

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

AUDIT REPORT  
OF

METROPOLITAN SCHOOL DISTRICT  
OF SOUTHWEST ALLEN COUNTY  
ALLEN COUNTY, INDIANA

July 1, 2007 to June 30, 2009



**FILED**

03/05/2010



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SCHEDULE OF OFFICIALS

<u>Office</u>	<u>Official</u>	<u>Term</u>
Treasurer	James W. Coplen	07-01-07 to 06-30-10
Superintendent of Schools	Dr. Brian F. Smith Dr. Nancy Carey Dr. Steven L. Yager	07-01-07 to 06-30-09 07-01-09 to 07-12-09 07-13-09 to 06-30-10
President of the School Board	John F. Blum John S. Bloom John F. Blum	07-01-07 to 06-30-08 07-01-08 to 06-30-09 07-01-09 to 06-30-10



**STATE OF INDIANA**  
AN EQUAL OPPORTUNITY EMPLOYER

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

TO: THE OFFICIALS OF THE METROPOLITAN SCHOOL DISTRICT  
OF SOUTHWEST ALLEN COUNTY, ALLEN COUNTY, INDIANA

We have audited the accompanying financial statements of the governmental activities, the business-type activities, each major fund, and the aggregate remaining fund information of the Metropolitan School District of Southwest Allen County (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 3, 2009, on our consideration of the School Corporation's internal control over financial reporting and our tests of its compliance with certain provisions of laws, regulations, contracts, grant agreements, and other matters. The purpose of that report is to describe the scope of our testing of internal control over financial reporting and compliance and the results of that testing and not to provide an opinion on the internal control over financial reporting or on compliance. That report is an audit performed in accordance with Government Auditing Standards and should be considered in assessing the results of our audit.

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

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

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

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

Our audit was conducted for the purpose of forming opinions on the financial statements that collectively comprise the School Corporation's basic financial statements. The Combining Schedules, as listed in the Table of Contents, Schedule of Capital Assets, and Schedule of Long-Term Debt are presented for additional analysis and are not required parts of the basic financial statements. The Combining Schedules, as listed in the Table of Contents, have been subjected to the auditing procedures applied in the audit of the basic financial statements and, in our opinion, are fairly stated in all material respects in relation to the basic financial statements taken as a whole. The Schedule of Capital Assets and Schedule of Long-Term Debt have not been subjected to the auditing procedures applied by us in the audit of the basic financial statements and, accordingly, we express no opinion on them.

STATE BOARD OF ACCOUNTS

February 3, 2009



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

TO: THE OFFICIALS OF THE METROPOLITAN SCHOOL DISTRICT  
OF SOUTHWEST ALLEN COUNTY, ALLEN COUNTY, INDIANA

We have audited the financial statements of the governmental activities, each major fund, and the aggregate remaining fund information of the Metropolitan School District of Southwest Allen County (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 3, 2009. We conducted our audit in accordance with auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in Government Auditing Standards, issued by the Comptroller General of the United States.

Internal Control Over Financial Reporting

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

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

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

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

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

Compliance and Other Matters

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

This report is intended solely for the information and use of the School Corporation's management, 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 3, 2009

METROPOLITAN SCHOOL DISTRICT OF SOUTHWEST ALLEN COUNTY  
STATEMENT OF ACTIVITIES AND NET ASSETS - CASH AND INVESTMENT BASIS  
For the Year Ended June 30, 2008

<u>Functions/Programs</u>	<u>Disbursements</u>	<u>Program Receipts</u>		<u>Totals</u>
		<u>Charges for Services</u>	<u>Operating Grants and Contributions</u>	<u>Net (Disbursement) Receipts and Changes in Net Assets</u>
Governmental activities:				
Instruction	\$ 31,894,236	\$ -	\$ 224,567	\$ (31,669,669)
Support services	16,833,818	2,051,959	418,210	(14,363,649)
Noninstructional services	2,435,148	-	166,889	(2,268,259)
Facilities acquisition and construction	4,345,011	-	-	(4,345,011)
Debt service	29,681,201	-	-	(29,681,201)
Nonprogrammed charges	4,802,037	-	-	(4,802,037)
Total governmental activities	<u>\$ 89,991,451</u>	<u>\$ 2,051,959</u>	<u>\$ 809,666</u>	<u>(87,129,826)</u>
General receipts:				
Property taxes				47,832,255
Other local sources				5,457,542
State aid				12,778,330
Bonds and loans				13,403,000
Grants and contributions not restricted to specific programs				3,275,661
Sale of property				13,003
Investment earnings				623,326
Other				475,603
Total general receipts				<u>83,858,720</u>
Change in net assets				(3,271,106)
Net assets - beginning				<u>21,003,947</u>
Net assets - ending				<u>\$ 17,732,841</u>
<u>Assets</u>				
Cash and investments				\$ 7,416,057
Restricted assets:				
Cash and investments				<u>10,316,784</u>
Total assets				<u>\$ 17,732,841</u>
<u>Net Assets</u>				
Restricted for:				
Debt service				\$ 4,561,680
Other purposes				5,755,104
Unrestricted				<u>7,416,057</u>
Total net assets				<u>\$ 17,732,841</u>

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

METROPOLITAN SCHOOL DISTRICT OF SOUTHWEST ALLEN COUNTY  
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	\$ 29,784,104	\$ -	\$ 549,463	\$ (29,234,641)
Support services	19,821,897	2,607,986	548,244	(16,665,667)
Noninstructional services	2,662,193	-	232,251	(2,429,942)
Facilities acquisition and construction	4,096,534	-	-	(4,096,534)
Debt service	26,235,352	-	-	(26,235,352)
Nonprogrammed charges	<u>4,819,407</u>	<u>-</u>	<u>-</u>	<u>(4,819,407)</u>
Total governmental activities	<u>\$ 87,419,487</u>	<u>\$ 2,607,986</u>	<u>\$ 1,329,958</u>	<u>(83,481,543)</u>
General receipts:				
Property taxes				44,249,142
Other local sources				5,001,528
State aid				21,717,874
Bonds and loans				2,063,000
Grants and contributions not restricted to specific programs				6,886,497
Investment earnings				331,606
Other				<u>835,935</u>
Total general receipts				<u>81,085,582</u>
Change in net assets				(2,395,961)
Net assets - beginning				<u>17,732,841</u>
Net assets - ending				<u>\$ 15,336,880</u>
<u>Assets</u>				
Cash and investments				\$ 7,441,290
Restricted assets:				
Cash and investments				<u>7,895,590</u>
Total assets				<u>\$ 15,336,880</u>
<u>Net Assets</u>				
Restricted for:				
Debt service				\$ 1,605,853
Other purposes				6,289,737
Unrestricted				<u>7,441,290</u>
Total net assets				<u>\$ 15,336,880</u>

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

METROPOLITAN SCHOOL DISTRICT OF SOUTHWEST ALLEN COUNTY  
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	Debt Service	Capital Projects	Other	Totals
Receipts:						
Local sources	\$ 24,357,993	\$ 67,560	\$ 13,010,444	\$ 8,201,502	\$ 8,990,732	\$ 54,628,231
Intermediate sources	134	-	-	-	1,613	1,747
State sources	12,933,420	-	-	-	649,769	13,583,189
Federal sources	2,399	-	-	-	3,278,069	3,280,468
Temporary loans	8,925,000	-	2,584,000	1,239,000	655,000	13,403,000
Other	357,101	-	-	115,205	3,297	475,603
Total receipts	46,576,047	67,560	15,594,444	9,555,707	13,578,480	85,372,238
Disbursements:						
Current:						
Instruction	29,508,073	-	-	-	5,013,263	34,521,336
Support services	9,777,308	-	-	4,267,883	4,175,214	18,220,405
Noninstructional services	234,621	-	-	-	2,401,108	2,635,729
Facilities acquisition and construction	-	-	-	3,905,301	439,710	4,345,011
Debt services	10,399,075	-	15,702,795	2,332,000	1,247,331	29,681,201
Nonprogrammed charges	370,465	-	-	-	5,657	376,122
Total disbursements	50,289,542	-	15,702,795	10,505,184	13,282,283	89,779,804
Excess (deficiency) of receipts over disbursements	(3,713,495)	67,560	(108,351)	(949,477)	296,197	(4,407,566)
Other financing sources (uses):						
Sale of capital assets	2,630	-	-	-	10,373	13,003
Transfers in	511,573	-	-	-	27,073	538,646
Transfers out	(2,000)	-	(25,073)	-	(511,573)	(538,646)
Total other financing sources (uses)	512,203	-	(25,073)	-	(474,127)	13,003
Excess (deficiency) of receipts and other financing sources over disbursements and other financing uses	(3,201,292)	67,560	(133,424)	(949,477)	(177,930)	(4,394,563)
Cash and investments - beginning	4,727,875	1,603,224	4,640,795	2,570,392	2,830,014	16,372,300
Cash and investments - ending	\$ 1,526,583	\$ 1,670,784	\$ 4,507,371	\$ 1,620,915	\$ 2,652,084	11,977,737
Amounts reported for governmental activities in the Statement of Activities and Net Assets - Cash and Investment Basis are different because:						
Internal service funds are used by management to charge the costs of certain services to individual funds. The assets and liabilities of the internal service funds are included in governmental activities in the Statement of Activities and Net Assets - Cash and Investment Basis.						
						5,755,104
Net assets of governmental activities						\$ 17,732,841
<u>Cash and Investment Assets - Ending</u>						
Cash and investments	\$ 1,526,583	\$ 1,670,784	\$ -	\$ 1,620,915	\$ 2,597,775	\$ 7,416,057
Restricted assets:						
Cash and investments	-	-	4,507,371	-	54,309	4,561,680
Total cash and investment assets - ending	\$ 1,526,583	\$ 1,670,784	\$ 4,507,371	\$ 1,620,915	\$ 2,652,084	\$ 11,977,737
<u>Cash and Investment Fund Balance - Ending</u>						
Restricted for:						
Debt service	\$ -	\$ -	\$ 4,507,371	\$ -	\$ 54,309	\$ 4,561,680
Unrestricted	1,526,583	1,670,784	-	1,620,915	2,597,775	7,416,057
Total cash and investment fund balance - ending	\$ 1,526,583	\$ 1,670,784	\$ 4,507,371	\$ 1,620,915	\$ 2,652,084	\$ 11,977,737

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

METROPOLITAN SCHOOL DISTRICT OF SOUTHWEST ALLEN COUNTY  
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	Debt Service	Capital Projects	Other	Totals
<b>Receipts:</b>							
Local sources	\$ 22,528,080	\$ 13,518	\$ -	\$ 11,431,443	\$ 8,122,555	\$ 8,776,655	\$ 50,872,251
Intermediate sources	269	-	-	-	-	2,063	2,332
State sources	22,126,941	-	-	-	-	675,725	22,802,666
Federal sources	437	-	3,058,151	-	-	4,073,075	7,131,663
Temporary loans	-	-	-	627,000	625,000	811,000	2,063,000
Other	534,378	-	-	-	233,765	67,791	835,934
<b>Total receipts</b>	<u>45,190,105</u>	<u>13,518</u>	<u>3,058,151</u>	<u>12,058,443</u>	<u>8,981,320</u>	<u>14,406,309</u>	<u>83,707,846</u>
<b>Disbursements:</b>							
<b>Current:</b>							
Instruction	27,179,864	-	333,092	-	-	4,572,102	32,085,058
Support services	10,965,256	-	-	-	4,116,305	6,271,665	21,353,226
Noninstructional services	240,626	-	-	-	-	2,627,233	2,867,859
Facilities acquisition and construction	-	-	-	-	3,654,433	442,101	4,096,534
Debt services	8,925,014	-	-	14,989,530	1,239,000	1,081,808	26,235,352
Nonprogrammed charges	-	-	-	-	-	411	411
<b>Total disbursements</b>	<u>47,310,760</u>	<u>-</u>	<u>333,092</u>	<u>14,989,530</u>	<u>9,009,738</u>	<u>14,995,320</u>	<u>86,638,440</u>
Excess (deficiency) of receipts over disbursements	<u>(2,120,655)</u>	<u>13,518</u>	<u>2,725,059</u>	<u>(2,931,087)</u>	<u>(28,418)</u>	<u>(589,011)</u>	<u>(2,930,594)</u>
<b>Other financing sources (uses):</b>							
Transfers in	207,042	-	-	-	-	190,403	397,445
Transfers out	-	-	-	-	-	(397,445)	(397,445)
<b>Total other financing sources (uses)</b>	<u>207,042</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>(207,042)</u>	<u>-</u>
Excess (deficiency) of receipts and other financing sources over disbursements and other financing uses	<u>(1,913,613)</u>	<u>13,518</u>	<u>2,725,059</u>	<u>(2,931,087)</u>	<u>(28,418)</u>	<u>(796,053)</u>	<u>(2,930,594)</u>
Cash and investments - beginning	<u>1,526,583</u>	<u>1,670,784</u>	<u>-</u>	<u>4,507,371</u>	<u>1,620,915</u>	<u>2,652,084</u>	<u>11,977,737</u>
Cash and investments - ending	<u>\$ (387,030)</u>	<u>\$ 1,684,302</u>	<u>\$ 2,725,059</u>	<u>\$ 1,576,284</u>	<u>\$ 1,592,497</u>	<u>\$ 1,856,031</u>	<u>9,047,143</u>
Amounts reported for governmental activities in the Statement of 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>6,289,737</u>
Net assets of governmental activities							<u>\$ 15,336,880</u>
<b>Cash and Investment Assets - Ending</b>							
Cash and investments	\$ (387,030)	\$ 1,684,302	\$ 2,725,059	\$ -	\$ 1,592,497	\$ 1,826,462	\$ 7,441,290
Restricted assets:							
Cash and investments	-	-	-	1,576,284	-	29,569	1,605,853
<b>Total cash and investment assets - ending</b>	<u>\$ (387,030)</u>	<u>\$ 1,684,302</u>	<u>\$ 2,725,059</u>	<u>\$ 1,576,284</u>	<u>\$ 1,592,497</u>	<u>\$ 1,856,031</u>	<u>\$ 9,047,143</u>
<b>Cash and Investment Fund Balance - Ending</b>							
Restricted for:							
Debt service	\$ -	\$ -	\$ -	\$ 1,576,284	\$ -	\$ 29,569	\$ 1,605,853
Unrestricted	<u>(387,030)</u>	<u>1,684,302</u>	<u>2,725,059</u>	<u>-</u>	<u>1,592,497</u>	<u>1,826,462</u>	<u>7,441,290</u>
<b>Total cash and investment fund balance - ending</b>	<u>\$ (387,030)</u>	<u>\$ 1,684,302</u>	<u>\$ 2,725,059</u>	<u>\$ 1,576,284</u>	<u>\$ 1,592,497</u>	<u>\$ 1,856,031</u>	<u>\$ 9,047,143</u>

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

METROPOLITAN SCHOOL DISTRICT OF SOUTHWEST ALLEN COUNTY  
STATEMENT OF ASSETS AND FUND BALANCES AND RECEIPTS, DISBURSEMENTS,  
AND CHANGES IN FUND BALANCES - CASH AND INVESTMENT BASIS  
PROPRIETARY FUND  
For the Year Ended June 30, 2008

	Internal Service Fund
Operating receipts:	
Charges for services	\$ 5,347,579
Miscellaneous	201,793
Total operating receipts	5,549,372
Operating disbursements:	
Insurance claims and expense	4,425,915
Change in net assets	1,123,457
Cash and investment fund balance - beginning	4,631,647
Cash and investment fund balance - ending	\$ 5,755,104
<u>Cash and Investment Assets - Ending</u>	
Restricted assets:	
Cash and investments	\$ 5,755,104
Total cash and investment assets - ending	\$ 5,755,104
<u>Cash and Investment Fund Balance - Ending</u>	
Restricted for:	
Other purposes	\$ 5,755,104
Total cash and investment fund balance - ending	\$ 5,755,104

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

METROPOLITAN SCHOOL DISTRICT OF SOUTHWEST ALLEN COUNTY  
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	\$ 5,162,155
Miscellaneous	191,474
Total operating receipts	5,353,629
Operating disbursements:	
Insurance claims and expense	4,818,996
Change in net assets	534,633
Cash and investment fund balance - beginning	5,755,104
Cash and investment fund balance - ending	\$ 6,289,737
<u>Cash and Investment Assets - Ending</u>	
Restricted assets:	
Cash and investments	\$ 6,289,737
Total cash and investment assets - ending	\$ 6,289,737
<u>Cash and Investment Fund Balance - Ending</u>	
Restricted for:	
Other purposes	\$ 6,289,737
Total cash and investment fund balance - ending	\$ 6,289,737

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

METROPOLITAN SCHOOL DISTRICT OF SOUTHWEST ALLEN COUNTY  
STATEMENT OF ADDITIONS, DEDUCTIONS, AND CHANGES IN CASH AND INVESTMENT BALANCES  
FIDUCIARY FUNDS  
For the Year Ended June 30, 2008

	Pension Trust Funds	Agency Funds
Additions:		
Interest	\$ 176,645	
Deductions:		
Benefits	20,823	
Excess of total additions over total deductions	155,822	
Cash and investment fund balance - beginning	4,126,939	
Cash and investment fund balance - ending	\$ 4,282,761	\$ 206,511
Net assets:		
Cash and investments	\$ 4,282,761	
Total net assets - cash and investment basis held in trust	\$ 4,282,761	

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

METROPOLITAN SCHOOL DISTRICT OF SOUTHWEST ALLEN COUNTY  
STATEMENT OF ADDITIONS, DEDUCTIONS, AND CHANGES IN CASH AND INVESTMENT BALANCES  
FIDUCIARY FUNDS  
For the Year Ended June 30, 2009

	Pension Trust Funds	Agency Funds
Additions:		
Interest	\$ 35,345	
Deductions:		
Benefits	218,032	
Deficiency of total additions over total deductions	(182,687)	
Cash and investment fund balance - beginning	4,282,761	
Cash and investment fund balance - ending	\$ 4,100,074	\$ 312,216
Net assets:		
Cash and investments	\$ 4,100,074	
Total net assets - cash and investment basis held in trust	\$ 4,100,074	

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

METROPOLITAN SCHOOL DISTRICT OF SOUTHWEST ALLEN COUNTY  
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: Metropolitan School District of Southwest Allen County

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

Joint Venture

The School Corporation is a participant with Smith-Green Community Schools and Northwest Allen County Schools in a joint venture to operate Smith-Green West Allen Special Education Cooperative (Co-op) which was created to operate a comprehensive program of special education for special needs children. The School Corporation is obligated by contract to pay its proportionate share annually to supplement the Co-op. The Co-op's continued existence depends on continued funding by the School Corporation. The School Corporation is obligated for its proportionate share of the debts of the Co-op. The School Corporation maintains the treasury function for the Co-op and has responsibility for the accountability of all fiscal matters.

Related Organizations

The School Corporation's officials are also responsible for appointing the members of the boards of other organizations, but the School Corporation's accountability for these organizations does not extend beyond making the appointments. The School Corporation appoints the board members of the Aboite Township Park Board.

B. Government-Wide and Fund Financial Statements

Government-Wide Financial Statements

The Statements of Activities and Net Assets – Cash and Investment Basis 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.

METROPOLITAN SCHOOL DISTRICT OF SOUTHWEST ALLEN COUNTY  
NOTES TO FINANCIAL STATEMENTS  
(Continued)

Fund Financial Statements

Fund financial statements of the reporting entity are organized into funds, each of which is considered to be a separate accounting entity. Each fund is accounted for by providing a separate set of self-balancing accounts that constitutes its assets, fund balance, 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 locally adopted resolution.

The Fiscal Stabilization fund accounts for receipts and disbursements of cash received from the federal government to be used to supplement funding of local, state, and federal programs.

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

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

Additionally, the School Corporation reports the following fund types:

The internal service fund accounts for medical, dental, and vision provided to employees on a cost reimbursement basis.

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

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

C. Measurement Focus and Basis of Accounting

The government-wide, governmental fund, 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.

METROPOLITAN SCHOOL DISTRICT OF SOUTHWEST ALLEN COUNTY  
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. All property taxes collected by the County Treasurer and available for distribution were distributed to the School Corporation on or prior to June 30 of the year collected.

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.

METROPOLITAN SCHOOL DISTRICT OF SOUTHWEST ALLEN COUNTY  
NOTES TO FINANCIAL STATEMENTS  
(Continued)

4. Long-Term Debt

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

5. Equity Classification

Government-Wide Statements

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

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

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

Fund Financial Statements

Governmental fund equity is classified as fund balance. Proprietary fund equity is classified as fund balance.

E. Receipts and Disbursements

1. Program Receipts

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

2. Operating Receipts and Disbursements

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

F. Internal and Interfund Balances and Activities

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

METROPOLITAN SCHOOL DISTRICT OF SOUTHWEST ALLEN COUNTY  
NOTES TO FINANCIAL STATEMENTS  
(Continued)

Fund Financial Statements

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

Government-Wide Financial Statements

Interfund activity and balances, if any, are eliminated or reclassified in the government-wide financial statements as follows:

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

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.

METROPOLITAN SCHOOL DISTRICT OF SOUTHWEST ALLEN COUNTY  
NOTES TO FINANCIAL STATEMENTS  
(Continued)

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:

Fund	June 30, 2008	June 30, 2009
General	\$ -	\$ 387,030
Preschool Co-op	18,752	-
Safe Haven 2007	15,174	-
Drug Free 2007	450	-
Drug Free 2008	-	563
Drug Testing	15	-
Smaller Learning Communities	17	-
Construction	-	204,205
Perkins Grant	-	7,322

Cash and investment deficits arose primarily from disbursements exceeding receipts due to the underestimate of current requirements or from disbursements from grants that operate on reimbursement basis; these deficits are to be repaid from future receipts.

III. Detailed Notes on All Funds

A. Deposits and Investments

1. 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 custodial credit risk. At June 30, 2009, the School Corporation had deposit balances in the amount of \$19,749,170. Of this amount, the following was exposed to custodial credit risk:

	<u>2009</u>
Uninsured and uncollateralized deposits	<u>\$ 4,056,335</u>

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.

METROPOLITAN SCHOOL DISTRICT OF SOUTHWEST ALLEN COUNTY  
 NOTES TO FINANCIAL STATEMENTS  
 (Continued)

2. Investments

As of June 30, 2009, the School Corporation had the following investments:

Investment Type	Primary Government Market Value
Government sponsored enterprises	4,056,335
Total	\$ 4,056,335

Statutory Authorization for Investments

Indiana Code 5-13-9 authorizes the School Corporation to invest in securities backed by the full faith and credit of the United States Treasury or fully guaranteed by the United States of America and issued by the United States Treasury, a federal agency, a federal instrumentality, or a federal government sponsored enterprise. Indiana Code also authorizes the School Corporation to invest in securities fully guaranteed and issued by a federal agency, a federal instrumentality, or a federal government sponsored enterprise. These investments are required by statute to have a stated final maturity of not more than two years.

Indiana Code also provides for investment in money market mutual funds that are in the form of securities of, or interest in, an open-end, no-load, management-type investment company or investment trust registered under the provision of the federal Investment Company Act of 1940, as amended. Investments in money market mutual funds may not exceed 50% of the funds held by the School Corporation and available for investment. The portfolio of an investment company or investment trust used must be limited to direct obligations of the United States of America, obligations issued by a federal agency, a federal instrumentality, or a federal government sponsored enterprise or repurchase agreements fully collateralized by direct obligations of the United States of America or obligations issued by a federal agency, a federal instrumentality, or a federal government sponsored enterprise. The form of securities of, or interest in, an investment company or investment trust must be rated as AAA, or its equivalent by Standard and Poor's Corporation or its successor or Aaa, or its equivalent, by Moody's Investors Service, Inc., or its successor. The form of securities in an investment company or investment trust should have a stated final maturity of one day.

Additionally, the School Corporation may enter into repurchase agreements with depositories designated by the State Board of Finance as depositories for state deposits involving the School Corporation's purchase and guaranteed resale of any interest-bearing obligations issued or fully insured or guaranteed by the United States of America, a United States of America government agency, an instrumentality of the United States of America, or a federal government sponsored enterprise. The repurchase agreement is considered to have a stated final maturity of one day. This agreement must be fully collateralized by interest-bearing obligations as determined by their current market value.

METROPOLITAN SCHOOL DISTRICT OF SOUTHWEST ALLEN COUNTY  
 NOTES TO FINANCIAL STATEMENTS  
 (Continued)

Investment Custodial Credit Risk

The custodial credit risk for investments is the risk that, in the event of the failure of the counterparty to a transaction, a government will not be able to recover the value of investment or collateral securities that are in the possession of an outside party. The School Corporation does not have a formal investment policy for custodial credit risk for investments.

The following investments held by the School Corporation were exposed to custodial credit risks because they are uninsured and unregistered with securities held by the counterparty, or the counterparty's trust department or agent, either in the government's name or not in the government's name:

Primary Government:

Investment Type	2009 Not in the Government's Name
Government sponsored enterprises	\$ 4,056,335

Interest Rate Risk

Interest rate risk is the risk that changes in interest rates will adversely affect the fair value of an investment. The School Corporation must follow state statute and limit the stated final maturities of the investments to no more than two years. The School Corporation does not have a formal investment policy for interest rate risk for investments.

Investment Type	Investment Maturities (in Years) More Than 2
Government sponsored enterprise	\$ 4,056,335

Credit Risk

Credit risk is the risk that an issuer or other counterparty to an investment will not fulfill its obligations. The distribution of securities with credit ratings is summarized below. The School Corporation does not have a formal investment policy for credit risk for investments.

METROPOLITAN SCHOOL DISTRICT OF SOUTHWEST ALLEN COUNTY  
 NOTES TO FINANCIAL STATEMENTS  
 (Continued)

Standard and Poor's Rating	Moody's Rating	School Corporation's Investments Government Sponsored Enterprise
AAA	Aaa	\$ 4,056,335

Concentration of Credit Risk

Concentration of credit risk is the risk of loss attributed to the magnitude of a government's investment in a single issuer. The School Corporation does not have a policy in regards to concentration of credit risk. United States of America government and United States of America governmental agency securities are exempt from this policy requirement.

B. Interfund Transfers

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

Transfer From	Transfer To	June 30, 2008	June 30, 2009
General Fund	Other governmental funds	\$ 2,000	\$ -
Debt Service	Other governmental funds	25,073	-
Other governmental funds	General Fund	511,573	207,042
Other governmental funds	Other governmental funds	-	190,403
Totals		\$ 538,646	\$ 397,445

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

IV. Other Information

A. Risk Management

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

METROPOLITAN SCHOOL DISTRICT OF SOUTHWEST ALLEN COUNTY  
NOTES TO FINANCIAL STATEMENTS  
(Continued)

Medical, Dental, and Vision Benefits

The School Corporation has chosen to establish a risk financing fund for risks associated with medical, dental, and vision benefits. The risk financing fund is accounted for in the Self-Insurance Fund, an internal service fund, where assets are set aside for claim settlements. An excess policy through commercial insurance covers individual claims in excess of \$85,000 and an aggregating/specific of \$245,000 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's gross wages, and are reported as quasi-external interfund transactions.

B. Related Party Transactions

During the period for which the financial statements are presented the School Corporation had material transactions with Mark Gilpin, board member, in relation to technology improvements in the amount of \$403,341.

C. Holding Corporations

The School Corporation has entered into capital leases with Southwest Allen Multi School Building Corporation and Southwest Allen High School Building Corporation (the lessors). The lessors were organized as for profit corporations pursuant to state statute for the purpose of financing and constructing or reconstructing facilities for lease to the School Corporation. The lessors have been determined to be related parties of the School Corporation. Lease payments during the years ended June 30, 2008 and 2009, totaled \$11,813,676 and \$12,116,361, respectively.

D. Pension Plans

1. Agent Multiple-Employer Defined Benefit Pension Plan

Public Employees' Retirement Fund

Plan Description

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

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

METROPOLITAN SCHOOL DISTRICT OF SOUTHWEST ALLEN COUNTY  
 NOTES TO FINANCIAL STATEMENTS  
 (Continued)

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	\$ 484,723
Interest on net pension obligation	(17,448)
Adjustment to annual required contribution	19,884
Annual pension cost	487,159
Contributions made	463,131
Increase in net pension obligation	24,028
Net pension obligation, beginning of year	(240,664)
Net pension obligation, end of year	\$ (216,636)

	PERF
Contribution rates:	
School Corporation	6.5%
Plan members	3%
Actuarial valuation date	07-01-08
Actuarial cost method	Entry age
Amortization method	Level percentage of projected payroll, closed
	30 years
Amortization period	
Amortization period (from date)	07-01-97
Asset valuation method	75% of expected actuarial value plus 25% of market value

METROPOLITAN SCHOOL DISTRICT OF SOUTHWEST ALLEN COUNTY  
 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	\$ 390,648	97%	\$ (293,259)
	06-30-07	460,182	89%	(240,664)
	06-30-08	487,159	95%	(216,636)

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

METROPOLITAN SCHOOL DISTRICT OF SOUTHWEST ALLEN COUNTY  
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 (the 3% share is contributed by the School Corporation). The School Corporation is to contribute at an actuarially determined rate. The current rate has been actuarially determined under the entry age normal cost method to be 6.82% of covered wages. The School Corporation's required contributions to the plan for the fiscal years ended June 30, 2009, 2008, and 2007, were \$903,819, \$886,194, and \$788,959, respectively. The School Corporation actually contributed 100% of the required contribution for each of the fiscal years.

METROPOLITAN SCHOOL DISTRICT OF SOUTHWEST ALLEN COUNTY  
 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	\$ 6,160,015	\$ 6,921,336	\$ (761,321)	89%	\$ 6,241,268	(12%)
07-01-07	6,914,564	7,688,692	(774,128)	90%	6,458,395	(12%)
07-01-08	7,497,373	8,456,972	(959,599)	89%	6,709,630	(14%)

METROPOLITAN SCHOOL DISTRICT OF SOUTHWEST ALLEN COUNTY  
 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

	Referendum	Transportation Operating	Special Education Preschool	Cafeteria	Textbook Rental	Education License Plate
Receipts:						
Local sources	\$ 2,659,032	\$ 2,327,642	\$ 76,580	\$ 1,762,628	\$ 305,989	\$ -
Intermediate sources	-	-	-	-	-	1,613
State sources	-	-	130,563	-	73,405	-
Federal sources	-	-	-	342,406	-	-
Temporary loans	-	655,000	-	-	-	-
Other	-	3,159	-	-	-	-
<b>Total receipts</b>	<b>2,659,032</b>	<b>2,985,801</b>	<b>207,143</b>	<b>2,105,034</b>	<b>379,394</b>	<b>1,613</b>
Disbursements:						
Current:						
Instruction	2,161,182	-	276,131	-	53,094	-
Support services	147,865	2,434,548	-	-	2,568	-
Noninstructional services	-	-	-	2,239,798	-	-
Facilities acquisition and construction	-	-	-	-	-	-
Debt services	-	818,000	-	-	-	-
Nonprogrammed charges	-	-	-	-	-	4,744
<b>Total disbursements</b>	<b>2,309,047</b>	<b>3,252,548</b>	<b>276,131</b>	<b>2,239,798</b>	<b>55,662</b>	<b>4,744</b>
Excess (deficiency) of receipts over disbursements	349,985	(266,747)	(68,988)	(134,764)	323,732	(3,131)
Other financing sources (uses):						
Sale of capital assets	-	5,373	-	-	-	-
Transfers in	-	-	-	-	25,073	-
Transfers out	(511,550)	-	-	-	-	-
<b>Total other financing sources (uses)</b>	<b>(511,550)</b>	<b>5,373</b>	<b>-</b>	<b>-</b>	<b>25,073</b>	<b>-</b>
Excess (deficiency) of receipts and other financing sources over disbursements and other financing uses	(161,565)	(261,374)	(68,988)	(134,764)	348,805	(3,131)
Cash and investments - beginning	787,519	481,040	213,518	955,924	(12,380)	3,731
Cash and investments - ending	<u>\$ 625,954</u>	<u>\$ 219,666</u>	<u>\$ 144,530</u>	<u>\$ 821,160</u>	<u>\$ 336,425</u>	<u>\$ 600</u>
<b>Cash and Investment Assets - Ending</b>						
Cash and investments	\$ 625,954	\$ 219,666	\$ 144,530	\$ 821,160	\$ 336,425	\$ 600
Restricted assets:						
Cash and investments	-	-	-	-	-	-
<b>Total cash and investment assets - ending</b>	<u>\$ 625,954</u>	<u>\$ 219,666</u>	<u>\$ 144,530</u>	<u>\$ 821,160</u>	<u>\$ 336,425</u>	<u>\$ 600</u>
<b>Cash and Investment Fund Balance - Ending</b>						
Restricted for:						
Debt service	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Unrestricted	625,954	219,666	144,530	821,160	336,425	600
<b>Total cash and investment fund balance - ending</b>	<u>\$ 625,954</u>	<u>\$ 219,666</u>	<u>\$ 144,530</u>	<u>\$ 821,160</u>	<u>\$ 336,425</u>	<u>\$ 600</u>

METROPOLITAN SCHOOL DISTRICT OF SOUTHWEST ALLEN COUNTY  
 COMBINING SCHEDULE OF ASSETS AND FUND BALANCES AND RECEIPTS,  
 DISBURSEMENTS, AND CHANGES IN FUND BALANCES - CASH AND INVESTMENT BASIS  
 OTHER GOVERNMENTAL FUNDS  
 For the Year Ended June 30, 2008  
 (Continued)

	Alternative Education	Early Intervention	American Chemical Society	Ambler Memorial	Huber Memorial	Donation One
<b>Receipts:</b>						
Local sources	\$ -	\$ -	\$ 2,000	\$ 1,008	\$ -	\$ -
Intermediate sources	-	-	-	-	-	-
State sources	65,895	28,680	-	-	-	-
Federal sources	-	-	-	-	-	-
Temporary loans	-	-	-	-	-	-
Other	-	-	-	-	-	-
<b>Total receipts</b>	<b>65,895</b>	<b>28,680</b>	<b>2,000</b>	<b>1,008</b>	<b>-</b>	<b>-</b>
<b>Disbursements:</b>						
<b>Current:</b>						
Instruction	59,590	28,680	2,000	-	1,149	310
Support services	-	-	-	-	-	-
Noninstructional services	-	-	-	-	-	-
Facilities acquisition and construction	-	-	-	-	-	-
Debt services	-	-	-	-	-	-
Nonprogrammed charges	-	-	-	-	-	-
<b>Total disbursements</b>	<b>59,590</b>	<b>28,680</b>	<b>2,000</b>	<b>-</b>	<b>1,149</b>	<b>310</b>
<b>Excess (deficiency) of receipts over disbursements</b>	<b>6,305</b>	<b>-</b>	<b>-</b>	<b>1,008</b>	<b>(1,149)</b>	<b>(310)</b>
<b>Other financing sources (uses):</b>						
Sale of capital assets	-	-	-	-	-	-
Transfers in	-	-	-	-	-	-
Transfers out	-	-	-	-	(23)	-
<b>Total other financing sources (uses)</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>(23)</b>	<b>-</b>
<b>Excess (deficiency) of receipts and other financing sources over disbursements and other financing uses</b>	<b>6,305</b>	<b>-</b>	<b>-</b>	<b>1,008</b>	<b>(1,172)</b>	<b>(310)</b>
<b>Cash and investments - beginning</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>1,172</b>	<b>310</b>
<b>Cash and investments - ending</b>	<b>\$ 6,305</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ 1,008</b>	<b>\$ -</b>	<b>\$ -</b>
<b>Cash and Investment Assets - Ending</b>						
Cash and investments	\$ 6,305	\$ -	\$ -	\$ 1,008	\$ -	\$ -
Restricted assets:						
Cash and investments	-	-	-	-	-	-
<b>Total cash and investment assets - ending</b>	<b>\$ 6,305</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ 1,008</b>	<b>\$ -</b>	<b>\$ -</b>
<b>Cash and Investment Fund Balance - Ending</b>						
Restricted for:						
Debt service	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Unrestricted	6,305	-	-	1,008	-	-
<b>Total cash and investment fund balance - ending</b>	<b>\$ 6,305</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ 1,008</b>	<b>\$ -</b>	<b>\$ -</b>

METROPOLITAN SCHOOL DISTRICT OF SOUTHWEST ALLEN COUNTY  
 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)

	Ted Rogers Memorial	Ecolab Grant	Sam's Club Award	Bob Evans	Allen County Educational	Everybody Reads
<b>Receipts:</b>						
Local sources	\$ -	\$ 2,982	\$ -	\$ -	\$ -	\$ -
Intermediate sources	-	-	-	-	-	-
State sources	-	-	-	-	-	-
Federal sources	-	-	-	-	-	-
Temporary loans	-	-	-	-	-	-
Other	-	-	-	-	-	-
<b>Total receipts</b>	<b>-</b>	<b>2,982</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>
<b>Disbursements:</b>						
<b>Current:</b>						
Instruction	-	750	406	240	73	196
Support services	188	-	-	-	-	-
Noninstructional services	-	-	-	-	-	-
Facilities acquisition and construction	-	-	-	-	-	-
Debt services	-	-	-	-	-	-
Nonprogrammed charges	-	-	-	-	-	-
<b>Total disbursements</b>	<b>188</b>	<b>750</b>	<b>406</b>	<b>240</b>	<b>73</b>	<b>196</b>
<b>Excess (deficiency) of receipts over disbursements</b>	<b>(188)</b>	<b>2,232</b>	<b>(406)</b>	<b>(240)</b>	<b>(73)</b>	<b>(196)</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>(188)</b>	<b>2,232</b>	<b>(406)</b>	<b>(240)</b>	<b>(73)</b>	<b>(196)</b>
<b>Cash and investments - beginning</b>	<b>188</b>	<b>750</b>	<b>406</b>	<b>240</b>	<b>73</b>	<b>196</b>
<b>Cash and investments - ending</b>	<b>\$ -</b>	<b>\$ 2,982</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ -</b>
<b>Cash and Investment Assets - Ending</b>						
Cash and investments	\$ -	\$ 2,982	\$ -	\$ -	\$ -	\$ -
Restricted assets:						
Cash and investments	-	-	-	-	-	-
<b>Total cash and investment assets - ending</b>	<b>\$ -</b>	<b>\$ 2,982</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ -</b>
<b>Cash and Investment Fund Balance - Ending</b>						
Restricted for:						
Debt service	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Unrestricted	-	2,982	-	-	-	-
<b>Total cash and investment fund balance - ending</b>	<b>\$ -</b>	<b>\$ 2,982</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ -</b>

METROPOLITAN SCHOOL DISTRICT OF SOUTHWEST ALLEN COUNTY  
 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)

	Sparton Mentor	LEF Grant	Band Uniforms	Vetter Memorial	Center School Project	Sprunger Legacy
Receipts:						
Local sources	\$ 9,000	\$ -	\$ 237	\$ -	\$ 233	\$ -
Intermediate sources	-	-	-	-	-	-
State sources	-	-	-	-	-	-
Federal sources	-	-	-	-	-	-
Temporary loans	-	-	-	-	-	-
Other	-	-	-	-	-	-
<b>Total receipts</b>	<b>9,000</b>	<b>-</b>	<b>237</b>	<b>-</b>	<b>233</b>	<b>-</b>
Disbursements:						
Current:						
Instruction	8,320	-	-	-	-	-
Support services	-	33	-	-	-	79
Noninstructional services	-	-	-	-	467	-
Facilities acquisition and construction	-	-	-	-	-	-
Debt services	-	-	-	-	-	-
Nonprogrammed charges	-	-	-	-	-	-
<b>Total disbursements</b>	<b>8,320</b>	<b>33</b>	<b>-</b>	<b>-</b>	<b>467</b>	<b>79</b>
Excess (deficiency) of receipts over disbursements	680	(33)	237	-	(234)	(79)
Other financing sources (uses):						
Sale of capital assets	-	-	5,000	-	-	-
Transfers in	-	-	-	-	-	-
Transfers out	-	-	-	-	-	-
<b>Total other financing sources (uses)</b>	<b>-</b>	<b>-</b>	<b>5,000</b>	<b>-</b>	<b>-</b>	<b>-</b>
Excess (deficiency) of receipts and other financing sources over disbursements and other financing uses	680	(33)	5,237	-	(234)	(79)
Cash and investments - beginning	(680)	33	5,012	1,272	763	79
Cash and investments - ending	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 10,249</u>	<u>\$ 1,272</u>	<u>\$ 529</u>	<u>\$ -</u>
<u>Cash and Investment Assets - Ending</u>						
Cash and investments	\$ -	\$ -	\$ 10,249	\$ 1,272	\$ 529	\$ -
Restricted assets:						
Cash and investments	-	-	-	-	-	-
<b>Total cash and investment assets - ending</b>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 10,249</u>	<u>\$ 1,272</u>	<u>\$ 529</u>	<u>\$ -</u>
<u>Cash and Investment Fund Balance - Ending</u>						
Restricted for:						
Debt service	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Unrestricted	-	-	10,249	1,272	529	-
<b>Total cash and investment fund balance - ending</b>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 10,249</u>	<u>\$ 1,272</u>	<u>\$ 529</u>	<u>\$ -</u>

METROPOLITAN SCHOOL DISTRICT OF SOUTHWEST ALLEN COUNTY  
 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 Educate	Target Scholar	LCE Scholarship	Education Foundation	Indiana Youth Institute	Gifted/ Talented
<b>Receipts:</b>						
Local sources	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Intermediate sources	-	-	-	-	-	-
State sources	-	-	-	-	-	54,693
Federal sources	-	-	-	-	-	-
Temporary loans	-	-	-	-	-	-
Other	-	-	-	-	-	-
<b>Total receipts</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>54,693</b>
<b>Disbursements:</b>						
<b>Current:</b>						
Instruction	7	820	-	-	-	76,553
Support services	-	-	-	-	70	-
Noninstructional services	-	-	-	-	-	-
Facilities acquisition and construction	-	-	-	-	-	-
Debt services	-	-	-	-	-	-
Nonprogrammed charges	-	-	-	-	-	-
<b>Total disbursements</b>	<b>7</b>	<b>820</b>	<b>-</b>	<b>-</b>	<b>70</b>	<b>76,553</b>
Excess (deficiency) of receipts over disbursements	(7)	(820)	-	-	(70)	(21,860)
<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>
Excess (deficiency) of receipts and other financing sources over disbursements and other financing uses	(7)	(820)	-	-	(70)	(21,860)
Cash and investments - beginning	7	820	2,000	1,790	70	21,860
Cash and investments - ending	\$ -	\$ -	\$ 2,000	\$ 1,790	\$ -	\$ -
<b>Cash and Investment Assets - Ending</b>						
Cash and investments	\$ -	\$ -	\$ 2,000	\$ 1,790	\$ -	\$ -
Restricted assets:						
Cash and investments	-	-	-	-	-	-
<b>Total cash and investment assets - ending</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ 2,000</b>	<b>\$ 1,790</b>	<b>\$ -</b>	<b>\$ -</b>
<b>Cash and Investment Fund Balance - Ending</b>						
Restricted for:						
Debt service	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Unrestricted	-	-	2,000	1,790	-	-
<b>Total cash and investment fund balance - ending</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ 2,000</b>	<b>\$ 1,790</b>	<b>\$ -</b>	<b>\$ -</b>

METROPOLITAN SCHOOL DISTRICT OF SOUTHWEST ALLEN COUNTY  
 COMBINING SCHEDULE OF ASSETS AND FUND BALANCES AND RECEIPTS,  
 DISBURSEMENTS, AND CHANGES IN FUND BALANCES - CASH AND INVESTMENT BASIS  
 OTHER GOVERNMENTAL FUNDS  
 For the Year Ended June 30, 2008  
 (Continued)

	Economic Foundation	Special Program Special Ed 2007	CBI Preschool 2007	Non-English Speaking Grant 2007	Child Care Program 2007	Preschool Co-op 2007
<b>Receipts:</b>						
Local sources	\$ -	\$ 4,958	\$ 1,625	\$ -	\$ -	\$ 44,043
Intermediate sources	-	-	-	-	-	-
State sources	-	-	-	15,084	-	-
Federal sources	-	-	-	-	166,889	-
Temporary loans	-	-	-	-	-	-
Other	-	-	-	-	23	-
<b>Total receipts</b>	<b>-</b>	<b>4,958</b>	<b>1,625</b>	<b>15,084</b>	<b>166,912</b>	<b>44,043</b>
<b>Disbursements:</b>						
<b>Current:</b>						
Instruction	6	4,991	1,421	15,028	4,222	57,225
Support services	-	-	-	-	-	-
Noninstructional services	-	-	-	-	145,669	-
Facilities acquisition and construction	-	-	-	-	-	-
Debt services	-	-	-	-	-	-
Nonprogrammed charges	-	-	-	-	-	-
<b>Total disbursements</b>	<b>6</b>	<b>4,991</b>	<b>1,421</b>	<b>15,028</b>	<b>149,891</b>	<b>57,225</b>
Excess (deficiency) of receipts over disbursements	(6)	(33)	204	56	17,021	(13,182)
<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>
Excess (deficiency) of receipts and other financing sources over disbursements and other financing uses	(6)	(33)	204	56	17,021	(13,182)
Cash and investments - beginning	6	3,957	1,205	-	3,109	(5,570)
Cash and investments - ending	\$ -	\$ 3,924	\$ 1,409	\$ 56	\$ 20,130	\$ (18,752)
<b>Cash and Investment Assets - Ending</b>						
Cash and investments	\$ -	\$ 3,924	\$ 1,409	\$ 56	\$ 20,130	\$ (18,752)
Restricted assets:						
Cash and investments	-	-	-	-	-	-
<b>Total cash and investment assets - ending</b>	<b>\$ -</b>	<b>\$ 3,924</b>	<b>\$ 1,409</b>	<b>\$ 56</b>	<b>\$ 20,130</b>	<b>\$ (18,752)</b>
<b>Cash and Investment Fund Balance - Ending</b>						
Restricted for:						
Debt service	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Unrestricted	-	3,924	1,409	56	20,130	(18,752)
<b>Total cash and investment fund balance - ending</b>	<b>\$ -</b>	<b>\$ 3,924</b>	<b>\$ 1,409</b>	<b>\$ 56</b>	<b>\$ 20,130</b>	<b>\$ (18,752)</b>

METROPOLITAN SCHOOL DISTRICT OF SOUTHWEST ALLEN COUNTY  
 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)

	Safe Haven 2006	Safe Haven 2007	Smith Green W.A. 2007	Title V 2008	IDEA 2008	IDEA C/O 2007
<b>Receipts:</b>						
Local sources	\$ -	\$ -	\$ 463,252	\$ -	\$ -	\$ -
Intermediate sources	-	-	-	-	-	-
State sources	-	-	-	-	-	-
Federal sources	-	-	-	8,221	2,322,739	274,667
Temporary loans	-	-	-	-	-	-
Other	-	-	115	-	-	-
<b>Total receipts</b>	<b>-</b>	<b>-</b>	<b>463,367</b>	<b>8,221</b>	<b>2,322,739</b>	<b>274,667</b>
<b>Disbursements:</b>						
<b>Current:</b>						
Instruction	8,158	-	373,972	-	1,372,421	196,638
Support services	-	-	112,406	-	598,759	25,190
Noninstructional services	-	15,174	-	-	-	-
Facilities acquisition and construction	-	-	-	-	-	-
Debt services	-	-	-	-	-	-
Nonprogrammed charges	-	-	-	-	-	-
<b>Total disbursements</b>	<b>8,158</b>	<b>15,174</b>	<b>486,378</b>	<b>-</b>	<b>1,971,180</b>	<b>221,828</b>
<b>Excess (deficiency) of receipts over disbursements</b>	<b>(8,158)</b>	<b>(15,174)</b>	<b>(23,011)</b>	<b>8,221</b>	<b>351,559</b>	<b>52,839</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>(8,158)</b>	<b>(15,174)</b>	<b>(23,011)</b>	<b>8,221</b>	<b>351,559</b>	<b>52,839</b>
<b>Cash and investments - beginning</b>	<b>8,158</b>	<b>-</b>	<b>62,868</b>	<b>-</b>	<b>(294,189)</b>	<b>(27,087)</b>
<b>Cash and investments - ending</b>	<b>\$ -</b>	<b>\$ (15,174)</b>	<b>\$ 39,857</b>	<b>\$ 8,221</b>	<b>\$ 57,370</b>	<b>\$ 25,752</b>
<b>Cash and Investment Assets - Ending</b>						
Cash and investments	\$ -	\$ (15,174)	\$ 39,857	\$ 8,221	\$ 57,370	\$ 25,752
Restricted assets:						
Cash and investments	-	-	-	-	-	-
<b>Total cash and investment assets - ending</b>	<b>\$ -</b>	<b>\$ (15,174)</b>	<b>\$ 39,857</b>	<b>\$ 8,221</b>	<b>\$ 57,370</b>	<b>\$ 25,752</b>
<b>Cash and Investment Fund Balance - Ending</b>						
<b>Restricted for:</b>						
Debt service	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Unrestricted	-	(15,174)	39,857	8,221	57,370	25,752
<b>Total cash and investment fund balance - ending</b>	<b>\$ -</b>	<b>\$ (15,174)</b>	<b>\$ 39,857</b>	<b>\$ 8,221</b>	<b>\$ 57,370</b>	<b>\$ 25,752</b>

METROPOLITAN SCHOOL DISTRICT OF SOUTHWEST ALLEN COUNTY  
 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)

	Preschool Flow Through	Drug Free 2007	Drug Testing	Small Learning Communities 2007	Title II 2007	Title III 2007
<b>Receipts:</b>						
Local sources	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Intermediate sources	-	-	-	-	-	-
State sources	-	-	130,355	151,094	-	-
Federal sources	71,748	7,911	-	-	80,477	3,011
Temporary loans	-	-	-	-	-	-
Other	-	-	-	-	-	-
<b>Total receipts</b>	<u>71,748</u>	<u>7,911</u>	<u>130,355</u>	<u>151,094</u>	<u>80,477</u>	<u>3,011</u>
<b>Disbursements:</b>						
<b>Current:</b>						
Instruction	64,352	10,421	79,283	77,561	78,063	-
Support services	-	-	50,127	73,550	-	2,545
Noninstructional services	-	-	-	-	-	-
Facilities acquisition and construction	-	-	-	-	-	-
Debt services	-	-	-	-	-	-
Nonprogrammed charges	-	-	913	-	-	-
<b>Total disbursements</b>	<u>64,352</u>	<u>10,421</u>	<u>130,323</u>	<u>151,111</u>	<u>78,063</u>	<u>2,545</u>
Excess (deficiency) of receipts over disbursements	<u>7,396</u>	<u>(2,510)</u>	<u>32</u>	<u>(17)</u>	<u>2,414</u>	<u>466</u>
<b>Other financing sources (uses):</b>						
Sale of capital assets	-	-	-	-	-	-
Transfers in	-	-	-	-	-	-
Transfers out	-	-	-	-	-	-
<b>Total other financing sources (uses)</b>	<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>7,396</u>	<u>(2,510)</u>	<u>32</u>	<u>(17)</u>	<u>2,414</u>	<u>466</u>
Cash and investments - beginning	<u>87</u>	<u>2,060</u>	<u>(47)</u>	<u>-</u>	<u>78,063</u>	<u>-</u>
<b>Cash and investments - ending</b>	<u>\$ 7,483</u>	<u>\$ (450)</u>	<u>\$ (15)</u>	<u>\$ (17)</u>	<u>\$ 80,477</u>	<u>\$ 466</u>
<b>Cash and Investment Assets - Ending</b>						
Cash and investments	\$ 7,483	\$ (450)	\$ (15)	\$ (17)	\$ 80,477	\$ 466
Restricted assets:						
Cash and investments	-	-	-	-	-	-
<b>Total cash and investment assets - ending</b>	<u>\$ 7,483</u>	<u>\$ (450)</u>	<u>\$ (15)</u>	<u>\$ (17)</u>	<u>\$ 80,477</u>	<u>\$ 466</u>
<b>Cash and Investment Fund Balance - Ending</b>						
Restricted for:						
Debt service	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Unrestricted	<u>7,483</u>	<u>(450)</u>	<u>(15)</u>	<u>(17)</u>	<u>80,477</u>	<u>466</u>
<b>Total cash and investment fund balance - ending</b>	<u>\$ 7,483</u>	<u>\$ (450)</u>	<u>\$ (15)</u>	<u>\$ (17)</u>	<u>\$ 80,477</u>	<u>\$ 466</u>

METROPOLITAN SCHOOL DISTRICT OF SOUTHWEST ALLEN COUNTY  
 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)

	Technical Literary Challenge	Severance Bonds	School Bus Replacement	Construction	Totals
<b>Receipts:</b>					
Local sources	\$ -	\$ 430,218	\$ 686,922	\$ 212,383	\$ 8,990,732
Intermediate sources	-	-	-	-	1,613
State sources	-	-	-	-	649,769
Federal sources	-	-	-	-	3,278,069
Temporary loans	-	-	-	-	655,000
Other	-	-	-	-	3,297
<b>Total receipts</b>	<b>-</b>	<b>430,218</b>	<b>686,922</b>	<b>212,383</b>	<b>13,578,480</b>
<b>Disbursements:</b>					
<b>Current:</b>					
Instruction	-	-	-	-	5,013,263
Support services	1,176	-	726,110	-	4,175,214
Noninstructional services	-	-	-	-	2,401,108
Facilities acquisition and construction	-	-	-	439,710	439,710
Debt services	-	429,331	-	-	1,247,331
Nonprogrammed charges	-	-	-	-	5,657
<b>Total disbursements</b>	<b>1,176</b>	<b>429,331</b>	<b>726,110</b>	<b>439,710</b>	<b>13,282,283</b>
Excess (deficiency) of receipts over disbursements	(1,176)	887	(39,188)	(227,327)	296,197
<b>Other financing sources (uses):</b>					
Sale of capital assets	-	-	-	-	10,373
Transfers in	2,000	-	-	-	27,073
Transfers out	-	-	-	-	(511,573)
<b>Total other financing sources (uses)</b>	<b>2,000</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>(474,127)</b>
Excess (deficiency) of receipts and other financing sources over disbursements and other financing uses	824	887	(39,188)	(227,327)	(177,930)
Cash and investments - beginning	-	53,422	238,667	239,592	2,830,014
Cash and investments - ending	<u>824</u>	<u>54,309</u>	<u>199,479</u>	<u>12,265</u>	<u>2,652,084</u>
<b>Cash and Investment Assets - Ending</b>					
Cash and investments	\$ 824	\$ -	\$ 199,479	\$ 12,265	\$ 2,597,775
Restricted assets:					
Cash and investments	-	54,309	-	-	54,309
<b>Total cash and investment assets - ending</b>	<u>\$ 824</u>	<u>\$ 54,309</u>	<u>\$ 199,479</u>	<u>\$ 12,265</u>	<u>\$ 2,652,084</u>
<b>Cash and Investment Fund Balance - Ending</b>					
Restricted for:					
Debt service	\$ -	\$ 54,309	\$ -	\$ -	\$ 54,309
Unrestricted	824	-	199,479	12,265	2,597,775
<b>Total cash and investment fund balance - ending</b>	<u>\$ 824</u>	<u>\$ 54,309</u>	<u>\$ 199,479</u>	<u>\$ 12,265</u>	<u>\$ 2,652,084</u>

METROPOLITAN SCHOOL DISTRICT OF SOUTHWEST ALLEN COUNTY  
 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

	Referendum	Transportation Operating	Special Education Preschool	Cafeteria	Textbook Rental	Education License Plate
Receipts:						
Local sources	\$ 2,475,272	\$ 2,228,060	\$ 62,655	\$ 1,809,937	\$ 525,825	\$ -
Intermediate sources	-	-	-	-	-	2,063
State sources	-	-	170,011	-	91,213	-
Federal sources	-	-	-	456,594	-	-
Temporary loans	-	811,000	-	-	-	-
Other	229	67,562	-	-	-	-
<b>Total receipts</b>	<b>2,475,501</b>	<b>3,106,622</b>	<b>232,666</b>	<b>2,266,531</b>	<b>617,038</b>	<b>2,063</b>
Disbursements:						
Current:						
Instruction	2,417,792	-	182,501	-	-	-
Support services	151,333	2,524,336	96,246	-	844,636	-
Noninstructional services	-	-	-	2,423,372	-	-
Facilities acquisition and construction	-	-	-	-	-	-
Debt services	-	655,000	-	-	-	-
Nonprogrammed charges	-	-	-	-	-	-
<b>Total disbursements</b>	<b>2,569,125</b>	<b>3,179,336</b>	<b>278,747</b>	<b>2,423,372</b>	<b>844,636</b>	<b>-</b>
Excess (deficiency) of receipts over disbursements	(93,624)	(72,714)	(46,081)	(156,841)	(227,598)	2,063
Other financing sources (uses):						
Transfers in	-	-	-	-	-	-
Transfers out	(207,042)	-	-	-	-	-
<b>Total other financing sources (uses)</b>	<b>(207,042)</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	(300,666)	(72,714)	(46,081)	(156,841)	(227,598)	2,063
Cash and investments - beginning	625,954	219,666	144,530	821,160	336,425	600
Cash and investments - ending	\$ 325,288	\$ 146,952	\$ 98,449	\$ 664,319	\$ 108,827	\$ 2,663
<b>Cash and Investment Assets - Ending</b>						
Cash and investments	\$ 325,288	\$ 146,952	\$ 98,449	\$ 664,319	\$ 108,827	\$ 2,663
Restricted assets:						
Cash and investments	-	-	-	-	-	-
<b>Total cash and investment assets - ending</b>	<b>\$ 325,288</b>	<b>\$ 146,952</b>	<b>\$ 98,449</b>	<b>\$ 664,319</b>	<b>\$ 108,827</b>	<b>\$ 2,663</b>
<b>Cash and Investment Fund Balance - Ending</b>						
Restricted for:						
Debt service	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Unrestricted	325,288	146,952	98,449	664,319	108,827	2,663
<b>Total cash and investment fund balance - ending</b>	<b>\$ 325,288</b>	<b>\$ 146,952</b>	<b>\$ 98,449</b>	<b>\$ 664,319</b>	<b>\$ 108,827</b>	<b>\$ 2,663</b>

METROPOLITAN SCHOOL DISTRICT OF SOUTHWEST ALLEN COUNTY  
 COMBINING SCHEDULE OF ASSETS AND FUND BALANCES AND RECEIPTS,  
 DISBURSEMENTS, AND CHANGES IN FUND BALANCES - CASH AND INVESTMENT BASIS  
 OTHER GOVERNMENTAL FUNDS  
 For the Year Ended June 30, 2009  
 (Continued)

	Alternative Education	Early Intervention	American Chemical Society	Ambler Memorial	Donation/Trust	Donation
<b>Receipts:</b>						
Local sources	\$ -	\$ -	\$ 1,500	\$ -	\$ 5,400	\$ 15,721
Intermediate sources	-	-	-	-	-	-
State sources	111,364	63,492	-	-	-	-
Federal sources	-	-	-	-	-	-
Temporary loans	-	-	-	-	-	-
Other	-	-	-	-	-	-
<b>Total receipts</b>	<b>111,364</b>	<b>63,492</b>	<b>1,500</b>	<b>-</b>	<b>5,400</b>	<b>15,721</b>
<b>Disbursements:</b>						
<b>Current:</b>						
Instruction	117,669	63,492	-	1,008	-	-
Support services	-	-	-	-	-	15,721
Noninstructional services	-	-	-	-	-	-
Facilities acquisition and construction	-	-	-	-	-	-
Debt services	-	-	-	-	-	-
Nonprogrammed charges	-	-	-	-	-	-
<b>Total disbursements</b>	<b>117,669</b>	<b>63,492</b>	<b>-</b>	<b>1,008</b>	<b>-</b>	<b>15,721</b>
<b>Excess (deficiency) of receipts over disbursements</b>	<b>(6,305)</b>	<b>-</b>	<b>1,500</b>	<b>(1,008)</b>	<b>5,400</b>	<b>-</b>
<b>Other financing sources (uses):</b>						
Transfers in	-	-	-	-	-	-
Transfers out	-	-	-	-	-	-
<b>Total other financing sources (uses)</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>
<b>Excess (deficiency) of receipts and other financing sources over disbursements and other financing uses</b>	<b>(6,305)</b>	<b>-</b>	<b>1,500</b>	<b>(1,008)</b>	<b>5,400</b>	<b>-</b>
<b>Cash and investments - beginning</b>	<b>6,305</b>	<b>-</b>	<b>-</b>	<b>1,008</b>	<b>-</b>	<b>-</b>
<b>Cash and investments - ending</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ 1,500</b>	<b>\$ -</b>	<b>\$ 5,400</b>	<b>\$ -</b>
<b><u>Cash and Investment Assets - Ending</u></b>						
Cash and investments	\$ -	\$ -	\$ 1,500	\$ -	\$ 5,400	\$ -
Restricted assets:						
Cash and investments	-	-	-	-	-	-
<b>Total cash and investment assets - ending</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ 1,500</b>	<b>\$ -</b>	<b>\$ 5,400</b>	<b>\$ -</b>
<b><u>Cash and Investment Fund Balance - Ending</u></b>						
Restricted for:						
Debt service	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Unrestricted	-	-	1,500	-	5,400	-
<b>Total cash and investment fund balance - ending</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ 1,500</b>	<b>\$ -</b>	<b>\$ 5,400</b>	<b>\$ -</b>

METROPOLITAN SCHOOL DISTRICT OF SOUTHWEST ALLEN COUNTY  
 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)

	Awards/ Donation	Local Grant	Ecolab Grant	Band Uniforms	Vetter Memorial	Center School Project
Receipts:						
Local sources	\$ 9,667	\$ 750	\$ -	\$ 103	\$ -	\$ 308
Intermediate sources	-	-	-	-	-	-
State sources	-	-	-	-	-	-
Federal sources	-	-	-	10,000	-	-
Temporary loans	-	-	-	-	-	-
Other	-	-	-	-	-	-
<b>Total receipts</b>	<b>9,667</b>	<b>750</b>	<b>-</b>	<b>10,103</b>	<b>-</b>	<b>308</b>
Disbursements:						
Current:						
Instruction	9,615	-	2,982	-	-	-
Support services	-	-	-	-	-	-
Noninstructional services	-	-	-	-	-	-
Facilities acquisition and construction	-	-	-	-	-	-
Debt services	-	-	-	-	-	-
Nonprogrammed charges	-	-	-	-	-	-
<b>Total disbursements</b>	<b>9,615</b>	<b>-</b>	<b>2,982</b>	<b>-</b>	<b>-</b>	<b>-</b>
<b>Excess (deficiency) of receipts over disbursements</b>	<b>52</b>	<b>750</b>	<b>(2,982)</b>	<b>10,103</b>	<b>-</b>	<b>308</b>
Other financing sources (uses):						
Transfers in	-	-	-	-	-	-
Transfers out	-	-	-	-	-	-
<b>Total other financing sources (uses)</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>
<b>Excess (deficiency) of receipts and other financing sources over disbursements and other financing uses</b>	<b>52</b>	<b>750</b>	<b>(2,982)</b>	<b>10,103</b>	<b>-</b>	<b>308</b>
Cash and investments - beginning	-	-	2,982	10,249	1,272	529
Cash and investments - ending	<u>\$ 52</u>	<u>\$ 750</u>	<u>\$ -</u>	<u>\$ 20,352</u>	<u>\$ 1,272</u>	<u>\$ 837</u>
<b><u>Cash and Investment Assets - Ending</u></b>						
Cash and investments	\$ 52	\$ 750	\$ -	\$ 20,352	\$ 1,272	\$ 837
Restricted assets:						
Cash and investments	-	-	-	-	-	-
<b>Total cash and investment assets - ending</b>	<b>\$ 52</b>	<b>\$ 750</b>	<b>\$ -</b>	<b>\$ 20,352</b>	<b>\$ 1,272</b>	<b>\$ 837</b>
<b><u>Cash and Investment Fund Balance - Ending</u></b>						
Restricted for:						
Debt service	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Unrestricted	52	750	-	20,352	1,272	837
<b>Total cash and investment fund balance - ending</b>	<b>\$ 52</b>	<b>\$ 750</b>	<b>\$ -</b>	<b>\$ 20,352</b>	<b>\$ 1,272</b>	<b>\$ 837</b>

METROPOLITAN SCHOOL DISTRICT OF SOUTHWEST ALLEN COUNTY  
 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)

	Target Scholar	LCE Scholarship	Education Foundation	Gifted/ Talented	Economic Education	Special Program Special Ed 2007
<b>Receipts:</b>						
Local sources	\$ 1,600	\$ -	\$ -	\$ -	\$ -	\$ -
Intermediate sources	-	-	-	-	-	-
State sources	-	-	-	109,386	1,000	-
Federal sources	-	-	-	-	-	-
Temporary loans	-	-	-	-	-	-
Other	-	-	-	-	-	-
<b>Total receipts</b>	<b>1,600</b>	<b>-</b>	<b>-</b>	<b>109,386</b>	<b>1,000</b>	<b>-</b>
<b>Disbursements:</b>						
<b>Current:</b>						
Instruction	1,600	500	-	109,386	1,000	3,924
Support services	-	-	-	-	-	-
Noninstructional services	-	-	-	-	-	-
Facilities acquisition and construction	-	-	-	-	-	-
Debt services	-	-	-	-	-	-
Nonprogrammed charges	-	-	-	-	-	-
<b>Total disbursements</b>	<b>1,600</b>	<b>500</b>	<b>-</b>	<b>109,386</b>	<b>1,000</b>	<b>3,924</b>
<b>Excess (deficiency) of receipts over disbursements</b>	<b>-</b>	<b>(500)</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>(3,924)</b>
<b>Other financing sources (uses):</b>						
Transfers in	-	-	-	-	-	-
Transfers out	-	-	-	-	-	-
<b>Total other financing sources (uses)</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>
<b>Excess (deficiency) of receipts and other financing sources over disbursements and other financing uses</b>	<b>-</b>	<b>(500)</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>(3,924)</b>
<b>Cash and investments - beginning</b>	<b>-</b>	<b>2,000</b>	<b>1,790</b>	<b>-</b>	<b>-</b>	<b>3,924</b>
<b>Cash and investments - ending</b>	<b>\$ -</b>	<b>\$ 1,500</b>	<b>\$ 1,790</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ -</b>
<b><u>Cash and Investment Assets - Ending</u></b>						
Cash and investments	\$ -	\$ 1,500	\$ 1,790	\$ -	\$ -	\$ -
Restricted assets:						
Cash and investments	-	-	-	-	-	-
<b>Total cash and investment assets - ending</b>	<b>\$ -</b>	<b>\$ 1,500</b>	<b>\$ 1,790</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ -</b>
<b><u>Cash and Investment Fund Balance - Ending</u></b>						
Restricted for:						
Debt service	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Unrestricted	-	1,500	1,790	-	-	-
<b>Total cash and investment fund balance - ending</b>	<b>\$ -</b>	<b>\$ 1,500</b>	<b>\$ 1,790</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ -</b>

METROPOLITAN SCHOOL DISTRICT OF SOUTHWEST ALLEN COUNTY  
 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)

	Special Program Special Ed 2008	CBI Preschool 2007	CBI Preschool 2008	Non-English Speaking Grant 2007	Non-English Speaking Grant 2008	LSTA Technical Grant
Receipts:						
Local sources	\$ 3,675	\$ -	\$ 811	\$ -	\$ -	\$ -
Intermediate sources	-	-	-	-	-	-
State sources	-	-	-	-	14,691	4,623
Federal sources	-	-	-	-	-	-
Temporary loans	-	-	-	-	-	-
Other	-	-	-	-	-	-
<b>Total receipts</b>	<b>3,675</b>	<b>-</b>	<b>811</b>	<b>-</b>	<b>14,691</b>	<b>4,623</b>
Disbursements:						
Current:						
Instruction	512	1,409	180	56	14,691	4,623
Support services	-	-	-	-	-	-
Noninstructional services	-	-	-	-	-	-
Facilities acquisition and construction	-	-	-	-	-	-
Debt services	-	-	-	-	-	-
Nonprogrammed charges	-	-	-	-	-	-
<b>Total disbursements</b>	<b>512</b>	<b>1,409</b>	<b>180</b>	<b>56</b>	<b>14,691</b>	<b>4,623</b>
Excess (deficiency) of receipts over disbursements	3,163	(1,409)	631	(56)	-	-
Other financing sources (uses):						
Transfers in	-	-	-	-	-	-
Transfers out	-	-	-	-	-	-
<b>Total other financing sources (uses)</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>
Excess (deficiency) of receipts and other financing sources over disbursements and other financing uses	3,163	(1,409)	631	(56)	-	-
Cash and investments - beginning	-	1,409	-	56	-	-
Cash and investments - ending	\$ 3,163	\$ -	\$ 631	\$ -	\$ -	\$ -
<b>Cash and Investment Assets - Ending</b>						
Cash and investments	\$ 3,163	\$ -	\$ 631	\$ -	\$ -	\$ -
Restricted assets:						
Cash and investments	-	-	-	-	-	-
<b>Total cash and investment assets - ending</b>	<b>\$ 3,163</b>	<b>\$ -</b>	<b>\$ 631</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ -</b>
<b>Cash and Investment Fund Balance - Ending</b>						
Restricted for:						
Debt service	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Unrestricted	3,163	-	631	-	-	-
<b>Total cash and investment fund balance - ending</b>	<b>\$ 3,163</b>	<b>\$ -</b>	<b>\$ 631</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ -</b>

METROPOLITAN SCHOOL DISTRICT OF SOUTHWEST ALLEN COUNTY  
 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)

	R. T. I. Grant	Child Care Program 2007	Child Care Program 2008	Pre-School Co-op 2007	Pre-School Co-op 2008	Pre-School Co-op 2009
<b>Receipts:</b>						
Local sources	\$ -	\$ -	\$ -	\$ 23,367	\$ 47,743	\$ -
Intermediate sources	-	-	-	-	-	-
State sources	6,000	-	-	-	-	-
Federal sources	-	-	232,251	5	32,633	2,551
Temporary loans	-	-	-	-	-	-
Other	-	-	-	-	-	-
<b>Total receipts</b>	<b>6,000</b>	<b>-</b>	<b>232,251</b>	<b>23,372</b>	<b>80,376</b>	<b>2,551</b>
<b>Disbursements:</b>						
<b>Current:</b>						
Instruction	5,120	-	-	4,620	80,376	-
Support services	147	-	-	-	-	-
Noninstructional services	-	20,130	169,168	-	-	-
Facilities acquisition and construction	-	-	-	-	-	-
Debt services	-	-	-	-	-	-
Nonprogrammed charges	-	-	-	-	-	-
<b>Total disbursements</b>	<b>5,267</b>	<b>20,130</b>	<b>169,168</b>	<b>4,620</b>	<b>80,376</b>	<b>-</b>
<b>Excess (deficiency) of receipts over disbursements</b>	<b>733</b>	<b>(20,130)</b>	<b>63,083</b>	<b>18,752</b>	<b>-</b>	<b>2,551</b>
<b>Other financing sources (uses):</b>						
Transfers in	-	-	-	-	-	-
Transfers out	-	-	-	-	-	-
<b>Total other financing sources (uses)</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>
<b>Excess (deficiency) of receipts and other financing sources over disbursements and other financing uses</b>	<b>733</b>	<b>(20,130)</b>	<b>63,083</b>	<b>18,752</b>	<b>-</b>	<b>2,551</b>
<b>Cash and investments - beginning</b>	<b>-</b>	<b>20,130</b>	<b>-</b>	<b>(18,752)</b>	<b>-</b>	<b>-</b>
<b>Cash and investments - ending</b>	<b>\$ 733</b>	<b>\$ -</b>	<b>\$ 63,083</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ 2,551</b>
<b><u>Cash and Investment Assets - Ending</u></b>						
Cash and investments	\$ 733	\$ -	\$ 63,083	\$ -	\$ -	\$ 2,551
Restricted assets:						
Cash and investments	-	-	-	-	-	-
<b>Total cash and investment assets - ending</b>	<b>\$ 733</b>	<b>\$ -</b>	<b>\$ 63,083</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ 2,551</b>
<b><u>Cash and Investment Fund Balance - Ending</u></b>						
Restricted for:						
Debt service	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Unrestricted	733	-	63,083	-	-	2,551
<b>Total cash and investment fund balance - ending</b>	<b>\$ 733</b>	<b>\$ -</b>	<b>\$ 63,083</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ 2,551</b>

METROPOLITAN SCHOOL DISTRICT OF SOUTHWEST ALLEN COUNTY  
 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)

	Safe Haven 2007	Safe Haven 2008	Smith Green W. A. 2007	Smith Green W. A. 2008	Title I	Title V 2008
<b>Receipts:</b>						
Local sources	\$ -	\$ -	\$ 25,389	\$ 205,735	\$ -	\$ -
Intermediate sources	-	-	-	-	-	-
State sources	15,174	12,750	-	-	-	-
Federal sources	-	-	-	192,450	137,228	-
Temporary loans	-	-	-	-	-	-
Other	-	-	-	-	-	-
<b>Total receipts</b>	<b>15,174</b>	<b>12,750</b>	<b>25,389</b>	<b>398,185</b>	<b>137,228</b>	<b>-</b>
<b>Disbursements:</b>						
<b>Current:</b>						
Instruction	-	-	10,177	167,955	80,883	7,810
Support services	-	-	11,293	193,938	4,959	-
Noninstructional services	-	12,750	-	-	1,813	-
Facilities acquisition and construction	-	-	-	-	-	-
Debt services	-	-	-	-	-	-
Nonprogrammed charges	-	-	-	-	-	411
<b>Total disbursements</b>	<b>-</b>	<b>12,750</b>	<b>21,470</b>	<b>361,893</b>	<b>87,655</b>	<b>8,221</b>
<b>Excess (deficiency) of receipts over disbursements</b>	<b>15,174</b>	<b>-</b>	<b>3,919</b>	<b>36,292</b>	<b>49,573</b>	<b>(8,221)</b>
<b>Other financing sources (uses):</b>						
Transfers in	-	-	-	-	-	-
Transfers out	-	-	-	-	-	-
<b>Total other financing sources (uses)</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>
<b>Excess (deficiency) of receipts and other financing sources over disbursements and other financing uses</b>	<b>15,174</b>	<b>-</b>	<b>3,919</b>	<b>36,292</b>	<b>49,573</b>	<b>(8,221)</b>
<b>Cash and investments - beginning</b>	<b>(15,174)</b>	<b>-</b>	<b>39,857</b>	<b>-</b>	<b>-</b>	<b>8,221</b>
<b>Cash and investments - ending</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ 43,776</b>	<b>\$ 36,292</b>	<b>\$ 49,573</b>	<b>\$ -</b>
<b><u>Cash and Investment Assets - Ending</u></b>						
Cash and investments	\$ -	\$ -	\$ 43,776	\$ 36,292	\$ 49,573	\$ -
Restricted assets:						
Cash and investments	-	-	-	-	-	-
<b>Total cash and investment assets - ending</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ 43,776</b>	<b>\$ 36,292</b>	<b>\$ 49,573</b>	<b>\$ -</b>
<b><u>Cash and Investment Fund Balance - Ending</u></b>						
Restricted for:						
Debt service	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Unrestricted	-	-	43,776	36,292	49,573	-
<b>Total cash and investment fund balance - ending</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ 43,776</b>	<b>\$ 36,292</b>	<b>\$ 49,573</b>	<b>\$ -</b>

METROPOLITAN SCHOOL DISTRICT OF SOUTHWEST ALLEN COUNTY  
 COMBINING SCHEDULE OF ASSETS AND FUND BALANCES AND RECEIPTS,  
 DISBURSEMENTS, AND CHANGES IN FUND BALANCES - CASH AND INVESTMENT BASIS  
 OTHER GOVERNMENTAL FUNDS  
 For the Year Ended June 30, 2009  
 (Continued)

	Title V 2009	IDEA 2009	IDEA 2008	IDEA C/O 2007	IDEA C/O 2008	Preschool Flow Through
<b>Receipts:</b>						
Local sources	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Intermediate sources	-	-	-	-	-	-
State sources	-	-	-	-	-	-
Federal sources	3,206	2,164,000	350,116	-	-	8,009
Temporary loans	-	-	-	-	-	-
Other	-	-	-	-	-	-
<b>Total receipts</b>	<u>3,206</u>	<u>2,164,000</u>	<u>350,116</u>	<u>-</u>	<u>-</u>	<u>8,009</u>
<b>Disbursements:</b>						
<b>Current:</b>						
Instruction	-	789,241	107,370	13,550	140,820	15,492
Support services	-	1,104,623	109,713	12,202	12,655	-
Noninstructional services	-	-	-	-	-	-
Facilities acquisition and construction	-	-	-	-	-	-
Debt services	-	-	-	-	-	-
Nonprogrammed charges	-	-	-	-	-	-
<b>Total disbursements</b>	<u>-</u>	<u>1,893,864</u>	<u>217,083</u>	<u>25,752</u>	<u>153,475</u>	<u>15,492</u>
<b>Excess (deficiency) of receipts over disbursements</b>	<u>3,206</u>	<u>270,136</u>	<u>133,033</u>	<u>(25,752)</u>	<u>(153,475)</u>	<u>(7,483)</u>
<b>Other financing sources (uses):</b>						
Transfers in	-	-	-	-	190,403	-
Transfers out	-	-	(190,403)	-	-	-
<b>Total other financing sources (uses)</b>	<u>-</u>	<u>-</u>	<u>(190,403)</u>	<u>-</u>	<u>190,403</u>	<u>-</u>
<b>Excess (deficiency) of receipts and other financing sources over disbursements and other financing uses</b>	<u>3,206</u>	<u>270,136</u>	<u>(57,370)</u>	<u>(25,752)</u>	<u>36,928</u>	<u>(7,483)</u>
<b>Cash and investments - beginning</b>	<u>-</u>	<u>-</u>	<u>57,370</u>	<u>25,752</u>	<u>-</u>	<u>7,483</u>
<b>Cash and investments - ending</b>	<u>\$ 3,206</u>	<u>\$ 270,136</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 36,928</u>	<u>\$ -</u>
<b><u>Cash and Investment Assets - Ending</u></b>						
Cash and investments	\$ 3,206	\$ 270,136	\$ -	\$ -	\$ 36,928	\$ -
Restricted assets:						
Cash and investments	-	-	-	-	-	-
<b>Total cash and investment assets - ending</b>	<u>\$ 3,206</u>	<u>\$ 270,136</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 36,928</u>	<u>\$ -</u>
<b><u>Cash and Investment Fund Balance - Ending</u></b>						
Restricted for:						
Debt service	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Unrestricted	3,206	270,136	-	-	36,928	-
<b>Total cash and investment fund balance - ending</b>	<u>\$ 3,206</u>	<u>\$ 270,136</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 36,928</u>	<u>\$ -</u>

METROPOLITAN SCHOOL DISTRICT OF SOUTHWEST ALLEN COUNTY  
 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)

	Discretionary Grant	Preschool	Drug Free 2007	Drug Free 2008	Drug Testing	Perkins Grant
Receipts:						
Local sources	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 19,593
Intermediate sources	-	-	-	-	-	-
State sources	-	-	-	-	12,343	-
Federal sources	144,230	65,481	8,013	5,992	-	-
Temporary loans	-	-	-	-	-	-
Other	-	-	-	-	-	-
<b>Total receipts</b>	<b>144,230</b>	<b>65,481</b>	<b>8,013</b>	<b>5,992</b>	<b>12,343</b>	<b>19,593</b>
Disbursements:						
Current:						
Instruction	-	65,481	7,563	6,555	12,328	26,915
Support services	139,538	-	-	-	-	-
Noninstructional services	-	-	-	-	-	-
Facilities acquisition and construction	-	-	-	-	-	-
Debt services	-	-	-	-	-	-
Nonprogrammed charges	-	-	-	-	-	-
<b>Total disbursements</b>	<b>139,538</b>	<b>65,481</b>	<b>7,563</b>	<b>6,555</b>	<b>12,328</b>	<b>26,915</b>
Excess (deficiency) of receipts over disbursements	4,692	-	450	(563)	15	(7,322)
Other financing sources (uses):						
Transfers in	-	-	-	-	-	-
Transfers out	-	-	-	-	-	-
<b>Total other financing sources (uses)</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>
Excess (deficiency) of receipts and other financing sources over disbursements and other financing uses	4,692	-	450	(563)	15	(7,322)
Cash and investments - beginning	-	-	(450)	-	(15)	-
<b>Cash and investments - ending</b>	<b>\$ 4,692</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ (563)</b>	<b>\$ -</b>	<b>\$ (7,322)</b>
<b><u>Cash and Investment Assets - Ending</u></b>						
Cash and investments	\$ 4,692	\$ -	\$ -	\$ (563)	\$ -	\$ (7,322)
Restricted assets:						
Cash and investments	-	-	-	-	-	-
<b>Total cash and investment assets - ending</b>	<b>\$ 4,692</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ (563)</b>	<b>\$ -</b>	<b>\$ (7,322)</b>
<b><u>Cash and Investment Fund Balance - Ending</u></b>						
Restricted for:						
Debt service	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Unrestricted	4,692	-	-	(563)	-	(7,322)
<b>Total cash and investment fund balance - ending</b>	<b>\$ 4,692</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ (563)</b>	<b>\$ -</b>	<b>\$ (7,322)</b>

METROPOLITAN SCHOOL DISTRICT OF SOUTHWEST ALLEN COUNTY  
 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)

	Small Learning Communities 2007	Small Learning Communities 2008	Title II 2007	Title II 2008	Title III 2007	Title III 2008
<b>Receipts:</b>						
Local sources	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Intermediate sources	-	-	-	-	-	-
State sources	46,973	-	-	-	-	16,705
Federal sources	-	171,462	-	88,854	-	-
Temporary loans	-	-	-	-	-	-
Other	-	-	-	-	-	-
<b>Total receipts</b>	<u>46,973</u>	<u>171,462</u>	<u>-</u>	<u>88,854</u>	<u>-</u>	<u>16,705</u>
<b>Disbursements:</b>						
<b>Current:</b>						
Instruction	-	-	80,477	-	-	16,429
Support services	46,956	171,462	-	-	466	-
Noninstructional services	-	-	-	-	-	-
Facilities acquisition and construction	-	-	-	-	-	-
Debt services	-	-	-	-	-	-
Nonprogrammed charges	-	-	-	-	-	-
<b>Total disbursements</b>	<u>46,956</u>	<u>171,462</u>	<u>80,477</u>	<u>-</u>	<u>466</u>	<u>16,429</u>
<b>Excess (deficiency) of receipts over disbursements</b>	<u>17</u>	<u>-</u>	<u>(80,477)</u>	<u>88,854</u>	<u>(466)</u>	<u>276</u>
<b>Other financing sources (uses):</b>						
Transfers in	-	-	-	-	-	-
Transfers out	-	-	-	-	-	-
<b>Total other financing sources (uses)</b>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
<b>Excess (deficiency) of receipts and other financing sources over disbursements and other financing uses</b>	<u>17</u>	<u>-</u>	<u>(80,477)</u>	<u>88,854</u>	<u>(466)</u>	<u>276</u>
<b>Cash and investments - beginning</b>	<u>(17)</u>	<u>-</u>	<u>80,477</u>	<u>-</u>	<u>466</u>	<u>-</u>
<b>Cash and investments - ending</b>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 88,854</u>	<u>\$ -</u>	<u>\$ 276</u>
<b><u>Cash and Investment Assets - Ending</u></b>						
Cash and investments	\$ -	\$ -	\$ -	\$ 88,854	\$ -	\$ 276
Restricted assets:						
Cash and investments	-	-	-	-	-	-
<b>Total cash and investment assets - ending</b>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 88,854</u>	<u>\$ -</u>	<u>\$ 276</u>
<b><u>Cash and Investment Fund Balance - Ending</u></b>						
Restricted for:						
Debt service	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Unrestricted	-	-	-	88,854	-	276
<b>Total cash and investment fund balance - ending</b>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 88,854</u>	<u>\$ -</u>	<u>\$ 276</u>

METROPOLITAN SCHOOL DISTRICT OF SOUTHWEST ALLEN COUNTY  
 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)

	Technical Literary Challenge	Severance Bonds	School Bus Replacement	Construction	Totals
<b>Receipts:</b>					
Local sources	\$ -	\$ 402,068	\$ 685,845	\$ 225,631	\$ 8,776,655
Intermediate sources	-	-	-	-	2,063
State sources	-	-	-	-	675,725
Federal sources	-	-	-	-	4,073,075
Temporary loans	-	-	-	-	811,000
Other	-	-	-	-	67,791
<b>Total receipts</b>	<b>-</b>	<b>402,068</b>	<b>685,845</b>	<b>225,631</b>	<b>14,406,309</b>
<b>Disbursements:</b>					
<b>Current:</b>					
Instruction	-	-	-	-	4,572,102
Support services	811	-	830,630	-	6,271,665
Noninstructional services	-	-	-	-	2,627,233
Facilities acquisition and construction	-	-	-	442,101	442,101
Debt services	-	426,808	-	-	1,081,808
Nonprogrammed charges	-	-	-	-	411
<b>Total disbursements</b>	<b>811</b>	<b>426,808</b>	<b>830,630</b>	<b>442,101</b>	<b>14,995,320</b>
Excess (deficiency) of receipts over disbursements	(811)	(24,740)	(144,785)	(216,470)	(589,011)
<b>Other financing sources (uses):</b>					
Transfers in	-	-	-	-	190,403
Transfers out	-	-	-	-	(397,445)
<b>Total other financing sources (uses)</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>(207,042)</b>
Excess (deficiency) of receipts and other financing sources over disbursements and other financing uses	(811)	(24,740)	(144,785)	(216,470)	(796,053)
Cash and investments - beginning	824	54,309	199,479	12,265	2,652,084
Cash and investments - ending	\$ 13	\$ 29,569	\$ 54,694	\$ (204,205)	\$ 1,856,031
<b><u>Cash and Investment Assets - Ending</u></b>					
Cash and investments	\$ 13	\$ -	\$ 54,694	\$ (204,205)	\$ 1,826,462
<b>Restricted assets:</b>					
Cash and investments	-	29,569	-	-	29,569
<b>Total cash and investment assets - ending</b>	<b>\$ 13</b>	<b>\$ 29,569</b>	<b>\$ 54,694</b>	<b>\$ (204,205)</b>	<b>\$ 1,856,031</b>
<b><u>Cash and Investment Fund Balance - Ending</u></b>					
<b>Restricted for:</b>					
Debt service	\$ -	\$ 29,569	\$ -	\$ -	\$ 29,569
Unrestricted	13	-	54,694	(204,205)	1,826,462
<b>Total cash and investment fund balance - ending</b>	<b>\$ 13</b>	<b>\$ 29,569</b>	<b>\$ 54,694</b>	<b>\$ (204,205)</b>	<b>\$ 1,856,031</b>

METROPOLITAN SCHOOL DISTRICT OF SOUTHWEST ALLEN COUNTY  
 COMBINING SCHEDULE OF ADDITIONS, DEDUCTIONS, AND CHANGES IN CASH AND INVESTMENT BALANCES  
 AGENCY FUNDS  
 For the Year Ended June 30, 2008

	<u>Payroll</u>	<u>Cafeteria</u>	<u>Totals</u>
Additions: Agency fund additions	\$ 11,250,506	\$ 1,409,630	\$ 12,660,136
Deductions: Agency fund deductions	<u>11,186,254</u>	<u>1,470,012</u>	<u>12,656,266</u>
Excess (deficiency) of total additions over total deductions	64,252	(60,382)	3,870
Cash and investment fund balance - beginning	<u>117,419</u>	<u>85,222</u>	<u>202,641</u>
Cash and investment fund balance - ending	<u>\$ 181,671</u>	<u>\$ 24,840</u>	<u>\$ 206,511</u>

METROPOLITAN SCHOOL DISTRICT OF SOUTHWEST ALLEN COUNTY  
 COMBINING SCHEDULE OF ADDITIONS, DEDUCTIONS, AND CHANGES IN CASH AND INVESTMENT BALANCES  
 AGENCY FUNDS  
 For the Year Ended June 30, 2009

	Payroll	Cafeteria	Totals
<b>Additions:</b>			
Agency fund additions	\$ 10,910,476	\$ 1,642,690	\$ 12,553,166
<b>Deductions:</b>			
Agency fund deductions	10,912,050	1,535,411	12,447,461
Excess (deficiency) of total additions over total deductions	(1,574)	107,279	105,705
Cash and investment fund balance - beginning	181,671	24,840	206,511
Cash and investment fund balance - ending	\$ 180,097	\$ 132,119	\$ 312,216

METROPOLITAN SCHOOL DISTRICT OF SOUTHWEST ALLEN COUNTY  
 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	\$ 3,604,300
Buildings	113,500,424
Improvements other than buildings	7,058,444
Machinery and equipment	<u>8,865,671</u>
 Total governmental activities, capital assets not being depreciated	 <u>\$ 133,028,839</u>

METROPOLITAN SCHOOL DISTRICT OF SOUTHWEST ALLEN COUNTY  
 SUPPLEMENTARY INFORMATION  
 SCHEDULE OF LONG-TERM DEBT  
 June 30, 2009

The School has entered into the following debt:

Description of Debt	Ending Principal Balance	Principal and Interest Due Within One Year
Governmental activities:		
Capital leases:		
Buildings	\$ 75,080,000	\$ 10,624,573
Copiers	107,611	109,953
Computers	951,103	504,711
Notes and loans payable	50,168	11,148
Bonds payable:		
General obligation bonds:		
Retirement or severance liabilities	<u>2,865,000</u>	<u>428,087</u>
Total governmental activities debt	<u>\$ 79,053,882</u>	<u>\$ 11,678,472</u>

METROPOLITAN SCHOOL DISTRICT OF SOUTHWEST ALLEN COUNTY  
AUDIT RESULT AND COMMENT

OVERDRAWN CASH BALANCES

The Preschool Coop Fund, Safe Haven 2007 Fund, Drug Free 2007 Fund, Drug Testing Fund, and Smaller Learning Community Fund were overdrawn in FY 2008. The Drug Free 2008 Fund, General Fund, Construction Fund, and Perkins Fund were overdrawn in FY 2009.

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) (Accounting and Uniform Compliance Guidelines Manual for Extra-Curricular Accounts, Chapter 7)

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SUPPLEMENTAL AUDIT OF  
FEDERAL AWARDS



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

TO: THE OFFICIALS OF THE METROPOLITAN SCHOOL DISTRICT  
OF SOUTHWEST ALLEN COUNTY, ALLEN COUNTY, INDIANA

Compliance

We have audited the compliance of the Metropolitan School District of Southwest Allen County (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, 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 3, 2009

METROPOITAN SCHOOL DISTRICT OF SOUTHWEST ALLEN COUNTY  
 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
<b>U.S. DEPARTMENT OF AGRICULTURE</b>				
Pass-Through Indiana Department of Education Child Nutrition Cluster				
School Breakfast Program	10.553		\$ -	\$ 2,735
National School Lunch Program	10.555		<u>494,373</u>	<u>547,465</u>
Total for federal grantor agency			<u>494,373</u>	<u>550,200</u>
<b>U.S. DEPARTMENT OF EDUCATION</b>				
Pass-Through Indiana Department of Education Special Education Cluster (IDEA)				
Special Education - Grants to States				
	84.027			
		14206-054-PY02	17,579	-
		14207-054-PN01	123,626	-
		14207-054-PY02	204,248	25,753
		14208-054-PN01	1,847,554	208,495
		14208-039-DY01	-	139,538
		14208-054-PY02	-	153,475
		14209-054-PN01	-	1,893,865
Pass-Through Indiana State University				
		14208-006-DY23	-	5,267
Total for program			<u>2,193,007</u>	<u>2,426,393</u>
Pass-Through Indiana Department of Education Special Education - Preschool Grants				
	84.173			
		45707-054-PN01	12,435	-
		45708-054-PN01	51,916	15,493
		45709-054-PN01	-	65,481
Total for program			<u>64,351</u>	<u>80,974</u>
Total for cluster			<u>2,257,358</u>	<u>2,507,367</u>
Pass-Through Indiana Department of Education State Fiscal Stabilization Cluster				
ARRA - State Fiscal Stabilization Fund (SFSF) - Education State Grants, Recovery Act	84.394		-	333,092
Direct Grant				
Safe and Drug-Free Schools and Communities-National Programs	84.184			
		Q184D050032-06	17,476	-
		Q184D050032-07	112,847	12,327
Total for program			<u>130,323</u>	<u>12,327</u>
Fund for the Improvement of Education	84.215			
		S2156060087	151,111	218,417

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

METROPOITAN SCHOOL DISTRICT OF SOUTHWEST ALLEN COUNTY  
SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS  
For The Years Ended June 30, 2008 and 2009  
(Continued)

Federal Grantor Agency/Pass-Through Entity Cluster Title/Program Title/Project Title	Federal CFDA Number	Pass-Through Entity (or Other) Identifying Number	Total Federal Awards Expended 06-30-08	Total Federal Awards Expended 06-30-09
<u>U.S. DEPARTMENT OF EDUCATION (continued)</u>				
Pass-Through Indiana Department of Education Title I, Grants to Local Educational Agencies	84.010	09-0125	-	87,655
Pass-Through Indiana Department of Education Career and Technical Education - Basic Grants to States	84.048	06-07	8,320	-
Pass-Through Indiana Department of Workforce Development Career and Technical Education - Basic Grants to States	84.048	SPL BIO-7-93	-	25,000
Total for program			8,320	25,000
Pass-Through Indiana Department of Education Safe and Drug-Free Schools and Communities - State Grants	84.186	0125-06	4,971	-
		0125-07	5,450	7,563
		08-0125	-	6,555
Total for program			10,421	14,118
Pass-Through Indiana Department of Education State Grants for Innovative Programs	84.298	07-0125	-	8,221
Pass-Through Indiana Department of Education English Language Acquisition Grants	84.365	FY08-09	-	13,824
Pass-Through - Region 8 Education Service Center English Language Acquisition Grants	84.365	FY06-07	2,545	466
		FY07-08	-	2,605
Total for program			2,545	16,895
Pass-Through Indiana Department of Education Improving Teacher Quality - State Grants	84.367	06-0125	78,063	-
		07-0125	-	80,477
Total for program			78,063	80,477
Total for federal grantor agency			2,638,141	3,303,569
Total federal awards expended			<u>\$ 3,132,514</u>	<u>\$ 3,853,769</u>

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

METROPOLITAN SCHOOL DISTRICT OF SOUTHWEST ALLEN COUNTY  
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 Metropolitan School District of Southwest Allen County (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. Subrecipients

Of the federal expenditures presented in the schedule, the School Corporation provided federal awards to subrecipients as follows for the years ended June 30, 2008 and 2009:

Program Title	Federal CFDA Number	2008	2009
Special Education – Grants to States	84.027	\$ 939,016	\$ 1,149,696

III. Noncash Assistance

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

Program Title	Federal CFDA Number	2008	2009
National School Lunch Program	10.555	\$ 157,086	\$ 104,837

METROPOLITAN SCHOOL DISTRICT OF SOUTHWEST ALLEN COUNTY  
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
84.215	Special Education Cluster (IDEA) Fund for the Improvement of Education/Smaller Learning Communities
84.394	ARRA - State Fiscal Stabilization Fund (SFSF) - Education State Grants, Recovery Act

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

Auditee qualified as low-risk auditee? yes

Section II – Financial Statement Findings

No matters are reportable.

Section III – Federal Award Findings and Questioned Costs

No matters are reportable.

METROPOLITAN SCHOOL DISTRICT OF SOUTHWEST ALLEN COUNTY  
SUMMARY SCHEDULE OF PRIOR AUDIT FINDINGS

No matters are reportable.

METROPOLITAN SCHOOL DISTRICT OF SOUTHWEST ALLEN COUNTY  
EXIT CONFERENCE

The contents of this report were discussed on February 3, 2010, with James W. Coplen, Treasurer; Dr. Steven L. Yager, Superintendent of Schools; and John F. Blum, President of the School Board. The officials concurred with our audit findings.