

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

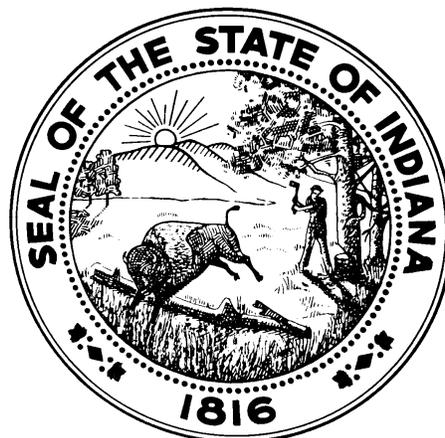
AUDIT REPORT

OF

TURKEY RUN COMMUNITY SCHOOL CORPORATION

PARKE 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	Sally Wimmer Burgess	07-01-07 to 06-30-10
Superintendent of Schools	Dr. Damon Peigh (Interim) Dr. Thomas W. Rohr	07-01-07 to 09-30-07 10-01-07 to 06-30-10
President of the School Board	Greg P. Harvey	07-01-07 to 06-30-10



**STATE OF INDIANA**  
AN EQUAL OPPORTUNITY EMPLOYER

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

TO: THE OFFICIALS OF THE TURKEY RUN COMMUNITY  
SCHOOL CORPORATION, PARKE COUNTY, INDIANA

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

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

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

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

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

Our audit was conducted for the purpose of forming opinions on the financial statements that collectively comprise the School Corporation's basic financial statements. The Combining Schedules, as listed in the Table of Contents, 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 Long-Term Debt has 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 it.

STATE BOARD OF ACCOUNTS

December 11, 2009



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

TO: THE OFFICIALS OF THE TURKEY RUN COMMUNITY  
SCHOOL CORPORATION, PARKE COUNTY, INDIANA

We have audited the financial statements of the governmental activities, each major fund, and the aggregate remaining fund information of the Turkey Run Community 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 11, 2009. We conducted our audit in accordance with auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in Government Auditing Standards, issued by the Comptroller General of the United States.

Internal Control Over Financial Reporting

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

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

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

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

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

Compliance and Other Matters

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

This report is intended solely for the information and use of the School Corporation's management, School Board of Trustees 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 11, 2009

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

<u>Functions/Programs</u>	<u>Disbursements</u>	<u>Program Receipts</u>		<u>Totals</u>
		<u>Charges for Services</u>	<u>Operating Grants and Contributions</u>	<u>Net (Disbursement) Receipts and Changes in Net Assets</u>
Governmental activities:				
Instruction	\$ 2,846,450	\$ -	\$ 74,234	\$ (2,772,216)
Support services	2,122,643	142,456	165,089	(1,815,098)
Noninstructional services	328,825	-	-	(328,825)
Facilities acquisition and construction	179,669	-	-	(179,669)
Debt service	565,000	-	-	(565,000)
Nonprogrammed charges	212,103	-	-	(212,103)
<b>Total governmental activities</b>	<b><u>\$ 6,254,690</u></b>	<b><u>\$ 142,456</u></b>	<b><u>\$ 239,323</u></b>	<b><u>(5,872,911)</u></b>
General receipts:				
Property taxes				2,146,749
Other local sources				379,783
State aid				2,587,485
Grants and contributions not restricted to specific programs				480,978
Sale of property				162,031
Investment earnings				87,303
Other				<u>37,562</u>
<b>Total general receipts</b>				<b><u>5,881,891</u></b>
Change in net assets				8,980
Net assets - beginning				<u>1,334,583</u>
Net assets - ending				<b><u>\$ 1,343,563</u></b>
<u>Assets</u>				
Cash and investments				\$ 1,321,057
Restricted assets:				
Cash and investments				<u>22,506</u>
<b>Total assets</b>				<b><u>\$ 1,343,563</u></b>
<u>Net Assets</u>				
Restricted for:				
Debt service				\$ 22,506
Unrestricted				<u>1,321,057</u>
<b>Total net assets</b>				<b><u>\$ 1,343,563</u></b>

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

TURKEY RUN COMMUNITY 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>	Program Receipts		<u>Totals</u>
		<u>Charges for Services</u>	<u>Operating Grants and Contributions</u>	<u>Net (Disbursement) Receipts and Changes in Net Assets</u>
Governmental activities:				
Instruction	\$ 2,959,333	\$ -	\$ 90,587	\$ (2,868,746)
Support services	2,568,864	128,417	175,693	(2,264,754)
Noninstructional services	354,834	-	-	(354,834)
Facilities acquisition and construction	144,604	-	-	(144,604)
Debt service	566,500	-	-	(566,500)
Nonprogrammed charges	243,389	-	-	(243,389)
<b>Total governmental activities</b>	<b><u>\$ 6,837,524</u></b>	<b><u>\$ 128,417</u></b>	<b><u>\$ 266,280</u></b>	<b><u>(6,442,827)</u></b>
General receipts:				
Property taxes				3,049,751
Other local sources				479,219
State aid				3,078,492
Grants and contributions not restricted to specific programs				1,001,576
Investment earnings				36,897
Other				<u>78,825</u>
<b>Total general receipts</b>				<b><u>7,724,760</u></b>
Change in net assets				1,281,933
Net assets - beginning				<u>1,343,563</u>
Net assets - ending				<b><u>\$ 2,625,496</u></b>
<b><u>Assets</u></b>				
Cash and investments				\$ 2,483,791
Restricted assets:				
Cash and investments				<u>141,705</u>
<b>Total assets</b>				<b><u>\$ 2,625,496</u></b>
<b><u>Net Assets</u></b>				
Restricted for:				
Debt service				\$ 141,705
Unrestricted				<u>2,483,791</u>
<b>Total net assets</b>				<b><u>\$ 2,625,496</u></b>

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

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

	General	Capital Projects	Other	Totals
<b>Receipts:</b>				
Local sources	\$ 1,186,533	\$ 491,017	\$ 1,078,075	\$ 2,755,625
Intermediate sources	404	-	263	667
State sources	2,633,868	-	112,478	2,746,346
Federal sources	-	-	561,439	561,439
Interfund loans	-	-	350,000	350,000
Other	4,595	8,400	24,567	37,562
	<u>3,825,400</u>	<u>499,417</u>	<u>2,126,822</u>	<u>6,451,639</u>
<b>Total receipts</b>				
<b>Disbursements:</b>				
<b>Current:</b>				
Instruction	2,447,058	-	399,392	2,846,450
Support services	1,159,454	331,504	631,685	2,122,643
Noninstructional services	58,119	-	270,706	328,825
Facilities acquisition and construction	-	179,669	-	179,669
Debt services	-	-	565,000	565,000
Nonprogrammed charges	183,800	-	28,303	212,103
Interfund loans	-	175,000	175,000	350,000
	<u>3,848,431</u>	<u>686,173</u>	<u>2,070,086</u>	<u>6,604,690</u>
<b>Total disbursements</b>				
Excess (deficiency) of receipts over disbursements	<u>(23,031)</u>	<u>(186,756)</u>	<u>56,736</u>	<u>(153,051)</u>
<b>Other financing sources (uses):</b>				
Sale of capital assets	25,756	136,002	273	162,031
Transfers in	-	-	22,474	22,474
Transfers out	-	-	(22,474)	(22,474)
	<u>25,756</u>	<u>136,002</u>	<u>273</u>	<u>162,031</u>
<b>Total other financing sources (uses)</b>				
Excess (deficiency) of receipts and other financing sources over disbursements and other financing uses	2,725	(50,754)	57,009	8,980
Cash and investments - beginning	<u>463,176</u>	<u>424,100</u>	<u>447,307</u>	<u>1,334,583</u>
Cash and investments - ending	<u>\$ 465,901</u>	<u>\$ 373,346</u>	<u>\$ 504,316</u>	<u>\$ 1,343,563</u>
<b><u>Cash and Investment Assets - Ending</u></b>				
Cash and investments	\$ 465,901	\$ 373,346	\$ 481,810	\$ 1,321,057
Restricted assets:				
Cash and investments	-	-	22,506	22,506
Total cash and investment assets - ending	<u>\$ 465,901</u>	<u>\$ 373,346</u>	<u>\$ 504,316</u>	<u>\$ 1,343,563</u>
<b><u>Cash and Investment Fund Balance - Ending</u></b>				
Restricted for:				
Debt service	\$ -	\$ -	\$ 22,506	\$ 22,506
Unrestricted	<u>465,901</u>	<u>373,346</u>	<u>481,810</u>	<u>1,321,057</u>
Total cash and investment fund balance - ending	<u>\$ 465,901</u>	<u>\$ 373,346</u>	<u>\$ 504,316</u>	<u>\$ 1,343,563</u>

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

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

	General	Fiscal Stabilization	Capital Projects	Other	Totals
<b>Receipts:</b>					
Local sources	\$ 1,467,128	\$ -	\$ 700,346	\$ 1,526,182	\$ 3,693,656
Intermediate sources	404	-	-	225	629
State sources	3,141,228	-	-	129,785	3,271,013
Federal sources	-	352,197	-	723,137	1,075,334
Interfund loans	-	-	175,000	50,000	225,000
Other	45,168	-	3,742	29,915	78,825
<b>Total receipts</b>	<b>4,653,928</b>	<b>352,197</b>	<b>879,088</b>	<b>2,459,244</b>	<b>8,344,457</b>
<b>Disbursements:</b>					
<b>Current:</b>					
Instruction	2,545,344	-	-	413,989	2,959,333
Support services	1,297,801	-	385,455	885,608	2,568,864
Noninstructional services	70,949	-	-	283,885	354,834
Facilities acquisition and construction	-	-	144,604	-	144,604
Debt services	-	-	-	566,500	566,500
Nonprogrammed charges	202,495	-	-	40,894	243,389
Interfund loans	-	-	50,000	175,000	225,000
<b>Total disbursements</b>	<b>4,116,589</b>	<b>-</b>	<b>580,059</b>	<b>2,365,876</b>	<b>7,062,524</b>
<b>Excess (deficiency) of receipts over disbursements</b>	<b>537,339</b>	<b>352,197</b>	<b>299,029</b>	<b>93,368</b>	<b>1,281,933</b>
<b>Other financing sources (uses):</b>					
Transfers in	18,104	-	-	3,848	21,952
Transfers out	-	-	-	(21,952)	(21,952)
<b>Total other financing sources (uses)</b>	<b>18,104</b>	<b>-</b>	<b>-</b>	<b>(18,104)</b>	<b>-</b>
<b>Excess (deficiency) of receipts and other financing sources over disbursements and other financing uses</b>	<b>555,443</b>	<b>352,197</b>	<b>299,029</b>	<b>75,264</b>	<b>1,281,933</b>
<b>Cash and investments - beginning</b>	<b>465,901</b>	<b>-</b>	<b>373,346</b>	<b>504,316</b>	<b>1,343,563</b>
<b>Cash and investments - ending</b>	<b>\$ 1,021,344</b>	<b>\$ 352,197</b>	<b>\$ 672,375</b>	<b>\$ 579,580</b>	<b>\$ 2,625,496</b>
<b>Cash and Investment Assets - Ending</b>					
Cash and investments	\$ 1,021,344	\$ 352,197	\$ 672,375	\$ 437,875	\$ 2,483,791
Restricted assets:					
Cash and investments	-	-	-	141,705	141,705
<b>Total cash and investment assets - ending</b>	<b>\$ 1,021,344</b>	<b>\$ 352,197</b>	<b>\$ 672,375</b>	<b>\$ 579,580</b>	<b>\$ 2,625,496</b>
<b>Cash and Investment Fund Balance - Ending</b>					
Restricted for:					
Debt service	\$ -	\$ -	\$ -	\$ 141,705	\$ 141,705
Unrestricted	1,021,344	352,197	672,375	437,875	2,483,791
<b>Total cash and investment fund balance - ending</b>	<b>\$ 1,021,344</b>	<b>\$ 352,197</b>	<b>\$ 672,375</b>	<b>\$ 579,580</b>	<b>\$ 2,625,496</b>

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

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

	Private-Purpose Trust Funds	Agency Funds
Additions:		
Contributions:		
Other	\$ 29,352	
Deductions:		
Administrative and general	28,015	
Excess (deficiency) of total additions over total deductions	1,337	
Cash and investment fund balance - beginning	26,362	
Cash and investment fund balance - ending	\$ 27,699	\$ 6,228
Net assets:		
Cash and investments	\$ 27,699	

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

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

	Private-Purpose Trust Funds	Agency Funds
Additions:		
Contributions:		
Other	\$ 11,862	
Deductions:		
Administrative and general	23,491	
Excess (deficiency) of total additions over total deductions	(11,629)	
Cash and investment fund balance - beginning	27,699	
Cash and investment fund balance - ending	<u>\$ 16,070</u>	<u>\$ 11,390</u>
Net assets:		
Cash and investments	<u>\$ 16,070</u>	

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

TURKEY RUN COMMUNITY SCHOOL CORPORATION  
NOTES TO FINANCIAL STATEMENTS

I. Summary of Significant Accounting Policies

A. Reporting Entity

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

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

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

Joint Venture

The School Corporation is a participant with North Vermillion Community School Corporation, Rockville Community School Corporation, South Vermillion Community School Corporation, Southwest Parke Community School Corporation, and Indiana Vocational Technical College (Region 7) in a joint venture to operate the Parke-Vermillion Education and Training Interlocal which was created to provide and promote vocational/technical education. The School Corporation is obligated by contract to remit variable payments semiannually to supplement the Parke-Vermillion Education and Training Interlocal. The payment amounts are based on the number of students in the program for a given year. Complete financial statements for the Parke-Vermillion Education and Training Interlocal can be obtained from the joint venture's administrative office at 3636 East Highway 36, P.O. Box 95, Hillsdale, Indiana.

The School Corporation is a participant with Attica Consolidated School Corporation, Covington Consolidated School Corporation, Crawfordsville Community School Corporation, Metropolitan School District of Warren County, North Montgomery Community School Corporation, North Vermillion Community School Corporation, South Montgomery Community School Corporation, and Southeast Fountain School Corporation in a joint venture to operate the West Central Indiana Special Services Cooperative, which was created to provide programs and services for children with disabilities. The School Corporation is obligated by contract to remit payments annually to supplement the West Central Indiana Special Services Cooperative. Complete financial statements for the West Central Indiana Special Services Cooperative can be obtained from the Crawfordsville Community School Corporation, 1000 Fairview Avenue, Crawfordsville, Indiana.

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.

TURKEY RUN COMMUNITY SCHOOL CORPORATION  
NOTES TO FINANCIAL STATEMENTS  
(Continued)

Fund Financial Statements

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

The School Corporation reports the following major governmental funds:

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

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

Fiscal stabilization (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.

Additionally, the School Corporation reports the following fund types:

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

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

C. Measurement Focus and Basis of Accounting

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

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.

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

TURKEY RUN COMMUNITY SCHOOL CORPORATION  
NOTES TO FINANCIAL STATEMENTS  
(Continued)

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

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

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."

TURKEY RUN COMMUNITY SCHOOL CORPORATION  
NOTES TO FINANCIAL STATEMENTS  
(Continued)

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

Fund Financial Statements

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

E. Receipts and Disbursements

Program Receipts

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

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.

TURKEY RUN COMMUNITY 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. At June 30, 2009, 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.

B. Interfund Transfers

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

<u>Transfer From</u>	<u>Transfer To</u>	<u>2007-2008</u>	<u>2008-2009</u>
Other governmental funds	Other governmental funds	\$ 22,474	\$ 3,848
Other governmental funds	General Fund	-	18,104
Totals		<u>\$ 22,474</u>	<u>\$ 21,952</u>

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

TURKEY RUN COMMUNITY SCHOOL CORPORATION  
NOTES TO FINANCIAL STATEMENTS  
(Continued)

C. Restatements and Reclassifications

For the year ended June 30, 2009, certain changes have been made to the financial statements to more appropriately reflect financial activity of the School Corporation. The following schedule presents a summary of restated beginning balances by opinion unit.

Opinion Unit	Balance as Reported June 30, 2007	Fund Reclassification	Balance as Restated July 1, 2007
Governmental activities	\$ 1,347,844	\$ (13,261)	\$ 1,334,583
Governmental funds	1,347,844	(13,261)	1,334,583
Private-purpose trust fund	13,101	13,261	26,362

IV. Other Information

A. Risk Management

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

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

Medical Benefits to Employees, Retirees, and Dependents

During 1992, the School Corporation joined with other governmental entities to form the WV/WCI School Trust, a public entity risk pool currently operating as a common risk management and insurance program for seventeen member governmental entities. The purpose of the risk pool is to provide a medium for the funding and administration of health insurance and benefits to employees, retirees, and dependents. The risk pool is considered a self-sustaining risk pool that will provide coverage for its members for up to \$5,000,000 per member for their lifetime. The risk pool obtains independent coverage for insured events in excess of the \$5,000,000 limit.

B. Holding Corporation

The School Corporation has entered into capital leases with the Turkey Run School Building Corporation (the lessor). The lessor was organized as a not-for-profit corporation pursuant to state statute for the purpose of financing and constructing or reconstructing facilities for lease to the School Corporation. Lease payments during the school years 2007-2008 and 2008-2009 totaled \$565,000 and \$566,500, respectively.

TURKEY RUN COMMUNITY SCHOOL CORPORATION  
NOTES TO FINANCIAL STATEMENTS  
(Continued)

C. Pension Plans

1. Agent Multiple-Employer Defined Benefit Pension Plan

Public Employees' Retirement Fund

Plan Description

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

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

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

Funding Policy and Annual Pension Cost

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

Actuarial Information for the Above Plan

	PERF
Annual required contribution	\$ 33,931
Interest on net pension obligation	(3,051)
Adjustment to annual required contribution	3,477
Annual pension cost	34,357
Contributions made	31,800
Increase in net pension obligation	2,557
Net pension obligation, beginning of year	(42,080)
Net pension obligation, end of year	\$ (39,523)

TURKEY RUN COMMUNITY SCHOOL CORPORATION  
NOTES TO FINANCIAL STATEMENTS  
(Continued)

	<u>PERF</u>
Contribution rates:	
School Corporation	4.5%
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

<u>Actuarial Assumptions</u>	<u>PERF</u>
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

	<u>Year Ending</u>	<u>Annual Pension Cost (APC)</u>	<u>Percentage of APC Contributed</u>	<u>Net Pension Obligation</u>
PERF	06-30-06	\$ 23,357	92%	\$ (47,626)
	06-30-07	30,567	82%	(42,080)
	06-30-08	34,357	93%	(39,523)

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

Teachers' Retirement Fund

Plan Description

The School Corporation contributes to the Indiana Teachers' Retirement Fund (TRF), a defined benefit pension plan. TRF is a cost-sharing multiple-employer public employee retirement system, which provides retirement benefits to plan members and beneficiaries. All employees engaged in teaching or in the supervision of teaching in the public schools of the State of Indiana are eligible to participate in TRF. State statute (IC 5-10.2) governs, through the TRF Board, most requirements of the system and gives the School Corporation authority to contribute to the plan. The TRF retirement benefit consists of the pension provided by employer contributions plus an annuity provided by the member's annuity savings account. The annuity savings account consists of member's contributions, set by state statute at 3% of compensation, plus the interest credited to the member's account. The School Corporation may elect to make the contributions on behalf of the member.

TURKEY RUN COMMUNITY SCHOOL CORPORATION  
NOTES TO FINANCIAL STATEMENTS  
(Continued)

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

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

Funding Policy and Annual Pension Costs

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

The School Corporation is to contribute at an actuarially determined rate. The current rate has been actuarially determined under the entry age normal cost method to be 6.82% of covered wages. The School Corporation's required contributions to the plan for the fiscal years ended June 30, 2007, 2008, and 2009, were \$75,550, \$80,501, and \$87,592, respectively. The School Corporation actually contributed 100% of the required contribution for each of the fiscal years.

TURKEY RUN COMMUNITY SCHOOL CORPORATION  
 REQUIRED SUPPLEMENTARY INFORMATION  
 SCHEDULE OF FUNDING PROGRESS

Public Employees' Retirement Fund

Actuarial Valuation Date	Actuarial Value of Assets (a)	Actuarial Accrued Liability (AAL) (b)	Excess of Assets Over (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	\$ 424,960	\$ 401,029	\$ 23,931	106%	\$ 490,002	5%
07-01-07	384,281	442,206	(57,925)	87%	433,758	(13%)
07-01-08	448,035	528,098	(80,063)	85%	534,717	(15%)

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

	Transportation Operating	Special Education Preschool	School Lunch	Textbook Rental	Levy Excess	License Plate Fee
<b>Receipts:</b>						
Local sources	\$ 374,579	\$ 2,810	\$ 126,657	\$ 42,575	\$ -	\$ -
Intermediate sources	-	-	-	-	-	263
State sources	-	25,805	2,102	20,382	-	-
Federal sources	-	9,927	142,604	-	-	-
Interfund loans	175,000	75,000	-	-	-	-
Other	812	-	-	-	-	-
<b>Total receipts</b>	<b>550,391</b>	<b>113,542</b>	<b>271,363</b>	<b>62,957</b>	<b>-</b>	<b>263</b>
<b>Disbursements:</b>						
<b>Current:</b>						
Instruction	-	22,356	-	-	-	-
Support services	436,809	-	-	55,194	-	-
Noninstructional services	-	-	269,377	-	-	-
Debt services	-	-	-	-	-	-
Nonprogrammed charges	-	6,610	-	-	-	-
Interfund loans	175,000	-	-	-	-	-
<b>Total disbursements</b>	<b>611,809</b>	<b>28,966</b>	<b>269,377</b>	<b>55,194</b>	<b>-</b>	<b>-</b>
<b>Excess (deficiency) of receipts over disbursements</b>	<b>(61,418)</b>	<b>84,576</b>	<b>1,986</b>	<b>7,763</b>	<b>-</b>	<b>263</b>
<b>Other financing sources (uses):</b>						
Sale of capital assets	83	-	-	-	-	-
Transfers in	-	-	-	8,438	-	-
Transfers out	-	-	-	-	-	-
<b>Total other financing sources (uses)</b>	<b>83</b>	<b>-</b>	<b>-</b>	<b>8,438</b>	<b>-</b>	<b>-</b>
<b>Excess (deficiency) of receipts and other financing sources over disbursements and other financing uses</b>	<b>(61,335)</b>	<b>84,576</b>	<b>1,986</b>	<b>16,201</b>	<b>-</b>	<b>263</b>
<b>Cash and investments - beginning</b>	<b>72,792</b>	<b>30,078</b>	<b>75,570</b>	<b>2,384</b>	<b>18,104</b>	<b>2,569</b>
<b>Cash and investments - ending</b>	<b>\$ 11,457</b>	<b>\$ 114,654</b>	<b>\$ 77,556</b>	<b>\$ 18,585</b>	<b>\$ 18,104</b>	<b>\$ 2,832</b>
<b>Cash and Investment Assets - Ending</b>						
Cash and investments	\$ 11,457	\$ 114,654	\$ 77,556	\$ 18,585	\$ 18,104	\$ 2,832
<b>Restricted assets:</b>						
Cash and investments	-	-	-	-	-	-
<b>Total cash and investment assets - ending</b>	<b>\$ 11,457</b>	<b>\$ 114,654</b>	<b>\$ 77,556</b>	<b>\$ 18,585</b>	<b>\$ 18,104</b>	<b>\$ 2,832</b>
<b>Cash and Investment Fund Balance - Ending</b>						
<b>Restricted for:</b>						
Debt service	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Unrestricted	11,457	114,654	77,556	18,585	18,104	2,832
<b>Total cash and investment fund balance - ending</b>	<b>\$ 11,457</b>	<b>\$ 114,654</b>	<b>\$ 77,556</b>	<b>\$ 18,585</b>	<b>\$ 18,104</b>	<b>\$ 2,832</b>

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

	Gifted and Talented	School Technology	Camp Moodle	Indiana Access Grant	Vision Athena Grant	Indiana Criminal Justice
Receipts:						
Local sources	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Intermediate sources	-	-	-	-	-	-
State sources	27,851	36,338	-	-	-	-
Federal sources	-	-	-	-	-	-
Interfund loans	-	-	-	-	-	-
Other	-	-	-	-	-	-
<b>Total receipts</b>	<b>27,851</b>	<b>36,338</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>
Disbursements:						
Current:						
Instruction	25,369	-	-	-	-	-
Support services	-	31,185	3,300	-	230	32
Noninstructional services	-	-	-	-	-	-
Debt services	-	-	-	-	-	-
Nonprogrammed charges	-	-	-	-	-	-
Interfund loans	-	-	-	-	-	-
<b>Total disbursements</b>	<b>25,369</b>	<b>31,185</b>	<b>3,300</b>	<b>-</b>	<b>230</b>	<b>32</b>
Excess (deficiency) of receipts over disbursements	2,482	5,153	(3,300)	-	(230)	(32)
Other financing sources (uses):						
Sale of capital assets	-	190	-	-	-	-
Transfers in	-	-	-	-	-	-
Transfers out	-	-	-	-	-	-
<b>Total other financing sources (uses)</b>	<b>-</b>	<b>190</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>
Excess (deficiency) of receipts and other financing sources over disbursements and other financing uses	2,482	5,343	(3,300)	-	(230)	(32)
Cash and investments - beginning	-	15,931	3,300	40	1,900	578
Cash and investments - ending	<u>\$ 2,482</u>	<u>\$ 21,274</u>	<u>\$ -</u>	<u>\$ 40</u>	<u>\$ 1,670</u>	<u>\$ 546</u>
<b>Cash and Investment Assets - Ending</b>						
Cash and investments	\$ 2,482	\$ 21,274	\$ -	\$ 40	\$ 1,670	\$ 546
Restricted assets:						
Cash and investments	-	-	-	-	-	-
<b>Total cash and investment assets - ending</b>	<u>\$ 2,482</u>	<u>\$ 21,274</u>	<u>\$ -</u>	<u>\$ 40</u>	<u>\$ 1,670</u>	<u>\$ 546</u>
<b>Cash and Investment Fund Balance - Ending</b>						
Restricted for:						
Debt service	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Unrestricted	2,482	21,274	-	40	1,670	546
<b>Total cash and investment fund balance - ending</b>	<u>\$ 2,482</u>	<u>\$ 21,274</u>	<u>\$ -</u>	<u>\$ 40</u>	<u>\$ 1,670</u>	<u>\$ 546</u>

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

	Title I 2006-2007	Title I 2007-2008	Title V 2006-2007	Title V 2007-2008	Special Education	Drug Free 2005-2006
<b>Receipts:</b>						
Local sources	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Intermediate sources	-	-	-	-	-	-
State sources	-	-	-	-	-	-
Federal sources	-	202,494	-	1,068	158,122	-
Interfund loans	-	-	-	-	-	-
Other	-	189	-	-	-	-
<b>Total receipts</b>	<b>-</b>	<b>202,683</b>	<b>-</b>	<b>1,068</b>	<b>158,122</b>	<b>-</b>
<b>Disbursements:</b>						
<b>Current:</b>						
Instruction	31,040	155,524	-	-	137,015	1,859
Support services	1,605	11,036	52	-	-	-
Noninstructional services	-	1,329	-	-	-	-
Debt services	-	-	-	-	-	-
Nonprogrammed charges	1,260	-	62	-	16,990	175
Interfund loans	-	-	-	-	-	-
<b>Total disbursements</b>	<b>33,905</b>	<b>167,889</b>	<b>114</b>	<b>-</b>	<b>154,005</b>	<b>2,034</b>
<b>Excess (deficiency) of receipts over disbursements</b>	<b>(33,905)</b>	<b>34,794</b>	<b>(114)</b>	<b>1,068</b>	<b>4,117</b>	<b>(2,034)</b>
<b>Other financing sources (uses):</b>						
Sale of capital assets	-	-	-	-	-	-
Transfers in	-	14,036	-	-	-	-
Transfers out	(14,036)	-	-	-	-	-
<b>Total other financing sources (uses)</b>	<b>(14,036)</b>	<b>14,036</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>
<b>Excess (deficiency) of receipts and other financing sources over disbursements and other financing uses</b>	<b>(47,941)</b>	<b>48,830</b>	<b>(114)</b>	<b>1,068</b>	<b>4,117</b>	<b>(2,034)</b>
<b>Cash and investments - beginning</b>	<b>47,941</b>	<b>-</b>	<b>114</b>	<b>-</b>	<b>19,578</b>	<b>2,034</b>
<b>Cash and investments - ending</b>	<b>\$ -</b>	<b>\$ 48,830</b>	<b>\$ -</b>	<b>\$ 1,068</b>	<b>\$ 23,695</b>	<b>\$ -</b>
<b>Cash and Investment Assets - Ending</b>						
Cash and investments	\$ -	\$ 48,830	\$ -	\$ 1,068	\$ 23,695	\$ -
<b>Restricted assets:</b>						
Cash and investments	-	-	-	-	-	-
<b>Total cash and investment assets - ending</b>	<b>\$ -</b>	<b>\$ 48,830</b>	<b>\$ -</b>	<b>\$ 1,068</b>	<b>\$ 23,695</b>	<b>\$ -</b>
<b>Cash and Investment Fund Balance - Ending</b>						
<b>Restricted for:</b>						
Debt service	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Unrestricted	-	48,830	-	1,068	23,695	-
<b>Total cash and investment fund balance - ending</b>	<b>\$ -</b>	<b>\$ 48,830</b>	<b>\$ -</b>	<b>\$ 1,068</b>	<b>\$ 23,695</b>	<b>\$ -</b>

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

	Drug Free 2006-2007	Drug Free 2007-2008	Medicaid Reimbursement	Wellness Grant	IHC Smart Desktop Grant
<b>Receipts:</b>					
Local sources	\$ -	\$ -	\$ -	\$ -	\$ -
Intermediate sources	-	-	-	-	-
State sources	-	-	-	-	-
Federal sources	-	4,268	-	-	2,250
Interfund loans	-	-	-	-	-
Other	-	-	-	-	-
	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Total receipts	<u>-</u>	<u>4,268</u>	<u>-</u>	<u>-</u>	<u>2,250</u>
<b>Disbursements:</b>					
Current:					
Instruction	1,222	1,101	-	-	-
Support services	-	-	-	-	825
Noninstructional services	-	-	-	-	-
Debt services	-	-	-	-	-
Nonprogrammed charges	-	-	-	-	-
Interfund loans	-	-	-	-	-
	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Total disbursements	<u>1,222</u>	<u>1,101</u>	<u>-</u>	<u>-</u>	<u>825</u>
Excess (deficiency) of receipts over disbursements	<u>(1,222)</u>	<u>3,167</u>	<u>-</u>	<u>-</u>	<u>1,425</u>
<b>Other financing sources (uses):</b>					
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	<u>(1,222)</u>	<u>3,167</u>	<u>-</u>	<u>-</u>	<u>1,425</u>
Cash and investments - beginning	<u>2,348</u>	<u>-</u>	<u>125</u>	<u>130</u>	<u>-</u>
Cash and investments - ending	<u>\$ 1,126</u>	<u>\$ 3,167</u>	<u>\$ 125</u>	<u>\$ 130</u>	<u>\$ 1,425</u>
<b><u>Cash and Investment Assets - Ending</u></b>					
Cash and investments	\$ 1,126	\$ 3,167	\$ 125	\$ 130	\$ 1,425
Restricted assets:					
Cash and investments	-	-	-	-	-
	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Total cash and investment assets - ending	<u>\$ 1,126</u>	<u>\$ 3,167</u>	<u>\$ 125</u>	<u>\$ 130</u>	<u>\$ 1,425</u>
<b><u>Cash and Investment Fund Balance - Ending</u></b>					
Restricted for:					
Debt service	\$ -	\$ -	\$ -	\$ -	\$ -
Unrestricted	<u>1,126</u>	<u>3,167</u>	<u>125</u>	<u>130</u>	<u>1,425</u>
Total cash and investment fund balance - ending	<u>\$ 1,126</u>	<u>\$ 3,167</u>	<u>\$ 125</u>	<u>\$ 130</u>	<u>\$ 1,425</u>

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

	Improving Teacher Quality	Enhancing Education Thru Technology	Debt Service	School Bus Replacement	Totals
<b>Receipts:</b>					
Local sources	\$ -	\$ -	\$ 481,521	\$ 49,933	\$ 1,078,075
Intermediate sources	-	-	-	-	263
State sources	-	-	-	-	112,478
Federal sources	40,706	-	-	-	561,439
Interfund loans	-	-	-	100,000	350,000
Other	-	-	-	23,566	24,567
<b>Total receipts</b>	<b>40,706</b>	<b>-</b>	<b>481,521</b>	<b>173,499</b>	<b>2,126,822</b>
<b>Disbursements:</b>					
<b>Current:</b>					
Instruction	23,906	-	-	-	399,392
Support services	16,458	3,033	-	71,926	631,685
Noninstructional services	-	-	-	-	270,706
Debt services	-	-	565,000	-	565,000
Nonprogrammed charges	2,957	249	-	-	28,303
Interfund loans	-	-	-	-	175,000
<b>Total disbursements</b>	<b>43,321</b>	<b>3,282</b>	<b>565,000</b>	<b>71,926</b>	<b>2,070,086</b>
Excess (deficiency) of receipts over disbursements	(2,615)	(3,282)	(83,479)	101,573	56,736
<b>Other financing sources (uses):</b>					
Sale of capital assets	-	-	-	-	273
Transfers in	-	-	-	-	22,474
Transfers out	-	-	(8,438)	-	(22,474)
<b>Total other financing sources (uses)</b>	<b>-</b>	<b>-</b>	<b>(8,438)</b>	<b>-</b>	<b>273</b>
Excess (deficiency) of receipts and other financing sources over disbursements and other financing uses	(2,615)	(3,282)	(91,917)	101,573	57,009
Cash and investments - beginning	15,118	3,282	114,423	18,968	447,307
Cash and investments - ending	<u>\$ 12,503</u>	<u>\$ -</u>	<u>\$ 22,506</u>	<u>\$ 120,541</u>	<u>\$ 504,316</u>
<b>Cash and Investment Assets - Ending</b>					
Cash and investments	\$ 12,503	\$ -	\$ -	\$ 120,541	\$ 481,810
Restricted assets:					
Cash and investments	-	-	22,506	-	22,506
<b>Total cash and investment assets - ending</b>	<u>\$ 12,503</u>	<u>\$ -</u>	<u>\$ 22,506</u>	<u>\$ 120,541</u>	<u>\$ 504,316</u>
<b>Cash and Investment Fund Balance - Ending</b>					
Restricted for:					
Debt service	\$ -	\$ -	22,506	-	22,506
Unrestricted	12,503	-	-	120,541	481,810
<b>Total cash and investment fund balance - ending</b>	<u>\$ 12,503</u>	<u>\$ -</u>	<u>\$ 22,506</u>	<u>\$ 120,541</u>	<u>\$ 504,316</u>

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

	Transportation Operating	Special Education Preschool	School Lunch	Textbook Rental	Levy Excess	License Plate Fee
<b>Receipts:</b>						
Local sources	\$ 555,107	\$ 3,172	\$ 105,340	\$ 67,761	\$ 35,012	\$ -
Intermediate sources	-	-	-	-	-	225
State sources	-	27,812	2,154	19,244	-	-
Federal sources	-	9,600	154,294	-	-	-
Interfund loans	50,000	-	-	-	-	-
Other	19,091	-	-	-	-	-
<b>Total receipts</b>	<b>624,198</b>	<b>40,584</b>	<b>261,788</b>	<b>87,005</b>	<b>35,012</b>	<b>225</b>
<b>Disbursements:</b>						
<b>Current:</b>						
Instruction	-	12,037	-	-	-	-
Support services	444,000	-	-	89,249	-	-
Noninstructional services	-	-	283,459	-	-	-
Debt services	-	-	-	-	-	-
Nonprogrammed charges	-	21,957	-	-	-	-
Interfund loans	175,000	-	-	-	-	-
<b>Total disbursements</b>	<b>619,000</b>	<b>33,994</b>	<b>283,459</b>	<b>89,249</b>	<b>-</b>	<b>-</b>
Excess (deficiency) of receipts over disbursements	5,198	6,590	(21,671)	(2,244)	35,012	225
<b>Other financing sources (uses):</b>						
Transfers in	-	-	-	-	-	-
Transfers out	-	-	-	-	(18,104)	-
<b>Total other financing sources (uses)</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>(18,104)</b>	<b>-</b>
Excess (deficiency) of receipts and other financing sources over disbursements and other financing uses	5,198	6,590	(21,671)	(2,244)	16,908	225
Cash and investments - beginning	11,457	114,654	77,556	18,585	18,104	2,832
Cash and investments - ending	\$ 16,655	\$ 121,244	\$ 55,885	\$ 16,341	\$ 35,012	\$ 3,057
<b>Cash and Investment Assets - Ending</b>						
Cash and investments	\$ 16,655	\$ 121,244	\$ 55,885	\$ 16,341	\$ 35,012	\$ 3,057
Restricted assets:						
Cash and investments	-	-	-	-	-	-
<b>Total cash and investment assets - ending</b>	<b>\$ 16,655</b>	<b>\$ 121,244</b>	<b>\$ 55,885</b>	<b>\$ 16,341</b>	<b>\$ 35,012</b>	<b>\$ 3,057</b>
<b>Cash and Investment Fund Balance - Ending</b>						
Restricted for:						
Debt service	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Unrestricted	16,655	121,244	55,885	16,341	35,012	3,057
<b>Total cash and investment fund balance - ending</b>	<b>\$ 16,655</b>	<b>\$ 121,244</b>	<b>\$ 55,885</b>	<b>\$ 16,341</b>	<b>\$ 35,012</b>	<b>\$ 3,057</b>

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

	Gifted and Talented	School Technology	Indiana Access Linux Grant	Indiana Access Grant	Vision Athena Grant	Indiana Criminal Justice
Receipts:						
Local sources	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Intermediate sources	-	-	-	-	-	-
State sources	27,851	25,224	2,500	-	-	-
Federal sources	-	-	-	-	-	-
Interfund loans	-	-	-	-	-	-
Other	-	4,243	-	-	-	-
<b>Total receipts</b>	<b>27,851</b>	<b>29,467</b>	<b>2,500</b>	<b>-</b>	<b>-</b>	<b>-</b>
Disbursements:						
Current:						
Instruction	4,712	-	-	-	-	-
Support services	23,045	24,925	2,500	40	539	545
Noninstructional services	-	-	-	-	-	-
Debt services	-	-	-	-	-	-
Nonprogrammed charges	-	-	-	-	-	-
Interfund loans	-	-	-	-	-	-
<b>Total disbursements</b>	<b>27,757</b>	<b>24,925</b>	<b>2,500</b>	<b>40</b>	<b>539</b>	<b>545</b>
Excess (deficiency) of receipts over disbursements	94	4,542	-	(40)	(539)	(545)
Other financing sources (uses):						
Transfers in	-	-	-	-	-	-
Transfers out	-	-	-	-	-	-
<b>Total other financing sources (uses)</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>
Excess (deficiency) of receipts and other financing sources over disbursements and other financing uses	94	4,542	-	(40)	(539)	(545)
Cash and investments - beginning	2,482	21,274	-	40	1,670	546
Cash and investments - ending	<u>\$ 2,576</u>	<u>\$ 25,816</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 1,131</u>	<u>\$ 1</u>
<b>Cash and Investment Assets - Ending</b>						
Cash and investments	\$ 2,576	\$ 25,816	\$ -	\$ -	\$ 1,131	\$ 1
Restricted assets:						
Cash and investments	-	-	-	-	-	-
<b>Total cash and investment assets - ending</b>	<b>\$ 2,576</b>	<b>\$ 25,816</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ 1,131</b>	<b>\$ 1</b>
<b>Cash and Investment Fund Balance - Ending</b>						
Restricted for:						
Debt service	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Unrestricted	2,576	25,816	-	-	1,131	1
<b>Total cash and investment fund balance - ending</b>	<b>\$ 2,576</b>	<b>\$ 25,816</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ 1,131</b>	<b>\$ 1</b>

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

	Unification Study Grant	Title I 2008-2009	Title I 2007-2008	Title V 2007-2008	Special Education	Drug Free 2008-2009
<b>Receipts:</b>						
Local sources	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Intermediate sources	-	-	-	-	-	-
State sources	25,000	-	-	-	-	-
Federal sources	-	230,074	-	417	154,483	3,127
Interfund loans	-	-	-	-	-	-
Other	-	-	-	-	-	-
<b>Total receipts</b>	<b>25,000</b>	<b>230,074</b>	<b>-</b>	<b>417</b>	<b>154,483</b>	<b>3,127</b>
<b>Disbursements:</b>						
<b>Current:</b>						
Instruction	-	185,384	43,294	-	142,722	-
Support services	23,508	14,505	1,544	1,015	750	782
Noninstructional services	-	426	-	-	-	-
Debt services	-	-	-	-	-	-
Nonprogrammed charges	-	-	144	-	18,677	-
Interfund loans	-	-	-	-	-	-
<b>Total disbursements</b>	<b>23,508</b>	<b>200,315</b>	<b>44,982</b>	<b>1,015</b>	<b>162,149</b>	<b>782</b>
Excess (deficiency) of receipts over disbursements	1,492	29,759	(44,982)	(598)	(7,666)	2,345
<b>Other financing sources (uses):</b>						
Transfers in	-	3,848	-	-	-	-
Transfers out	-	-	(3,848)	-	-	-
<b>Total other financing sources (uses)</b>	<b>-</b>	<b>3,848</b>	<b>(3,848)</b>	<b>-</b>	<b>-</b>	<b>-</b>
Excess (deficiency) of receipts and other financing sources over disbursements and other financing uses	1,492	33,607	(48,830)	(598)	(7,666)	2,345
Cash and investments - beginning	-	-	48,830	1,068	23,695	-
Cash and investments - ending	\$ 1,492	\$ 33,607	\$ -	\$ 470	\$ 16,029	\$ 2,345
<b>Cash and Investment Assets - Ending</b>						
Cash and investments	\$ 1,492	\$ 33,607	\$ -	\$ 470	\$ 16,029	\$ 2,345
Restricted assets:						
Cash and investments	-	-	-	-	-	-
<b>Total cash and investment assets - ending</b>	<b>\$ 1,492</b>	<b>\$ 33,607</b>	<b>\$ -</b>	<b>\$ 470</b>	<b>\$ 16,029</b>	<b>\$ 2,345</b>
<b>Cash and Investment Fund Balance - Ending</b>						
Restricted for:						
Debt service	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Unrestricted	1,492	33,607	-	470	16,029	2,345
<b>Total cash and investment fund balance - ending</b>	<b>\$ 1,492</b>	<b>\$ 33,607</b>	<b>\$ -</b>	<b>\$ 470</b>	<b>\$ 16,029</b>	<b>\$ 2,345</b>

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

	Drug Free 2006-2007	Drug Free 2007-2008	Medicaid Reimbursement	Wellness Grant	IHC Smart Desktop Grant
<b>Receipts:</b>					
Local sources	\$ -	\$ -	\$ -	\$ -	\$ -
Intermediate sources	-	-	-	-	-
State sources	-	-	-	-	-
Federal sources	-	-	-	-	-
Interfund loans	-	-	-	-	-
Other	-	-	-	-	-
<b>Total receipts</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>
<b>Disbursements:</b>					
<b>Current:</b>					
Instruction	1,010	2,299	-	-	-
Support services	-	-	-	80	1,425
Noninstructional services	-	-	-	-	-
Debt services	-	-	-	-	-
Nonprogrammed charges	116	-	-	-	-
Interfund loans	-	-	-	-	-
<b>Total disbursements</b>	<b>1,126</b>	<b>2,299</b>	<b>-</b>	<b>80</b>	<b>1,425</b>
Excess (deficiency) of receipts over disbursements	(1,126)	(2,299)	-	(80)	(1,425)
<b>Other financing sources (uses):</b>					
Transfers in	-	-	-	-	-
Transfers out	-	-	-	-	-
<b>Total other financing sources (uses)</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>
Excess (deficiency) of receipts and other financing sources over disbursements and other financing uses	(1,126)	(2,299)	-	(80)	(1,425)
Cash and investments - beginning	1,126	3,167	125	130	1,425
Cash and investments - ending	\$ -	\$ 868	\$ 125	\$ 50	\$ -
<b>Cash and Investment Assets - Ending</b>					
Cash and investments	\$ -	\$ 868	\$ 125	\$ 50	\$ -
Restricted assets:					
Cash and investments	-	-	-	-	-
<b>Total cash and investment assets - ending</b>	<b>\$ -</b>	<b>\$ 868</b>	<b>\$ 125</b>	<b>\$ 50</b>	<b>\$ -</b>
<b>Cash and Investment Fund Balance - Ending</b>					
Restricted for:					
Debt service	\$ -	\$ -	\$ -	\$ -	\$ -
Unrestricted	-	868	125	50	-
<b>Total cash and investment fund balance - ending</b>	<b>\$ -</b>	<b>\$ 868</b>	<b>\$ 125</b>	<b>\$ 50</b>	<b>\$ -</b>

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

	Improving Teacher Quality	Enhancing Education thru Technology	Debt Service	School Bus Replacement	Totals
<b>Receipts:</b>					
Local sources	\$ -	\$ -	\$ 685,699	\$ 74,091	\$ 1,526,182
Intermediate sources	-	-	-	-	225
State sources	-	-	-	-	129,785
Federal sources	42,370	128,772	-	-	723,137
Interfund loans	-	-	-	-	50,000
Other	6,240	341	-	-	29,915
<b>Total receipts</b>	<b>48,610</b>	<b>129,113</b>	<b>685,699</b>	<b>74,091</b>	<b>2,459,244</b>
<b>Disbursements:</b>					
<b>Current:</b>					
Instruction	22,531	-	-	-	413,989
Support services	21,007	117,221	-	118,928	885,608
Noninstructional services	-	-	-	-	283,885
Debt services	-	-	566,500	-	566,500
Nonprogrammed charges	-	-	-	-	40,894
Interfund loans	-	-	-	-	175,000
<b>Total disbursements</b>	<b>43,538</b>	<b>117,221</b>	<b>566,500</b>	<b>118,928</b>	<b>2,365,876</b>
Excess (deficiency) of receipts over disbursements	5,072	11,892	119,199	(44,837)	93,368
<b>Other financing sources (uses):</b>					
Transfers in	-	-	-	-	3,848
Transfers out	-	-	-	-	(21,952)
<b>Total other financing sources (uses)</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>(18,104)</b>
Excess (deficiency) of receipts and other financing sources over disbursements and other financing uses	5,072	11,892	119,199	(44,837)	75,264
Cash and investments - beginning	12,503	-	22,506	120,541	504,316
Cash and investments - ending	<u>\$ 17,575</u>	<u>\$ 11,892</u>	<u>\$ 141,705</u>	<u>\$ 75,704</u>	<u>\$ 579,580</u>
<b>Cash and Investment Assets - Ending</b>					
Cash and investments	\$ 17,575	\$ 11,892	\$ -	\$ 75,704	\$ 437,875
Restricted assets:					
Cash and investments	-	-	141,705	-	141,705
<b>Total cash and investment assets - ending</b>	<u>\$ 17,575</u>	<u>\$ 11,892</u>	<u>\$ 141,705</u>	<u>\$ 75,704</u>	<u>\$ 579,580</u>
<b>Cash and Investment Fund Balance - Ending</b>					
Restricted for:					
Debt service	\$ -	\$ -	\$ 141,705	\$ -	\$ 141,705
Unrestricted	17,575	11,892	-	75,704	437,875
<b>Total cash and investment fund balance - ending</b>	<u>\$ 17,575</u>	<u>\$ 11,892</u>	<u>\$ 141,705</u>	<u>\$ 75,704</u>	<u>\$ 579,580</u>

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

	Tennis Association Grant	Drug Prevention	Aimone Business Grant	Premier Boxboard	PCCF Motivating Students	PCCF Healthy Choices for Girls
Additions:						
Contributions:						
Other	\$ -	\$ -	\$ -	\$ 1,000	\$ 5,000	\$ 5,225
Deductions:						
Administrative and general	-	1,097	4,949	-	5,000	5,225
Excess (deficiency) of total additions over total deductions	-	(1,097)	(4,949)	1,000	-	-
Cash and investment fund balance - beginning	93	7,169	5,000	1,000	-	-
Cash and investments - ending	<u>\$ 93</u>	<u>\$ 6,072</u>	<u>\$ 51</u>	<u>\$ 2,000</u>	<u>\$ -</u>	<u>\$ -</u>
Net assets:						
Cash and investments	<u>\$ 93</u>	<u>\$ 6,072</u>	<u>\$ 51</u>	<u>\$ 2,000</u>	<u>\$ -</u>	<u>\$ -</u>
Total net assets - cash and investment basis held in trust	<u>\$ 93</u>	<u>\$ 6,072</u>	<u>\$ 51</u>	<u>\$ 2,000</u>	<u>\$ -</u>	<u>\$ -</u>

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

	East Asian Grant	Athletic Complex	Parke County Community Foundation	Athletic Banner	Attendance Incentive	Totals
Additions:						
Contributions:						
Other	\$ -	\$ 14,127	\$ 4,000	\$ -	\$ -	\$ 29,352
Deductions:						
Administrative and general	217	10,442	1,085	-	-	28,015
Excess (deficiency) of total additions over total deductions	(217)	3,685	2,915	-	-	1,337
Cash and investment fund balance - beginning	300	9,046	2,920	634	200	26,362
Cash and investments - ending	<u>\$ 83</u>	<u>\$ 12,731</u>	<u>\$ 5,835</u>	<u>\$ 634</u>	<u>\$ 200</u>	<u>\$ 27,699</u>
Net assets:						
Cash and investments	<u>\$ 83</u>	<u>\$ 12,731</u>	<u>\$ 5,835</u>	<u>\$ 634</u>	<u>\$ 200</u>	<u>\$ 27,699</u>
Total net assets - cash and investment basis held in trust	<u>\$ 83</u>	<u>\$ 12,731</u>	<u>\$ 5,835</u>	<u>\$ 634</u>	<u>\$ 200</u>	<u>\$ 27,699</u>

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

	Tennis Association Grant	Drug Prevention	Aimone Business Grant	Lexus Science	Premier Boxboard	PATS Literacy	East Asian Grant
Additions:							
Contributions:							
Other	\$ -	\$ -	\$ -	\$ 2,000	\$ -	\$ 500	\$ -
Deductions:							
Administrative and general	-	2,951	51	2,000	966	-	-
Excess (deficiency) of total additions over total deductions	-	(2,951)	(51)	-	(966)	500	-
Cash and investment fund balance - beginning	93	6,072	51	-	2,000	-	83
Cash and investments - ending	<u>\$ 93</u>	<u>\$ 3,121</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 1,034</u>	<u>\$ 500</u>	<u>\$ 83</u>
Net assets:							
Cash and investments	<u>\$ 93</u>	<u>\$ 3,121</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 1,034</u>	<u>\$ 500</u>	<u>\$ 83</u>
Total net assets - cash and investment basis held in trust	<u>\$ 93</u>	<u>\$ 3,121</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 1,034</u>	<u>\$ 500</u>	<u>\$ 83</u>

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

	Employee Wellness	Athletic Complex	Parke County Community Foundation	Athletic Banner	Attendance Incentive	Totals
Additions:						
Contributions:						
Other	\$ 1,690	\$ 7,672	\$ -	\$ -	\$ -	\$ 11,862
Deductions:						
Administrative and general	906	15,429	1,188	-	-	23,491
Excess (deficiency) of total additions over total deductions	784	(7,757)	(1,188)	-	-	(11,629)
Cash and investment fund balance - beginning	-	12,731	5,835	634	200	27,699
Cash and investments - ending	<u>\$ 784</u>	<u>\$ 4,974</u>	<u>\$ 4,647</u>	<u>\$ 634</u>	<u>\$ 200</u>	<u>\$ 16,070</u>
Net assets:						
Cash and investments	<u>\$ 784</u>	<u>\$ 4,974</u>	<u>\$ 4,647</u>	<u>\$ 634</u>	<u>\$ 200</u>	<u>\$ 16,070</u>
Total net assets - cash and investment basis held in trust	<u>\$ 784</u>	<u>\$ 4,974</u>	<u>\$ 4,647</u>	<u>\$ 634</u>	<u>\$ 200</u>	<u>\$ 16,070</u>

TURKEY RUN COMMUNITY 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:		
2005 School Building Renovation Project	\$ 4,400,000	\$ 297,160
1993 School Building Renovation Project	775,000	162,704
Notes and loans payable	<u>39,000</u>	<u>39,907</u>
Total governmental activities debt	<u>\$ 5,214,000</u>	<u>\$ 499,771</u>

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SUPPLEMENTAL AUDIT OF  
FEDERAL AWARDS



**STATE OF INDIANA**  
AN EQUAL OPPORTUNITY EMPLOYER

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

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

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

TO: THE OFFICIALS OF THE TURKEY RUN COMMUNITY  
SCHOOL CORPORATION, PARKE COUNTY, INDIANA

Compliance

We have audited the compliance of the Turkey Run Community School Corporation (School Corporation) with the types of compliance requirements described in the U.S. Office of Management and Budget (OMB) Circular A-133 Compliance Supplement that are applicable to each of its major federal programs for the years ended June 30, 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 federal program in order to determine our auditing procedures for the purpose of expressing our opinion on compliance, but not for the purpose of expressing an opinion on the effectiveness of internal control over compliance. Accordingly, we do not express an opinion on the effectiveness of the School Corporation's internal control over compliance.

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

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

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

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

This report is intended solely for the information and use of the School Corporation's management, School Board of Trustees 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 11, 2009

TURKEY RUN COMMUNITY 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>U.S. DEPARTMENT OF AGRICULTURE</u>				
Pass-Through Indiana Department of Education				
Child Nutrition Cluster				
School Breakfast Program				
	10.553			
		FY 07-08	\$ 39,526	\$ -
		FY 08-09	-	44,826
			<u>39,526</u>	<u>44,826</u>
Total for program				
			<u>39,526</u>	<u>44,826</u>
National School Lunch Program				
	10.555			
		FY 07-08	109,881	-
		FY 08-09	-	121,640
			<u>109,881</u>	<u>121,640</u>
Total for program				
			<u>109,881</u>	<u>121,640</u>
Summer Food Service Program for Children				
Enter project in this cell				
	10.559			
		FY 07-08	4,205	-
		FY 08-09	-	3,571
			<u>4,205</u>	<u>3,571</u>
Total for program				
			<u>4,205</u>	<u>3,571</u>
Total for cluster			<u>153,612</u>	<u>170,037</u>
<u>U.S. DEPARTMENT OF EDUCATION</u>				
Pass-Through Crawfordsville Community School Corporation				
Special Education Cluster				
Special Education Grants to States				
	84.027A			
		14208-62-PN01	154,005	-
		14209-62-PN01	-	162,148
			<u>154,005</u>	<u>162,148</u>
Total for program				
			<u>154,005</u>	<u>162,148</u>
Special Education Preschool				
	84.173			
		45708-62-PN01	9,927	-
		45709-62-PN01	-	9,600
			<u>9,927</u>	<u>9,600</u>
Total for program				
			<u>9,927</u>	<u>9,600</u>
Total for cluster			<u>163,932</u>	<u>171,748</u>

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

TURKEY RUN COMMUNITY 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 Indiana Department of Education Title I Grants to Local Educational Agencies	84.010			
		07-6310	47,942	-
		08-6310	167,888	48,830
		09-6310	-	200,315
Total for program			<u>215,830</u>	<u>249,145</u>
Pass-Through Indiana Department of Education Enhancing Education Through Technology	84.138			
		FY 07-08	3,282	-
		FY 08-09	-	117,221
Total for program			<u>3,282</u>	<u>117,221</u>
Pass-Through Indiana Department of Education Title IV-Safe and Drug Free Schools and Communities	84.186			
		FY 07-08	4,357	-
		FY 08-09	-	4,207
Total for program			<u>4,357</u>	<u>4,207</u>
Pass-Through Indiana Department of Education State Grants for Innovative Programs	84.298			
		FY 07-08	114	-
		FY 08-09	-	1,015
Total for program			<u>114</u>	<u>1,015</u>
Pass-Through Indiana Department of Education Title II Improving Teacher Quality State Grants	84.367			
		07-6310	43,320	-
		08-6310	-	43,538
Total for program			<u>43,320</u>	<u>43,538</u>
Total for federal grantor agency			<u>430,835</u>	<u>586,874</u>
Total federal awards expended			<u>\$ 584,447</u>	<u>\$ 756,911</u>

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

TURKEY RUN COMMUNITY SCHOOL CORPORATION  
NOTES TO SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS

I. Basis of Presentation

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

Circular A-133 requires an annual audit of nonfederal entities expending a total amount of federal awards equal to or in excess of \$500,000 in any fiscal year unless by constitution or statute a less frequent audit is required. In accordance with the 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	2008	2009
National School Lunch Program	10.555	\$ 8,095	\$ 11,503
School Breakfast Program	10.553	2,912	4,239

TURKEY RUN COMMUNITY SCHOOL CORPORATION  
SCHEDULE OF FINDINGS AND QUESTIONED COSTS

Section I – Summary of Auditor's Results

Financial Statements:

Type of auditor's report issued: Unqualified

Internal control over financial reporting:

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

Noncompliance material to financial statements noted? no

Federal Awards:

Internal control over major programs:

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

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

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

Identification of Major Programs:

Name of Federal Program or 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.

TURKEY RUN COMMUNITY SCHOOL CORPORATION  
SUMMARY SCHEDULE OF PRIOR AUDIT FINDINGS

No matters are reportable.

TURKEY RUN COMMUNITY SCHOOL CORPORATION  
EXIT CONFERENCE

The contents of this report were discussed on December 11, 2009, with Dr. Thomas W. Rohr, Superintendent of Schools; Sally Wimmer Burgess, Treasurer; and Greg P. Harvey, President of the School Board. Our audit disclosed no material items that warrant comment at this time.