

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

AUDIT REPORT
OF
JOHN GLENN SCHOOL CORPORATION
ST. JOSEPH COUNTY, INDIANA
July 1, 2007 to June 30, 2009



FILED

02/24/2010

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SCHEDULE OF OFFICIALS

<u>Office</u>	<u>Official</u>	<u>Term</u>
Treasurer	Darlene M. Flora	07-01-07 to 12-31-10
Superintendent of Schools	Richard M. Reese	07-01-07 to 06-30-12
President of the School Board	Michael D. Daube Thomas McCormick Curt Pletcher Michael D. Daube	01-01-07 to 12-31-07 01-01-08 to 12-31-08 01-01-09 to 12-31-09 01-01-10 to 12-31-10



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 JOHN GLENN SCHOOL
CORPORATION, ST. JOSEPH COUNTY, INDIANA

We have audited the accompanying financial statements of the governmental activities, each major fund, and the aggregate remaining fund information of the John Glenn 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 January 13, 2010, 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

January 13, 2010



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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 JOHN GLENN SCHOOL
CORPORATION, ST. JOSEPH COUNTY, INDIANA

We have audited the financial statements of the governmental activities, each major fund, and the aggregate remaining fund information of the John Glenn 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 January 13, 2010. 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, 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

January 13, 2010

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

<u>Functions/Programs</u>	<u>Disbursements</u>	<u>Program Receipts</u>		<u>Net (Disbursement) Receipts and Changes in Net Assets</u>
		<u>Charges for Services</u>	<u>Operating Grants and Contributions</u>	<u>Totals</u>
Governmental activities:				
Instruction	\$ 7,386,145	\$ -	\$ 118,728	\$ (7,267,417)
Support services	4,385,475	501,199	300,238	(3,584,038)
Noninstructional services	681,897	-	-	(681,897)
Facilities acquisition and construction	1,465,687	-	-	(1,465,687)
Debt service	5,119,070	-	-	(5,119,070)
Nonprogrammed charges	961,446	-	-	(961,446)
Total governmental activities	<u>\$ 19,999,720</u>	<u>\$ 501,199</u>	<u>\$ 418,966</u>	<u>(19,079,555)</u>
General receipts:				
Property taxes				6,545,660
Other local sources				1,021,511
State aid				7,054,572
Bonds and loans				5,460,983
Grants and contributions not restricted to specific programs				361,710
Sale of property				171,688
Investment earnings				113,857
Other				<u>53,017</u>
Total general receipts				<u>20,782,998</u>
Change in net assets				1,703,443
Net assets - beginning				<u>3,148,601</u>
Net assets - ending				<u>\$ 4,852,044</u>
<u>Assets</u>				
Cash and investments				\$ 4,281,251
Restricted assets:				
Cash and investments				<u>570,793</u>
Total assets				<u>\$ 4,852,044</u>
<u>Net Assets</u>				
Restricted for:				
Debt service				\$ 499,041
Other purposes				71,752
Unrestricted				<u>4,281,251</u>
Total net assets				<u>\$ 4,852,044</u>

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

JOHN GLENN 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>(Disbursement) Receipts and Changes in Net Assets</u>
		Charges for Services	Operating Grants and Contributions	<u>Totals</u>
Governmental activities:				
Instruction	\$ 7,402,606	\$ -	\$ 225,835	\$ (7,176,771)
Support services	4,782,257	469,932	378,933	(3,933,392)
Noninstructional services	760,644	-	-	(760,644)
Facilities acquisition and construction	614,358	-	-	(614,358)
Debt service	6,283,593	-	-	(6,283,593)
Nonprogrammed charges	<u>1,065,573</u>	<u>-</u>	<u>-</u>	<u>(1,065,573)</u>
Total governmental activities	<u>\$ 20,909,031</u>	<u>\$ 469,932</u>	<u>\$ 604,768</u>	<u>(19,834,331)</u>
General receipts:				
Property taxes				4,886,454
Other local sources				936,405
State aid				8,115,598
Bonds and loans				2,689,857
Grants and contributions not restricted to specific programs				1,209,979
Investment earnings				29,165
Other				<u>44,605</u>
Total general receipts				<u>17,912,063</u>
Change in net assets				(1,922,268)
Net assets - beginning				<u>4,852,044</u>
Net assets - ending				<u>\$ 2,929,776</u>
<u>Assets</u>				
Cash and investments				\$ 2,348,775
Restricted assets:				
Cash and investments				<u>581,001</u>
Total assets				<u>\$ 2,929,776</u>
<u>Net Assets</u>				
Restricted for:				
Debt service				\$ 507,775
Other purposes				73,226
Unrestricted				<u>2,348,775</u>
Total net assets				<u>\$ 2,929,776</u>

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

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

	General	Transportation Operating	Rainy Day	School Lunch	Debt Service	Capital Projects	Other	Totals
Receipts:								
Local sources	\$ 3,002,860	\$ 557,324	\$ -	\$ 388,781	\$ 2,091,960	\$ 1,541,573	\$ 598,296	\$ 8,180,794
Intermediate sources	158	-	-	-	-	-	1,275	1,433
State sources	7,094,160	-	-	11,974	-	-	135,518	7,241,652
Federal sources	-	-	-	283,786	-	-	309,810	593,596
Temporary loans	3,582,161	284,686	-	-	420,974	1,173,162	-	5,460,983
Interfund loans	-	-	625,000	-	48,100	625,000	448,100	1,746,200
Other	19,246	27,201	-	2,218	-	2,837	1,515	53,017
Total receipts	13,698,585	869,211	625,000	686,759	2,561,034	3,342,572	1,494,514	23,277,675
Disbursements:								
Current:								
Instruction	6,972,512	-	-	-	-	-	413,633	7,386,145
Support services	2,741,498	611,176	-	-	-	600,635	432,166	4,385,475
Noninstructional services	14,637	-	-	667,260	-	-	-	681,897
Facilities acquisition and construction	8,646	-	-	-	-	812,604	644,437	1,465,687
Debt services	2,318,389	179,093	-	-	2,507,780	-	113,808	5,119,070
Nonprogrammed charges	887,057	-	-	-	-	-	68,039	955,096
Interfund loans	-	-	625,000	-	48,100	1,025,000	48,100	1,746,200
Total disbursements	12,942,739	790,269	625,000	667,260	2,555,880	2,438,239	1,720,183	21,739,570
Excess (deficiency) of receipts over disbursements	755,846	78,942	-	19,499	5,154	904,333	(225,669)	1,538,105
Other financing sources (uses):								
Sale of capital assets	12,591	26,372	-	1,385	-	-	131,340	171,688
Transfers in	-	-	-	-	-	-	41,336	41,336
Transfers out	-	-	-	-	(17,536)	-	(23,800)	(41,336)
Total other financing sources (uses)	12,591	26,372	-	1,385	(17,536)	-	148,876	171,688
Excess (deficiency) of receipts and other financing sources over disbursements and other financing uses	768,437	105,314	-	20,884	(12,382)	904,333	(76,793)	1,709,793
Cash and investments - beginning	571,091	185,009	625,000	280,225	508,745	346,202	554,227	3,070,499
Cash and investments - ending	\$ 1,339,528	\$ 290,323	\$ 625,000	\$ 301,109	\$ 496,363	\$ 1,250,535	\$ 477,434	4,780,292
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.								
Net assets of governmental activities								\$ 4,852,044
Cash and Investment Assets - Ending								
Cash and investments	\$ 1,339,528	\$ 290,323	\$ 625,000	\$ 301,109	\$ -	\$ 1,250,535	\$ 474,756	\$ 4,281,251
Restricted assets:								
Cash and investments	-	-	-	-	496,363	-	2,678	499,041
Total cash and investment assets - ending	\$ 1,339,528	\$ 290,323	\$ 625,000	\$ 301,109	\$ 496,363	\$ 1,250,535	\$ 477,434	\$ 4,780,292
Cash and Investment Fund Balance - Ending								
Restricted for:								
Debt service	\$ -	\$ -	\$ -	\$ -	\$ 496,363	\$ -	\$ 2,678	\$ 499,041
Unrestricted	1,339,528	290,323	625,000	301,109	-	1,250,535	474,756	4,281,251
Total cash and investment fund balance - ending	\$ 1,339,528	\$ 290,323	\$ 625,000	\$ 301,109	\$ 496,363	\$ 1,250,535	\$ 477,434	\$ 4,780,292

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

JOHN GLENN 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	Rainy Day	School Lunch	Fiscal Stabilization	Debt Service	Capital Projects	Other	Totals
Receipts:									
Local sources	\$ 2,697,912	\$ 514,896	\$ -	\$ 393,427	\$ -	\$ 1,606,034	\$ 668,652	\$ 428,817	\$ 6,309,738
Intermediate sources	9,950	-	-	-	-	-	-	2,268	12,218
State sources	8,276,549	-	-	12,637	-	-	-	148,382	8,437,568
Federal sources	-	-	-	345,545	873,649	-	-	273,583	1,492,777
Temporary loans	554,248	374,072	-	-	-	728,701	1,032,836	-	2,689,857
Interfund loans	-	-	-	-	-	42,000	-	75,000	117,000
Other	15,848	21,560	-	2,053	-	-	4,294	850	44,605
Total receipts	11,554,507	910,528	-	753,662	873,649	2,376,735	1,705,782	928,900	19,103,763
Disbursements:									
Current:									
Instruction	6,814,268	-	-	-	179,674	-	-	408,664	7,402,606
Support services	3,179,782	627,787	-	-	35,972	-	674,451	264,265	4,782,257
Noninstructional services	15,450	-	-	745,194	-	-	-	-	760,644
Facilities acquisition and construction	9,593	-	-	-	900	-	369,193	234,672	614,358
Debt services	2,173,284	284,686	-	-	-	2,305,665	1,408,259	111,699	6,283,593
Nonprogrammed charges	924,771	-	-	-	91,515	-	-	50,761	1,067,047
Interfund loans	-	-	-	-	-	75,000	-	42,000	117,000
Total disbursements	13,117,148	912,473	-	745,194	308,061	2,380,665	2,451,903	1,112,061	21,027,505
Excess (deficiency) of receipts over disbursements	(1,562,641)	(1,945)	-	8,468	565,588	(3,930)	(746,121)	(183,161)	(1,923,742)
Other financing sources (uses):									
Transfers in	300,000	-	-	-	-	-	-	36,240	336,240
Transfers out	-	-	(300,000)	-	-	(640)	-	(35,600)	(336,240)
Total other financing sources (uses)	300,000	-	(300,000)	-	-	(640)	-	640	-
Excess (deficiency) of receipts and other financing sources over disbursements and other financing uses	(1,262,641)	(1,945)	(300,000)	8,468	565,588	(4,570)	(746,121)	(182,521)	(1,923,742)
Cash and investments - beginning	1,339,528	290,323	625,000	301,109	-	496,363	1,250,535	477,434	4,780,292
Cash and investments - ending	<u>\$ 76,887</u>	<u>\$ 288,378</u>	<u>\$ 325,000</u>	<u>\$ 309,577</u>	<u>\$ 565,588</u>	<u>\$ 491,793</u>	<u>\$ 504,414</u>	<u>\$ 294,913</u>	2,856,550
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.									
									73,226
Net assets of governmental activities									<u>\$ 2,929,776</u>
Cash and Investment Assets - Ending									
Cash and investments	\$ 76,887	\$ 288,378	\$ 325,000	\$ 309,577	\$ 565,588	\$ -	\$ 504,414	\$ 278,931	\$ 2,348,775
Restricted assets:									
Cash and investments	-	-	-	-	-	491,793	-	15,982	507,775
Total cash and investment assets - ending	<u>\$ 76,887</u>	<u>\$ 288,378</u>	<u>\$ 325,000</u>	<u>\$ 309,577</u>	<u>\$ 565,588</u>	<u>\$ 491,793</u>	<u>\$ 504,414</u>	<u>\$ 294,913</u>	<u>\$ 2,856,550</u>
Cash and Investment Fund Balance - Ending									
Restricted for:									
Debt service	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 491,793	\$ -	\$ 15,982	\$ 507,775
Unrestricted	76,887	288,378	325,000	309,577	565,588	-	504,414	278,931	2,348,775
Total cash and investment fund balance - ending	<u>\$ 76,887</u>	<u>\$ 288,378</u>	<u>\$ 325,000</u>	<u>\$ 309,577</u>	<u>\$ 565,588</u>	<u>\$ 491,793</u>	<u>\$ 504,414</u>	<u>\$ 294,913</u>	<u>\$ 2,856,550</u>

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

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

	Internal Service Fund
Operating receipts:	
Charges for services	\$ 86,889
Operating disbursements:	
Insurance claims and expense	93,239
Change in net assets	(6,350)
Cash and investment fund balance - beginning	78,102
Cash and investment fund balance - ending	\$ 71,752
 <u>Cash and Investment Assets - Ending</u>	
Restricted assets:	
Cash and investments	\$ 71,752
 <u>Cash and Investment Fund Balance - Ending</u>	
Restricted for:	
Other purposes	\$ 71,752

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

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

	Internal Service Fund
Operating receipts:	
Charges for services	\$ 89,856
Operating disbursements:	
Insurance claims and expense	88,382
Change in net assets	1,474
Cash and investment fund balance - beginning	71,752
Cash and investment fund balance - ending	\$ 73,226
 <u>Cash and Investment Assets - Ending</u>	
Restricted assets:	
Cash and investments	\$ 73,226
 <u>Cash and Investment Fund Balance - Ending</u>	
Restricted for:	
Other purposes	\$ 73,226

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

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

	Pension Trust Fund	Private-Purpose Trust Funds	Agency Funds
Additions:			
Investment earnings:			
Interest	\$ 33,032	\$ 3,691	
Deductions:			
Benefits	26,379	-	
Administrative and general	-	2,500	
Total deductions	26,379	2,500	
Excess of total additions over total deductions	6,653	1,191	
Cash and investment fund balance - beginning	972,877	109,722	
Cash and investment fund balance - ending	\$ 979,530	\$ 110,913	\$ 94,513
Net assets:			
Cash and investments held in trust	\$ 979,530	\$ 110,913	

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

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

	<u>Pension Trust Fund</u>	<u>Private-Purpose Trust Funds</u>	<u>Agency Funds</u>
Additions:			
Investment earnings:			
Interest	\$ 5,299	\$ 747	
Deductions:			
Benefits	772,617	-	
Administrative and general	-	2,500	
Total deductions	<u>772,617</u>	<u>2,500</u>	
Deficiency of total additions over total deductions	(767,318)	(1,753)	
Cash and investment fund balance - beginning	<u>979,530</u>	<u>110,913</u>	
Cash and investment fund balance - ending	<u>\$ 212,212</u>	<u>\$ 109,160</u>	<u>\$ 87,999</u>
Net assets:			
Cash and investments held in trust	<u>\$ 212,212</u>	<u>\$ 109,160</u>	

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

JOHN GLENN 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: John Glenn 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 nine school corporations in a joint venture to operate Joint Educational Services in Special Education (JESSE) which was created to provide instruction to special needs children. The School Corporation is obligated by contract to remit monthly, its share of expenses. Complete financial statements for JESSE can be obtained from their administrative offices at P.O. Box 418, Plymouth, Indiana, 46563.

The School Corporation is a participant with nine school corporations in a joint venture to operate North Central Area Vocational Co-op (Co-op) which was created to provide vocational instruction and equipment to its members. The School Corporation is obligated by contract to remit a percentage of the Co-op's budget, based on vocational student counts, annually to supplement the Co-op. Complete financial statements for the Co-op can be obtained from their administrative office at P.O. Box 231, Culver, Indiana, 46511-0231.

The School Corporation is a participant with several school corporations in a joint venture to operate 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 to supplement the NIESC's budget. Complete financial statements for NIESC can be obtained from their administrative offices at 56535 Magnetic Drive, Mishawaka, Indiana, 46545.

The School Corporation is a participant with eleven other school corporations of Elkhart and St. Joseph Counties in a joint venture to operate a Head Start Consortium (Consortium) which was created to develop, operate, participate and supervise a Head Start Program to serve the pre-school student populations of the participating corporations. The Consortium's continued existence depends on continued funding through a federal grant program. Participating school corporations are required to provide 'in-kind' services (transportation and classroom, gymnasium and playground space) to meet the grant requirements. No fees are assessed the school corporation for the operation of this program. The School Corporation may be obligated for the debts

JOHN GLENN SCHOOL CORPORATION
NOTES TO FINANCIAL STATEMENTS
(Continued)

of the Consortium should they not be covered by the grant. Complete financial statements for the Head Start Consortium can be obtained from South Bend Community School Corporation at 215 South St. Joseph Street, South Bend, Indiana, 46601.

The School Corporation is a participant with 31 school corporations in a joint venture to operate North Central Energy Cooperative (NEC), which was created to procure natural gas in an economical and efficient manner. The School Corporation is obligated by contract to remit its share of the expenses. Information for NEC can be obtained from their administrative offices at Elkhart Community Schools, 2720 California Road, Elkhart, Indiana, 46517.

B. Government-Wide and Fund Financial Statements

Government-Wide Financial Statements

The Statement of Activities and Net Assets – Cash and Investment Basis displays information about the reporting government as a whole. It includes all funds of the reporting entity except for fiduciary funds. Governmental activities generally are financed through taxes, intergovernmental revenues, and other nonexchange revenues. Business-type activities are financed in whole or in part by fees charged to external parties for goods or services. The School Corporation reports no 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.

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

The school lunch fund is used to account for receipts and disbursements for the food service program.

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.

JOHN GLENN SCHOOL CORPORATION
NOTES TO FINANCIAL STATEMENTS
(Continued)

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.

Additionally, the School Corporation reports the following fund types:

The internal service fund accounts for dental benefits provided to School Corporation employees.

The pension trust fund accounts for bonds and payments anticipated to be made to employees on or after the termination of employment or to pay post-retirement or severance benefits held by the School Corporation in a trustee capacity.

Private-purpose trust funds report trust arrangements under which principal and income benefit students who are awarded scholarships.

Agency funds account for assets held by the School Corporation as an agent for the federal and state governments as well as insurance, annuity, and uniform vendors.

C. Measurement Focus and Basis of Accounting

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

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.

JOHN GLENN SCHOOL CORPORATION
NOTES TO FINANCIAL STATEMENTS
(Continued)

D. Assets and Cash and Investment Balances

1. Cash and Investments

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

2. Property Taxes

Property taxes levied are collected by the County Treasurer and are distributed to the School Corporation in June and in December. State statute (IC 6-1.1-17-16) requires the Indiana Department of Local Government Finance to establish property tax rates and levies by February 15. These rates were based upon the preceding year's March 1 (lien date) assessed valuations adjusted for various tax credits. Taxable property is assessed at 100% of the true tax value (determined in accordance with rules and regulations adopted by the Indiana Department of Local Government Finance). Taxes may be paid in two equal installments which become delinquent if not paid by May 10 and November 10, respectively. All property taxes collected by the County Treasurer and available for distribution were distributed to the School Corporation on or prior to June 30 of the year collected. The property taxes for the 2008 calendar year were delayed due to the reassessments. The 2008 property taxes were received in July of 2009.

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.

JOHN GLENN SCHOOL CORPORATION
NOTES TO FINANCIAL STATEMENTS
(Continued)

- b. Unrestricted net assets – All other net assets that do not meet the definition of "restricted."

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

Fund Financial Statements

Governmental fund equity is classified as fund balance. 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, including special assessments. Internally dedicated resources are reported as general receipts rather than as program receipts. Likewise, general receipts include all taxes.

2. Operating Receipts and Disbursements

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

F. Internal and Interfund Balances and Activities

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

Fund Financial Statements

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

JOHN GLENN SCHOOL CORPORATION
NOTES TO FINANCIAL STATEMENTS
(Continued)

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

II. Stewardship, Compliance and Accountability

Budgetary Information

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

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

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

III. Detailed Notes on All Funds

A. Deposits and Investments

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.

JOHN GLENN SCHOOL CORPORATION
NOTES TO FINANCIAL STATEMENTS
(Continued)

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>2008</u>	<u>2009</u>
Rainy Day Fund	General Fund	\$ -	\$ 300,000
Debt Service Fund	Other governmental funds	17,536	640
Other governmental funds	Other governmental funds	<u>23,800</u>	<u>35,600</u>
Totals		<u>\$ 41,336</u>	<u>\$ 336,240</u>

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

C. Tax Anticipation Warrants

The School Corporation issues tax anticipation warrants for cash flow purposes in advance of property tax collections and/or state tuition support distributions, depositing the proceeds in the appropriate fund. Short-term debt activity for the years ended June 30, 2008 and June 30, 2009, was as follows:

<u>Fiscal Year 2007-2008</u>	<u>Beginning Balance</u>	<u>Issued/ Draws</u>	<u>Redeemed Repayments</u>	<u>Ending Balance</u>
General	\$ 1,293,932	\$ 3,582,161	\$ 2,318,389	\$ 2,557,704
Transportation Operating	179,093	284,686	179,093	284,686
Debt Service	628,664	420,974	628,664	420,974
Capital Projects	-	1,173,162	-	1,173,162
Totals	<u>\$ 2,101,689</u>	<u>\$ 5,460,983</u>	<u>\$ 3,126,146</u>	<u>\$ 4,436,526</u>
 <u>Fiscal Year 2008-2009</u>				
General	\$ 2,557,704	\$ 554,248	\$ 2,173,284	\$ 938,668
Transportation Operating	284,686	374,072	284,686	374,072
Debt Service	420,974	728,701	420,974	728,701
Capital Projects	<u>1,173,162</u>	<u>1,032,836</u>	<u>1,408,259</u>	<u>797,739</u>
Totals	<u>\$ 4,436,526</u>	<u>\$ 2,689,857</u>	<u>\$ 4,287,203</u>	<u>\$ 2,839,180</u>

JOHN GLENN SCHOOL CORPORATION
NOTES TO FINANCIAL STATEMENTS
(Continued)

IV. Other Information

A. Risk Management

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

Employee Dental Benefits

The School Corporation has chosen to establish a risk financing fund for risks associated with employee dental benefits. The risk financing fund is accounted for in the Self-Insurance Fund, an internal service fund,) where assets are set aside for claim settlements. 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.

Medical Benefits to Employees, Retirees, and Dependents

During 1992, the School Corporation joined with other governmental entities to form the Midwest Area School Employees Insurance Trust, a public entity risk pool currently operating as a common risk management and insurance program for several member governmental entities. This risk pool was formed in 1986. The purpose of the risk pool is to provide a medium for the funding and administration of employees' medical benefits. The risk pool is considered a self-sustaining risk pool that will provide coverage for its members for up to \$5,000,000 per insured event. The risk pool obtains independent coverage for insured events in excess of the \$175,000 limit. This limit increases to \$250,000 effective January 1, 2010.

B. Holding Corporations

The School Corporation has entered into capital leases with John Glenn School Building Corporation, the John Glenn High School Building School Corporation and the Walkerton School Building Corporation (the lessors). The lessors were organized as not-for-profit corporations pursuant to state statute for the purpose of financing and constructing or reconstructing facilities for lease to the School Corporation. The lessors has been determined to be related parties of the School Corporation. Lease payments during the fiscal years 2007-08 and 2008-09 totaled \$1,762,000 and \$1,757,500, respectively.

JOHN GLENN SCHOOL CORPORATION
NOTES TO FINANCIAL STATEMENTS
(Continued)

C. Other Postemployment Benefits

Cost-Sharing Multiple-Employer Defined Benefit Healthcare Plan

Plan Description

The School Corporation contributes to Midwest Area School Employees Insurance Trust (MASE) retiree healthcare plan, a cost-sharing multiple-employer defined benefit postemployment healthcare plan administered by MASE. The plan provides medical to retired employees of participating entities. The employee benefit plans approved by the School Corporation assign the authority to establish and amend the benefit provisions of the plan's board of trustees. The MASE issues a publicly available financial report that includes financial statements and required supplementary information for the plan. That report may be obtained by contacting the plan administrator:

PO Box 656, Monon, IN 47959
Phone: 219-253-6675

Funding Policy

The employee benefit plans provide that contribution requirements of the plan members and the participating employers are established and may be amended by the plan's board of trustees. Plan members or beneficiaries receiving benefits contribute \$442 per month for retiree-only coverage and \$1,194 per month for retiree and spouse coverage to age 65.

Participating entities are contractually required to contribute at a rate assessed each year by the plan, currently 1.25% of annual covered payroll. The plan board of trustees sets the employer contribution rate based on the annual required contribution of the employers (ARC), an amount actuarially determined in accordance with the parameters of GASB Statement 45. The ARC represents a level of funding that, if paid on an ongoing basis, is projected to cover normal cost each year and amortize any unfunded actuarial liabilities (or funding excess) over a period not to exceed 30 years. The School Corporation's contributions to the plan for the years ended June 30, 2008 and 2009, were \$17,268 and \$13,694 respectively, which equaled the required contributions each year.

D. 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

JOHN GLENN SCHOOL CORPORATION
NOTES TO FINANCIAL STATEMENTS
(Continued)

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	\$ 90,037
Interest on net pension obligation	(10,815)
Adjustment to annual required contribution	12,324
Annual pension cost	91,546
Contributions made	84,501
Increase in net pension obligation	7,045
Net pension obligation, beginning of year	(149,167)
Net pension obligation, end of year	\$ (142,122)

	PERF
Contribution rates:	
School Corporation	6.13%
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

JOHN GLENN SCHOOL CORPORATION
NOTES TO FINANCIAL STATEMENTS
(Continued)

<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</u> <u>Ending</u>	<u>Annual</u> <u>Pension Cost</u> <u>(APC)</u>	<u>Percentage</u> <u>of APC</u> <u>Contributed</u>	<u>Net</u> <u>Pension</u> <u>Obligation</u>
PERF	06-30-06	\$ 62,397	134%	\$ (134,147)
	06-30-07	71,728	121%	(149,167)
	06-30-08	91,546	92%	(142,122)

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.

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

JOHN GLENN SCHOOL CORPORATION
NOTES TO FINANCIAL STATEMENTS
(Continued)

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 \$164,029, \$140,706, and \$115,941, respectively. The School Corporation actually contributed 100% of the required contribution for each of the fiscal years.

JOHN GLENN 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	\$ 1,425,244	\$ 1,370,959	\$ 54,285	104%	\$ 1,164,459	5%
07-01-07	1,608,434	1,621,186	(12,752)	99%	1,361,718	(1%)
07-01-08	1,571,820	1,614,237	(42,417)	97%	1,352,604	(3%)

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

	Special Education Preschool	Textbook Rental	Before and After Child Care	Educational License Plate Fee	Safe School Haven	Gifted and Talented
Receipts:						
Local sources	\$ 12,545	\$ 145,045	\$ 75,660	\$ -	\$ -	\$ 797
Intermediate sources	-	-	-	1,275	-	-
State sources	47,764	44,346	-	-	4,136	33,156
Federal sources	-	-	-	-	-	-
Interfund loans	-	-	-	-	-	-
Other	-	-	-	-	-	-
Total receipts	60,309	189,391	75,660	1,275	4,136	33,953
Disbursements:						
Current:						
Instruction	-	-	76,238	831	7,069	31,974
Support services	5,032	148,462	-	1,800	-	-
Facilities acquisition and construction	-	-	-	-	-	-
Debt services	-	-	-	-	-	-
Nonprogrammed charges	68,039	-	-	-	-	-
Interfund loans	-	-	-	-	-	-
Total disbursements	73,071	148,462	76,238	2,631	7,069	31,974
Excess (deficiency) of receipts over disbursements	(12,762)	40,929	(578)	(1,356)	(2,933)	1,979
Other financing sources (uses):						
Sale of capital assets	-	-	-	-	-	-
Transfers in	-	17,536	-	-	-	-
Transfers out	-	-	-	-	-	-
Total other financing sources (uses)	-	17,536	-	-	-	-
Excess (deficiency) of receipts and other financing sources over disbursements and other financing uses	(12,762)	58,465	(578)	(1,356)	(2,933)	1,979
Cash and investments - beginning	12,781	(10,731)	12,854	4,525	2,933	-
Cash and investments - ending	\$ 19	\$ 47,734	\$ 12,276	\$ 3,169	\$ -	\$ 1,979
Cash and Investment Assets - Ending						
Cash and investments	\$ 19	\$ 47,734	\$ 12,276	\$ 3,169	\$ -	\$ 1,979
Restricted assets:						
Cash and investments	-	-	-	-	-	-
Total cash and investment assets - ending	\$ 19	\$ 47,734	\$ 12,276	\$ 3,169	\$ -	\$ 1,979
Cash and Investment Fund Balance - Ending						
Restricted for:						
Debt service	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Unrestricted	19	47,734	12,276	3,169	-	1,979
Total cash and investment fund balance - ending	\$ 19	\$ 47,734	\$ 12,276	\$ 3,169	\$ -	\$ 1,979

JOHN GLENN 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)

	Arts and Education Grant	Non-English Speaking Program	School Technology	Technology Plan Grant	Insurance Balance	Technology English Pilot
Receipts:						
Local sources	\$ -	\$ -	\$ 89,232	\$ -	\$ -	\$ -
Intermediate sources	-	-	-	-	-	-
State sources	2,710	3,406	-	-	-	-
Federal sources	-	-	-	-	-	-
Interfund loans	-	-	-	-	-	-
Other	-	-	-	-	1,515	-
Total receipts	2,710	3,406	89,232	-	1,515	-
Disbursements:						
Current:						
Instruction	2,710	3,406	-	-	-	-
Support services	-	-	-	-	1,515	-
Facilities acquisition and construction	-	-	80,290	81,163	-	3,120
Debt services	-	-	-	-	-	-
Nonprogrammed charges	-	-	-	-	-	-
Interfund loans	-	-	-	-	-	-
Total disbursements	2,710	3,406	80,290	81,163	1,515	3,120
Excess (deficiency) of receipts over disbursements	-	-	8,942	(81,163)	-	(3,120)
Other financing sources (uses):						
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	-	-	8,942	(81,163)	-	(3,120)
Cash and investments - beginning	-	-	1,853	81,163	-	3,120
Cash and investments - ending	\$ -	\$ -	\$ 10,795	\$ -	\$ -	\$ -
Cash and Investment Assets - Ending						
Cash and investments	\$ -	\$ -	\$ 10,795	\$ -	\$ -	\$ -
Restricted assets:						
Cash and investments	-	-	-	-	-	-
Total cash and investment assets - ending	\$ -	\$ -	\$ 10,795	\$ -	\$ -	\$ -
Cash and Investment Fund Balance - Ending						
Restricted for:						
Debt service	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Unrestricted	-	-	10,795	-	-	-
Total cash and investment fund balance - ending	\$ -	\$ -	\$ 10,795	\$ -	\$ -	\$ -

JOHN GLENN 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	Title I 2007-08	Title V, Part A Innovative Program	Title IV A Drug Free 5820	Title IV A Drug Free 5830	Title II, Part A Teacher Quality
Receipts:						
Local sources	\$	-	\$	-	\$	-
Intermediate sources		-	-	-	-	-
State sources		-	-	-	-	-
Federal sources		12,000	221,572	2,825	6,114	67,299
Interfund loans		-	-	-	-	-
Other		-	-	-	-	-
Total receipts		<u>12,000</u>	<u>221,572</u>	<u>2,825</u>	<u>6,114</u>	<u>67,299</u>
Disbursements:						
Current:						
Instruction		24,866	196,385	2,785	918	3,936
Support services		-	-	-	-	641
Facilities acquisition and construction		-	-	-	-	-
Debt services		-	-	-	-	-
Nonprogrammed charges		-	-	-	-	-
Interfund loans		-	-	-	-	-
Total disbursements		<u>24,866</u>	<u>196,385</u>	<u>2,785</u>	<u>918</u>	<u>3,936</u>
Excess (deficiency) of receipts over disbursements		<u>(12,866)</u>	<u>25,187</u>	<u>40</u>	<u>5,196</u>	<u>(3,936)</u>
Other financing sources (uses):						
Sale of capital assets		-	-	-	-	-
Transfers in		-	23,800	-	-	-
Transfers out		(23,800)	-	-	-	-
Total other financing sources (uses)		<u>(23,800)</u>	<u>23,800</u>	<u>-</u>	<u>-</u>	<u>-</u>
Excess (deficiency) of receipts and other financing sources over disbursements and other financing uses		<u>(36,666)</u>	<u>48,987</u>	<u>40</u>	<u>5,196</u>	<u>(3,936)</u>
Cash and investments - beginning		<u>36,666</u>	<u>-</u>	<u>2,785</u>	<u>919</u>	<u>6,143</u>
Cash and investments - ending	\$	<u>-</u>	\$ <u>48,987</u>	\$ <u>2,825</u>	\$ <u>6,115</u>	\$ <u>2,207</u>
Cash and Investment Assets - Ending						
Cash and investments	\$	-	\$ 48,987	\$ 2,825	\$ 6,115	\$ 2,207
Restricted assets:						
Cash and investments		-	-	-	-	-
Total cash and investment assets - ending	\$	<u>-</u>	\$ <u>48,987</u>	\$ <u>2,825</u>	\$ <u>6,115</u>	\$ <u>2,207</u>
Cash and Investment Fund Balance - Ending						
Restricted for:						
Debt service	\$	-	\$ -	\$ -	\$ -	\$ -
Unrestricted		-	48,987	2,825	6,115	2,207
Total cash and investment fund balance - ending	\$	<u>-</u>	\$ <u>48,987</u>	\$ <u>2,825</u>	\$ <u>6,115</u>	\$ <u>2,207</u>

JOHN GLENN 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 Enhanced Teaching	Retirement Severance Bond	School Bus Replacement	Construction	Totals
Receipts:					
Local sources	\$ -	\$ 107,400	\$ 167,617	\$ -	\$ 598,296
Intermediate sources	-	-	-	-	1,275
State sources	-	-	-	-	135,518
Federal sources	-	-	-	-	309,810
Interfund loans	-	48,100	-	400,000	448,100
Other	-	-	-	-	1,515
Total receipts	-	155,500	167,617	400,000	1,494,514
Disbursements:					
Current:					
Instruction	-	-	-	-	413,633
Support services	2,372	-	272,344	-	432,166
Facilities acquisition and construction	-	-	-	479,864	644,437
Debt services	-	113,808	-	-	113,808
Nonprogrammed charges	-	-	-	-	68,039
Interfund loans	-	48,100	-	-	48,100
Total disbursements	2,372	161,908	272,344	479,864	1,720,183
Excess (deficiency) of receipts over disbursements	(2,372)	(6,408)	(104,727)	(79,864)	(225,669)
Other financing sources (uses):					
Sale of capital assets	-	-	-	131,340	131,340
Transfers in	-	-	-	-	41,336
Transfers out	-	-	-	-	(23,800)
Total other financing sources (uses)	-	-	-	131,340	148,876
Excess (deficiency) of receipts and other financing sources over disbursements and other financing uses	(2,372)	(6,408)	(104,727)	51,476	(76,793)
Cash and investments - beginning	2,372	9,086	148,552	218,860	554,227
Cash and investments - ending	\$ -	\$ 2,678	\$ 43,825	\$ 270,336	\$ 477,434
<u>Cash and Investment Assets - Ending</u>					
Cash and investments	\$ -	\$ -	\$ 43,825	\$ 270,336	\$ 474,756
Restricted assets:					
Cash and investments	-	2,678	-	-	2,678
Total cash and investment assets - ending	\$ -	\$ 2,678	\$ 43,825	\$ 270,336	\$ 477,434
<u>Cash and Investment Fund Balance - Ending</u>					
Restricted for:					
Debt service	\$ -	\$ 2,678	\$ -	\$ -	\$ 2,678
Unrestricted	-	-	43,825	270,336	474,756
Total cash and investment fund balance - ending	\$ -	\$ 2,678	\$ 43,825	\$ 270,336	\$ 477,434

JOHN GLENN 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

	Special Education Preschool	Textbook Rental	Before and After Child Care	Educational License Plate Fee	Safe School Haven	Gifted and Talented
Receipts:						
Local sources	\$ 10,647	\$ 152,113	\$ 45,314	\$ -	\$ -	\$ -
Intermediate sources	-	-	-	2,268	-	-
State sources	57,646	48,433	-	-	1,000	33,156
Federal sources	-	-	-	-	-	-
Interfund loans	-	-	-	-	-	-
Other	-	-	-	-	-	-
Total receipts	68,293	200,546	45,314	2,268	1,000	33,156
Disbursements:						
Current:						
Instruction	-	-	50,071	2,070	862	35,135
Support services	-	191,451	-	-	-	-
Facilities acquisition and construction	-	-	-	-	-	-
Debt services	-	-	-	-	-	-
Nonprogrammed charges	50,761	-	-	-	-	-
Interfund loans	-	-	-	-	-	-
Total disbursements	50,761	191,451	50,071	2,070	862	35,135
Excess (deficiency) of receipts over disbursements	17,532	9,095	(4,757)	198	138	(1,979)
Other financing sources (uses):						
Transfers in	-	640	-	-	-	-
Transfers out	-	-	-	-	-	-
Total other financing sources (uses)	-	640	-	-	-	-
Excess (deficiency) of receipts and other financing sources over disbursements and other financing uses	17,532	9,735	(4,757)	198	138	(1,979)
Cash and investments - beginning	19	47,734	12,276	3,169	-	1,979
Cash and investments - ending	\$ 17,551	\$ 57,469	\$ 7,519	\$ 3,367	\$ 138	\$ -
Cash and Investment Assets - Ending						
Cash and investments	\$ 17,551	\$ 57,469	\$ 7,519	\$ 3,367	\$ 138	\$ -
Restricted assets:						
Cash and investments	-	-	-	-	-	-
Total cash and investment assets - ending	\$ 17,551	\$ 57,469	\$ 7,519	\$ 3,367	\$ 138	\$ -
Cash and Investment Fund Balance - Ending						
Restricted for:						
Debt service	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Unrestricted	17,551	57,469	7,519	3,367	138	-
Total cash and investment fund balance - ending	\$ 17,551	\$ 57,469	\$ 7,519	\$ 3,367	\$ 138	\$ -

JOHN GLENN 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)

	Non-English Speaking Program	School Technology	Technology Plan Grant	Recycling Learning Grant	Abraham Lincoln State Award	Technology English Pilot
Receipts:						
Local sources	\$ -	\$ 4,408	\$ -	\$ -	\$ -	\$ -
Intermediate sources	-	-	-	-	-	-
State sources	4,047	-	-	500	3,600	-
Federal sources	-	-	-	-	-	-
Interfund loans	-	-	-	-	-	-
Other	-	-	-	-	-	-
Total receipts	4,047	4,408	-	500	3,600	-
Disbursements:						
Current:						
Instruction	4,047	-	-	318	3,600	-
Support services	-	-	-	-	-	-
Facilities acquisition and construction	-	-	-	-	-	-
Debt services	-	-	-	-	-	-
Nonprogrammed charges	-	-	-	-	-	-
Interfund loans	-	-	-	-	-	-
Total disbursements	4,047	-	-	318	3,600	-
Excess (deficiency) of receipts over disbursements	-	4,408	-	182	-	-
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	-	4,408	-	182	-	-
Cash and investments - beginning	-	10,795	-	-	-	-
Cash and investments - ending	\$ -	\$ 15,203	\$ -	\$ 182	\$ -	\$ -
Cash and Investment Assets - Ending						
Cash and investments	\$ -	\$ 15,203	\$ -	\$ 182	\$ -	\$ -
Restricted assets:						
Cash and investments	-	-	-	-	-	-
Total cash and investment assets - ending	\$ -	\$ 15,203	\$ -	\$ 182	\$ -	\$ -
Cash and Investment Fund Balance - Ending						
Restricted for:						
Debt service	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Unrestricted	-	15,203	-	182	-	-
Total cash and investment fund balance - ending	\$ -	\$ 15,203	\$ -	\$ 182	\$ -	\$ -

JOHN GLENN 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)

	Title I	Title I 2007-08	Title V, Part A Innovative Program	Title IV A Drug Free 5820	Title IV A Drug Free 5830	Title II, Part A Teacher Quality
Receipts:						
Local sources	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Intermediate sources	-	-	-	-	-	-
State sources	-	-	-	-	-	-
Federal sources	198,395	23,000	1,102	-	4,887	46,199
Interfund loans	-	-	-	-	-	-
Other	-	-	-	-	-	-
Total receipts	<u>198,395</u>	<u>23,000</u>	<u>1,102</u>	<u>-</u>	<u>4,887</u>	<u>46,199</u>
Disbursements:						
Current:						
Instruction	206,999	36,387	-	5,078	2,207	61,890
Support services	-	-	2,825	-	-	-
Facilities acquisition and construction	-	-	-	-	-	-
Debt services	-	-	-	-	-	-
Nonprogrammed charges	-	-	-	-	-	-
Interfund loans	-	-	-	-	-	-
Total disbursements	<u>206,999</u>	<u>36,387</u>	<u>2,825</u>	<u>5,078</u>	<u>2,207</u>	<u>61,890</u>
Excess (deficiency) of receipts over disbursements	<u>(8,604)</u>	<u>(13,387)</u>	<u>(1,723)</u>	<u>(5,078)</u>	<u>2,680</u>	<u>(15,691)</u>
Other financing sources (uses):						
Transfers in	35,600	-	-	-	-	-
Transfers out	-	(35,600)	-	-	-	-
Total other financing sources (uses)	<u>35,600</u>	<u>(35,600)</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Excess (deficiency) of receipts and other financing sources over disbursements and other financing uses	26,996	(48,987)	(1,723)	(5,078)	2,680	(15,691)
Cash and investments - beginning	-	48,987	2,825	6,115	2,207	24,489
Cash and investments - ending	<u>\$ 26,996</u>	<u>\$ -</u>	<u>\$ 1,102</u>	<u>\$ 1,037</u>	<u>\$ 4,887</u>	<u>\$ 8,798</u>
Cash and Investment Assets - Ending						
Cash and investments	\$ 26,996	\$ -	\$ 1,102	\$ 1,037	\$ 4,887	\$ 8,798
Restricted assets:						
Cash and investments	-	-	-	-	-	-
Total cash and investment assets - ending	<u>\$ 26,996</u>	<u>\$ -</u>	<u>\$ 1,102</u>	<u>\$ 1,037</u>	<u>\$ 4,887</u>	<u>\$ 8,798</u>
Cash and Investment Fund Balance - Ending						
Restricted for:						
Debt service	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Unrestricted	26,996	-	1,102	1,037	4,887	8,798
Total cash and investment fund balance - ending	<u>\$ 26,996</u>	<u>\$ -</u>	<u>\$ 1,102</u>	<u>\$ 1,037</u>	<u>\$ 4,887</u>	<u>\$ 8,798</u>

JOHN GLENN 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)

	Title II, Part D Enhanced Teaching	Retirement Severance Bond	School Bus Replacement	Construction	Totals
Receipts:					
Local sources	\$ -	\$ 92,003	\$ 124,332	\$ -	\$ 428,817
Intermediate sources	-	-	-	-	2,268
State sources	-	-	-	-	148,382
Federal sources	-	-	-	-	273,583
Interfund loans	-	75,000	-	-	75,000
Other	-	-	-	850	850
Total receipts	-	167,003	124,332	850	928,900
Disbursements:					
Current:					
Instruction	-	-	-	-	408,664
Support services	-	-	69,989	-	264,265
Facilities acquisition and construction	-	-	-	234,672	234,672
Debt services	-	111,699	-	-	111,699
Nonprogrammed charges	-	-	-	-	50,761
Interfund loans	-	42,000	-	-	42,000
Total disbursements	-	153,699	69,989	234,672	1,112,061
Excess (deficiency) of receipts over disbursements	-	13,304	54,343	(233,822)	(183,161)
Other financing sources (uses):					
Transfers in	-	-	-	-	36,240
Transfers out	-	-	-	-	(35,600)
Total other financing sources (uses)	-	-	-	-	640
Excess (deficiency) of receipts and other financing sources over disbursements and other financing uses	-	13,304	54,343	(233,822)	(182,521)
Cash and investments - beginning	-	2,678	43,825	270,336	477,434
Cash and investments - ending	<u>\$ -</u>	<u>\$ 15,982</u>	<u>\$ 98,168</u>	<u>\$ 36,514</u>	<u>\$ 294,913</u>
Cash and Investment Assets - Ending					
Cash and investments	\$ -	\$ -	\$ 98,168	\$ 36,514	\$ 278,931
Restricted assets:					
Cash and investments	-	15,982	-	-	15,982
Total cash and investment assets - ending	\$ -	\$ 15,982	\$ 98,168	\$ 36,514	\$ 294,913
Cash and Investment Fund Balance - Ending					
Restricted for:					
Debt service	\$ -	\$ 15,982	\$ -	\$ -	\$ 15,982
Unrestricted	-	-	98,168	36,514	278,931
Total cash and investment fund balance - ending	\$ -	\$ 15,982	\$ 98,168	\$ 36,514	\$ 294,913

JOHN GLENN 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

	Edward K Vanderhoef Scholarship	John Glenn Educational Foundation	Totals
Additions:			
Investment earnings:			
Interest	\$ 3,691	\$ -	\$ 3,691
Deductions:			
Administrative and general	2,500	-	2,500
Excess of total additions over total deductions	1,191	-	1,191
Cash and investment fund balance - beginning	108,722	1,000	109,722
Cash and investments - June 30	\$ 109,913	\$ 1,000	\$ 110,913
Net assets:			
Cash and investments held in trust	\$ 109,913	\$ 1,000	\$ 110,913

JOHN GLENN 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

	Edward K Vanderhoef Scholarship	John Glenn Educational Foundation	Totals
Additions:			
Investment earnings:			
Interest	\$ 747	\$ -	\$ 747
Deductions:			
Administrative and general	<u>2,500</u>	<u>-</u>	<u>2,500</u>
Deficiency of total additions over total deductions	(1,753)	-	(1,753)
Cash and investment fund balance - beginning	<u>109,913</u>	<u>1,000</u>	<u>110,913</u>
Cash and investments - June 30	<u>\$ 108,160</u>	<u>\$ 1,000</u>	<u>\$ 109,160</u>
Net assets:			
Cash and investments held in trust	<u>\$ 108,160</u>	<u>\$ 1,000</u>	<u>\$ 109,160</u>

JOHN GLENN SCHOOL CORPORATION
 COMBINING SCHEDULE OF ADDITIONS, DEDUCTIONS, AND CHANGES IN CASH AND INVESTMENT BALANCES
 AGENCY FUNDS
 For the Year Ended June 30, 2008

	<u>Payroll Clearing</u>	<u>Non-Corporation Overtime</u>	<u>Totals</u>
Additions:			
Agency fund additions	<u>\$ 2,540,549</u>	<u>\$ 77,827</u>	<u>\$ 2,618,376</u>
Deductions:			
Agency fund deductions	<u>2,537,408</u>	<u>74,167</u>	<u>2,611,575</u>
Excess of total additions over total deductions	3,141	3,660	6,801
Cash and investment fund balance - beginning	<u>86,845</u>	<u>867</u>	<u>87,712</u>
Cash and investment fund balance - ending	<u><u>\$ 89,986</u></u>	<u><u>\$ 4,527</u></u>	<u><u>\$ 94,513</u></u>

JOHN GLENN SCHOOL CORPORATION
 COMBINING SCHEDULE OF ADDITIONS, DEDUCTIONS, AND CHANGES IN CASH AND INVESTMENT BALANCES
 AGENCY FUNDS
 For the Year Ended June 30, 2009

	<u>Payroll Clearing</u>	<u>Non-Corporation Overtime</u>	<u>Totals</u>
Additions:			
Agency fund additions	<u>\$ 2,592,601</u>	<u>\$ 78,883</u>	<u>\$ 2,671,484</u>
Deductions:			
Agency fund deductions	<u>2,598,571</u>	<u>79,427</u>	<u>2,677,998</u>
Deficiency of total additions over total deductions	(5,970)	(544)	(6,514)
Cash and investment fund balance - beginning	<u>89,986</u>	<u>4,527</u>	<u>94,513</u>
Cash and investment fund balance - ending	<u><u>\$ 84,016</u></u>	<u><u>\$ 3,983</u></u>	<u><u>\$ 87,999</u></u>

JOHN GLENN 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:	
Land	\$ 1,094,118
Buildings	41,415,282
Machinery and equipment	<u>5,465,487</u>
 Total governmental activities, capital assets not being depreciated	 <u><u>\$ 47,974,887</u></u>

JOHN GLENN SCHOOL CORPORATION
 SUPPLEMENTARY INFORMATION
 SCHEDULE OF LONG-TERM DEBT
 As of 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:		
School buildings	\$ 18,195,000	\$ 1,592,491
Notes and loans payable		
Common school loan	30,637	30,867
Bonds payable:		
General obligation bonds:		
Pension Bonds	<u>1,050,000</u>	<u>109,441</u>
Total governmental activities debt	<u>\$ 19,275,637</u>	<u>\$ 1,732,799</u>

JOHN GLENN SCHOOL CORPORATION
AUDIT RESULT AND COMMENT

GREENHOUSE PROJECT

The School Board minutes of June 17, 2008, show that all bids received for the greenhouse were over \$150,000, which was higher than the maximum payment amount the Board had previously approved. The minutes show that the architect and the School Superintendent will discuss ways to lower the cost with the low bidder. The minutes also show that the Board approved spending up to \$147,000 on the greenhouse. The School Board minutes of July 15, 2008, show that the lowest bidder on the greenhouse project, Michiana contracting, reduced their bid to \$147,000. The minutes do not show that the original bid was approved or that all bids were rejected. Additionally, the minutes do not show the School Board authorizing a change order for the protest.

The project architect's bid tabulation shows seven bidders on the greenhouse project, with Michiana Contracting's base bid of \$157,877, the lowest. Other base bids ranged from \$171,000 to \$198,000.

Total payments to Michiana Contracting for the greenhouse project were \$146,500. The final invoice shows a \$500 change order reduction.

IC 36-1-12-4(b)(8) states in part: ". . . the board shall: (A) award the contract for the public work or improvements to the lowest responsible and responsive bidder, or (B) reject all bids submitted." IC 36-1-12-18(c) states: "A change order may not be issued before commencement of the actual construction, reconstruction, or repairs except in the case of an emergency. In that case, the board must make a declaration, and the board's minutes must show the nature of the emergency."

SUPPLEMENTAL AUDIT OF
FEDERAL AWARDS



STATE OF INDIANA
AN EQUAL OPPORTUNITY EMPLOYER

STATE BOARD OF ACCOUNTS
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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 JOHN GLENN SCHOOL
CORPORATION, ST. JOSEPH COUNTY, INDIANA

Compliance

We have audited the compliance of the John Glenn 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, 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

January 13, 2010

JOHN GLENN 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		\$ 36,871	\$ 48,245
National School Lunch Program	10.555		252,358	325,814
Special Milk Program for Children	10.556		1,654	-
Fresh Fruit and Vegetable Program	10.582		<u>39,868</u>	<u>27,682</u>
Total for federal grantor agency			<u>330,751</u>	<u>401,741</u>
<u>U.S. DEPARTMENT OF EDUCATION</u>				
Pass-Through Indiana Department of Education				
Title I, Part A Cluster				
Title I Grants to Local Educational Agencies				
07-7150	84.010		24,867	-
08-7150			196,385	36,387
09-7150			<u>-</u>	<u>206,999</u>
Total for cluster			<u>221,252</u>	<u>243,386</u>
Safe and Drug Free Schools and Communities - State Grants				
05-165	84.186		918	-
7150-06			3,936	2,207
7150-07			<u>-</u>	<u>5,077</u>
Total for program			<u>4,854</u>	<u>7,284</u>
State Grants for Innovative Programs				
06-7150	84.298		2,785	-
07-7150			<u>-</u>	<u>2,825</u>
Total for program			<u>2,785</u>	<u>2,825</u>
Education Technology - State Grants				
Period 2005-2007	84.318		2,372	-
Period 2006-2008			63,157	-
Period 2007-2009			<u>-</u>	<u>61,890</u>
Total for program			<u>65,529</u>	<u>61,890</u>
State Fiscal Stabilization Fund Cluster				
ARRA - State Fiscal Stabilization Fund - Education State Grants	84.394		<u>-</u>	<u>308,061</u>
Total for federal grantor agency			<u>294,420</u>	<u>623,446</u>
Total federal awards expended			<u>\$ 625,171</u>	<u>\$ 1,025,187</u>

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

JOHN GLENN 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 John Glenn 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	2008	2009
Child Nutrition Cluster			
School Breakfast Program	10.553	\$ 6,220	\$ 7,248
National School Lunch Program	10.555	40,745	48,948

JOHN GLENN 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
	ARRA – State Stabilization Fund 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.

JOHN GLENN SCHOOL CORPORATION
SUMMARY SCHEDULE OF PRIOR AUDIT FINDINGS

No matters are reportable.

JOHN GLENN SCHOOL CORPORATION
EXIT CONFERENCE

The contents of this report were discussed on January 13, 2010, with Darlene M. Flora, Treasurer; Richard M. Reese, Superintendent of Schools; and Michael D. Daube, President of the School Board. The officials concurred with our audit finding.