

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

AUDIT REPORT
OF
SEYMOUR COMMUNITY SCHOOLS
JACKSON COUNTY, INDIANA
July 1, 2007 to June 30, 2009



FILED
03/02/2010

TABLE OF CONTENTS

<u>Description</u>	<u>Page</u>
Schedule of Officials	2
Independent Auditor's Report on Financial Statements and Supplementary Schedule of Expenditures of Federal Awards	3-4
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	5-6
Basic Financial Statements:	
Government-Wide Financial Statements:	
Statement of Activities and Net Assets – Cash and Investment Basis	7-8
Fund Financial Statements:	
Governmental Funds:	
Statement of Assets and Fund Balances and Receipts, Disbursements, and Changes in Fund Balances – Cash and Investment Basis – Governmental Funds	9-10
Proprietary Fund:	
Statement of Assets and Fund Balances and Receipts, Disbursements, and Changes in Fund Balances – Cash and Investment Basis – Proprietary Fund	11-12
Fiduciary Funds:	
Statement of Additions, Deductions, and Changes in Cash and Investment Balances – Fiduciary Funds	13-14
Notes to Financial Statements	15-25
Required Supplementary Information:	
Schedule of Funding Progress	26
Supplementary Information:	
Combining Schedule of Assets and Fund Balances and Receipts, Disbursements, and Changes in Fund Balances – Cash and Investment Basis – Other Governmental Funds.....	27-40
Combining Schedule of Additions, Deductions, and Changes in Cash and Investment Balances – Private-Purpose Trust Funds	41-44
Schedule of Capital Assets.....	45
Schedule of Long-Term Debt	46
Audit Result and Comment:	
Honors Diplomas	47
Supplemental Audit of Federal Awards:	
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.....	50-51
Schedule of Expenditures of Federal Awards	52-53
Notes to Schedule of Expenditures of Federal Awards.....	54
Schedule of Findings and Questioned Costs	55
Auditee Prepared Schedule:	
Summary Schedule of Prior Audit Findings	56
Exit Conference.....	57

SCHEDULE OF OFFICIALS

<u>Office</u>	<u>Official</u>	<u>Term</u>
Treasurer	Nancy R. Lumley	07-01-07 to 06-30-10
Superintendent of Schools	Dr. Robert E. Schmielau Dr. Teran Armstrong	07-01-07 to 06-30-08 07-01-08 to 06-30-13
President of the School Board	Martha McIntire	07-01-07 to 06-30-10



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

TO: THE OFFICIALS OF THE SEYMOUR COMMUNITY SCHOOLS, JACKSON COUNTY, INDIANA

We have audited the accompanying financial statements of the governmental activities, each major fund, and the aggregate remaining fund information of the Seymour Community Schools (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 February 9, 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

February 9, 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 SEYMOUR COMMUNITY SCHOOLS, JACKSON COUNTY, INDIANA

We have audited the financial statements of the governmental activities, each major fund, and the aggregate remaining fund information of the Seymour Community Schools (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 February 9, 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, the 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

February 9, 2010

SEYMOUR COMMUNITY SCHOOLS
STATEMENT OF ACTIVITIES AND NET ASSETS - CASH AND INVESTMENT BASIS
For the Year Ended June 30, 2008

<u>Functions/Programs</u>	<u>Disbursements</u>	Program Receipts		<u>Totals</u>
		Charges for Services	Operating Grants and Contributions	
Governmental activities:				Net (Disbursements) Receipts and Changes in Net Assets
Instruction	\$ 16,836,095	\$ -	\$ 225,971	\$ (16,610,124)
Support services	9,331,316	964,036	741,800	(7,625,480)
Noninstructional services	2,891,856	-	-	(2,891,856)
Facilities acquisition and construction	804,257	-	-	(804,257)
Debt service	14,156,513	-	-	(14,156,513)
Nonprogrammed charges	4,303,236	744,632	-	(3,558,604)
Total governmental activities	\$ 48,323,273	\$ 1,708,668	\$ 967,771	(45,646,834)
General receipts:				
Property taxes				19,359,224
Other local sources				3,441,129
State aid				12,017,056
Bonds and loans				10,500,000
Grants and contributions not restricted to specific programs				1,872,029
Sale of property				71,050
Investment earnings				548,124
Other				2,624
Total general receipts				47,811,236
Change in net assets				2,164,402
Net assets - beginning				10,559,918
Net assets - ending				\$ 12,724,320
 <u>Assets</u>				
Cash and investments				\$ 10,918,045
Restricted assets:				
Cash and investments				1,806,275
Total assets				\$ 12,724,320
 <u>Net Assets</u>				
Restricted for:				
Other purposes				\$ 1,806,275
Unrestricted				10,918,045
Total net assets				\$ 12,724,320

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

SEYMOUR COMMUNITY SCHOOLS
STATEMENT OF ACTIVITIES AND NET ASSETS - CASH AND INVESTMENT BASIS
For the Year Ended June 30, 2009

<u>Functions/Programs</u>	<u>Disbursements</u>	<u>Program Receipts</u>		<u>Totals</u>
		<u>Charges for Services</u>	<u>Operating Grants and Contributions</u>	
Governmental activities:				Net (Disbursements) Receipts and Changes in Net Assets
Instruction	\$ 16,994,852	\$ -	\$ 208,462	\$ (16,786,390)
Support services	10,858,411	983,510	991,111	(8,883,790)
Noninstructional services	2,150,695	-	-	(2,150,695)
Facilities acquisition and construction	2,278,952	-	-	(2,278,952)
Debt service	14,150,087	-	-	(14,150,087)
Nonprogrammed charges	<u>4,539,915</u>	<u>832,835</u>	<u>-</u>	<u>(3,707,080)</u>
Total governmental activities	<u>\$ 50,972,912</u>	<u>\$ 1,816,345</u>	<u>\$ 1,199,573</u>	<u>(47,956,994)</u>
General receipts:				
Property taxes				17,372,845
Other local sources				2,478,217
State aid				16,162,397
Bonds and loans				5,000,000
Grants and contributions not restricted to specific programs				4,050,010
Sale of property				70,790
Investment earnings				210,924
Other				<u>6,108</u>
Total general receipts				<u>45,351,291</u>
Change in net assets				(2,605,703)
Net assets - beginning				<u>12,724,320</u>
Net assets - ending				<u>\$ 10,118,617</u>
<u>Assets</u>				
Cash and investments				\$ 8,456,851
Restricted assets:				
Cash and investments				<u>1,661,766</u>
Total assets				<u>\$ 10,118,617</u>
<u>Net Assets</u>				
Restricted for:				
Other purposes				\$ 1,661,766
Unrestricted				<u>8,456,851</u>
Total net assets				<u>\$ 10,118,617</u>

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

SEYMOUR COMMUNITY SCHOOLS
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	Rainy Day	Capital Projects	Other	Totals
Receipts:					
Local sources	\$ 11,254,870	\$ -	\$ 4,655,974	\$ 8,361,023	\$ 24,271,867
Intermediate sources	19,834	-	-	1,125	20,959
State sources	12,151,477	-	-	216,894	12,368,371
Federal sources	-	-	-	2,508,172	2,508,172
Temporary loans	10,500,000	-	-	-	10,500,000
Interfund loan repayments	28,226	-	2,668,797	-	2,697,023
Other	-	-	-	2,624	2,624
	<u>33,954,407</u>	<u>-</u>	<u>7,324,771</u>	<u>11,089,838</u>	<u>52,369,016</u>
Disbursements:					
Current:					
Instruction	15,025,945	3,866	-	1,806,284	16,836,095
Support services	5,340,588	244,196	1,772,310	1,974,222	9,331,316
Noninstructional services	551,277	-	-	2,340,579	2,891,856
Facilities acquisition and construction	-	-	788,224	16,033	804,257
Debt services	10,000,000	-	-	4,156,513	14,156,513
Nonprogrammed charges	310,052	-	-	189,341	499,393
Interfund loans repayments	-	2,164,867	-	532,156	2,697,023
	<u>31,227,862</u>	<u>2,412,929</u>	<u>2,560,534</u>	<u>11,015,128</u>	<u>47,216,453</u>
Excess (deficiency) of receipts over disbursements	<u>2,726,545</u>	<u>(2,412,929)</u>	<u>4,764,237</u>	<u>74,710</u>	<u>5,152,563</u>
Other financing sources (uses):					
Sale of capital assets	202	-	-	70,848	71,050
Transfers in	5,987	3,000,000	-	26,328	3,032,315
Transfers out	(2,532,095)	(189,291)	(3,029,407)	(136,626)	(5,887,419)
	<u>(2,525,906)</u>	<u>2,810,709</u>	<u>(3,029,407)</u>	<u>(39,450)</u>	<u>(2,784,054)</u>
Excess of receipts and other financing sources over disbursements and other financing uses	200,639	397,780	1,734,830	35,260	2,368,509
Cash and investments - beginning	1,171,871	-	7,494,368	(116,703)	8,549,536
Cash and investments - ending	<u>\$ 1,372,510</u>	<u>\$ 397,780</u>	<u>\$ 9,229,198</u>	<u>\$ (81,443)</u>	10,918,045
Amounts reported for governmental activities in the Statement of Cash Activities and Net Assets - Cash and Investment Basis are different because:					
Internal service funds are used by management to charge the costs of certain services to individual funds. The assets and liabilities of the internal service funds are included in governmental activities in the Statement of Activities and Net Assets - Cash and Investment Basis.					
					<u>1,806,275</u>
Net assets of governmental activities					<u>\$ 12,724,320</u>
Cash and Investment Assets - Ending					
Cash and investments	<u>\$ 1,372,510</u>	<u>\$ 397,780</u>	<u>\$ 9,229,198</u>	<u>\$ (81,443)</u>	<u>\$ 10,918,045</u>
Cash and Investment Fund Balance - Ending					
Unrestricted	<u>\$ 1,372,510</u>	<u>\$ 397,780</u>	<u>\$ 9,229,198</u>	<u>\$ (81,443)</u>	<u>\$ 10,918,045</u>

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

SEYMOUR COMMUNITY SCHOOLS
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	Rainy Day	Fiscal Stabilization/ Stimulus	Capital Projects	Other	Totals
Receipts:						
Local sources	\$ 10,047,593	\$ -	\$ -	\$ 3,996,731	\$ 6,953,097	\$ 20,997,421
Intermediate sources	-	-	-	-	1,256	1,256
State sources	16,279,237	-	-	-	353,623	16,632,860
Federal sources	-	-	2,010,121	-	2,815,818	4,825,939
Temporary loans	5,000,000	-	-	-	-	5,000,000
Other	-	-	-	-	6,108	6,108
Total receipts	31,326,830	-	2,010,121	3,996,731	10,129,902	47,463,584
Disbursements:						
Current:						
Instruction	15,083,978	82,417	-	-	1,828,457	16,994,852
Support services	6,394,511	-	-	1,989,803	2,474,097	10,858,411
Noninstructional services	293,866	-	-	-	1,856,829	2,150,695
Facilities acquisition and construction	-	14,275	-	2,264,677	-	2,278,952
Debt services	10,000,000	-	-	-	4,150,087	14,150,087
Nonprogrammed charges	340,042	-	-	-	180,197	520,239
Total disbursements	32,112,397	96,692	-	4,254,480	10,489,667	46,953,236
Excess (deficiency) of receipts over disbursements	(785,567)	(96,692)	2,010,121	(257,749)	(359,765)	510,348
Other financing sources (uses):						
Sale of capital assets	10,976	-	-	-	59,814	70,790
Transfers in	-	2,600,000	-	-	29,821	2,629,821
Transfers out	(2,734,519)	-	-	(2,632,294)	(305,340)	(5,672,153)
Total other financing sources (uses)	(2,723,543)	2,600,000	-	(2,632,294)	(215,705)	(2,971,542)
Excess (deficiency) of receipts and other financing sources over disbursements and other financing uses	(3,509,110)	2,503,308	2,010,121	(2,890,043)	(575,470)	(2,461,194)
Cash and investments - beginning	1,372,510	397,780	-	9,229,198	(81,443)	10,918,045
Cash and investments - ending	<u>\$ (2,136,600)</u>	<u>\$ 2,901,088</u>	<u>\$ 2,010,121</u>	<u>\$ 6,339,155</u>	<u>\$ (656,913)</u>	8,456,851
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.						1,661,766
Net assets of governmental activities						<u>\$ 10,118,617</u>
Cash and Investment Assets - Ending						
Cash and investments	<u>\$ (2,136,600)</u>	<u>\$ 2,901,088</u>	<u>\$ 2,010,121</u>	<u>\$ 6,339,155</u>	<u>\$ (656,913)</u>	<u>\$ 8,456,851</u>
Cash and Investment Fund Balance - Ending						
Unrestricted	<u>\$ (2,136,600)</u>	<u>\$ 2,901,088</u>	<u>\$ 2,010,121</u>	<u>\$ 6,339,155</u>	<u>\$ (656,913)</u>	<u>\$ 8,456,851</u>

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

SEYMOUR COMMUNITY SCHOOLS
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

	<u>Internal Service Fund</u>
Operating receipts:	
Charges for services	\$ 744,632
Operating disbursements:	
Insurance claims and expense	<u>3,803,843</u>
Deficiency of operating receipts over operating disbursements	(3,059,211)
Transfers in	<u>2,855,104</u>
Change in net assets	(204,107)
Cash and investment fund balance - beginning	<u>2,010,382</u>
Cash and investment fund balance - ending	<u>\$ 1,806,275</u>
<u>Cash and Investment Assets - Ending</u>	
Restricted assets:	
Cash and investments	<u>\$ 1,806,275</u>
<u>Cash and Investment Fund Balance - Ending</u>	
Restricted for:	
Other purposes	<u>\$ 1,806,275</u>

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

SEYMOUR COMMUNITY SCHOOLS
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	\$ 832,835
Operating disbursements:	
Other	4,019,676
Deficiency of operating receipts over operating disbursements	(3,186,841)
Transfers in	3,042,332
Change in net assets	(144,509)
Cash and investment fund balance - beginning	1,806,275
Cash and investment fund balance - ending	\$ 1,661,766
<u>Cash and Investment Assets - Ending</u>	
Restricted assets:	
Cash and investments	\$ 1,661,766
<u>Cash and Investment Fund Balance - Ending</u>	
Restricted for:	
Other purposes	\$ 1,661,766

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

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

	<u>Private-Purpose Trust Funds</u>
Additions: Contributions: Other	\$ 29,669
Investment earnings: Interest	<u>42,262</u>
Total additions	<u>71,931</u>
Deductions: Administrative and general	<u>71,438</u>
Excess of total additions over total deductions	493
Cash and investment fund balance - beginning	<u>91,415</u>
Cash and investment fund balance - ending	<u>\$ 91,908</u>
Net assets: Cash and investments	<u>\$ 91,908</u>
Total net assets - cash and investment basis held in trust	<u>\$ 91,908</u>

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

SEYMOUR COMMUNITY SCHOOLS
STATEMENT OF ADDITIONS, DEDUCTIONS, AND CHANGES IN CASH AND INVESTMENT BALANCES
FIDUCIARY FUNDS
For the Year Ended June 30, 2009

	<u>Private-Purpose Trust Funds</u>
Additions:	
Contributions:	
Other	\$ <u>57,800</u>
Deductions:	
Administrative and general	<u>31,265</u>
Excess of total additions over total deductions	26,535
Cash and investment fund balance - beginning	<u>91,908</u>
Cash and investment fund balance - ending	<u>\$ 118,443</u>
Net assets:	
Cash and investments	<u>\$ 118,443</u>
Total net assets - cash and investment basis held in trust	<u>\$ 118,443</u>

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

SEYMOUR COMMUNITY SCHOOLS
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: Seymour Community Schools

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

Joint Ventures

The School Corporation participates in the Bartholomew County Special Services Cooperative (Co-op), a joint school services program established to provide instruction for handicapped children. The Co-op's governing board consists of the Superintendent from each participating school corporation. Funding is provided by a federal grant and each school corporation within the county based on total operating costs (less federal funding) divided by the Average Daily Membership (ADM). Financial information of the Co-op is part of the General Fund of the Bartholomew Consolidated School Corporation.

The School Corporation participates in the C4 Columbus Career Connection Cooperative (Co-op), a joint school services program established to provide instruction for occupational training. The Co-op's administrative advisory committee consists of a member selected by each participating school corporation. The Co-op's administrative control is under the authority of the Board of School Trustees of the Bartholomew County Consolidated School Corporation, Columbus, Indiana. Funding is provided by each participating school corporation based on the total operating costs divided by the number of students attending. Financial information of the Co-op is part of the General Fund of the Bartholomew County Consolidated School Corporation.

The School Corporation participates in the William E. Wilson Education Service Center (Co-op), a joint school services program established to provide program and services which they collectively may implement. The Co-op's governing board consists of a member selected by each participating school corporation. Funding is provided by each participating school corporation based on a per student charge assessed on the ADM certified to the Department of Education. Financial information for the Co-op can be obtained from the audit report of the William E. Wilson Service Center at 2101 Grace Avenue, Charlestown, Indiana 47111.

SEYMOUR COMMUNITY SCHOOLS
NOTES TO FINANCIAL STATEMENTS
(Continued)

B. Government-Wide and Fund Financial Statements

Government-Wide Financial Statements

The Statement of Activities and Net Assets – Cash and Investment Basis displays information about the reporting government as a whole. It includes all funds of the reporting entity except for fiduciary funds. Governmental activities generally are financed through taxes, intergovernmental revenues, and other nonexchange revenues.

Fund Financial Statements

Fund financial statements of the reporting entity are organized into funds, each of which is considered to be a separate accounting entity. Each fund is accounted for by providing a separate set of self-balancing accounts that constitutes its assets, fund equity, receipts, and disbursements. Separate financial statements are provided for governmental funds, 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 rainy day fund is used to account for funds in accordance with IC 36-1-8-5.1 and a locally adopted resolution.

The 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.

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 self-insurance claims which are handled by a third party administrator.

The private-purpose trust fund reports a trust arrangement under which principal and income benefit individuals as scholarships.

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.

SEYMOUR COMMUNITY SCHOOLS
NOTES TO FINANCIAL STATEMENTS
(Continued)

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

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

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

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

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

D. Assets and Cash and Investment Balances

1. Cash and Investments

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

2. Property Taxes

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

SEYMOUR COMMUNITY SCHOOLS
NOTES TO FINANCIAL STATEMENTS
(Continued)

5. Equity Classification

Government-Wide Statements

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

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

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

Fund Financial Statements

Governmental fund equity is classified as fund balance. 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, (2) operating grants and contributions, and (3) capital grants and contributions, including special assessments. Internally dedicated resources are reported as general receipts rather than as program receipts. Likewise, general receipts include all taxes.

2. Operating Receipts and Disbursements

Operating receipts and disbursements for 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 reimbursements – Repayments from funds responsible for certain disbursements to the funds that initially paid for them are reported as reimbursements.

SEYMOUR COMMUNITY SCHOOLS
NOTES TO FINANCIAL STATEMENTS
(Continued)

2. 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. 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

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

B. Cash and Investment Balance Deficits

At June 30, 2008 and 2009, the following funds reported deficits in cash and investments, which are violations of the Uniform Compliance Guidelines as authorized by state statute:

SEYMOUR COMMUNITY SCHOOLS
NOTES TO FINANCIAL STATEMENTS
(Continued)

Fund	2008	2009
General	\$ -	\$ 2,136,600
Transportation Operating	131,300	217,858
Special Education Preschool	13,297	121,227
IDEA 94-142 EHA Part B	120,641	73,467
IDEA Grant/Preschool 2007/2008	10,793	-
IDEA Grant/Preschool 2008/2009	-	11,173
Project Lead the Way 2008/2009	-	15,000
Class Reduction Title II, Part A 2008/2009	-	494
Debt Service	876,439	984,884
Retirement/Severance Debt Service	117,470	142,169
School Bus Replacement	-	93,968

Cash and investment deficits arose primarily from disbursements exceeding receipts due to the underestimate of current requirements; these deficits are to be repaid from future receipts.

III. Detailed Notes on All Funds

A. Deposits

Custodial credit risk is the risk that in the event of a bank failure, the government's deposits may not be returned to it. Indiana Code 5-13-8-1 allows a political subdivision of the State of Indiana to deposit public funds in a financial institution only if the financial institution is a depository eligible to receive state funds and has a principal office or branch that qualifies to receive public funds of the political subdivision. The School Corporation does not have a deposit policy for custodian credit risk. At June 30, 2009, the School Corporation had deposit balances in the amount of \$10,563,830. 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:

Transfer From	Transfer To	2008	2009
General Fund	Other governmental funds	\$ 8,792	\$ -
	Internal Service Fund	2,523,303	2,734,519
Rainy Day Fund	Internal Service Fund	189,291	-
Capital Projects	Rainy Day Fund	3,000,000	2,600,000
	Internal Service Fund	29,407	32,294
Other governmental funds	General Fund	5,987	-
	Other governmental funds	17,536	29,821
	Internal Service Fund	113,103	275,519
Totals		<u>\$ 5,887,419</u>	<u>\$ 5,672,153</u>

SEYMOUR COMMUNITY SCHOOLS
NOTES TO FINANCIAL STATEMENTS
(Continued)

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

C. Restatements and Reclassifications

For the year ended June 30, 2007, 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. The change in major funds represents the net effect of major funds reported in the prior report and the major funds reported in the current report. Prior period adjustments represent investments not included in the cash and investment balances in the prior report.

Opinion Unit	Balance as Reported June 30, 2007	Fund Reclassification	Change in Major Funds	Prior Period Adjustments	Balance as Restated July 1, 2008
Governmental activities	\$ 10,460,067	\$ -	\$ -	\$ 99,851	\$ 10,559,918
Governmental funds - Other	780,966	(205)	(997,464)	100,000	(116,703)
Governmental fund - Transportation	(412,424)	18,188	-	-	(394,236)
Governmental Fund - Special Education/Preschool	142,749	(205)	-	-	142,544
Governmental fund - Bus Replacement	244,472	(18,188)	-	-	226,284
Governmental fund - School Lunch	246,616	-	-	100,000	346,616
Governmental fund - General	1,172,020	-	-	(149)	1,171,871
Governmental fund - Capital Projects	7,494,163	205	-	-	7,494,368

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

The School Corporation has chosen to establish a risk financing fund for risks associated with medical benefits to employees. The risk financing fund is accounted for in the Self-Insurance Fund, an internal service fund, where assets are set aside for claim settlements. An excess policy through commercial insurance covers individual claims in excess of \$150,000 per year. Settled claims resulting from this risk did not exceed commercial insurance coverage in the past three years. Interfund premiums are paid into the fund by all affected funds and are available to pay claims, claim reserves, and administrative costs of the program. Interfund premiums are based upon an overall premium percentage which is applied to each affected fund and are reported as quasi-external interfund transactions.

SEYMOUR COMMUNITY SCHOOLS
NOTES TO FINANCIAL STATEMENTS
(Continued)

B. Holding Corporations

The School Corporation has entered into a capital lease with the Seymour Community Elementary School and Community High School Building Corporation of Seymour (the lessor). The lessor was organized as a not-for-profit corporation pursuant to state statute for the purpose of financing and constructing or reconstructing facilities for lease to the School Corporation. The lessor has been determined to be a related party of the School Corporation. Lease payments during the audit period totaled \$7,673,500.

C. Subsequent Events

The School Corporation received \$2,010,121 from the State Fiscal Stabilization Fund (SFSF) - Government Services Recovery Act grant program and \$70,838 from the Title I Grants to Local Educational Agencies, Recovery Act grant program on June 8, 2009. The entire amounts of the grants have been expended in the subsequent period, from July 2009 to October 2009.

The School Corporation entered into Qualified School Corporation Bonds totaling \$1,980,000 on August 11, 2009. The proceeds are to be used to replace the roof on the Seymour Community High School building.

D. Termination Benefits

In addition to the pension benefits described below, the School Corporation provides post-employment health insurance benefits, as authorized by Indiana Code 5-10-8, to all employees who retire from the School Corporation on or after attaining age 55 with at least 15 years of service prior to 2006. Currently, 23 retirees meet these eligibility requirements. The School Corporation provides benefits equal to the cost of the single rate or family rate plan at the time of retirement until the retiree reaches age 65. The retiree is responsible for any additional costs associated with this benefit. Disbursements for those termination benefits are recognized on a pay-as-you-go basis. During the year ended June 30, 2009, disbursements of \$113,390 were recognized for termination benefits.

E. Pension Plans

1. Agent Multiple-Employer Defined Benefit Pension Plan

Public Employees' Retirement Fund

Plan Description

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

SEYMOUR COMMUNITY SCHOOLS
NOTES TO FINANCIAL STATEMENTS
(Continued)

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	\$ 278,150
Interest on net pension obligation	(2,326)
Adjustment to annual required contribution	2,651
Annual pension cost	278,475
Contributions made	249,754
Increase in net pension obligation	28,721
Net pension obligation, beginning of year	(32,087)
Net pension obligation, end of year	\$ (3,366)

	PERF
Contribution rates:	
School Corporation	8%
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

SEYMOUR COMMUNITY SCHOOLS
NOTES TO FINANCIAL STATEMENTS
(Continued)

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

Three Year Trend Information

	Year Ending	Annual Pension Cost (APC)	Percentage of APC Contributed	Net Pension Obligation
PERF	06-30-06	\$ 254,848	82%	\$ (81,550)
	06-30-07	269,747	82%	(32,087)
	06-30-08	278,475	90%	(3,366)

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

SEYMOUR COMMUNITY SCHOOLS
NOTES TO FINANCIAL STATEMENTS
(Continued)

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.

Plan members are required to contribute 3% of their salary and 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 \$628,255, \$603,761, and \$522,425, respectively. The School Corporation actually contributed 100% of the required contribution for each of the fiscal years.

SEYMOUR COMMUNITY SCHOOLS
 REQUIRED SUPPLEMENTARY INFORMATION
 SCHEDULE OF FUNDING PROGRESS

Public Employees' Retirement Fund

Actuarial Valuation Date	Actuarial Value of Assets (a)	Actuarial Accrued Liability (AAL) (b)	Unfunded AAL (a-b)	Funded Ratio (a/b)	Covered Payroll (c)	Unfunded AAL as a Percentage of Covered Payroll ((a-b)/c)
07-01-06	\$ 3,351,411	\$ 4,087,544	\$ (736,133)	82%	\$ 3,348,192	(22%)
07-01-07	3,443,295	4,097,808	(654,513)	84%	3,429,744	(19%)
07-01-08	3,621,978	4,163,224	(541,246)	87%	3,278,368	(17%)

SEYMOUR COMMUNITY SCHOOLS
 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	Education License Plate	Alternative Education Grant	School Safe Haven
Receipts:							
Local sources	\$ 1,225,418	\$ 33,473	\$ 1,568,423	\$ 475,312	\$ -	\$ -	\$ -
Intermediate sources	-	-	-	-	1,125	-	-
State sources	-	99,577	-	-	-	15,131	1,136
Federal sources	-	-	761,488	-	-	-	-
Other	-	-	-	-	-	-	-
Total receipts	<u>1,225,418</u>	<u>133,050</u>	<u>2,329,911</u>	<u>475,312</u>	<u>1,125</u>	<u>15,131</u>	<u>1,136</u>
Disbursements:							
Current:							
Instruction	-	268,102	-	-	-	-	17,328
Support services	898,480	6,711	-	349,006	-	-	-
Noninstructional services	-	-	2,319,478	-	-	-	-
Facilities acquisition and construction	-	-	-	-	-	-	-
Debt services	-	-	-	-	4,441	-	-
Nonprogrammed charges	-	-	-	-	-	-	-
Interfund loans	81,680	-	-	-	-	-	-
Total disbursements	<u>980,160</u>	<u>274,813</u>	<u>2,319,478</u>	<u>349,006</u>	<u>4,441</u>	<u>-</u>	<u>17,328</u>
Excess (deficiency) of receipts over disbursements	<u>245,258</u>	<u>(141,763)</u>	<u>10,433</u>	<u>126,306</u>	<u>(3,316)</u>	<u>15,131</u>	<u>(16,192)</u>
Other financing sources (uses);							
Sale of capital assets	-	-	18,066	-	-	-	-
Transfers in	-	-	-	-	-	-	-
Transfers out	17,678	(14,078)	-	-	-	-	-
Total other financing sources (uses)	<u>17,678</u>	<u>(14,078)</u>	<u>18,066</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Excess (deficiency) of receipts and other financing sources over disbursements and other financing uses	262,936	(155,841)	28,499	126,306	(3,316)	15,131	(16,192)
Cash and investments - beginning	(394,236)	142,544	346,616	52,637	8,263	16,554	20,663
Cash and investments - ending	<u>\$ (131,300)</u>	<u>\$ (13,297)</u>	<u>\$ 375,115</u>	<u>\$ 178,943</u>	<u>\$ 4,947</u>	<u>\$ 31,685</u>	<u>\$ 4,471</u>
<u>Cash and Investment Assets - Ending</u>							
Cash and investments	<u>\$ (131,300)</u>	<u>\$ (13,297)</u>	<u>\$ 375,115</u>	<u>\$ 178,943</u>	<u>\$ 4,947</u>	<u>\$ 31,685</u>	<u>\$ 4,471</u>
<u>Cash and Investment Fund Balance - Ending</u>							
Unrestricted	<u>\$ (131,300)</u>	<u>\$ (13,297)</u>	<u>\$ 375,115</u>	<u>\$ 178,943</u>	<u>\$ 4,947</u>	<u>\$ 31,685</u>	<u>\$ 4,471</u>

SEYMOUR COMMUNITY SCHOOLS
 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)

	Early Intervention	Community Foundation "Art Smart"	Educational Opportunities	Gifted and Talented 2006/2007	Gifted and Talented 2007/2008	Tech Prep 2000 #1000-3765	Medicaid Reimbursement Fund/Federal
Receipts:							
Local sources	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Intermediate sources	-	-	-	-	-	-	-
State sources	9,500	-	-	-	43,053	-	-
Federal sources	-	-	-	-	-	-	-
Other	-	-	-	-	-	-	-
Total receipts	<u>9,500</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>43,053</u>	<u>-</u>	<u>-</u>
Disbursements:							
Current:							
Instruction	-	72	-	945	32,582	956	39,041
Support services	7,000	-	-	-	-	-	78,911
Noninstructional services	-	-	-	-	-	-	-
Facilities acquisition and construction	-	-	-	-	-	-	-
Debt services	-	-	-	-	-	-	-
Nonprogrammed charges	-	-	-	-	-	-	-
Interfund loans	-	-	-	-	-	-	-
Total disbursements	<u>7,000</u>	<u>72</u>	<u>-</u>	<u>945</u>	<u>32,582</u>	<u>956</u>	<u>117,952</u>
Excess (deficiency) of receipts over disbursements	<u>2,500</u>	<u>(72)</u>	<u>-</u>	<u>(945)</u>	<u>10,471</u>	<u>(956)</u>	<u>(117,952)</u>
Other financing sources (uses):							
Sale of capital assets	-	-	-	-	-	-	-
Transfers in	-	-	-	-	-	-	-
Transfers out	-	-	-	-	-	-	-
Total other financing sources (uses)	<u>-</u>	<u>-</u>	<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>2,500</u>	<u>(72)</u>	<u>-</u>	<u>(945)</u>	<u>10,471</u>	<u>(956)</u>	<u>(117,952)</u>
Cash and investments - beginning	<u>7,000</u>	<u>72</u>	<u>4,017</u>	<u>945</u>	<u>-</u>	<u>956</u>	<u>117,952</u>
Cash and investments - ending	<u>\$ 9,500</u>	<u>\$ -</u>	<u>\$ 4,017</u>	<u>\$ -</u>	<u>\$ 10,471</u>	<u>\$ -</u>	<u>\$ -</u>
Cash and Investment Assets - Ending							
Cash and investments	<u>\$ 9,500</u>	<u>\$ -</u>	<u>\$ 4,017</u>	<u>\$ -</u>	<u>\$ 10,471</u>	<u>\$ -</u>	<u>\$ -</u>
Cash and Investment Fund Balance - Ending							
Unrestricted	<u>\$ 9,500</u>	<u>\$ -</u>	<u>\$ 4,017</u>	<u>\$ -</u>	<u>\$ 10,471</u>	<u>\$ -</u>	<u>\$ -</u>

SEYMOUR COMMUNITY SCHOOLS
 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)

	Non-English Speaking Program	School Farm	Title I 2007/2008	Title I 2006/2007	School Improvement Title I Jackson 2007/2008	School Improvement Title I Redding 2007/2008
Receipts:						
Local sources	\$ 4,880	\$ 692	\$ -	\$ -	\$ -	\$ -
Intermediate sources	-	-	-	-	-	-
State sources	48,497	-	-	-	-	-
Federal sources	-	-	513,999	131,050	40,000	40,000
Other	-	-	-	-	-	-
Total receipts	53,377	692	513,999	131,050	40,000	40,000
Disbursements:						
Current:						
Instruction	23,586	25,203	302,968	159,953	7,905	20,612
Support services	-	200	98,848	40,110	2,310	2,160
Noninstructional services	-	-	7,389	10,637	-	1,359
Facilities acquisition and construction	-	-	2,009	-	-	-
Debt services	-	-	-	-	-	-
Nonprogrammed charges	-	5,000	-	-	-	-
Interfund loans	-	-	-	-	-	-
Total disbursements	23,586	30,403	411,214	210,700	10,215	24,131
Excess (deficiency) of receipts over disbursements	29,791	(29,711)	102,785	(79,650)	29,785	15,869
Other financing sources (uses);						
Sale of capital assets	-	52,782	-	-	-	-
Transfers in	-	-	8,548	8,792	-	-
Transfers out	-	-	-	(28,427)	-	-
Total other financing sources (uses)	-	52,782	8,548	(19,635)	-	-
Excess (deficiency) of receipts and other financing sources over disbursements and other financing uses	29,791	23,071	111,333	(99,285)	29,785	15,869
Cash and investments - beginning	8,295	78,264	-	99,285	-	-
Cash and investments - ending	\$ 38,086	\$ 101,335	\$ 111,333	\$ -	\$ 29,785	\$ 15,869
Cash and Investment Assets - Ending						
Cash and investments	\$ 38,086	\$ 101,335	\$ 111,333	\$ -	\$ 29,785	\$ 15,869
Cash and Investment Fund Balance - Ending						
Unrestricted	\$ 38,086	\$ 101,335	\$ 111,333	\$ -	\$ 29,785	\$ 15,869

SEYMOUR COMMUNITY SCHOOLS
 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)

	Old Migrant Grant	Title I School Improvement/ Redding	Title VI Improving Schools	Title V Innovative Programs	Migrant Title I 2007/2008	IDEA 94-142 EHA Part B
Receipts:						
Local sources	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Intermediate sources	-	-	-	-	-	-
State sources	-	-	-	-	-	-
Federal sources	-	-	-	7,471	35,000	652,749
Other	-	-	-	-	-	-
Total receipts	-	-	-	7,471	35,000	652,749
Disbursements:						
Current:						
Instruction	-	14,396	-	579	18,479	524,308
Support services	-	-	-	3,154	-	14,847
Noninstructional services	-	1,716	-	-	-	-
Facilities acquisition and construction	-	-	-	-	-	14,024
Debt services	-	-	-	-	-	-
Nonprogrammed charges	-	-	-	-	-	-
Interfund loans	-	-	-	-	-	-
Total disbursements	-	16,112	-	3,733	18,479	553,179
Excess (deficiency) of receipts over disbursements	-	(16,112)	-	3,738	16,521	99,570
Other financing sources (uses):						
Sale of capital assets	-	-	-	-	-	-
Transfers in	3,707	5,281	-	-	-	-
Transfers out	-	(3,683)	-	-	-	(97,700)
Total other financing sources (uses)	3,707	1,598	-	-	-	(97,700)
Excess (deficiency) of receipts and other financing sources over disbursements and other financing uses	3,707	(14,514)	-	3,738	16,521	1,870
Cash and investments - beginning	-	16,112	10,455	2,758	-	(122,511)
Cash and investments - ending	\$ 3,707	\$ 1,598	\$ 10,455	\$ 6,496	\$ 16,521	\$ (120,641)
Cash and Investment Assets - Ending						
Cash and investments	\$ 3,707	\$ 1,598	\$ 10,455	\$ 6,496	\$ 16,521	\$ (120,641)
Cash and Investment Fund Balance - Ending						
Unrestricted	\$ 3,707	\$ 1,598	\$ 10,455	\$ 6,496	\$ 16,521	\$ (120,641)

SEYMOUR COMMUNITY SCHOOLS
 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)

	IDEA Grant/ Preschool 2006/2007	IDEA Grant/ Preschool 2007/2008	Title IV Part A Drug Free School	Drug Free Grant 2006/2007	Teacher Retirement	Vocational Lead The Way
Receipts:						
Local sources	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Intermediate sources	-	-	-	-	-	-
State sources	-	-	-	-	-	-
Federal sources	-	21,586	7,669	15,595	-	-
Other	-	-	-	-	-	-
Total receipts	-	21,586	7,669	15,595	-	-
Disbursements:						
Current:						
Instruction	12,316	29,757	10,069	253	182	183
Support services	-	-	7,361	5,511	-	-
Noninstructional services	-	-	-	-	-	-
Facilities acquisition and construction	-	-	-	-	-	-
Debt services	-	-	-	-	-	-
Nonprogrammed charges	-	-	-	-	-	-
Interfund loans	-	-	-	-	-	-
Total disbursements	12,316	29,757	17,430	5,764	182	183
Excess (deficiency) of receipts over disbursements	(12,316)	(8,171)	(9,761)	9,831	(182)	(183)
Other financing sources (uses):						
Sale of capital assets	-	-	-	-	-	-
Transfers in	-	-	-	-	-	-
Transfers out	(2,578)	(2,622)	-	-	-	-
Total other financing sources (uses)	(2,578)	(2,622)	-	-	-	-
Excess (deficiency) of receipts and other financing sources over disbursements and other financing uses	(14,894)	(10,793)	(9,761)	9,831	(182)	(183)
Cash and investments - beginning	14,894	-	18,171	-	182	183
Cash and investments - ending	\$ -	\$ (10,793)	\$ 8,410	\$ 9,831	\$ -	\$ -
Cash and Investment Assets - Ending						
Cash and investments	\$ -	\$ (10,793)	\$ 8,410	\$ 9,831	\$ -	\$ -
Cash and Investment Fund Balance - Ending						
Unrestricted	\$ -	\$ (10,793)	\$ 8,410	\$ 9,831	\$ -	\$ -

SEYMOUR COMMUNITY SCHOOLS
 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)

	Project Lead The Way 2007/2008	Class Reduction Title II, Part A 2007/2008	Title II, Part D, Tech Grant	Title III, ESL Language/ Minority	Insurance Reimbursement	Kelso Monies
Receipts:						
Local sources	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Intermediate sources	-	-	-	-	-	-
State sources	-	-	-	-	-	-
Federal sources	10,000	232,988	-	38,577	-	-
Other	-	-	-	-	2,624	-
Total receipts	10,000	232,988	-	38,577	2,624	-
Disbursements:						
Current:						
Instruction	-	269,470	5,566	21,473	-	-
Support services	10,000	3,029	13,100	601	2,620	-
Noninstructional services	-	-	-	-	-	-
Facilities acquisition and construction	-	-	-	-	-	-
Debt services	-	-	-	-	-	-
Nonprogrammed charges	-	-	-	-	-	-
Interfund loans	-	-	-	-	-	-
Total disbursements	10,000	272,499	18,666	22,074	2,620	-
Excess (deficiency) of receipts over disbursements	-	(39,511)	(18,666)	16,503	4	-
Other financing sources (uses):						
Sale of capital assets	-	-	-	-	-	-
Transfers in	-	-	-	-	-	-
Transfers out	-	(2,622)	-	(2,594)	-	-
Total other financing sources (uses)	-	(2,622)	-	(2,594)	-	-
Excess (deficiency) of receipts and other financing sources over disbursements and other financing uses	-	(42,133)	(18,666)	13,909	4	-
Cash and investments - beginning	-	61,239	18,666	(1,758)	4,517	849
Cash and investments - ending	\$ -	\$ 19,106	\$ -	\$ 12,151	\$ 4,521	\$ 849
Cash and Investment Assets - Ending						
Cash and investments	\$ -	\$ 19,106	\$ -	\$ 12,151	\$ 4,521	\$ 849
Cash and Investment Fund Balance - Ending						
Unrestricted	\$ -	\$ 19,106	\$ -	\$ 12,151	\$ 4,521	\$ 849

SEYMOUR COMMUNITY SCHOOLS
 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)

	Credit Card Revenue	Debt Service	Retirement/ Severance Debt Service	School Bus Replacement	Construction Fund	Totals
Receipts:						
Local sources	\$ 1,668	\$ 4,396,036	\$ 299,384	\$ 355,737	\$ -	\$ 8,361,023
Intermediate sources	-	-	-	-	-	1,125
State sources	-	-	-	-	-	216,894
Federal sources	-	-	-	-	-	2,508,172
Other	-	-	-	-	-	2,624
Total receipts	<u>1,668</u>	<u>4,396,036</u>	<u>299,384</u>	<u>355,737</u>	<u>-</u>	<u>11,089,838</u>
Disbursements:						
Current:						
Instruction	-	-	-	-	-	1,806,284
Support services	-	-	-	430,263	-	1,974,222
Noninstructional services	-	-	-	-	-	2,340,579
Facilities acquisition and construction	-	-	-	-	-	16,033
Debt services	-	3,838,000	314,072	-	-	4,156,513
Nonprogrammed charges	1,628	182,713	-	-	-	189,341
Interfund loans	-	422,250	-	28,226	-	532,156
Total disbursements	<u>1,628</u>	<u>4,442,963</u>	<u>314,072</u>	<u>458,489</u>	<u>-</u>	<u>11,015,128</u>
Excess (deficiency) of receipts over disbursements	<u>40</u>	<u>(46,927)</u>	<u>(14,688)</u>	<u>(102,752)</u>	<u>-</u>	<u>74,710</u>
Other financing sources (uses):						
Sale of capital assets	-	-	-	-	-	70,848
Transfers in	-	-	-	-	-	26,328
Transfers out	-	-	-	-	-	(136,626)
Total other financing sources (uses)	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>(39,450)</u>
Excess (deficiency) of receipts and other financing sources over disbursements and other financing uses	<u>40</u>	<u>(46,927)</u>	<u>(14,688)</u>	<u>(102,752)</u>	<u>-</u>	<u>35,260</u>
Cash and investments - beginning	<u>(40)</u>	<u>(829,512)</u>	<u>(102,782)</u>	<u>226,284</u>	<u>55,763</u>	<u>(116,703)</u>
Cash and investments - ending	<u>\$ -</u>	<u>\$ (876,439)</u>	<u>\$ (117,470)</u>	<u>\$ 123,532</u>	<u>\$ 55,763</u>	<u>\$ (81,443)</u>
Cash and Investment Assets - Ending						
Cash and investments	<u>\$ -</u>	<u>\$ (876,439)</u>	<u>\$ (117,470)</u>	<u>\$ 123,532</u>	<u>\$ 55,763</u>	<u>\$ (81,443)</u>
Cash and Investment Fund Balance - Ending						
Unrestricted	<u>\$ -</u>	<u>\$ (876,439)</u>	<u>\$ (117,470)</u>	<u>\$ 123,532</u>	<u>\$ 55,763</u>	<u>\$ (81,443)</u>

SEYMOUR COMMUNITY SCHOOLS
 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	Education License Plate	Alternative Education Grant	School Safe Haven
Receipts:							
Local sources	\$ 1,293,844	\$ 32,337	\$ 887,627	\$ 397,600	\$ -	\$ -	\$ -
Intermediate sources	-	-	-	-	1,256	-	-
State sources	-	120,353	-	110,909	-	20,738	-
Federal sources	-	-	927,020	-	-	-	-
Other	708	-	-	-	-	-	-
Total receipts	1,294,552	152,690	1,814,647	508,509	1,256	20,738	-
Disbursements:							
Current:							
Instruction	-	227,148	-	-	-	31,298	4,471
Support services	1,174,002	-	-	525,060	-	-	-
Noninstructional services	-	-	1,851,087	-	-	-	-
Debt services	-	-	-	-	740	-	-
Nonprogrammed charges	-	-	-	-	-	-	-
Total disbursements	1,174,002	227,148	1,851,087	525,060	740	31,298	4,471
Excess (deficiency) of receipts over disbursements	120,550	(74,458)	(36,440)	(16,551)	516	(10,560)	(4,471)
Other financing sources (uses):							
Sale of capital assets	-	-	-	-	-	-	-
Transfers in	-	-	-	-	-	-	-
Transfers out	(207,108)	(33,472)	-	-	-	-	-
Total other financing sources (uses)	(207,108)	(33,472)	-	-	-	-	-
Excess (deficiency) of receipts and other financing sources over disbursements and other financing uses	(86,558)	(107,930)	(36,440)	(16,551)	516	(10,560)	(4,471)
Cash and investments - beginning	(131,300)	(13,297)	375,115	178,943	4,947	31,685	4,471
Cash and investments - ending	\$ (217,858)	\$ (121,227)	\$ 338,675	\$ 162,392	\$ 5,463	\$ 21,125	\$ -
Cash and Investment Assets - Ending							
Cash and investments	\$ (217,858)	\$ (121,227)	\$ 338,675	\$ 162,392	\$ 5,463	\$ 21,125	\$ -
Cash and Investment Fund Balance - Ending							
Unrestricted	\$ (217,858)	\$ (121,227)	\$ 338,675	\$ 162,392	\$ 5,463	\$ 21,125	\$ -

SEYMOUR COMMUNITY SCHOOLS
 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 Ende June 30, 2009
 (Continued)

	Early Intervention	Early Intervention 2008/2009	Educational Opportunities	Gifted and Talented 2007/2008	Gifted and Talented 2008/2009	Non-English Speaking Program	School Farm
Receipts:							
Local sources	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 1,496
Intermediate sources	-	-	-	-	-	-	-
State sources	-	10,000	-	-	43,053	48,570	-
Federal sources	-	-	-	-	-	-	-
Other	-	-	-	-	-	-	-
Total receipts	-	10,000	-	-	43,053	48,570	1,496
Disbursements:							
Current:							
Instruction	-	-	-	10,471	35,774	59,166	61,869
Support services	-	10,000	-	-	4,245	-	200
Noninstructional services	-	-	-	-	-	-	-
Debt services	-	-	-	-	-	-	-
Nonprogrammed charges	-	-	561	-	-	-	-
Total disbursements	-	10,000	561	10,471	40,019	59,166	62,069
Excess (deficiency) of receipts over disbursements	-	-	(561)	(10,471)	3,034	(10,596)	(60,573)
Other financing sources (uses):							
Sale of capital assets	-	-	-	-	-	-	59,814
Transfers in	-	-	-	-	-	-	-
Transfers out	-	-	-	-	-	-	-
Total other financing sources (uses)	-	-	-	-	-	-	59,814
Excess (deficiency) of receipts and other financing sources over disbursements and other financing uses	-	-	(561)	(10,471)	3,034	(10,596)	(759)
Cash and investments - beginning	9,500	-	4,017	10,471	-	38,086	101,335
Cash and investments - ending	<u>\$ 9,500</u>	<u>\$ -</u>	<u>\$ 3,456</u>	<u>\$ -</u>	<u>\$ 3,034</u>	<u>\$ 27,490</u>	<u>\$ 100,576</u>
Cash and Investment Assets - Ending							
Cash and investments	<u>\$ 9,500</u>	<u>\$ -</u>	<u>\$ 3,456</u>	<u>\$ -</u>	<u>\$ 3,034</u>	<u>\$ 27,490</u>	<u>\$ 100,576</u>
Cash and Investment Fund Balance - Ending							
Unrestricted	<u>\$ 9,500</u>	<u>\$ -</u>	<u>\$ 3,456</u>	<u>\$ -</u>	<u>\$ 3,034</u>	<u>\$ 27,490</u>	<u>\$ 100,576</u>

SEYMOUR COMMUNITY SCHOOLS
 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 Ende June 30, 2009
 (Continued)

	Title I 2007/2008	School Improvement Title I Jackson 2007/2008	School Improvement Title I Redding 2007/2008	Title I 2008/2009	Old Migrant Grant	Title I School/ Improvement Redding
Receipts:						
Local sources	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Intermediate sources	-	-	-	-	-	-
State sources	-	-	-	-	-	-
Federal sources	99,663	-	-	596,326	-	-
Other	-	-	-	-	-	-
Total receipts	99,663	-	-	596,326	-	-
Disbursements:						
Current:						
Instruction	113,368	20,065	4,589	365,564	3,629	-
Support services	63,761	9,720	11,280	119,334	-	1,598
Noninstructional services	4,046	-	-	1,696	-	-
Debt services	-	-	-	-	-	-
Nonprogrammed charges	-	-	-	-	-	-
Total disbursements	181,175	29,785	15,869	486,594	3,629	1,598
Excess (deficiency) of receipts over disbursements	(81,512)	(29,785)	(15,869)	109,732	(3,629)	(1,598)
Other financing sources (uses):						
Sale of capital assets	-	-	-	-	-	-
Transfers in	-	-	-	29,821	-	-
Transfers out	(29,821)	-	-	-	-	-
Total other financing sources (uses)	(29,821)	-	-	29,821	-	-
Excess (deficiency) of receipts and other financing sources over disbursements and other financing uses	(111,333)	(29,785)	(15,869)	139,553	(3,629)	(1,598)
Cash and investments - beginning	111,333	29,785	15,869	-	3,707	1,598
Cash and investments - ending	\$ -	\$ -	\$ -	\$ 139,553	\$ 78	\$ -
Cash and Investment Assets - Ending						
Cash and investments	\$ -	\$ -	\$ -	\$ 139,553	\$ 78	\$ -
Cash and Investment Fund Balance - Ending						
Unrestricted	\$ -	\$ -	\$ -	\$ 139,553	\$ 78	\$ -

SEYMOUR COMMUNITY SCHOOLS
 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 Ende June 30, 2009
 (Continued)

	Title V 2007/2008	Title IV Improving Schools	Title V Innovative Programs	Migrant Title I 2007/2008	IDEA 94-142 EHA Part B	IDEA Grant/ Preschool 2007/2008
Receipts:						
Local sources	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Intermediate sources	-	-	-	-	-	-
State sources	-	-	-	-	-	-
Federal sources	7,388	-	-	-	653,829	10,793
Other	-	-	-	-	-	-
Total receipts	7,388	-	-	-	653,829	10,793
Disbursements:						
Current:						
Instruction	140	10,455	-	16,521	559,092	-
Support services	11	-	6,496	-	12,624	-
Noninstructional services	-	-	-	-	-	-
Debt services	-	-	-	-	-	-
Nonprogrammed charges	-	-	-	-	-	-
Total disbursements	151	10,455	6,496	16,521	571,716	-
Excess (deficiency) of receipts over disbursements	7,237	(10,455)	(6,496)	(16,521)	82,113	10,793
Other financing sources (uses):						
Sale of capital assets	-	-	-	-	-	-
Transfers in	-	-	-	-	-	-
Transfers out	-	-	-	-	(34,939)	-
Total other financing sources (uses)	-	-	-	-	(34,939)	-
Excess (deficiency) of receipts and other financing sources over disbursements and other financing uses	7,237	(10,455)	(6,496)	(16,521)	47,174	10,793
Cash and investments - beginning	-	10,455	6,496	16,521	(120,641)	(10,793)
Cash and investments - ending	\$ 7,237	\$ -	\$ -	\$ -	\$ (73,467)	\$ -
Cash and Investment Assets - Ending						
Cash and investments	\$ 7,237	\$ -	\$ -	\$ -	\$ (73,467)	\$ -
Cash and Investment Fund Balance - Ending						
Unrestricted	\$ 7,237	\$ -	\$ -	\$ -	\$ (73,467)	\$ -

SEYMOUR COMMUNITY SCHOOLS
 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 Ende June 30, 2009
 (Continued)

	IDEA Grant/ Preschool 2008/2009	Title IV Part A School 2007/2008	Drug Free Grant 2006/2007	Drug Free Grant 2008/2009	Project Lead The Way 2008/2009	Class Reduction Title II, Part A 2007/2008
Receipts:						
Local sources	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Intermediate sources	-	-	-	-	-	-
State sources	-	-	-	-	-	-
Federal sources	20,048	8,000	-	12,543	-	80,000
Other	-	-	-	-	-	-
Total receipts	20,048	8,000	-	12,543	-	80,000
Disbursements:						
Current:						
Instruction	31,221	7,223	-	-	-	95,022
Support services	-	1,733	385	6,022	15,000	1,597
Noninstructional services	-	-	-	-	-	-
Debt services	-	-	-	-	-	-
Nonprogrammed charges	-	-	-	-	-	-
Total disbursements	31,221	8,956	385	6,022	15,000	96,619
Excess (deficiency) of receipts over disbursements	(11,173)	(956)	(385)	6,521	(15,000)	(16,619)
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	(11,173)	(956)	(385)	6,521	(15,000)	(16,619)
Cash and investments - beginning	-	8,410	9,831	-	-	19,106
Cash and investments - ending	<u>\$ (11,173)</u>	<u>\$ 7,454</u>	<u>\$ 9,446</u>	<u>\$ 6,521</u>	<u>\$ (15,000)</u>	<u>\$ 2,487</u>
<u>Cash and Investment Assets - Ending</u>						
Cash and investments	<u>\$ (11,173)</u>	<u>\$ 7,454</u>	<u>\$ 9,446</u>	<u>\$ 6,521</u>	<u>\$ (15,000)</u>	<u>\$ 2,487</u>
<u>Cash and Investment Fund Balance - Ending</u>						
Unrestricted	<u>\$ (11,173)</u>	<u>\$ 7,454</u>	<u>\$ 9,446</u>	<u>\$ 6,521</u>	<u>\$ (15,000)</u>	<u>\$ 2,487</u>

SEYMOUR COMMUNITY SCHOOLS
 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 Ende June 30, 2009
 (Continued)

	Class Reduction Title II, Part A 2008/2009	Inaccess Tech Grant 2008/2010	Title III, ESL Language/ Minority	Insurance Reimbursement	Kelso Monies	Title I Stimulus
Receipts:						
Local sources	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Intermediate sources	-	-	-	-	-	-
State sources	-	-	-	-	-	-
Federal sources	123,876	160,344	45,150	-	-	70,838
Other	-	-	-	5,400	-	-
Total receipts	123,876	160,344	45,150	5,400	-	70,838
Disbursements:						
Current:						
Instruction	122,705	-	48,666	-	-	-
Support services	1,665	139,059	2,559	5,400	492	-
Noninstructional services	-	-	-	-	-	-
Debt services	-	-	-	-	-	-
Nonprogrammed charges	-	-	-	-	-	-
Total disbursements	124,370	139,059	51,225	5,400	492	-
Excess (deficiency) of receipts over disbursements	(494)	21,285	(6,075)	-	(492)	70,838
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	(494)	21,285	(6,075)	-	(492)	70,838
Cash and investments - beginning	-	-	12,151	4,521	849	-
Cash and investments - ending	\$ (494)	\$ 21,285	\$ 6,076	\$ 4,521	\$ 357	\$ 70,838
Cash and Investment Assets - Ending						
Cash and investments	\$ (494)	\$ 21,285	\$ 6,076	\$ 4,521	\$ 357	\$ 70,838
Cash and Investment Fund Balance - Ending						
Unrestricted	\$ (494)	\$ 21,285	\$ 6,076	\$ 4,521	\$ 357	\$ 70,838

SEYMOUR COMMUNITY SCHOOLS
 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 Ende June 30, 2009
 (Continued)

	Debt Service	Retirement/ Severance Debt Service	School Bus Replacement	Construction Fund	EC015 Grant	Totals
Receipts:						
Local sources	\$ 3,888,765	\$ 289,148	\$ 144,354	\$ -	\$ 17,926	\$ 6,953,097
Intermediate sources	-	-	-	-	-	1,256
State sources	-	-	-	-	-	353,623
Federal sources	-	-	-	-	-	2,815,818
Other	-	-	-	-	-	6,108
Total receipts	<u>3,888,765</u>	<u>289,148</u>	<u>144,354</u>	<u>-</u>	<u>17,926</u>	<u>10,129,902</u>
Disbursements:						
Current:						
Instruction	-	-	-	-	-	1,828,457
Support services	-	-	361,854	-	-	2,474,097
Noninstructional services	-	-	-	-	-	1,856,829
Debt services	3,835,500	313,847	-	-	-	4,150,087
Nonprogrammed charges	161,710	-	-	-	17,926	180,197
Total disbursements	<u>3,997,210</u>	<u>313,847</u>	<u>361,854</u>	<u>-</u>	<u>17,926</u>	<u>10,489,667</u>
Excess (deficiency) of receipts over disbursements	<u>(108,445)</u>	<u>(24,699)</u>	<u>(217,500)</u>	<u>-</u>	<u>-</u>	<u>(359,765)</u>
Other financing sources (uses):						
Sale of capital assets	-	-	-	-	-	59,814
Transfers in	-	-	-	-	-	29,821
Transfers out	-	-	-	-	-	(305,340)
Total other financing sources (uses)	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>(215,705)</u>
Excess (deficiency) of receipts and other financing sources over disbursements and other financing uses	<u>(108,445)</u>	<u>(24,699)</u>	<u>(217,500)</u>	<u>-</u>	<u>-</u>	<u>(575,470)</u>
Cash and investments - beginning	<u>(876,439)</u>	<u>(117,470)</u>	<u>123,532</u>	<u>55,763</u>	<u>-</u>	<u>(81,443)</u>
Cash and investments - ending	<u>\$ (984,884)</u>	<u>\$ (142,169)</u>	<u>\$ (93,968)</u>	<u>\$ 55,763</u>	<u>\$ -</u>	<u>\$ (656,913)</u>
Cash and Investment Assets - Ending						
Cash and investments	<u>\$ (984,884)</u>	<u>\$ (142,169)</u>	<u>\$ (93,968)</u>	<u>\$ 55,763</u>	<u>\$ -</u>	<u>\$ (656,913)</u>
Cash and Investment Fund Balance - Ending						
Unrestricted	<u>\$ (984,884)</u>	<u>\$ (142,169)</u>	<u>\$ (93,968)</u>	<u>\$ 55,763</u>	<u>\$ -</u>	<u>\$ (656,913)</u>

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

	Goody's Donation- Brown Elementary	Bryden Donation	Sertoma Donation	Aisin Art Donation	M R Brown
Additions:					
Contributions:					
Other	\$ 10,000	\$ 13,369	\$ 900	\$ 5,400	\$ -
Investment earnings:					
Interest	-	-	-	-	1,609
Total additions	<u>10,000</u>	<u>13,369</u>	<u>900</u>	<u>5,400</u>	<u>1,609</u>
Deductions:					
Administrative and general	-	13,677	402	225	634
Excess (deficiency) of total additions over total deductions	10,000	(308)	498	5,175	975
Cash and investment fund balance - beginning	-	1,714	-	-	31,295
Cash and investments - June 30	<u>\$ 10,000</u>	<u>\$ 1,406</u>	<u>\$ 498</u>	<u>\$ 5,175</u>	<u>\$ 32,270</u>
Net assets:					
Cash and investments	<u>\$ 10,000</u>	<u>\$ 1,406</u>	<u>\$ 498</u>	<u>\$ 5,175</u>	<u>\$ 32,270</u>
Total net assets - cash and investment basis held in trust	<u>\$ 10,000</u>	<u>\$ 1,406</u>	<u>\$ 498</u>	<u>\$ 5,175</u>	<u>\$ 32,270</u>

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

	James Emily Scholarship	Nancy Stickles Memorial	A.K. Lincoln	G.B. Burkhart Scholarship	Totals
Additions:					
Contributions:					
Other	\$ -	\$ -	\$ -	\$ -	\$ 29,669
Investment earnings:					
Interest	234	-	419	40,000	42,262
Total additions	234	-	419	40,000	71,931
Deductions:					
Administrative and general	2,000	16	3,484	51,000	71,438
Excess (deficiency) of total additions over total deductions	(1,766)	(16)	(3,065)	(11,000)	493
Cash and investment fund balance - beginning	5,329	16	9,248	43,813	91,415
Cash and investments - June 30	<u>\$ 3,563</u>	<u>\$ -</u>	<u>\$ 6,183</u>	<u>\$ 32,813</u>	<u>\$ 91,908</u>
Net assets:					
Cash and investments	<u>\$ 3,563</u>	<u>\$ -</u>	<u>\$ 6,183</u>	<u>\$ 32,813</u>	<u>\$ 91,908</u>
Total net assets - cash and investment basis held in trust	<u>\$ 3,563</u>	<u>\$ -</u>	<u>\$ 6,183</u>	<u>\$ 32,813</u>	<u>\$ 91,908</u>

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

	<u>Goody's Donation- Brown Elementary</u>	<u>Brown PTO Donation</u>	<u>Bryden Donation</u>	<u>Sertoma Donation</u>	<u>Aisin Art Donation</u>
Additions:					
Contributions:					
Other	\$ -	\$ 17,300	\$ 500	\$ -	\$ -
Deductions:					
Administrative and general	10,000	-	981	308	800
Excess (deficiency) of total additions over total deductions	(10,000)	17,300	(481)	(308)	(800)
Cash and investment fund balance - beginning	10,000	-	1,406	498	5,175
Cash and Investments - June 30	<u>\$ -</u>	<u>\$ 17,300</u>	<u>\$ 925</u>	<u>\$ 190</u>	<u>\$ 4,375</u>
Net assets:					
Cash and investments	\$ -	\$ 17,300	\$ 925	\$ 190	\$ 4,375
Total net assets - cash and investment basis held in trust	<u>\$ -</u>	<u>\$ 17,300</u>	<u>\$ 925</u>	<u>\$ 190</u>	<u>\$ 4,375</u>

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

	M R Brown	James Emily Scholarship	A.K. Lincoln	G.B. Burkhart Scholarship	Totals
Additions:					
Contributions:					
Other	\$ -	\$ -	\$ -	\$ 40,000	\$ 57,800
Deductions:					
Administrative and general	926	-	-	18,250	31,265
Excess (deficiency) of total additions over total deductions	(926)	-	-	21,750	26,535
Cash and investment fund balance - beginning	32,270	3,563	6,183	32,813	91,908
Cash and Investments - June 30	<u>\$ 31,344</u>	<u>\$ 3,563</u>	<u>\$ 6,183</u>	<u>\$ 54,563</u>	<u>\$ 118,443</u>
Net assets:					
Cash and investments	\$ 31,344	\$ 3,563	\$ 6,183	\$ 54,563	\$ 118,443
Total net assets - cash and investment basis held in trust	<u>\$ 31,344</u>	<u>\$ 3,563</u>	<u>\$ 6,183</u>	<u>\$ 54,563</u>	<u>\$ 118,443</u>

SEYMOUR COMMUNITY SCHOOLS
 SUPPLEMENTARY INFORMATION
 SCHEDULE OF CAPITAL ASSETS
 For The Year Ended 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	\$ 189,400
Buildings	57,466,341
Improvements other than buildings	8,398,841
Machinery and equipment	<u>5,181,021</u>
 Total governmental activities, capital assets not being depreciated	 <u><u>\$ 71,235,603</u></u>

SEYMOUR COMMUNITY SCHOOLS
 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:		
Jackson and Redding Elementary Schools	\$ 20,695,000	\$ 2,034,500
High School	7,120,000	1,803,000
Bonds payable:		
General obligation bonds:		
2004 Pension Bonds	<u>3,315,000</u>	<u>318,146</u>
Total governmental activities debt	<u>\$ 31,130,000</u>	<u>\$ 4,155,646</u>

SEYMOUR COMMUNITY SCHOOLS
AUDIT RESULT AND COMMENT

HONORS DIPLOMAS

The information presented for audit indicates figures on Form DOE-GR, Graduate Report, for state support for honors diplomas, were incorrect for the school years ending June 30, 2007 and 2008. Information from the Department of Education (DOE) indicates that for the school year 2006-2007 the school reported 79 honors graduates while school records indicate there were 76 honors graduates. For the school year 2007-2008, DOE information indicates 65 honors graduates and school records indicate 62 honors graduates.

School Officials should contact the Indiana Department of Education, Division of School Finance, to determine possible steps to be taken to correct any overpayment/underpayment applicable to the School Corporation because of incorrect reporting. (Accounting and Uniform Compliance Guidelines Manual for Indiana Public School Corporations, Chapter 8)

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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

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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 SEYMOUR COMMUNITY SCHOOLS, JACKSON COUNTY, INDIANA

Compliance

We have audited the compliance of the Seymour Community Schools (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, the 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

February 9, 2010

SEYMOUR COMMUNITY SCHOOLS
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		\$ 161,217	\$ -
FY 2007-2008			-	-
FY 2008-2009			-	192,665
Total for program			<u>161,217</u>	<u>192,665</u>
National School Lunch Program	10.555		650,497	-
FY 2007-2008			-	-
FY 2008-2009			-	752,737
Total for program			<u>650,497</u>	<u>752,737</u>
Special Milk Program for Children	10.556		4,052	-
FY 2007-2008			-	-
FY 2008-2009			-	4,767
Total for program			<u>4,052</u>	<u>4,767</u>
Summer Food Service Program for Children	10.559		26,868	-
FY 2007-2008			-	-
FY 2008-2009			-	35,491
Total for program			<u>26,868</u>	<u>35,491</u>
Total for cluster			<u>842,634</u>	<u>985,660</u>
Total for federal grantor agency			<u>842,634</u>	<u>985,660</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				
06/07 Title I	84.010	06-3675	230,578	-
07/08 Title I		07-3675	411,214	181,175
08/09 Title I		08-3675	-	486,595
Migrant			18,479	20,150
School Improvement			54,143	47,252
Total for cluster			<u>714,414</u>	<u>735,172</u>
Pass-Through Bartholomew Special Services Cooperative				
Special Education Cluster				
Special Education - Grants to States				
06/07 IDEA	84.027		14,894	-
07/08 IDEA			32,379	-
08/09 IDEA			-	31,221
Total for cluster			<u>47,273</u>	<u>31,221</u>

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

SEYMOUR COMMUNITY SCHOOLS
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.S. DEPARTMENT OF EDUCATION (continued)				
Pass-Through Indiana Department of Education				
Safe and Drug-Free Schools and Communities - State Grants	84.186			
06/07 Drug Free		06-3675	5,764	386
07/08 Drug Free		07-3675	17,430	8,956
08/09 Drug Free		08-3675	-	6,022
Total for program			<u>23,194</u>	<u>15,364</u>
Capital Expenses	84.216			
06/07 Expenses			<u>182</u>	-
State Grants for Innovative Programs	84.298			
06/07 Title V		06-3675	974	-
07/08 Title V		07-3675	2,759	10,606
08/09 Title V		08-3675	-	6,495
Total for program			<u>3,733</u>	<u>17,101</u>
Education Technology State Grants	84.318			
06/07 Title II Tech Grant		06-3675	18,667	-
Competitive Ed Tech Grants		S318X070014	-	139,059
Total for program			<u>18,667</u>	<u>139,059</u>
English Language Acquisition Grants	84.365			
07/08 Title III ESL		07-3675	24,668	12,130
08/09 Title III ESL		08-3675	-	39,095
Total for program			<u>24,668</u>	<u>51,225</u>
Improving Teacher Quality State Grants	84.367			
Title II, Part A - SY 06-07		S367A060013	181,747	24,490
Title II, Part A - FY2007		S367A070013	93,373	72,129
Title II, Part A - SY 08-09		08-3675	-	124,370
Total for program			<u>275,120</u>	<u>220,989</u>
Total for federal grantor agency			<u>1,107,251</u>	<u>1,210,131</u>
Total federal awards expended			<u>\$ 1,949,885</u>	<u>\$ 2,195,791</u>

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

SEYMOUR COMMUNITY SCHOOLS
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 Seymour Community Schools (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:			
Food Commodities:			
School Breakfast Program	10.553	\$ 15,278	\$ 18,842
National School Lunch Program	10.555	60,279	71,686

SEYMOUR COMMUNITY SCHOOLS
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
84.318	Title I, Part A Cluster Education Technology State Grants
84.367	Improving Teacher Quality State Grants

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

Auditee qualified as low-risk auditee? no

Section II – Financial Statement Findings

No matters are reportable.

Section III – Federal Award Findings and Questioned Costs

No matters are reportable.

SEYMOUR COMMUNITY SCHOOLS
SUMMARY SCHEDULE OF PRIOR AUDIT FINDINGS

SEYMOUR COMMUNITY SCHOOLS

1638 S. Walnut Street • Seymour, Indiana • 47274
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December 22, 2009

Mr Ryan Preston
State Board of Accounts
302 Washington St., Room E418
Indianapolis, Indiana 46204-2765

RE Follow-up

Dear Mr Preston

Please consider the following to serve as our Follow-up to the Federal Findings from the 6/30/07 Audit (Reporting/Period of Availability, #2007-1 and 2007-2).

Revenue and expense segregation procedures implemented as a result of the 6/30/07 audit findings have proven to be successful for the purpose of enhancing reporting/timeliness as well as monitoring.

Seymour Community Schools is committed to providing quality programs for our students and, as always, appreciate the assistance of the State Board of Accounts in fine-tuning our administrative process.

Sincerely



Nancy R Lumley
Business Manager

Cc Lisa Ferguson
Dr Armstrong

SEYMOUR COMMUNITY SCHOOLS
EXIT CONFERENCE

The contents of this report were discussed on February 9, 2010, with Nancy R. Lumley, Treasurer; Dr. Teran Armstrong, Superintendent of Schools; and Martha McIntire, President of the School Board.