursements					
	<u>22,971</u>	<u>1,764</u>	<u>170</u>	<u>39,438</u>	<u>-</u>
Excess (deficiency) of receipts over disbursements					
	<u>2,756</u>	<u>(1,764)</u>	<u>(170)</u>	<u>(4,501)</u>	<u>-</u>
Other financing sources (uses):					
Proceeds of long-term debt	-	-	-	-	-
Sale of capital assets	-	-	-	-	-
Transfers in	-	-	-	-	-
Transfers out	-	-	-	-	-
	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Total other financing sources (uses)					
	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Excess (deficiency) of receipts and other financing sources over disbursements and other financing uses					
	2,756	(1,764)	(170)	(4,501)	-
Cash and investments - beginning					
	<u>10,130</u>	<u>1,764</u>	<u>170</u>	<u>15,431</u>	<u>655</u>
Cash and investments - ending					
	<u>\$ 12,886</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 10,930</u>	<u>\$ 655</u>
<u>Cash and Investment Assets - Ending</u>					
Cash and investments	\$ 12,886	\$ -	\$ -	\$ 10,930	\$ 655
Cash with fiscal agent	-	-	-	-	-
	<u>12,886</u>	<u>-</u>	<u>-</u>	<u>10,930</u>	<u>655</u>
Total cash and investment assets - ending					
	<u>\$ 12,886</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 10,930</u>	<u>\$ 655</u>
<u>Cash and Investment Fund Balance - Ending</u>					
Unrestricted	<u>\$ 12,886</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 10,930</u>	<u>\$ 655</u>

TIPPECANOE VALLEY SCHOOL CORPORATION
 COMBINING SCHEDULE OF ASSETS AND FUND BALANCES AND RECEIPTS,
 DISBURSEMENTS, AND CHANGES IN FUND BALANCES - CASH AND INVESTMENT BASIS
 OTHER GOVERNMENTAL FUNDS
 For the Year Ended June 30, 2009
 (Continued)

	<u>Safe Haven 2008-2009</u>	<u>Non-English Speaking Program</u>	<u>School Technology</u>	<u>Random Drug Testing Program</u>	<u>Title I 2008-2009</u>
Receipts:					
Local sources	\$ -	\$ -	\$ -	\$ 1,130	\$ -
Intermediate sources	-	-	-	-	-
State sources	1,000	12,292	-	-	-
Federal sources	-	-	-	-	299,493
Other	-	-	1,667	16,050	-
	<u>-</u>	<u>-</u>	<u>1,667</u>	<u>16,050</u>	<u>-</u>
Total receipts	<u>1,000</u>	<u>12,292</u>	<u>1,667</u>	<u>17,180</u>	<u>299,493</u>
Disbursements:					
Current:					
Instruction	-	20,998	-	1,130	214,011
Support services	1,000	-	177	16,050	123,748
Noninstructional services	-	-	-	-	-
Facilities acquisition and construction	-	-	-	-	-
Debt services	-	-	-	-	-
	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Total disbursements	<u>1,000</u>	<u>20,998</u>	<u>177</u>	<u>17,180</u>	<u>337,759</u>
Excess (deficiency) of receipts over disbursements	<u>-</u>	<u>(8,706)</u>	<u>1,490</u>	<u>-</u>	<u>(38,266)</u>
Other financing sources (uses):					
Proceeds of long-term debt	-	-	-	-	-
Sale of capital assets	-	-	158	-	-
Transfers in	-	-	-	-	40,853
Transfers out	-	-	-	-	-
	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Total other financing sources (uses)	<u>-</u>	<u>-</u>	<u>158</u>	<u>-</u>	<u>40,853</u>
Excess (deficiency) of receipts and other financing sources over disbursements and other financing uses	<u>-</u>	<u>(8,706)</u>	<u>1,648</u>	<u>-</u>	<u>2,587</u>
Cash and investments - beginning	<u>-</u>	<u>8,706</u>	<u>670</u>	<u>-</u>	<u>40,248</u>
Cash and investments - ending	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 2,318</u>	<u>\$ -</u>	<u>\$ 42,835</u>
<u>Cash and Investment Assets - Ending</u>					
Cash and investments	\$ -	\$ -	\$ 2,318	\$ -	\$ 42,835
Cash with fiscal agent	-	-	-	-	-
	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Total cash and investment assets - ending	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 2,318</u>	<u>\$ -</u>	<u>\$ 42,835</u>
<u>Cash and Investment Fund Balance - Ending</u>					
Unrestricted	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 2,318</u>	<u>\$ -</u>	<u>\$ 42,835</u>

TIPPECANOE VALLEY SCHOOL CORPORATION
 COMBINING SCHEDULE OF ASSETS AND FUND BALANCES AND RECEIPTS,
 DISBURSEMENTS, AND CHANGES IN FUND BALANCES - CASH AND INVESTMENT BASIS
 OTHER GOVERNMENTAL FUNDS
 For the Year Ended June 30, 2009
 (Continued)

	<u>Title I</u> <u>2007-2008</u>	<u>Title I High</u> <u>Performance</u> <u>Grant</u>	<u>Title V Part A</u> <u>Innovative</u> <u>Ed Grant</u>	<u>Title I Migrant</u> <u>2007-2008</u>	<u>Drug Free</u> <u>Schools</u> <u>2009-2010</u>
Receipts:					
Local sources	\$ -	\$ -	\$ -	\$ -	\$ -
Intermediate sources	-	-	-	-	-
State sources	-	-	-	-	5,986
Federal sources	-	-	3,490	-	-
Other	-	-	-	-	-
	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Total receipts	<u>-</u>	<u>-</u>	<u>3,490</u>	<u>-</u>	<u>5,986</u>
Disbursements:					
Current:					
Instruction	-	-	-	4,707	-
Support services	-	-	3,490	-	-
Noninstructional services	-	-	-	-	-
Facilities acquisition and construction	-	-	-	-	-
Debt services	-	-	-	-	-
	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Total disbursements	<u>-</u>	<u>-</u>	<u>3,490</u>	<u>4,707</u>	<u>-</u>
Excess (deficiency) of receipts over disbursements	<u>-</u>	<u>-</u>	<u>-</u>	<u>(4,707)</u>	<u>5,986</u>
Other financing sources (uses):					
Proceeds of long-term debt	-	-	-	-	-
Sale of capital assets	-	-	-	-	-
Transfers in	-	-	-	-	-
Transfers out	<u>(39,817)</u>	<u>(1,036)</u>	<u>-</u>	<u>-</u>	<u>-</u>
Total other financing sources (uses)	<u>(39,817)</u>	<u>(1,036)</u>	<u>-</u>	<u>-</u>	<u>-</u>
Excess (deficiency) of receipts and other financing sources over disbursements and other financing uses	<u>(39,817)</u>	<u>(1,036)</u>	<u>-</u>	<u>(4,707)</u>	<u>5,986</u>
Cash and investments - beginning	<u>39,817</u>	<u>1,036</u>	<u>-</u>	<u>4,707</u>	<u>-</u>
Cash and investments - ending	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 5,986</u>
<u>Cash and Investment Assets - Ending</u>					
Cash and investments	\$ -	\$ -	\$ -	\$ -	\$ 5,986
Cash with fiscal agent	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Total cash and investment assets - ending	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 5,986</u>
<u>Cash and Investment Fund Balance - Ending</u>					
Unrestricted	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 5,986</u>

TIPPECANOE VALLEY SCHOOL CORPORATION
 COMBINING SCHEDULE OF ASSETS AND FUND BALANCES AND RECEIPTS,
 DISBURSEMENTS, AND CHANGES IN FUND BALANCES - CASH AND INVESTMENT BASIS
 OTHER GOVERNMENTAL FUNDS
 For the Year Ended June 30, 2009
 (Continued)

	Federal School Age 2008-2009	Federal School Age 2007-2008	Federal School Age Carry Over	Federal Pre-School 2008-2009	Federal Pre-School 2007-2008
Receipts:					
Local sources	\$ -	\$ -	\$ -	\$ -	\$ -
Intermediate sources	-	-	-	-	-
State sources	-	-	-	-	-
Federal sources	397,316	32,960	-	12,528	-
Other	-	-	-	-	-
	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Total receipts	<u>397,316</u>	<u>32,960</u>	<u>-</u>	<u>12,528</u>	<u>-</u>
Disbursements:					
Current:					
Instruction	69,143	5,645	-	12,041	-
Support services	330,373	41,425	-	-	-
Noninstructional services	-	-	-	-	-
Facilities acquisition and construction	-	-	-	-	-
Debt services	-	-	-	-	-
	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Total disbursements	<u>399,516</u>	<u>47,070</u>	<u>-</u>	<u>12,041</u>	<u>-</u>
Excess (deficiency) of receipts over disbursements	<u>(2,200)</u>	<u>(14,110)</u>	<u>-</u>	<u>487</u>	<u>-</u>
Other financing sources (uses):					
Proceeds of long-term debt	-	-	-	-	-
Sale of capital assets	-	-	-	-	-
Transfers in	18,260	-	-	876	-
Transfers out	-	(17,992)	(268)	-	(876)
	<u>-</u>	<u>(17,992)</u>	<u>(268)</u>	<u>-</u>	<u>(876)</u>
Total other financing sources (uses)	<u>18,260</u>	<u>(17,992)</u>	<u>(268)</u>	<u>876</u>	<u>(876)</u>
Excess (deficiency) of receipts and other financing sources over disbursements and other financing uses	16,060	(32,102)	(268)	1,363	(876)
Cash and investments - beginning	<u>-</u>	<u>32,102</u>	<u>268</u>	<u>-</u>	<u>876</u>
Cash and investments - ending	<u>\$ 16,060</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 1,363</u>	<u>\$ -</u>
Cash and Investment Assets - Ending					
Cash and investments	\$ 16,060	\$ -	\$ -	\$ 1,363	\$ -
Cash with fiscal agent	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Total cash and investment assets - ending	<u>\$ 16,060</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 1,363</u>	<u>\$ -</u>
Cash and Investment Fund Balance - Ending					
Unrestricted	<u>\$ 16,060</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 1,363</u>	<u>\$ -</u>

TIPPECANOE VALLEY SCHOOL CORPORATION
 COMBINING SCHEDULE OF ASSETS AND FUND BALANCES AND RECEIPTS,
 DISBURSEMENTS, AND CHANGES IN FUND BALANCES - CASH AND INVESTMENT BASIS
 OTHER GOVERNMENTAL FUNDS
 For the Year Ended June 30, 2009
 (Continued)

	Drug Free Schools 2008-2009	FCLA Career Fair	Title II Part A 2007-2008	Title II Part A 2006-2007	LEP Title III
Receipts:					
Local sources	\$ -	\$ -	\$ -	\$ -	\$ -
Intermediate sources	-	-	-	-	-
State sources	7,650	-	-	-	-
Federal sources	-	-	73,141	-	12,600
Other	-	496	-	-	-
	<u>-</u>	<u>496</u>	<u>-</u>	<u>-</u>	<u>-</u>
Total receipts	<u>7,650</u>	<u>496</u>	<u>73,141</u>	<u>-</u>	<u>12,600</u>
Disbursements:					
Current:					
Instruction	6,122	-	84,127	-	12,944
Support services	-	496	-	-	-
Noninstructional services	-	-	-	-	-
Facilities acquisition and construction	-	-	-	-	-
Debt services	-	-	-	-	-
	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Total disbursements	<u>6,122</u>	<u>496</u>	<u>84,127</u>	<u>-</u>	<u>12,944</u>
Excess (deficiency) of receipts over disbursements	<u>1,528</u>	<u>-</u>	<u>(10,986)</u>	<u>-</u>	<u>(344)</u>
Other financing sources (uses):					
Proceeds of long-term debt	-	-	-	-	-
Sale of capital assets	-	-	-	-	-
Transfers in	-	-	13,001	-	-
Transfers out	-	-	-	(13,001)	-
	<u>-</u>	<u>-</u>	<u>-</u>	<u>(13,001)</u>	<u>-</u>
Total other financing sources (uses)	<u>-</u>	<u>-</u>	<u>13,001</u>	<u>(13,001)</u>	<u>-</u>
Excess (deficiency) of receipts and other financing sources over disbursements and other financing uses	1,528	-	2,015	(13,001)	(344)
Cash and investments - beginning	<u>4,422</u>	<u>-</u>	<u>-</u>	<u>13,001</u>	<u>344</u>
Cash and investments - ending	<u>\$ 5,950</u>	<u>\$ -</u>	<u>\$ 2,015</u>	<u>\$ -</u>	<u>\$ -</u>
Cash and Investment Assets - Ending					
Cash and investments	\$ 5,950	\$ -	\$ 2,015	\$ -	\$ -
Cash with fiscal agent	-	-	-	-	-
	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Total cash and investment assets - ending	<u>\$ 5,950</u>	<u>\$ -</u>	<u>\$ 2,015</u>	<u>\$ -</u>	<u>\$ -</u>
Cash and Investment Fund Balance - Ending					
Unrestricted	<u>\$ 5,950</u>	<u>\$ -</u>	<u>\$ 2,015</u>	<u>\$ -</u>	<u>\$ -</u>

TIPPECANOE VALLEY SCHOOL CORPORATION
 COMBINING SCHEDULE OF ASSETS AND FUND BALANCES AND RECEIPTS,
 DISBURSEMENTS, AND CHANGES IN FUND BALANCES - CASH AND INVESTMENT BASIS
 OTHER GOVERNMENTAL FUNDS
 For the Year Ended June 30, 2009
 (Continued)

	ARRA Title I	Transportation Bus Replacement	Construction	Energy Savings Escrow	Totals
Receipts:					
Local sources	\$ -	\$ 195,706	\$ -	\$ -	\$ 779,318
Intermediate sources	-	-	-	-	663
State sources	-	-	-	-	245,343
Federal sources	-	-	-	-	1,314,288
Other	-	-	-	450,000	470,527
Total receipts	-	195,706	-	450,000	2,810,139
Disbursements:					
Current:					
Instruction	1,603	-	-	-	567,599
Support services	123	-	-	-	730,550
Noninstructional services	-	-	-	-	858,904
Facilities acquisition and construction	-	-	-	310,480	310,480
Debt services	-	100,000	-	-	100,000
Total disbursements	1,726	100,000	-	310,480	2,567,533
Excess (deficiency) of receipts over disbursements	(1,726)	95,706	-	139,520	242,606
Other financing sources (uses):					
Proceeds of long-term debt	-	-	-	479,684	479,684
Sale of capital assets	-	-	-	-	158
Transfers in	-	-	-	-	72,990
Transfers out	-	-	-	-	(72,990)
Total other financing sources (uses)	-	-	-	479,684	479,842
Excess (deficiency) of receipts and other financing sources over disbursements and other financing uses	(1,726)	95,706	-	619,204	722,448
Cash and investments - beginning	-	30,119	325	-	1,186,205
Cash and investments - ending	<u>\$ (1,726)</u>	<u>\$ 125,825</u>	<u>\$ 325</u>	<u>\$ 619,204</u>	<u>\$ 1,908,653</u>
Cash and Investment Assets - Ending					
Cash and investments	\$ (1,726)	\$ 125,825	\$ 325	\$ -	\$ 1,289,449
Cash with fiscal agent	-	-	-	619,204	619,204
Total cash and investment assets - ending	<u>\$ (1,726)</u>	<u>\$ 125,825</u>	<u>\$ 325</u>	<u>\$ 619,204</u>	<u>\$ 1,908,653</u>
Cash and Investment Fund Balance - Ending					
Unrestricted	<u>\$ (1,726)</u>	<u>\$ 125,825</u>	<u>\$ 325</u>	<u>\$ 619,204</u>	<u>1,908,653</u>

TIPPECANOE VALLEY 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

	Hispanic Youth Mentoring	Kosciusko REMC	KEYS Grant 2006-2007	Reality Spanish Grant	National Science Award	Teacher Awards
Additions:						
Contributions:						
Other	\$ 2,520	\$ 600	\$ 813	\$ 3,600	\$ -	\$ -
Deductions:						
Administrative and general	2,747	348	1,852	1,875	1,132	-
Excess (deficiency) of total additions over total deductions	(227)	252	(1,039)	1,725	(1,132)	-
Cash and investment fund balance - beginning	-	-	1,039	-	3,088	657
Cash and investments - June 30	<u>\$ (227)</u>	<u>\$ 252</u>	<u>\$ -</u>	<u>\$ 1,725</u>	<u>\$ 1,956</u>	<u>\$ 657</u>
Net assets:						
Cash and investments held in trust	<u>\$ (227)</u>	<u>\$ 252</u>	<u>\$ -</u>	<u>\$ 1,725</u>	<u>\$ 1,956</u>	<u>\$ 657</u>

TIPPECANOE VALLEY SCHOOL CORPORATION
 COMBINING SCHEDULE OF ADDITIONS, DEDUCTIONS, AND CHANGES IN CASH AND INVESTMENT BALANCES
 PRIVATE-PURPOSE TRUST FUNDS
 For the Year Ended June 30, 2009
 (Continued)

	DEKKO 2008 Listening Library	Fulton County Solid Waste 2007	DEKKO Teacher Awards	Fulton County Solid Waste	Hispanic Youth	Totals
Additions:						
Contributions:						
Other	\$ 13,996	\$ -	\$ 1,332	\$ 8,500	\$ -	\$ 31,361
Deductions:						
Administrative and general	8,356	775	1,736	16,739	743	36,303
Excess (deficiency) of total additions over total deductions	5,640	(775)	(404)	(8,239)	(743)	(4,942)
Cash and investment fund balance - beginning	-	-	493	9,588	1,227	16,092
Cash and investments - June 30	<u>\$ 5,640</u>	<u>\$ (775)</u>	<u>\$ 89</u>	<u>\$ 1,349</u>	<u>\$ 484</u>	<u>\$ 11,150</u>
Net assets:						
Cash and investments held in trust	<u>\$ 5,640</u>	<u>\$ (775)</u>	<u>\$ 89</u>	<u>\$ 1,349</u>	<u>\$ 484</u>	<u>\$ 11,150</u>

TIPPECANOE VALLEY SCHOOL CORPORATION
 COMBINING SCHEDULE OF ADDITIONS, DEDUCTIONS, AND CHANGES IN CASH AND INVESTMENT BALANCES
 PRIVATE-PURPOSE TRUST FUNDS
 For the Year Ended June 30, 2009

	Hispanic Youth Mentoring	Kosciusko REMC	Reality Spanish Grant	KEYS Grant	National Science Award	Teacher Awards
Additions:						
Contributions:						
Other	\$ 4,188	\$ -	\$ -	\$ 2,082	\$ -	\$ 7,686
Deductions:						
Administrative and general	1,572	252	1,725	1,983	1,956	5,485
Excess (deficiency) of total additions over total deductions	2,616	(252)	(1,725)	99	(1,956)	2,201
Cash and investment fund balance - beginning	(227)	252	1,725	-	1,956	657
Cash and investments - June 30	<u>\$ 2,389</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 99</u>	<u>\$ -</u>	<u>\$ 2,858</u>
Net assets:						
Cash and investments held in trust	<u>\$ 2,389</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 99</u>	<u>\$ -</u>	<u>\$ 2,858</u>

TIPPECANOE VALLEY SCHOOL CORPORATION
 COMBINING SCHEDULE OF ADDITIONS, DEDUCTIONS, AND CHANGES IN CASH AND INVESTMENT BALANCES
 PRIVATE-PURPOSE TRUST FUNDS
 For the Year Ended June 30, 2009
 (Continued)

	DEKKO 2008 Listening Library	Fulton County Solid Waste 2007	DEKKO Teacher Awards	Fulton County Solid Waste	Hispanic Youth	Totals
Additions:						
Contributions:						
Other	\$ -	\$ 11,350	\$ -	\$ -	\$ -	\$ 25,306
Deductions:						
Administrative and general	5,640	9,453	89	1,349	484	29,988
Excess (deficiency) of total additions over total deductions	(5,640)	1,897	(89)	(1,349)	(484)	(4,682)
Cash and investment fund balance - beginning	5,640	(775)	89	1,349	484	11,150
Cash and investments - June 30	<u>\$ -</u>	<u>\$ 1,122</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 6,468</u>
Net assets:						
Cash and investments held in trust	<u>\$ -</u>	<u>\$ 1,122</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 6,468</u>

TIPPECANOE VALLEY SCHOOL CORPORATION
 SUPPLEMENTARY INFORMATION
 SCHEDULE OF CAPITAL ASSETS
 As of June 30, 2009

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:	
Buildings	\$ 47,425,325
Improvements other than buildings	2,598,307
Machinery and equipment	<u>4,252,492</u>
 Total governmental activities, capital assets not being depreciated	 <u>\$ 54,276,124</u>

TIPPECANOE VALLEY SCHOOL CORPORATION
 SUPPLEMENTARY INFORMATION
 SCHEDULE OF LONG-TERM DEBT
 June 30, 2009

The School Corporation has entered into the following debt:

Description of Debt	Ending Principal Balance	Principal and Interest Due Within One Year
Governmental activities:		
Capital leases:		
TVSC 2002 Building Corporation - Middle School	\$ 3,040,000	\$ 742,755
TVSC 2004 Building Corporation - High School	12,510,000	1,211,600
TVSC 2005 Building Corporation - Mentone Elementary	5,915,000	836,925
Notes and loans payable:		
Common School Loan	810,000	91,800
2000 Energy Loan	385,000	275,889
2009 Energy Loan	479,684	21,794
Total governmental activities debt	<u>\$ 23,139,684</u>	<u>\$ 3,180,763</u>

TIPPECANOE VALLEY SCHOOL CORPORATION
AUDIT RESULTS AND COMMENTS

TEXTBOOK FEES DEPOSITED

We found that textbook fees collected at the High School during the 2008-2009 school year were not deposited the next business day. Textbook fees collected on registration days, July 31, 2008 and August 1, 2008, were not deposited until August 11, which is seven business days.

IC 5-13-6-1(c) states in part: ". . . all local officers . . . who collect public funds of their respective political subdivisions shall deposit funds not later than the business day following the receipt of funds on business days of the depository in the depository or depositories selected by the . . . local boards of finance. . ."

TEXTBOOK RECEIPTS

We found several receipts in our examination of high school textbook receipts that did not indicate whether the receipt was in the form of cash or check. We were unable to verify that receipts were deposited in the same form received.

Officials and employees are required to use State Board of Accounts prescribed or approved forms in the manner prescribed. (Accounting and Uniform Compliance Guidelines Manual for Indiana Public School Corporations, Chapter 9)

IC 5-13-6-1(c) states in part: "Public funds deposited . . . shall be deposited in the same form in which they were received."

PUBLIC RECORDS RETENTION

We found some receipts in our examination of high school textbook receipts, marked void, but the original white receipt copy that is given to the payor was not on file to verify that a receipt had not been issued. The receipt showed cash collected, in a few instances, then void written on the receipt, but the white receipt was not on file. An example of the latter was receipt 113743, for \$100. The Extra-Curricular Treasurer explained that she did not receive money for these voided receipts and that she discarded or misplaced the original white receipt copy.

IC 5-15-6-3(f) concerning destruction of public records, states in part: "Original records may be disposed of only with the approval of the commission according to guidelines established by the commission."

DEPOSITS (Applies to High School)

Receipts in numerous instances were not deposited in a timely manner. For example, a deposit made on April 14, 2009, was made up of 22 receipts. These receipts had dates that ranged from March 9, 2009 to April 13, 2009.

IC 20-41-1-9 states in part: ". . . receipts shall be deposited without unreasonable delay."

SUPPLEMENTAL AUDIT OF
FEDERAL AWARDS



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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 TIPPECANOE VALLEY SCHOOL
CORPORATION, KOSCIUSKO COUNTY, INDIANA

Compliance

We have audited the compliance of the Tippecanoe Valley School Corporation (School Corporation) with the types of compliance requirements described in the U.S. Office of Management and Budget (OMB) Circular A-133 Compliance Supplement that are applicable to each of its major federal programs for the years ended June 30, 2008 and 2009. 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, 2008 and 2009.

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

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)

federal program in order to determine our auditing procedures for the purpose of expressing our opinion on compliance, but not for the purpose of expressing an opinion on the effectiveness of internal control over compliance. Accordingly, we do not express an opinion on the effectiveness of the School Corporation's internal control over compliance.

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

STATE BOARD OF ACCOUNTS

December 16, 2009

TIPPECANOE VALLEY SCHOOL CORPORATION
SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS
For The Years Ended June 30, 2008 and 2009

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 06-30-08	Total Federal Awards Expended 06-30-09
U.S. DEPARTMENT OF AGRICULTURE				
Pass-Through Indiana Department of Education Child Nutrition Cluster				
School Breakfast Program	10.553		\$ 82,297	\$ 100,142
National School Lunch Program	10.555		383,666	436,691
Special Milk Program for Children	10.556		<u>768</u>	<u>-</u>
Total for federal grantor agency			<u>466,731</u>	<u>536,833</u>
U.S. DEPARTMENT OF EDUCATION				
Pass-Through Indiana Department of Education Title I, Part A Cluster				
Title I Grants to Local Educational Agencies	84.010			
		FY 06-07	36,936	-
		FY 07-08	251,375	40,248
		FY 08-09	-	277,106
		FY 07-08 Distinguished	<u>964</u>	<u>-</u>
Total for program			<u>289,275</u>	<u>317,354</u>
ARRA-Title I Grants to Local Educational Agencies, Recovery Act	84.389			
		10-4445	<u>-</u>	<u>1,725</u>
Total for cluster			<u>289,275</u>	<u>319,079</u>
Pass-Through Warsaw Community Schools Special Education Cluster				
Special Education - Grants to States	84.027			
		14206-045-PY02	754	-
		14207-045-PN01	36,054	399,516
		14208-045-PY02	32,836	-
		14209-045-PN01	<u>363,423</u>	<u>47,070</u>
Total for program			<u>433,067</u>	<u>446,586</u>
Special Education - Preschool Grants	84.173			
		45707-045-PN01	2,308	-
		45708-045-PN01	10,726	-
		45709-045-PN01	<u>-</u>	<u>12,041</u>
Total for program			<u>13,034</u>	<u>12,041</u>
Total for cluster			<u>446,101</u>	<u>458,627</u>
Pass-Through Indiana Department of Education Migrant Education - State Grant Program	84.011			
		FY 06-07/RM-17	1,125	-
		FY 07-08	<u>24,840</u>	<u>4,706</u>
Total for program			<u>25,965</u>	<u>4,706</u>

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

TIPPECANOE VALLEY SCHOOL CORPORATION
SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS
For The Years Ended June 30, 2008 and 2009
(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 06-30-08	Total Federal Awards Expended 06-30-09
<u>U.S. DEPARTMENT OF EDUCATION (continued)</u>				
Pass-Through Warsaw Community Schools Career and Technical Education - Basic Grants to States	84.048	C1-8-CPS-7-130	<u>9,959</u>	<u>-</u>
Pass-Through Indiana Department of Education Safe and Drug Free Schools and Communities - State Grants	84.186	05-233 4445-06 4445-07	6,763 1,873 <u>-</u>	- - <u>6,122</u>
Total for program			<u>8,636</u>	<u>6,122</u>
Pass-Through Indiana Department of Education State Grants for Innovative Programs	84.298	05-237 06-4445 FY 07-08	2,640 3,459 <u>-</u>	- - <u>3,490</u>
Total for program			<u>6,099</u>	<u>3,490</u>
Pass-Through Indiana Department of Education Education Technology - State Grants	84.318	FY 05-07	<u>4,754</u>	<u>-</u>
Pass-Through Indiana Department of Education English Language Acquisition Grants	84.365	FY 06-07	<u>19,567</u>	<u>12,945</u>
Pass-Through Indiana Department of Education Improving Teacher Quality - State Grants	84.367	05-246 06-4445 FY 07-08	11,874 59,000 <u>-</u>	- - <u>84,127</u>
Total for program			<u>70,874</u>	<u>84,127</u>
Total for federal grantor agency			<u>881,230</u>	<u>889,096</u>
Total federal awards expended			<u>\$ 1,347,961</u>	<u>\$ 1,425,929</u>

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

TIPPECANOE VALLEY SCHOOL CORPORATION
 NOTES TO SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS

I. Basis of Presentation

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

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

II. Noncash Assistance

The School Corporation expended the following amount of noncash assistance for the years ending June 30, 2008 and 2009. This noncash assistance is also included in the federal expenditures presented in the schedule.

Program Title	Federal CFDA Number	2007-2008	2008-2009
Child Nutrition Cluster:			
Food Commodities:			
School Breakfast Program	10.553	\$ 8,367	\$ 10,087
National School Lunch Program	10.555	38,645	43,986

III. American Recovery Reinvestment Act (ARRA) Funding

On June 8, 2009, the School Corporation received \$1,078,815 of ARRA money from the Indiana Department of Education. As of October 31, 2009, the School Corporation's ARRA fund had expended all of these funds.

TIPPECANOE VALLEY SCHOOL CORPORATION
SCHEDULE OF FINDINGS AND QUESTIONED COSTS

Section I – Summary of Auditor's Results

Financial Statements:

Type of auditor's report issued: Unqualified

Internal control over financial reporting:

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

Noncompliance material to financial statements noted? no

Federal Awards:

Internal control over major programs:

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

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

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

Identification of Major Programs:

CFDA Number	Name of Federal Program or Cluster
	Title I, Part A Cluster
	Special Education Cluster

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

Auditee qualified as low-risk auditee? yes

Section II – Financial Statement Findings

No matters are reportable.

Section III – Federal Award Findings and Questioned Costs

No matters are reportable.

TIPPECANOE VALLEY SCHOOL CORPORATION
SUMMARY SCHEDULE OF PRIOR AUDIT FINDINGS

No matters are reportable.

TIPPECANOE VALLEY SCHOOL CORPORATION
EXIT CONFERENCE

The contents of this report were discussed on December 16, 2009, with Sherri Adamson, Treasurer; Brett R. Boggs, Superintendent of Schools; and with David O'Brien, President of the School Board. The officials concurred with our audit findings.

School officials explained that, "The current High School ECA Treasurer began in this position at the beginning of the 08-09 school year. In June 2009, at the conclusion of the 08-09 school year, the Corporation Treasurer met with the High School Treasurer regarding the tardiness of financial reporting. At that time, that Corporation Treasurer observed the audit expectations, which are listed in this report. Regular meetings throughout the summer and the start of the school year were held with the ECA Treasurer, Corporation Treasurer and administration to rectify the inaccuracies which were identified. With ongoing communication, the Corporation Treasurer and Administration feel as though the audit exceptions have been rectified and ECA records at the High School are complaint with State Board of Accounts expectations."