

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

EXAMINATION REPORT  
OF  
NETTLE CREEK SCHOOL CORPORATION  
WAYNE COUNTY, INDIANA  
July 1, 2007 to June 30, 2009



**FILED**  
03/05/2010



## TABLE OF CONTENTS

<u>Description</u>	<u>Page</u>
Officials .....	2
Independent Accountant's Report.....	3
Financial Information:	
Government-Wide Financial Information:	
Statement of Activities and Net Assets - Cash and Investments Basis.....	4-5
Fund Financial Information:	
Governmental Funds:	
Statement of Assets and Fund Balances and Receipts, Disbursements, and Changes in Fund Balances - Cash and Investment Basis – Governmental Funds .....	6-7
Fiduciary Funds:	
Statement of Additions, Deductions, and Changes in Cash and Investment Balances – Fiduciary Funds .....	8-9
Notes to Financial Information .....	10-14
Required Supplementary Information:	
Schedule of Funding Progress .....	15
Supplementary Information:	
Combining Schedule of Assets and Fund Balances and Receipts, Disbursements and changes in Fund Balances – Cash and Investment Basis - Other Governmental Funds.....	16-26
Combining Schedule of Additions, Deductions, and Changes in Cash and Investment Balances - Private-Purpose Trust Funds.....	27-28
Schedule of Capital Assets.....	29
Schedule of Long-Term Debt .....	30
Examination Results and Comments:	
Annual 100-R Report.....	31
Deposits.....	31
Prescribed Forms .....	32
Overdrawn Fund Balances .....	32
Textbook Rental Reimbursement – Incorrect Reporting to the State.....	32-33
Exit Conference.....	34
Official Response .....	35

OFFICIALS

<u>Office</u>	<u>Official</u>	<u>Term</u>
Treasurer	Judy Cole	07-01-07 to 06-30-10
Superintendent of Schools	Joe Backmeyer	07-01-07 to 06-30-10
President of the School Board	Paul Weiss Jim Lewis	07-01-07 to 06-30-08 07-01-08 to 06-30-10



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AN EQUAL OPPORTUNITY EMPLOYER

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INDEPENDENT ACCOUNTANT'S REPORT

TO: THE OFFICIALS OF THE NETTLE CREEK SCHOOL  
CORPORATION, WAYNE COUNTY, INDIANA

We have examined the financial information presented herein of the Nettle Creek School Corporation (School Corporation), for the period of July 1, 2007 to June 30, 2009. The School Corporation's management is responsible for the financial information presented herein. Our responsibility is to express an opinion based on our examination.

Our examination was conducted in accordance with attestation standards established by the American Institute of Certified Public Accountants and, accordingly, included examining, on a test basis, evidence supporting the financial information presented herein and performing such other procedures as we considered necessary in the circumstances. We believe that our examination provides a reasonable basis for our opinion.

In our opinion, the financial information referred to above presents fairly, in all material respects, the financial information of the School Corporation for the years ended June 30, 2008 and 2009, based on the criteria set forth in the uniform compliance guidelines established by the Indiana State Board of Accounts.

The Schedule of Capital Assets and Schedule of Long-Term Debt, as listed in the Table of Contents, are presented for additional analysis and are not required parts of the basic financial information. They have not been subjected to the examination procedures applied to the basic financial information and, accordingly, we express no opinion on them.

STATE BOARD OF ACCOUNTS

January 7, 2010

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

<u>Functions/Programs</u>	<u>Disbursements</u>	<u>Program Receipts</u>		<u>Net (Disbursement) Receipts and Changes in Net Assets</u>
		<u>Charges for Services</u>	<u>Operating Grants and Contributions</u>	<u>Totals</u>
Governmental activities:				
Instruction	\$ 4,924,288	\$ -	\$ 141,066	\$ (4,783,222)
Support services	3,472,334	444,864	190,253	(2,837,217)
Noninstructional services	627,194	-	-	(627,194)
Facilities acquisition and construction	285,157	-	-	(285,157)
Debt service	1,224,518	-	-	(1,224,518)
Nonprogrammed charges	883,911	-	-	(883,911)
<b>Total governmental activities</b>	<b><u>\$ 11,417,402</u></b>	<b><u>\$ 444,864</u></b>	<b><u>\$ 331,319</u></b>	<b><u>(10,641,219)</u></b>
General receipts:				
Property taxes				4,472,052
Other local sources				792,503
State aid				5,191,787
Grants and contributions not restricted to specific programs				382,751
Sale of property				1,474
Investment earnings				75,501
Other				20,619
<b>Total general receipts</b>				<b><u>10,936,687</u></b>
Change in net assets				295,468
Net assets - beginning				<u>1,597,096</u>
Net assets - ending				<b><u>\$ 1,892,564</u></b>
<b>Assets</b>				
Cash and investments				\$ 1,787,221
Restricted assets:				
Cash and investments				<u>105,343</u>
<b>Total assets</b>				<b><u>\$ 1,892,564</u></b>
<b>Net Assets</b>				
Restricted for:				
Debt service				\$ 105,343
Unrestricted				<u>1,787,221</u>
<b>Total net assets</b>				<b><u>\$ 1,892,564</u></b>

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

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

<u>Functions/Programs</u>	<u>Disbursements</u>	Program Receipts		<u>Totals</u>
		<u>Charges for Services</u>	<u>Operating Grants and Contributions</u>	<u>Net (Disbursement) Receipts and Changes in Net Assets</u>
Governmental activities:				
Instruction	\$ 6,192,140	\$ -	\$ 154,487	\$ (6,037,653)
Support services	3,936,784	374,503	223,458	(3,338,823)
Noninstructional services	716,875	-	-	(716,875)
Facilities acquisition and construction	310,331	-	-	(310,331)
Debt service	1,172,743	-	-	(1,172,743)
Nonprogrammed charges	901,260	-	-	(901,260)
Total governmental activities	<u>\$ 13,230,133</u>	<u>\$ 374,503</u>	<u>\$ 377,945</u>	<u>(12,477,685)</u>
General receipts:				
Property taxes				3,858,834
Other local sources				828,111
State aid				5,797,709
Grants and contributions not restricted to specific programs				953,477
Sale of property				7,543
Investment earnings				20,495
Other				<u>41,475</u>
Total general receipts				<u>11,507,644</u>
Change in net assets				(970,041)
Net assets - beginning				<u>1,892,564</u>
Net assets - ending				<u>\$ 922,523</u>
<u>Assets</u>				
Cash and investments				\$ 827,020
Restricted assets:				
Cash and investments				<u>95,503</u>
Total assets				<u>\$ 922,523</u>
<u>Net Assets</u>				
Restricted for:				
Debt service				\$ 95,503
Unrestricted				<u>827,020</u>
Total net assets				<u>\$ 922,523</u>

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

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

	General	Debt Service	Capital Projects	Other	Totals
<b>Receipts:</b>					
Local sources	\$ 2,459,325	\$ 1,398,589	\$ 803,104	\$ 1,122,856	\$ 5,783,874
Intermediate sources	334	-	-	713	1,047
State sources	5,302,455	-	-	199,902	5,502,357
Federal sources	-	-	-	403,499	403,499
Interfund loans	-	-	-	100,000	100,000
Other	2,886	-	15,222	2,511	20,619
<b>Total receipts</b>	<b>7,765,000</b>	<b>1,398,589</b>	<b>818,326</b>	<b>1,829,481</b>	<b>11,811,396</b>
<b>Disbursements:</b>					
<b>Current:</b>					
Instruction	4,705,532	-	-	218,756	4,924,288
Support services	1,745,377	-	577,514	1,149,443	3,472,334
Noninstructional services	131,204	-	-	495,990	627,194
Facilities acquisition and construction	-	-	285,157	-	285,157
Debt services	-	1,224,518	-	-	1,224,518
Nonprogrammed charges	852,833	-	-	31,078	883,911
Interfund loans	-	-	100,000	-	100,000
<b>Total disbursements</b>	<b>7,434,946</b>	<b>1,224,518</b>	<b>962,671</b>	<b>1,895,267</b>	<b>11,517,402</b>
<b>Excess (deficiency) of receipts over disbursements</b>	<b>330,054</b>	<b>174,071</b>	<b>(144,345)</b>	<b>(65,786)</b>	<b>293,994</b>
<b>Other financing sources (uses):</b>					
Sale of capital assets	201	-	-	1,273	1,474
Transfers in	5,713	-	-	79,181	84,894
Transfers out	-	(57,288)	-	(27,606)	(84,894)
<b>Total other financing sources</b>	<b>5,914</b>	<b>(57,288)</b>	<b>-</b>	<b>52,848</b>	<b>1,474</b>
<b>Excess (deficiency) of receipts and other financing sources over disbursements and other financing uses</b>	<b>335,968</b>	<b>116,783</b>	<b>(144,345)</b>	<b>(12,938)</b>	<b>295,468</b>
<b>Cash and investments - beginning</b>	<b>624,335</b>	<b>(11,440)</b>	<b>724,797</b>	<b>259,404</b>	<b>1,597,096</b>
<b>Cash and investments - ending</b>	<b>\$ 960,303</b>	<b>\$ 105,343</b>	<b>\$ 580,452</b>	<b>\$ 246,466</b>	<b>\$ 1,892,564</b>
<b><u>Cash and Investment Assets - Ending</u></b>					
Cash and investments	\$ 960,303	\$ -	\$ 580,452	\$ 246,466	\$ 1,787,221
Restricted assets:					
Cash and investments	-	105,343	-	-	105,343
<b>Total cash and investment assets - ending</b>	<b>\$ 960,303</b>	<b>\$ 105,343</b>	<b>\$ 580,452</b>	<b>\$ 246,466</b>	<b>\$ 1,892,564</b>
<b><u>Cash and Investment Fund Balance - Ending</u></b>					
Restricted for:					
Debt service	\$ -	\$ 105,343	\$ -	\$ -	\$ 105,343
Unrestricted	960,303	-	580,452	246,466	1,787,221
<b>Total cash and investment fund balance - ending</b>	<b>\$ 960,303</b>	<b>\$ 105,343</b>	<b>\$ 580,452</b>	<b>\$ 246,466</b>	<b>\$ 1,892,564</b>

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

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

	General	Fiscal Stabilization ARRA 2009	Debt Service	Capital Projects	Other	Totals
<b>Receipts:</b>						
Local sources	\$ 2,054,117	\$ -	\$ 1,198,121	\$ 745,943	\$ 1,082,487	\$ 5,080,668
Intermediate sources	334	-	-	-	938	1,272
State sources	5,921,812	-	-	-	136,392	6,058,204
Federal sources	-	628,433	-	-	442,494	1,070,927
Interfund loans	-	-	-	100,000	-	100,000
Other	11,606	-	-	17,824	12,044	41,474
<b>Total receipts</b>	<b>7,987,869</b>	<b>628,433</b>	<b>1,198,121</b>	<b>863,767</b>	<b>1,674,355</b>	<b>12,352,545</b>
<b>Disbursements:</b>						
<b>Current:</b>						
Instruction	5,917,520	-	-	-	274,620	6,192,140
Support services	2,354,426	-	-	519,276	1,063,082	3,936,784
Noninstructional services	174,433	-	-	-	542,442	716,875
Facilities acquisition and construction	-	-	-	310,331	-	310,331
Debt services	-	-	1,172,743	-	-	1,172,743
Nonprogrammed charges	839,506	-	-	-	61,754	901,260
Interfund loans	-	-	-	-	100,000	100,000
<b>Total disbursements</b>	<b>9,285,885</b>	<b>-</b>	<b>1,172,743</b>	<b>829,607</b>	<b>2,041,898</b>	<b>13,330,133</b>
Excess (deficiency) of receipts over disbursements	(1,298,016)	628,433	25,378	34,160	(367,543)	(977,588)
<b>Other financing sources (uses):</b>						
Sale of capital assets	5,510	-	-	-	2,033	7,543
Transfers in	21,299	-	-	-	139,692	160,991
Transfers out	(25,000)	-	(35,218)	(25,000)	(75,773)	(160,991)
<b>Total other financing sources (uses)</b>	<b>1,809</b>	<b>-</b>	<b>(35,218)</b>	<b>(25,000)</b>	<b>65,952</b>	<b>7,543</b>
Excess (deficiency) of receipts and other financing sources over disbursements and other financing uses	(1,296,207)	628,433	(9,840)	9,160	(301,591)	(970,045)
Cash and investments - beginning	960,305	-	105,343	580,452	246,468	1,892,568
Cash and investments - ending	\$ (335,902)	\$ 628,433	\$ 95,503	\$ 589,612	\$ (55,123)	\$ 922,523
<b>Cash and Investment Assets - Ending</b>						
Cash and investments	\$ (335,902)	\$ 628,433	\$ -	\$ 589,612	\$ (55,123)	\$ 827,020
Restricted assets:						
Cash and investments	-	-	95,503	-	-	95,503
<b>Total cash and investment assets - ending</b>	<b>\$ (335,902)</b>	<b>\$ 628,433</b>	<b>\$ 95,503</b>	<b>\$ 589,612</b>	<b>\$ (55,123)</b>	<b>\$ 922,523</b>
<b>Cash and Investment Fund Balance - Ending</b>						
Restricted for:						
Debt service	\$ -	\$ -	\$ 95,503	\$ -	\$ -	\$ 95,503
Unrestricted	(335,902)	628,433	-	589,612	(55,123)	827,020
<b>Total cash and investment fund balance - ending</b>	<b>\$ (335,902)</b>	<b>\$ 628,433</b>	<b>\$ 95,503</b>	<b>\$ 589,612</b>	<b>\$ (55,123)</b>	<b>\$ 922,523</b>

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

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

	<u>Private-Purpose Trust Funds</u>
Additions:	
Contributions:	
Other	\$ <u>1,200</u>
Deductions:	
Administrative and general	<u>1,200</u>
Excess of total additions over total deductions	-
Cash and investment fund balance - beginning	<u>1,000</u>
Cash and investment fund balance - ending	<u><u>\$ 1,000</u></u>
Net assets:	
Cash and investments	<u>\$ 1,000</u>
Total net assets - cash and investment basis held in trust	<u><u>\$ 1,000</u></u>

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

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

	<u>Private-Purpose Trust Funds</u>
Additions:	
Contributions:	
Other	\$ <u>1,409</u>
Deductions:	
Administrative and general	<u>1,584</u>
Excess (deficiency) of total additions over total deductions	(175)
Cash and investment fund balance - beginning	<u>1,000</u>
Cash and investment fund balance - ending	<u><u>\$ 825</u></u>
Net assets:	
Cash and investments	<u>\$ 825</u>
Total net assets - cash and investment basis held in trust	<u><u>\$ 825</u></u>

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

NETTLE CREEK SCHOOL CORPORATION  
NOTES TO FINANCIAL INFORMATION

Note 1. Introduction

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.

Note 2. Fund Accounting

A. Government-Wide and Fund Financial Statements

Government-Wide Financial Statements

The Statement of Cash and Investments and the Statement of Cash Activities display information about the reporting government as a whole. They include 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, liabilities, 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.

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 debt service fund accounts for debt from funds borrowed or advanced for the purchase or lease of school buildings, school buses, judgments against the corporation, equipment or capital construction, and interest on emergency and temporary loans.

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

The fiscal stabilization ARRA 2009 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.

NETTLE CREEK SCHOOL CORPORATION  
NOTES TO FINANCIAL INFORMATION  
(Continued)

Additionally, the School Corporation reports the following fund type:

The private-purpose trust funds report a trust arrangement under which principal and income benefit individuals.

**B. Measurement Focus and Basis of Accounting**

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

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

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

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

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

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.

**Note 3. Budgets**

The operating budget is initially prepared and approved at the local level. In addition, funds for which property taxes are levied are subject to final approval by the Indiana Department of Local Government Finance.

NETTLE CREEK SCHOOL CORPORATION  
NOTES TO FINANCIAL INFORMATION  
(Continued)

Note 4. Property Taxes

Property taxes levied are collected by the County Treasurer and are distributed to the School Corporation in June and 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.

Note 5. Deposits and Investments

Deposits, made in accordance with Indiana Code 5-13, with financial institutions in the State of Indiana at year end were entirely insured by the Federal Depository Insurance Corporation or by the Indiana Public Deposit Insurance Fund. This includes any deposit accounts issued or offered by a qualifying financial institution.

State statute (IC 5-13-9) authorizes the School Corporation to invest in securities including, but not limited to, federal government securities, repurchase agreements, and certain money market mutual funds. Certain other statutory restrictions apply to all investments made by local governmental units.

Note 6. Interfund Transfers

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

<u>Transfer From</u>	<u>Transfer To</u>	<u>2008</u>	<u>2009</u>
General Fund	Other governmental	\$ -	\$ 25,000
Debt Service Fund	Other governmental	57,288	35,218
Capital Projects Fund	Other governmental	-	25,000
Other governmental	General Fund	5,713	21,299
Other governmental	Other governmental	<u>21,894</u>	<u>54,474</u>
Totals		<u>\$ 84,895</u>	<u>\$ 160,991</u>

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

NETTLE CREEK SCHOOL CORPORATION  
NOTES TO FINANCIAL INFORMATION  
(Continued)

Note 7. Pension Plan

A. 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 this 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 members' contributions, set by state statute at 3% of compensation, plus the interest credited to the member's account. The employer may elect to make the contributions on behalf of the member.

PERF administers the plan and issues a publicly available financial report that includes financial statements and required supplementary information for the plan as a whole and for its participants. That 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 the plan members for PERF are established by the Board of Trustees of PERF.

B. Teacher's Retirement Fund

Plan Description

The School Corporation contributes to the Indiana Teacher's 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 members' 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.

NETTLE CREEK SCHOOL CORPORATION  
NOTES TO FINANCIAL INFORMATION  
(Continued)

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

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

Funding Policy and Annual Pension Cost

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.

NETTLE CREEK SCHOOL CORPORATION  
 REQUIRED SUPPLEMENTARY INFORMATION  
 SCHEDULE OF FUNDING PROGRESS

Public Employees' Retirement Fund

Actuarial Valuation Date	Actuarial Value of Assets (a)	Actuarial Accrued Liability (AAL) (b)	Excess of Assets Over AAL (a-b)	Funded Ratio (a/b)	Covered Payroll (c)	Excess AAL as a Percentage of Covered Payroll ((a-b)/c)
07-01-06	\$ 1,050,828	\$ 919,185	\$ 131,643	114%	\$ 719,789	18%
07-01-07	1,090,619	1,027,885	62,734	106%	872,769	7%
07-01-08	1,208,214	1,064,543	143,671	113%	746,409	19%

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

	Transportation Operating	Special ED Preschool	School Lunch	Textbook Rental	Levy Excess	Education Plate	06-07 Gifted and Talented
<b>Receipts:</b>							
Local sources	\$ 576,203	\$ 5,975	\$ 334,493	\$ 139,077	\$ -	\$ -	\$ -
Intermediate sources	-	-	-	-	-	713	-
State sources	-	56,943	6,722	29,335	-	-	-
Federal sources	-	-	154,196	-	-	-	-
Interfund loans	100,000	-	-	-	-	-	-
Other	1,661	-	450	400	-	-	-
<b>Total receipts</b>	<b>677,864</b>	<b>62,918</b>	<b>495,861</b>	<b>168,812</b>	<b>-</b>	<b>713</b>	<b>-</b>
<b>Disbursements:</b>							
<b>Current:</b>							
Instruction	-	37,966	-	-	-	-	4,869
Support services	629,074	-	466	239,203	-	-	-
Noninstructional services	-	-	495,757	-	-	-	-
Nonprogrammed charges	-	30,263	-	-	-	-	-
<b>Total disbursements</b>	<b>629,074</b>	<b>68,229</b>	<b>496,223</b>	<b>239,203</b>	<b>-</b>	<b>-</b>	<b>4,869</b>
<b>Excess (deficiency) of receipts over disbursements</b>	<b>48,790</b>	<b>(5,311)</b>	<b>(362)</b>	<b>(70,391)</b>	<b>-</b>	<b>713</b>	<b>(4,869)</b>
<b>Other financing sources (uses):</b>							
Sale of capital assets	1,273	-	-	-	-	-	-
Transfers in	57,288	-	-	-	-	-	-
Transfers out	-	-	-	-	-	-	-
<b>Total other financing sources (uses)</b>	<b>58,561</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>
<b>Excess (deficiency) of receipts and other financing sources over disbursements and other financing uses</b>	<b>107,351</b>	<b>(5,311)</b>	<b>(362)</b>	<b>(70,391)</b>	<b>-</b>	<b>713</b>	<b>(4,869)</b>
<b>Cash and investments - beginning</b>	<b>(109,208)</b>	<b>36,980</b>	<b>(126,930)</b>	<b>94,376</b>	<b>19,396</b>	<b>5,342</b>	<b>4,869</b>
<b>Cash and investments - ending</b>	<b>\$ (1,857)</b>	<b>\$ 31,669</b>	<b>\$ (127,292)</b>	<b>\$ 23,985</b>	<b>\$ 19,396</b>	<b>\$ 6,055</b>	<b>\$ -</b>
<b>Cash and Investment Assets - Ending</b>							
<b>Cash and investments</b>	<b>\$ (1,857)</b>	<b>\$ 31,669</b>	<b>\$ (127,292)</b>	<b>\$ 23,985</b>	<b>\$ 19,396</b>	<b>\$ 6,055</b>	<b>\$ -</b>
<b>Cash and Investment Fund Balance - Ending</b>							
<b>Unrestricted</b>	<b>\$ (1,857)</b>	<b>\$ 31,669</b>	<b>\$ (127,292)</b>	<b>\$ 23,985</b>	<b>\$ 19,396</b>	<b>\$ 6,055</b>	<b>\$ -</b>

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

	07-08 High Ability Grant	Vectren Bright Ideas Grant	Non-English Speaking Program	School Technology Fund	Buddy System Project (Camp Moodle)	English Tech Planning Grant
<b>Receipts:</b>						
Local sources	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Intermediate sources	-	-	-	-	-	-
State sources	30,662	-	-	-	-	-
Federal sources	-	-	-	-	-	-
Interfund loans	-	-	-	-	-	-
Other	-	-	-	-	-	-
<b>Total receipts</b>	<b>30,662</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>
<b>Disbursements:</b>						
<b>Current:</b>						
Instruction	20,930	-	-	-	-	21,575
Support services	-	-	-	-	3,300	-
Noninstructional services	-	-	-	-	-	-
Nonprogrammed charges	-	-	-	-	-	-
<b>Total disbursements</b>	<b>20,930</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>3,300</b>	<b>21,575</b>
<b>Excess (deficiency) of receipts over disbursements</b>	<b>9,732</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>(3,300)</b>	<b>(21,575)</b>
<b>Other financing sources (uses):</b>						
Sale of capital assets	-	-	-	-	-	-
Transfers in	-	-	-	-	-	-
Transfers out	-	-	-	-	-	-
<b>Total other financing sources (uses)</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>
<b>Excess (deficiency) of receipts and other financing sources over disbursements and other financing uses</b>	<b>9,732</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>(3,300)</b>	<b>(21,575)</b>
Cash and investments - beginning	-	18	8	20,072	3,300	68,423
Cash and investments - ending	\$ 9,732	\$ 18	\$ 8	\$ 20,072	\$ -	\$ 46,848
<b>Cash and Investment Assets - Ending</b>						
Cash and investments	\$ 9,732	\$ 18	\$ 8	\$ 20,072	\$ -	\$ 46,848
<b>Cash and Investment Fund Balance - Ending</b>						
Unrestricted	\$ 9,732	\$ 18	\$ 8	\$ 20,072	\$ -	\$ 46,848

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

	INACCESS SCI/ENG Classroom Program	ISAI Grant High School	Biology Pilot Program	Riverside Award STU Testing	ASAI 2006 Grant	Cape Grant Lily Endowment
<b>Receipts:</b>						
Local sources	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 1,900
Intermediate sources	-	-	-	-	-	-
State sources	75,840	-	-	-	-	-
Federal sources	-	-	-	-	-	-
Interfund loans	-	-	-	-	-	-
Other	-	-	-	-	-	-
<b>Total receipts</b>	<b>75,840</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>1,900</b>
<b>Disbursements:</b>						
<b>Current:</b>						
Instruction	-	-	1,067	-	-	-
Support services	-	747	-	-	663	3,019
Noninstructional services	-	-	-	-	-	-
Nonprogrammed charges	-	-	-	-	-	-
<b>Total disbursements</b>	<b>-</b>	<b>747</b>	<b>1,067</b>	<b>-</b>	<b>663</b>	<b>3,019</b>
<b>Excess (deficiency) of receipts over disbursements</b>	<b>75,840</b>	<b>(747)</b>	<b>(1,067)</b>	<b>-</b>	<b>(663)</b>	<b>(1,119)</b>
<b>Other financing sources (uses):</b>						
Sale of capital assets	-	-	-	-	-	-
Transfers in	-	-	-	-	-	-
Transfers out	(2,336)	-	-	(243)	-	-
<b>Total other financing sources (uses)</b>	<b>(2,336)</b>	<b>-</b>	<b>-</b>	<b>(243)</b>	<b>-</b>	<b>-</b>
<b>Excess (deficiency) of receipts and other financing sources over disbursements and other financing uses</b>	<b>73,504</b>	<b>(747)</b>	<b>(1,067)</b>	<b>(243)</b>	<b>(663)</b>	<b>(1,119)</b>
<b>Cash and investments - beginning</b>	<b>2,336</b>	<b>747</b>	<b>15,884</b>	<b>243</b>	<b>1,500</b>	<b>2,281</b>
<b>Cash and investments - ending</b>	<b>\$ 75,840</b>	<b>\$ -</b>	<b>\$ 14,817</b>	<b>\$ -</b>	<b>\$ 837</b>	<b>\$ 1,162</b>
<b><u>Cash and Investment Assets - Ending</u></b>						
<b>Cash and investments</b>	<b>\$ 75,840</b>	<b>\$ -</b>	<b>\$ 14,817</b>	<b>\$ -</b>	<b>\$ 837</b>	<b>\$ 1,162</b>
<b><u>Cash and Investment Fund Balance - Ending</u></b>						
<b>Unrestricted</b>	<b>\$ 75,840</b>	<b>\$ -</b>	<b>\$ 14,817</b>	<b>\$ -</b>	<b>\$ 837</b>	<b>\$ 1,162</b>

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

	Wayne County Foundation Grant	08-09 Title I	07-08 Title I	07-08 Title I School Improvement	06-07 Title I School Improvement	05-06 Title 5 Part A
<b>Receipts:</b>						
Local sources	\$ 800	\$ -	\$ -	\$ -	\$ -	\$ 2,460
Intermediate sources	-	-	-	-	-	-
State sources	-	-	-	-	-	-
Federal sources	-	-	163,420	28,478	-	-
Interfund loans	-	-	-	-	-	-
Other	-	-	-	-	-	-
<b>Total receipts</b>	<b>800</b>	<b>-</b>	<b>163,420</b>	<b>28,478</b>	<b>-</b>	<b>2,460</b>
<b>Disbursements:</b>						
<b>Current:</b>						
Instruction	809	16,705	107,932	27	6	29
Support services	-	7,495	30,158	16,014	185	11,204
Noninstructional services	-	163	70	-	-	-
Nonprogrammed charges	-	-	-	-	-	222
<b>Total disbursements</b>	<b>809</b>	<b>24,363</b>	<b>138,160</b>	<b>16,041</b>	<b>191</b>	<b>11,455</b>
Excess (deficiency) of receipts over disbursements	(9)	(24,363)	25,260	12,437	(191)	(8,995)
<b>Other financing sources (uses):</b>						
Sale of capital assets	-	-	-	-	-	-
Transfers in	-	-	8,238	-	-	-
Transfers out	-	(8,238)	-	-	-	(759)
<b>Total other financing sources (uses)</b>	<b>-</b>	<b>(8,238)</b>	<b>8,238</b>	<b>-</b>	<b>-</b>	<b>(759)</b>
Excess (deficiency) of receipts and other financing sources over disbursements and other financing uses	(9)	(32,601)	33,498	12,437	(191)	(9,754)
Cash and investments - beginning	-	32,601	-	-	191	9,753
Cash and investments - ending	<u>\$ (9)</u>	<u>\$ -</u>	<u>\$ 33,498</u>	<u>\$ 12,437</u>	<u>\$ -</u>	<u>\$ (1)</u>
<b>Cash and Investment Assets - Ending</b>						
Cash and investments	<u>\$ (9)</u>	<u>\$ -</u>	<u>\$ 33,498</u>	<u>\$ 12,437</u>	<u>\$ -</u>	<u>\$ (1)</u>
<b>Cash and Investment Fund Balance - Ending</b>						
Unrestricted	<u>\$ (9)</u>	<u>\$ -</u>	<u>\$ 33,498</u>	<u>\$ 12,437</u>	<u>\$ -</u>	<u>\$ (1)</u>

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

	05-06 Title 5 Part A Elementary	07-08 Title V Part A	05-06 Drug-Free Schools	06-07 Drug-Free Schools	07-08 HSTW Grant	2005 HSTW Grant
<b>Receipts:</b>						
Local sources	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Intermediate sources	-	-	-	-	-	-
State sources	-	-	-	-	400	-
Federal sources	-	1,855	5,640	4,392	-	-
Interfund loans	-	-	-	-	-	-
Other	-	-	-	-	-	-
<b>Total receipts</b>	<b>-</b>	<b>1,855</b>	<b>5,640</b>	<b>4,392</b>	<b>400</b>	<b>-</b>
<b>Disbursements:</b>						
<b>Current:</b>						
Instruction	-	-	3,938	1,781	-	177
Support services	15,610	-	1,507	-	-	90
Noninstructional services	-	-	-	-	-	-
Nonprogrammed charges	-	-	82	-	-	-
<b>Total disbursements</b>	<b>15,610</b>	<b>-</b>	<b>5,527</b>	<b>1,781</b>	<b>-</b>	<b>267</b>
<b>Excess (deficiency) of receipts over disbursements</b>	<b>(15,610)</b>	<b>1,855</b>	<b>113</b>	<b>2,611</b>	<b>400</b>	<b>(267)</b>
<b>Other financing sources (uses):</b>						
Sale of capital assets	-	-	-	-	-	-
Transfers in	13,655	-	-	-	-	-
Transfers out	-	-	(113)	-	-	-
<b>Total other financing sources (uses)</b>	<b>13,655</b>	<b>-</b>	<b>(113)</b>	<b>-</b>	<b>-</b>	<b>-</b>
<b>Excess (deficiency) of receipts and other financing sources over disbursements and other financing uses</b>	<b>(1,955)</b>	<b>1,855</b>	<b>-</b>	<b>2,611</b>	<b>400</b>	<b>(267)</b>
Cash and investments - beginning	1,955	-	-	-	-	980
Cash and investments - ending	\$ -	\$ 1,855	\$ -	\$ 2,611	\$ 400	\$ 713
<b>Cash and Investment Assets - Ending</b>						
Cash and investments	\$ -	\$ 1,855	\$ -	\$ 2,611	\$ 400	\$ 713
<b>Cash and Investment Fund Balance - Ending</b>						
Unrestricted	\$ -	\$ 1,855	\$ -	\$ 2,611	\$ 400	\$ 713

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

	2006 HSTW Grant	School-to-Work Development	Title II, Part A Improving Teacher Quality	05-06, Title II Part D Ref Rev	Transportation Bus Replacement	Totals
<b>Receipts:</b>						
Local sources	\$ -	\$ -	\$ 185	\$ -	\$ 61,763	\$ 1,122,856
Intermediate sources	-	-	-	-	-	713
State sources	-	-	-	-	-	199,902
Federal sources	-	-	45,518	-	-	403,499
Interfund loans	-	-	-	-	-	100,000
Other	-	-	-	-	-	2,511
<b>Total receipts</b>	<b>-</b>	<b>-</b>	<b>45,703</b>	<b>-</b>	<b>61,763</b>	<b>1,829,481</b>
<b>Disbursements:</b>						
<b>Current:</b>						
Instruction	-	-	540	405	-	218,756
Support services	1,500	-	25,704	-	163,504	1,149,443
Noninstructional services	-	-	-	-	-	495,990
Nonprogrammed charges	-	-	511	-	-	31,078
<b>Total disbursements</b>	<b>1,500</b>	<b>-</b>	<b>26,755</b>	<b>405</b>	<b>163,504</b>	<b>1,895,267</b>
Excess (deficiency) of receipts over disbursements	(1,500)	-	18,948	(405)	(101,741)	(65,786)
<b>Other financing sources (uses):</b>						
Sale of capital assets	-	-	-	-	-	1,273
Transfers in	-	-	-	-	-	79,181
Transfers out	-	(1,139)	(14,705)	(73)	-	(27,606)
<b>Total other financing sources (uses)</b>	<b>-</b>	<b>(1,139)</b>	<b>(14,705)</b>	<b>(73)</b>	<b>-</b>	<b>52,848</b>
Excess (deficiency) of receipts and other financing sources over disbursements and other financing uses	(1,500)	(1,139)	4,243	(478)	(101,741)	(12,938)
Cash and investments - beginning	1,500	1,139	27,620	478	143,550	259,404
Cash and investments - ending	\$ -	\$ -	\$ 31,863	\$ -	\$ 41,809	\$ 246,466
<b>Cash and Investment Assets - Ending</b>						
Cash and investments	\$ -	\$ -	\$ 31,863	\$ -	\$ 41,809	\$ 246,466
<b>Cash and Investment Fund Balance - Ending</b>						
Unrestricted	\$ -	\$ -	\$ 31,863	\$ -	\$ 41,809	\$ 246,466

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

	Transportation Operating	Special ED Preschool	Rainy Day	School Lunch	Textbook Rental	Levy Excess	Education Plate
<b>Receipts:</b>							
Local sources	\$ 534,445	\$ 5,149	\$ -	\$ 351,401	\$ 134,857	\$ -	\$ -
Intermediate sources	-	-	-	-	-	-	938
State sources	-	56,732	-	6,659	39,839	-	-
Federal sources	-	-	-	176,960	-	-	-
Other	7,964	-	-	450	400	-	-
<b>Total receipts</b>	<b>542,409</b>	<b>61,881</b>	<b>-</b>	<b>535,470</b>	<b>175,096</b>	<b>-</b>	<b>938</b>
<b>Disbursements:</b>							
<b>Current:</b>							
Instruction	-	-	-	-	-	-	-
Support services	690,249	-	-	450	180,494	-	-
Noninstructional services	-	-	-	541,727	-	-	-
Nonprogrammed charges	-	61,690	-	-	-	-	-
Interfund loans	100,000	-	-	-	-	-	-
<b>Total disbursements</b>	<b>790,249</b>	<b>61,690</b>	<b>-</b>	<b>542,177</b>	<b>180,494</b>	<b>-</b>	<b>-</b>
<b>Excess (deficiency) of receipts over disbursements</b>	<b>(247,840)</b>	<b>191</b>	<b>-</b>	<b>(6,707)</b>	<b>(5,398)</b>	<b>-</b>	<b>938</b>
<b>Other financing sources (uses):</b>							
Sale of capital assets	-	-	-	-	-	-	-
Transfers in	-	-	50,000	25,000	10,218	-	-
Transfers out	-	-	-	-	-	(19,396)	-
<b>Total other financing sources (uses)</b>	<b>-</b>	<b>-</b>	<b>50,000</b>	<b>25,000</b>	<b>10,218</b>	<b>(19,396)</b>	<b>-</b>
<b>Excess (deficiency) of receipts and other financing sources over disbursements and other financing uses</b>	<b>(247,840)</b>	<b>191</b>	<b>50,000</b>	<b>18,293</b>	<b>4,820</b>	<b>(19,396)</b>	<b>938</b>
<b>Cash and investments - beginning</b>	<b>(1,857)</b>	<b>31,669</b>	<b>-</b>	<b>(127,292)</b>	<b>23,984</b>	<b>19,396</b>	<b>6,055</b>
<b>Cash and investments - ending</b>	<b>\$ (249,697)</b>	<b>\$ 31,860</b>	<b>\$ 50,000</b>	<b>\$ (108,999)</b>	<b>\$ 28,804</b>	<b>\$ -</b>	<b>\$ 6,993</b>
<b>Cash and Investment Assets - Ending</b>							
<b>Cash and investments</b>	<b>\$ (249,697)</b>	<b>\$ 31,860</b>	<b>\$ 50,000</b>	<b>\$ (108,999)</b>	<b>\$ 28,804</b>	<b>\$ -</b>	<b>\$ 6,993</b>
<b>Cash and Investment Fund Balance - Ending</b>							
<b>Unrestricted</b>	<b>\$ (249,697)</b>	<b>\$ 31,860</b>	<b>\$ 50,000</b>	<b>\$ (108,999)</b>	<b>\$ 28,804</b>	<b>\$ -</b>	<b>\$ 6,993</b>

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

	08-09 Safe Haven Grant	08-09 Early Intervention Grant	07-08 High Ability Grant	08-09 High Ability Grant	Vectren Bright Ideas Grant	Non-English Speaking Program	School Technology
<b>Receipts:</b>							
Local sources	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Intermediate sources	-	-	-	-	-	-	-
State sources	1,000	1,500	-	30,662	-	-	-
Federal sources	-	-	-	-	-	-	-
Other	-	-	-	-	-	-	3,221
<b>Total receipts</b>	<b>1,000</b>	<b>1,500</b>	<b>-</b>	<b>30,662</b>	<b>-</b>	<b>-</b>	<b>3,221</b>
<b>Disbursements:</b>							
<b>Current:</b>							
Instruction	-	-	9,732	20,556	-	-	-
Support services	1,000	1,500	-	-	-	-	-
Noninstructional services	-	-	-	-	-	-	-
Nonprogrammed charges	-	-	-	-	-	-	-
Interfund loans	-	-	-	-	-	-	-
<b>Total disbursements</b>	<b>1,000</b>	<b>1,500</b>	<b>9,732</b>	<b>20,556</b>	<b>-</b>	<b>-</b>	<b>-</b>
Excess (deficiency) of receipts over disbursements	-	-	(9,732)	10,106	-	-	3,221
<b>Other financing sources (uses):</b>							
Sale of capital assets	-	-	-	-	-	-	-
Transfers in	-	-	-	-	-	-	-
Transfers out	-	-	-	-	-	-	-
<b>Total other financing sources (uses)</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>
Excess (deficiency) of receipts and other financing sources over disbursements and other financing uses	-	-	(9,732)	10,106	-	-	3,221
Cash and investments - beginning	-	-	9,732	-	18	8	20,072
Cash and investments - ending	\$ -	\$ -	\$ -	\$ 10,106	\$ 18	\$ 8	\$ 23,293
<b>Cash and Investment Assets - Ending</b>							
Cash and investments	\$ -	\$ -	\$ -	\$ 10,106	\$ 18	\$ 8	\$ 23,293
<b>Cash and Investment Fund Balance - Ending</b>							
Unrestricted	\$ -	\$ -	\$ -	\$ 10,106	\$ 18	\$ 8	\$ 23,293

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

	English Tech Planning Grant	INACCESS SCI/ENG Classroom Program	Biology Pilot Program	ASAI 2006 Grant	Cape Grant Lily Endowment	Wayne County Foundation Grant
<b>Receipts:</b>						
Local sources	\$ -	\$ -	\$ -	\$ -	\$ 7,655	\$ -
Intermediate sources	-	-	-	-	-	-
State sources	-	-	-	-	-	-
Federal sources	-	-	-	-	-	-
Other	-	-	-	-	-	9
<b>Total receipts</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>7,655</b>	<b>9</b>
<b>Disbursements:</b>						
<b>Current:</b>						
Instruction	46,848	10,270	14,818	-	-	-
Support services	-	-	-	837	8,432	-
Noninstructional services	-	-	-	-	-	-
Nonprogrammed charges	-	-	-	-	-	-
Interfund loans	-	-	-	-	-	-
<b>Total disbursements</b>	<b>46,848</b>	<b>10,270</b>	<b>14,818</b>	<b>837</b>	<b>8,432</b>	<b>-</b>
<b>Excess (deficiency) of receipts over disbursements</b>	<b>(46,848)</b>	<b>(10,270)</b>	<b>(14,818)</b>	<b>(837)</b>	<b>(777)</b>	<b>9</b>
<b>Other financing sources (uses):</b>						
Sale of capital assets	-	-	-	-	-	-
Transfers in	-	-	-	-	-	-
Transfers out	-	-	-	-	-	-
<b>Total other financing sources (uses)</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>
<b>Excess (deficiency) of receipts and other financing sources over disbursements and other financing uses</b>	<b>(46,848)</b>	<b>(10,270)</b>	<b>(14,818)</b>	<b>(837)</b>	<b>(777)</b>	<b>9</b>
<b>Cash and investments - beginning</b>	<b>46,848</b>	<b>75,840</b>	<b>14,818</b>	<b>837</b>	<b>1,163</b>	<b>(9)</b>
<b>Cash and investments - ending</b>	<b>\$ -</b>	<b>\$ 65,570</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ 386</b>	<b>\$ -</b>
<b>Cash and Investment Assets - Ending</b>						
<b>Cash and investments</b>	<b>\$ -</b>	<b>\$ 65,570</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ 386</b>	<b>\$ -</b>
<b>Cash and Investment Fund Balance - Ending</b>						
<b>Unrestricted</b>	<b>\$ -</b>	<b>\$ 65,570</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ 386</b>	<b>\$ -</b>

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

	08-09 Title I	Fund 07-08 Title I	07-08 Title I School Improvement	07-08 Title V Part A	08-09 Title V Part A	06-07 Drug Free Schools
<b>Receipts:</b>						
Local sources	\$ -	\$ 1,850	\$ -	\$ -	\$ -	\$ -
Intermediate sources	-	-	-	-	-	-
State sources	-	-	-	-	-	-
Federal sources	176,640	-	-	-	-	-
Other	-	-	-	-	-	-
<b>Total receipts</b>	<b>176,640</b>	<b>1,850</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>
<b>Disbursements:</b>						
<b>Current:</b>						
Instruction	115,426	19,562	-	-	-	2,376
Support services	37,790	1,050	12,437	2,204	24,008	83
Noninstructional services	-	715	-	-	-	-
Nonprogrammed charges	-	-	-	-	-	64
Interfund loans	-	-	-	-	-	-
<b>Total disbursements</b>	<b>153,216</b>	<b>21,327</b>	<b>12,437</b>	<b>2,204</b>	<b>24,008</b>	<b>2,523</b>
<b>Excess (deficiency) of receipts over disbursements</b>	<b>23,424</b>	<b>(19,477)</b>	<b>(12,437)</b>	<b>(2,204)</b>	<b>(24,008)</b>	<b>(2,523)</b>
<b>Other financing sources (uses):</b>						
Sale of capital assets	-	-	-	-	-	-
Transfers in	14,021	-	-	16,445	24,008	-
Transfers out	-	(14,021)	-	(915)	-	(88)
<b>Total other financing sources (uses)</b>	<b>14,021</b>	<b>(14,021)</b>	<b>-</b>	<b>15,530</b>	<b>24,008</b>	<b>(88)</b>
<b>Excess (deficiency) of receipts and other financing sources over disbursements and other financing uses</b>	<b>37,445</b>	<b>(33,498)</b>	<b>(12,437)</b>	<b>13,326</b>	<b>-</b>	<b>(2,611)</b>
<b>Cash and investments - beginning</b>	<b>-</b>	<b>33,498</b>	<b>12,437</b>	<b>1,855</b>	<b>-</b>	<b>2,611</b>
<b>Cash and investments - ending</b>	<b>\$ 37,445</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ 15,181</b>	<b>\$ -</b>	<b>\$ -</b>
<b>Cash and Investment Assets - Ending</b>						
<b>Cash and investments</b>	<b>\$ 37,445</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ 15,181</b>	<b>\$ -</b>	<b>\$ -</b>
<b>Cash and Investment Fund Balance - Ending</b>						
<b>Unrestricted</b>	<b>\$ 37,445</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ 15,181</b>	<b>\$ -</b>	<b>\$ -</b>

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

	07-08 Drug Free Schools	07-08 HSTW Grant	2005 HSTW Grant	Title II, Part A Improving Teacher Quality	Transportation School Bus Replacement	Totals
<b>Receipts:</b>						
Local sources	\$ -	\$ -	\$ -	\$ -	\$ 47,130	\$ 1,082,487
Intermediate sources	-	-	-	-	-	938
State sources	-	-	-	-	-	136,392
Federal sources	4,449	-	-	84,445	-	442,494
Other	-	-	-	-	-	12,044
<b>Total receipts</b>	<b>4,449</b>	<b>-</b>	<b>-</b>	<b>84,445</b>	<b>47,130</b>	<b>1,674,355</b>
<b>Disbursements:</b>						
<b>Current:</b>						
Instruction	3,169	-	-	31,863	-	274,620
Support services	-	-	492	29,576	72,480	1,063,082
Noninstructional services	-	-	-	-	-	542,442
Nonprogrammed charges	-	-	-	-	-	61,754
Interfund loans	-	-	-	-	-	100,000
<b>Total disbursements</b>	<b>3,169</b>	<b>-</b>	<b>492</b>	<b>61,439</b>	<b>72,480</b>	<b>2,041,898</b>
<b>Excess (deficiency) of receipts over disbursements</b>	<b>1,280</b>	<b>-</b>	<b>(492)</b>	<b>23,006</b>	<b>(25,350)</b>	<b>(367,543)</b>
<b>Other financing sources (uses):</b>						
Sale of capital assets	-	-	-	-	2,033	2,033
Transfers in	-	-	-	-	-	139,692
Transfers out	-	-	-	(41,353)	-	(75,773)
<b>Total other financing sources (uses)</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>(41,353)</b>	<b>2,033</b>	<b>65,952</b>
<b>Excess (deficiency) of receipts and other financing sources over disbursements and other financing uses</b>	<b>1,280</b>	<b>-</b>	<b>(492)</b>	<b>(18,347)</b>	<b>(23,317)</b>	<b>(301,591)</b>
<b>Cash and investments - beginning</b>	<b>-</b>	<b>400</b>	<b>713</b>	<b>31,863</b>	<b>41,809</b>	<b>246,468</b>
<b>Cash and investments - ending</b>	<b>\$ 1,280</b>	<b>\$ 400</b>	<b>\$ 221</b>	<b>\$ 13,516</b>	<b>\$ 18,492</b>	<b>\$ (55,123)</b>
<b>Cash and Investment Assets - Ending</b>						
<b>Cash and investments</b>	<b>\$ 1,280</b>	<b>\$ 400</b>	<b>\$ 221</b>	<b>\$ 13,516</b>	<b>\$ 18,492</b>	<b>\$ (55,123)</b>
<b>Cash and Investment Fund Balance - Ending</b>						
<b>Unrestricted</b>	<b>\$ 1,280</b>	<b>\$ 400</b>	<b>\$ 221</b>	<b>\$ 13,516</b>	<b>\$ 18,492</b>	<b>\$ (55,123)</b>

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

	<u>PTO Art Department Donation</u>	<u>Stacie Heacox Memorial</u>	<u>Denhart-Rex Scholarship</u>	<u>US Bank Scholarship</u>	<u>Reed House Memorial Fund</u>	<u>Tobacco Use Prevention Grant</u>	<u>Totals</u>
Additions:							
Contributions:							
Other	\$ -	\$ -	\$ 1,000	\$ 200	\$ -	\$ -	\$ 1,200
Deductions:							
Administrative and general	-	-	1,000	200	-	-	1,200
Excess (deficiency) of total additions over total deductions	-	-	-	-	-	-	-
Cash and investment fund balance - beginning	<u>100</u>	<u>8</u>	<u>-</u>	<u>-</u>	<u>392</u>	<u>500</u>	<u>1,000</u>
Cash and investments - June 30	<u>\$ 100</u>	<u>\$ 8</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 392</u>	<u>\$ 500</u>	<u>\$ 1,000</u>
Net assets:							
Cash and investments	<u>\$ 100</u>	<u>\$ 8</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 392</u>	<u>\$ 500</u>	<u>\$ 1,000</u>
Total net assets - cash and investment basis held in trust	<u>\$ 100</u>	<u>\$ 8</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 392</u>	<u>\$ 500</u>	<u>\$ 1,000</u>

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

	PTO Art Department Donation	Wayne County Foundation Grant	Stacie Heacox Memorial	US Bank Scholarship	Reed House Memorial	Ellen M. Lane Memorial Scholarship	Tobacco Use Prevention Grant	Totals
Additions:								
Contributions:								
Other	\$ -	\$ 709	\$ -	\$ 200	\$ -	\$ 500	\$ -	\$ 1,409
Deductions:								
Administrative and general	100	709	-	200	75	500	-	1,584
Excess (deficiency) of total additions over total deductions	(100)	-	-	-	(75)	-	-	(175)
Cash and investment fund balance - beginning	100	-	8	-	392	-	500	1,000
Cash and investments - June 30	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 8</u>	<u>\$ -</u>	<u>\$ 317</u>	<u>\$ -</u>	<u>\$ 500</u>	<u>\$ 825</u>
Net assets:								
Cash and investments	\$ -	\$ -	\$ 8	\$ -	\$ 317	\$ -	\$ 500	\$ 825
Total net assets - cash and investment basis held in trust	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 8</u>	<u>\$ -</u>	<u>\$ 317</u>	<u>\$ -</u>	<u>\$ 500</u>	<u>\$ 825</u>

NETTLE CREEK SCHOOL CORPORATION  
 SUPPLEMENTARY INFORMATION  
 SCHEDULE OF CAPITAL ASSETS  
 April 18, 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	\$ 267,971
Land Improvements	760,318
Buildings	11,005,134
Machinery and equipment	<u>3,641,752</u>
 Total governmental activities, capital assets not being depreciated	 <u><u>\$ 15,675,175</u></u>

NETTLE CREEK SCHOOL CORPORATION  
 SUPPLEMENTARY INFORMATION  
 SCHEDULE OF LONG-TERM DEBT  
 June 30, 2009

The School Corporation has entered into the following debt:

Description of Debt	Ending Principal Balance	Principal and Interest Due Within One Year
Governmental activities:		
Capital leases:		
Elementary school building renovations	\$ 6,870,000	\$ 720,500
Notes and loans payable	<u>4,560,486</u>	<u>484,570</u>
Total governmental activities debt	<u>\$ 11,430,486</u>	<u>\$ 1,205,070</u>

NETTLE CREEK SCHOOL CORPORATION  
EXAMINATION RESULTS AND COMMENTS

ANNUAL 100-R REPORT

The Annual 100-R Report, a listing of all employees names, addresses, duties and compensation, which is to be filed on or before January 31 of each year, was not filed for the years 2008 and 2009.

IC 5-11-13-1 states:

"Every state, county, city, town, township, or school official, elective or appointive, who is the head of or in charge of any office, department, board, or commission of the state or of any county, city, town, or township, and every state, county, city, town, or township employee or agent who is the head of, or in charge of, or the executive officer of any department, bureau, board, or commission of the state, county, city, town, or township, and every executive officer by whatever title designated, who is in charge of any state educational institution or of any other state, county, or city institution, shall during the month of January of each year prepare, make, and sign a written or printed certified report, correctly and completely showing the names and addresses of each and all officers, employees, and agents in their respective offices, departments, boards, commissions, and institutions, and the respective duties and compensation of each, and shall forthwith file said report in the office of the state examiner of the state board of accounts. However, no more than one (1) report covering the same officers, employees, and agents need be made from the state or any county, city, town, township, or school unit in any one year."

To facilitate the filing of the Report of Names, Addresses, Duties and Compensation of Public Employees, the State Board of Accounts has designed and prescribed Form No. 100-R which you may obtain from your public printing supplier. The report is to be prepared to include all officers, employees and agents as of January of the new year. The report should be filed with the State Board of Accounts, Indiana Government Center South, 302 West Washington Street, Room E418, Indianapolis, IN 46204, on or before January 31, of each year. (The School Administrator and Uniform Compliance Guidelines, December 2002)

DEPOSITS (Applies to Hagerstown Jr/Sr High School and Elementary)

Some receipts were written that could not be verified as being deposited in the same form as received. Further examination revealed that for some receipts, both cash and checks were received. The receipt did not indicate the amount of cash and the amount of checks.

Deposits in some instances were not made for up to seven days after the money was received. Additionally, athletic event deposits were not being deposited up to eleven days after the event.

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

The treasurer shall deposit without unreasonable delay, all receipts in one bank account to be known as the '(name of school) School Extra-Curricular Account.' (Accounting and Uniform Compliance Guidelines for School Extra-Curricular Accounts, Chapter 1)

NETTLE CREEK SCHOOL CORPORATION  
EXAMINATION RESULTS AND COMMENTS  
(Continued)

PRESCRIBED FORMS

The Textbook Rental Receipt as issued by the High School for 2008-2009 was not completed in a manner as prescribed by the State Board of Accounts. The receipts gave a detail of charges but did not give a total of the fees for the year. Additionally, if payments were made the payment was deducted from the fees by line item leaving a balance of each fee of \$0.

Officials and employees are required to use State Board of Accounts prescribed or approved forms in the manner prescribed. (Accounting and Uniform Compliance Guidelines Manual for Extra-Curricular Accounts, Chapter 7)

OVERDRAWN FUND BALANCES

The Transportation Operating Fund, School Lunch Fund, and Wayne County Foundation Grant Fund and 05-06 Title 5 Part A Fund were overdrawn at June 30, 2008, by \$1,857, \$127,292, \$9, and \$1, respectively. Additionally, the General Fund; Transportation Operating, and School Lunch Fund were overdrawn at June 30, 2009, by \$335,902, \$246,697, and \$108,999, respectively.

The balance of any fund may not be reduced below zero. Routinely overdrawn funds could be an indicator of serious financial problems which should be investigated by the governmental unit. (Accounting and Uniform Compliance Guidelines Manual for Indiana Public School Corporations, Chapter 9)

TEXTBOOK RENTAL REIMBURSEMENT - INCORRECT REPORTING TO THE STATE

The information presented for examination indicates students listed on the textbook rental reimbursement form, were incorrect for the school year ending June 30, 2008.

The difference between the count reported on the textbook rental reimbursement and the verified figures are shown below:

<u>School Year</u>	<u>Grade</u>	<u>Reported on Textbook Rental Reimbursement</u>	<u>Actual Enrollment Figures</u>	<u>Difference</u>
07-08	Kindergarten	25	24	(1)
	1	33	33	-
	2	26	25	(1)
	3	39	39	-
	4	32	31	(1)
	5	34	32	(2)
	6	22	20	(2)
	7	33	33	-
	8	24	23	(1)
	9	29	29	-
	10	32	33	1
	11	21	23	2
	12	16	15	(1)

NETTLE CREEK SCHOOL CORPORATION  
EXAMINATION RESULTS AND COMMENTS  
(Continued)

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)

NETTLE CREEK SCHOOL CORPORATION  
EXIT CONFERENCE

The contents of this report were discussed on January 7, 2010, with Joe Backmeyer, Superintendent; Judy Cole, Treasurer; Elain Hellwarth, Board member; and Erin Riggle, Executive Secretary. The official response has been made a part of this report and may be found on page 35.

# Nettle Creek School Corporation

297 EAST NORTHMARKET ST.  
HAGERSTOWN, INDIANA 47346  
765/489-4543  
765.489.4914

Joe Backmeyer  
Superintendent

Judy Cole  
Treasurer

Erin Riggle  
Executive Secretary

Kara Toler  
Transportation Secretary

TO: State Board of Accounts  
302 West Washington Street  
Room E 418  
Indianapolis, IN 46204-2765

FROM: Nettle Creek School Corporation  
297 E. Northmarket Street  
Hagerstown, IN 47346

RE: OFFICIAL RESPONSE

DATE: January 13, 2010

## OVERDRAWN FUND BALANCES

The Transportation Operating Fund was overdrawn on June 30, 2009 as a result of late receipts of funds from the State of Indiana.

The School Lunch Fund was overdrawn on June 30, 2009. A reorganization of the NCSC School Lunch Program has taken place in an attempt to reduce/eliminate the negative balance in this fund. The school corporation has appointed a single director of food service and has realigned the work force in each school by reducing the number of contracted personnel and adjusting salaries for cafeteria staff. While food costs have continued to rise, it is hoped that closer scrutiny of operations will permit a more efficient operation of the school food services.

  
Joe Backmeyer, Superintendent