

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

AUDIT REPORT

OF

BATESVILLE COMMUNITY SCHOOL CORPORATION

RIPLEY COUNTY, INDIANA

July 1, 2007 to June 30, 2009



FILED

03/12/2010

TABLE OF CONTENTS

<u>Description</u>	<u>Page</u>
Schedule of Officials	2
Independent Auditor's Report on Financial Statements and Supplementary Schedule of Expenditures of Federal Awards	3-4
Report on Internal Control Over Financial Reporting and on Compliance and Other Matters Based on an Audit of Financial Statements Performed in Accordance With Government Auditing Standards	5-6
Basic Financial Statements:	
Government-Wide Financial Statements:	
Statement of Activities and Net Assets – Cash and Investment Basis	7-8
Fund Financial Statements:	
Governmental Funds:	
Statement of Assets and Fund Balances and Receipts, Disbursements, and Changes in Fund Balances – Cash and Investment Basis – Governmental Funds	9-10
Fiduciary Funds:	
Statement of Additions, Deductions, and Changes in Cash and Investment Balances – Fiduciary Funds	11-12
Notes to Financial Statements	13-22
Required Supplementary Information:	
Schedule of Funding Progress	23
Supplementary Information:	
Combining Schedule of Assets and Fund Balances and Receipts, Disbursements, and Changes in Fund Balances – Cash and Investment Basis – Other Governmental Funds.....	24-31
Combining Schedule of Additions, Deductions, and Changes in Cash and Investment Balances – Private-Purpose Trust Funds	32-36
Schedule of Capital Assets.....	37
Schedule of Long-Term Debt	38
Audit Result and Comment:	
Transportation Fund	39
Supplemental Audit of Federal Awards:	
Independent Auditor's Report on Compliance With Requirements Applicable to Each Major Program and Internal Control Over Compliance in Accordance With OMB Circular A-133.....	42-43
Schedule of Expenditures of Federal Awards	44
Note to Schedule of Expenditures of Federal Awards.....	45
Schedule of Findings and Questioned Costs	46
Auditee Prepared Schedule:	
Summary Schedule of Prior Audit Findings	47
Exit Conference.....	48

SCHEDULE OF OFFICIALS

<u>Office</u>	<u>Official</u>	<u>Term</u>
Treasurer	Constance M. Wintz	07-01-07 to 06-30-10
Superintendent of Schools	Dr. James S. Roberts	07-01-07 to 06-30-10
President of the School Board	Chris R. Lowery	07-01-07 to 06-30-10



STATE OF INDIANA
AN EQUAL OPPORTUNITY EMPLOYER

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

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

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

TO: THE OFFICIALS OF THE BATESVILLE COMMUNITY
SCHOOL CORPORATION, RIPLEY COUNTY, INDIANA

We have audited the accompanying financial statements of the governmental activities, each major fund, and the aggregate remaining fund information of the Batesville Community School Corporation (School Corporation), as of and for the years ended June 30, 2008 and 2009, which collectively comprise the School Corporation's basic financial statements as listed in the Table of Contents. These financial statements are the responsibility of the School Corporation's management. Our responsibility is to express opinions on these financial statements based on our audit.

We conducted our audit in accordance with auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in Government Auditing Standards, issued by the Comptroller General of the United States. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free of material misstatement. An audit includes examining, on a test basis, evidence supporting the amounts and disclosures in the financial statements. An audit also includes assessing the accounting principles used and significant estimates made by management, as well as evaluating the overall financial statement presentation. We believe that our audit provides a reasonable basis for our opinions.

As discussed in Note I, the School Corporation prepares its financial statements on the prescribed basis of accounting that demonstrates compliance with the cash and investment basis and budget laws of the State of Indiana, which is a comprehensive basis of accounting other than accounting principles generally accepted in the United States of America.

In our opinion, the financial statements referred to above present fairly, in all material respects, the respective cash and investment balances of the governmental activities, each major fund, and the aggregate remaining fund information of the School Corporation as of June 30, 2008 and 2009, and the respective cash receipts and cash disbursements during the years then ended on the basis of accounting described in Note I.

In accordance with Government Auditing Standards, we have also issued a report dated February 15, 2010, on our consideration of the School Corporation's internal control over financial reporting and our tests of its compliance with certain provisions of laws, regulations, contracts, grant agreements, and other matters. The purpose of that report is to describe the scope of our testing of internal control over financial reporting and compliance and the results of that testing and not to provide an opinion on the internal control over financial reporting or on compliance. That report is an audit performed in accordance with Government Auditing Standards and should be considered in assessing the results of our audit.

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

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

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

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

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

STATE BOARD OF ACCOUNTS

February 15, 2010



STATE OF INDIANA
AN EQUAL OPPORTUNITY EMPLOYER

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

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

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 BATESVILLE COMMUNITY
SCHOOL CORPORATION, RIPLEY COUNTY, INDIANA

We have audited the financial statements of the governmental activities, each major fund, and the aggregate remaining fund information of the Batesville Community School Corporation (School Corporation), as of and for the years ended June 30, 2008 and 2009, which collectively comprise the School Corporation's basic financial statements and have issued our report thereon dated February 15, 2010. We conducted our audit in accordance with auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in Government Auditing Standards, issued by the Comptroller General of the United States.

Internal Control Over Financial Reporting

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

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

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

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

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

Compliance and Other Matters

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

This report is intended solely for the information and use of the School Corporation's management 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 15, 2010

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

<u>Functions/Programs</u>	<u>Disbursements</u>	Program Receipts		<u>Totals</u>
		Charges for Services	Operating Grants and Contributions	
Governmental activities:				Net (Disbursement) Receipts and Changes in Net Assets
Instruction	\$ 8,245,221	\$ -	\$ 81,201	\$ (8,164,020)
Support services	4,982,684	527,873	395,137	(4,059,674)
Noninstructional services	1,023,138	-	-	(1,023,138)
Facilities acquisition and construction	768,552	-	-	(768,552)
Debt service	4,144,641	-	-	(4,144,641)
Nonprogrammed charges	889,384	-	-	(889,384)
Total governmental activities	\$ 20,053,620	\$ 527,873	\$ 476,338	(19,049,409)
General receipts:				
Property taxes				7,681,734
Other local sources				2,522,414
State aid				5,561,877
Bonds and loans				2,000,623
Grants and contributions not restricted to specific programs				187,518
Sale of property				50,236
Investment earnings				82,671
Other				2,763
Total general receipts				18,089,836
Change in net assets				(959,573)
Net assets - beginning				2,776,360
Net assets - ending				\$ 1,816,787
<u>Assets</u>				
Cash and investments				\$ 1,750,115
Restricted assets:				
Cash and investments				66,672
Total assets				\$ 1,816,787
<u>Net Assets</u>				
Restricted for:				
Debt service				\$ 66,672
Unrestricted				1,750,115
Total net assets				\$ 1,816,787

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

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

Functions/Programs	Disbursements	Program Receipts		Net (Disbursement) Receipts and Changes in Net Assets
		Charges for Services	Operating Grants and Contributions	Totals
Governmental activities:				
Instruction	\$ 8,457,200	\$ -	\$ 65,037	\$ (8,392,163)
Support services	5,800,472	567,190	462,759	(4,770,523)
Noninstructional services	1,184,105	-	-	(1,184,105)
Facilities acquisition and construction	981,053	-	-	(981,053)
Debt service	3,661,110	-	-	(3,661,110)
Nonprogrammed charges	859,505	-	-	(859,505)
Total governmental activities	<u>\$ 20,943,445</u>	<u>\$ 567,190</u>	<u>\$ 527,796</u>	<u>(19,848,459)</u>
General receipts:				
Property taxes				8,863,979
Other local sources				2,325,424
State aid				7,578,634
Grants and contributions not restricted to specific programs				1,415,012
Sale of property				43,341
Investment earnings				20,941
Other				<u>12,661</u>
Total general receipts				<u>20,259,992</u>
Change in net assets				411,533
Net assets - beginning				<u>1,816,787</u>
Net assets - ending				<u>\$ 2,228,320</u>
<u>Assets</u>				
Cash and investments				\$ 2,003,085
Restricted assets:				
Cash and investments				<u>225,235</u>
Total assets				<u>\$ 2,228,320</u>
<u>Net Assets</u>				
Restricted for:				
Debt service				\$ 225,235
Unrestricted				<u>2,003,085</u>
Total net assets				<u>\$ 2,228,320</u>

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

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

	General	School Lunch	Debt Service	Capital Projects	Construction	Other	Totals
Receipts:							
Local sources	\$ 5,770,370	\$ 440,504	\$ 1,428,225	\$ 1,950,689	\$ -	\$ 1,223,989	\$ 10,813,777
Intermediate sources	540	-	-	-	-	375	915
State sources	5,606,251	199,683	-	9,928	-	148,840	5,964,702
Federal sources	-	171,536	-	-	-	89,495	261,031
Temporary loans	1,960,000	-	-	-	-	40,000	2,000,000
Other	-	-	-	400	-	2,363	2,763
Total receipts	<u>13,337,161</u>	<u>811,723</u>	<u>1,428,225</u>	<u>1,961,017</u>	<u>-</u>	<u>1,505,062</u>	<u>19,043,188</u>
Disbursements:							
Current:							
Instruction	8,045,412	-	-	-	-	199,809	8,245,221
Support services	2,544,516	-	-	1,063,926	-	1,374,242	4,982,684
Noninstructional services	187,137	836,001	-	-	-	-	1,023,138
Facilities acquisition and construction	-	-	-	765,252	3,300	-	768,552
Debt services	2,450,000	-	1,644,641	-	-	50,000	4,144,641
Nonprogrammed charges	826,833	-	-	-	-	62,551	889,384
Total disbursements	<u>14,053,898</u>	<u>836,001</u>	<u>1,644,641</u>	<u>1,829,178</u>	<u>3,300</u>	<u>1,686,602</u>	<u>20,053,620</u>
Excess (deficiency) of receipts over disbursements	<u>(716,737)</u>	<u>(24,278)</u>	<u>(216,416)</u>	<u>131,839</u>	<u>(3,300)</u>	<u>(181,540)</u>	<u>(1,010,432)</u>
Other financing sources (uses):							
Proceeds of long-term debt	-	-	623	-	-	-	623
Sale of capital assets	9,140	13,571	-	15,977	-	11,548	50,236
Transfers in	-	-	-	-	-	140,000	140,000
Transfers out	-	-	-	(80,000)	-	(60,000)	(140,000)
Total other financing sources (uses)	<u>9,140</u>	<u>13,571</u>	<u>623</u>	<u>(64,023)</u>	<u>-</u>	<u>91,548</u>	<u>50,859</u>
Excess (deficiency) of receipts and other financing sources over disbursements and other financing uses	<u>(707,597)</u>	<u>(10,707)</u>	<u>(215,793)</u>	<u>67,816</u>	<u>(3,300)</u>	<u>(89,992)</u>	<u>(959,573)</u>
Cash and investments - beginning	<u>1,055,751</u>	<u>216,840</u>	<u>282,465</u>	<u>459,852</u>	<u>257,555</u>	<u>503,897</u>	<u>2,776,360</u>
Cash and investments - ending	<u>\$ 348,154</u>	<u>\$ 206,133</u>	<u>\$ 66,672</u>	<u>\$ 527,668</u>	<u>\$ 254,255</u>	<u>\$ 413,905</u>	<u>\$ 1,816,787</u>
Cash and Investment Assets - Ending							
Cash and investments	\$ 348,154	\$ 206,133	\$ -	\$ 527,668	\$ 254,255	\$ 413,905	\$ 1,750,115
Restricted assets:							
Cash and investments	-	-	66,672	-	-	-	66,672
Total cash and investment assets - ending	<u>\$ 348,154</u>	<u>\$ 206,133</u>	<u>\$ 66,672</u>	<u>\$ 527,668</u>	<u>\$ 254,255</u>	<u>\$ 413,905</u>	<u>\$ 1,816,787</u>
Cash and Investment Fund Balance - Ending							
Restricted for:							
Debt service	\$ -	\$ -	\$ 66,672	\$ -	\$ -	\$ -	\$ 66,672
Unrestricted	348,154	206,133	-	527,668	254,255	413,905	1,750,115
Total cash and investment fund balance - ending	<u>\$ 348,154</u>	<u>\$ 206,133</u>	<u>\$ 66,672</u>	<u>\$ 527,668</u>	<u>\$ 254,255</u>	<u>\$ 413,905</u>	<u>\$ 1,816,787</u>

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

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

	General	School Lunch	Fiscal Stabilization Stimulus	Debt Service	Capital Projects	Construction	Other	Totals
Receipts:								
Local sources	\$ 6,026,557	\$ 465,335	\$ -	\$ 1,820,115	\$ 1,929,816	\$ 174	\$ 1,533,159	\$ 11,775,156
Intermediate sources	540	-	-	-	-	-	1,838	2,378
State sources	7,604,666	233,168	-	-	-	-	301,047	8,138,881
Federal sources	-	204,930	952,983	-	-	-	224,648	1,382,561
Other	8,595	3,697	-	-	369	-	-	12,661
Total receipts	13,640,358	907,130	952,983	1,820,115	1,930,185	174	2,060,692	21,311,637
Disbursements:								
Current:								
Instruction	7,811,808	-	378,265	-	-	-	267,127	8,457,200
Support services	3,122,533	-	-	442	1,148,364	-	1,529,133	5,800,472
Noninstructional services	222,610	864,423	-	-	-	-	97,072	1,184,105
Facilities acquisition and construction	-	-	-	-	962,753	18,300	-	981,053
Debt services	1,960,000	-	-	1,661,110	-	-	40,000	3,661,110
Nonprogrammed charges	735,459	-	61,479	-	-	-	62,567	859,505
Total disbursements	13,852,410	864,423	439,744	1,661,552	2,111,117	18,300	1,995,899	20,943,445
Excess (deficiency) of receipts over disbursements	(212,052)	42,707	513,239	158,563	(180,932)	(18,126)	64,793	368,192
Other financing sources (uses):								
Sale of capital assets	12,410	2,681	-	-	23,123	-	5,127	43,341
Transfers in	400,000	-	-	-	400,000	-	90,000	890,000
Transfers out	(400,000)	-	-	-	(460,000)	-	(30,000)	(890,000)
Total other financing sources (uses)	12,410	2,681	-	-	(36,877)	-	65,127	43,341
Excess (deficiency) of receipts and other financing sources over disbursements and other financing uses	(199,642)	45,388	513,239	158,563	(217,809)	(18,126)	129,920	411,533
Cash and investments - beginning	348,154	206,133	-	66,672	527,668	254,255	413,905	1,816,787
Cash and investments - ending	\$ 148,512	\$ 251,521	\$ 513,239	\$ 225,235	\$ 309,859	\$ 236,129	\$ 543,825	\$ 2,228,320
Cash and Investment Assets - Ending								
Cash and investments	\$ 148,512	\$ 251,521	\$ 513,239	\$ -	\$ 309,859	\$ 236,129	\$ 543,825	\$ 2,003,085
Restricted assets:								
Cash and investments	-	-	-	225,235	-	-	-	225,235
Total cash and investment assets - ending	\$ 148,512	\$ 251,521	\$ 513,239	\$ 225,235	\$ 309,859	\$ 236,129	\$ 543,825	\$ 2,228,320
Cash and Investment Fund Balance - Ending								
Restricted for:								
Debt service	\$ -	\$ -	\$ -	\$ 225,235	\$ -	\$ -	\$ -	\$ 225,235
Unrestricted	148,512	251,521	513,239	-	309,859	236,129	543,825	2,003,085
Total cash and investment fund balance - ending	\$ 148,512	\$ 251,521	\$ 513,239	\$ 225,235	\$ 309,859	\$ 236,129	\$ 543,825	\$ 2,228,320

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

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

	Private-Purpose Trust Funds	Agency Funds
Additions:		
Contributions:		
Other	\$ 255,421	
Deductions:		
Administrative and general	166,241	
Excess of total additions over total deductions	89,180	
Cash and investment fund balance - beginning	55,746	
Cash and investment fund balance - ending	<u>\$ 144,926</u>	<u>\$ 49,590</u>
Net assets:		
Cash and investments	<u>\$ 144,926</u>	
Total net assets - cash and investment basis held in trust	<u>\$ 144,926</u>	

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

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

	Private-Purpose Trust Funds	Agency Funds
Additions:		
Contributions:		
Other	\$ 203,307	
Deductions:		
Administrative and general	187,292	
Excess of total additions over total deductions	16,015	
Cash and investment fund balance - beginning	144,926	
Cash and investment fund balance - ending	<u>\$ 160,941</u>	<u>\$ 25,814</u>
Net assets:		
Cash and investments	<u>\$ 160,941</u>	
Total net assets - cash and investment basis held in trust	<u>\$ 160,941</u>	

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

BATESVILLE COMMUNITY SCHOOL CORPORATION
NOTES TO FINANCIAL STATEMENTS

I. Summary of Significant Accounting Policies

A. Reporting Entity

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

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

The School Corporation's financial reporting entity is composed of the following:

Primary Government: Batesville Community School Corporation

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

Joint Ventures

The School Corporation is a participant with seven other school corporations in a joint venture to operate the Ripley-Ohio-Dearborn Special Cooperative (Co-op) which was created to provide special education services. The School Corporation is obligated by contract to remit proportionate share of costs based on each school corporation's relative average daily membership annually to supplement the Co-op. Payments to Co-op during the school year 2008-2009 were \$653,333. Complete financial statements for the Co-op can be obtained from the Sunman-Dearborn Community School Corporation's administrative office, Sunman, Indiana.

The School Corporation is a participant with ten other school corporations in a joint venture to operate the Southeastern Career Center (Career Center) which was created to provide vocational education services. The School Corporation is obligated by contract to remit a proportionate share of costs based on each school corporation's relative daily membership for high school students and the actual number of students enrolled at the Career Center each year to supplement the Career Center. Payments to the Career Center during the school year 2008-2009 were \$186,560. Complete financial statements for the Career Center can be obtained from the Career Center's administrative office at Versailles, Indiana.

B. Government-Wide and Fund Financial Statements

Government-Wide Financial Statements

The Statement of Activities and Net Assets – Cash and Investment Basis displays information about the reporting government as a whole. It includes all funds of the reporting entity except for fiduciary funds. The statement distinguishes between governmental and business-type activities. Governmental activities generally are financed through taxes, intergovernmental revenues, and other nonexchange revenues. Business-type activities are financed in whole or in part by fees charged to external parties for goods or services.

BATESVILLE COMMUNITY SCHOOL CORPORATION
NOTES TO FINANCIAL STATEMENTS
(Continued)

Fund Financial Statements

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

The School Corporation reports the following major governmental funds:

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

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

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

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

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

The construction fund is used to account for disbursements for capital outlay from receipts derived from the sale of general obligation bonds or other outside sources.

Additionally, the School Corporation reports the following fund types:

The private-purpose trust funds report a trust arrangement under which principal and income benefit the school corporation's students.

Agency funds account for assets held by the School Corporation as an agent for various payroll withholding authorities.

C. Measurement Focus and Basis of Accounting

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

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

BATESVILLE COMMUNITY SCHOOL CORPORATION
NOTES TO FINANCIAL STATEMENTS
(Continued)

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 proprietary 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.

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.

BATESVILLE COMMUNITY SCHOOL CORPORATION
NOTES TO FINANCIAL STATEMENTS
(Continued)

5. Equity Classification

Government-Wide Statements

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

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

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

Fund Financial Statements

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

E. Receipts and Disbursements

Program Receipts

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

F. Internal and Interfund Balances and Activities

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

Fund Financial Statements

1. Interfund 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.
2. Interfund transfers – Flow of assets from one fund to another where repayment is not expected is reported as transfers in and out.

Government-Wide Financial Statements

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

BATESVILLE COMMUNITY SCHOOL CORPORATION
NOTES TO FINANCIAL STATEMENTS
(Continued)

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

Budgetary Information

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

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

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

III. Detailed Notes on All Funds

A. Deposits and Investments

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 \$2,414,975.

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.

BATESVILLE COMMUNITY SCHOOL CORPORATION
 NOTES TO FINANCIAL STATEMENTS
 (Continued)

2. Investments

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.

B. Interfund Transfers

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

Transfer From	Transfer To	2008	2009
General Fund	Capital Projects	\$ -	\$ 400,000
Capital Projects Fund	General Fund	-	400,000
Capital Projects Fund	Other governmental funds	80,000	60,000
Other governmental funds	Other governmental funds	<u>60,000</u>	<u>30,000</u>
Totals		<u>\$ 140,000</u>	<u>\$ 890,000</u>

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

BATESVILLE COMMUNITY SCHOOL CORPORATION
 NOTES TO FINANCIAL STATEMENTS
 (Continued)

C. Restatements and Reclassifications

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

Opinion Unit	Balance as Reported June 30, 2006	Fund Reclassification	Balance as Restated July 1, 2007
Governmental funds	\$ 2,780,062	\$ (3,702)	\$ 2,776,360
Private-purpose trust funds	52,044	3,702	55,746

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; 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.

Job Related Illnesses or Injuries to Employees

During 2003, the School Corporation joined with other governmental entities to form the Indiana Public Employer's Plan, a public entity risk pool currently operating as a common risk management and insurance program for member governmental entities. This risk pool was formed in 1989. The purpose of the risk pool is to provide a medium for the funding and administration of workers' compensation. The risk pool is considered a self-sustaining risk pool that will provide coverage for its members for up to \$1,000,000 per insured event. The risk pool obtains independent coverage for insured events in excess of the \$1,000,000 limit.

Medical Benefits to Employees

During 1999, the School Corporation joined with other governmental entities to form the Southeastern Indiana Insurance Consortium, a public entity risk pool currently operating as a common risk management and insurance program for eight member governmental entities. The purpose of the risk pool is to provide a medium for the funding and administration of medical benefits to administrators and all eligible employees. The School Corporation pays an annual premium to the risk pool for its medical benefits to employee's coverage. The risk pool is considered a self-sustaining risk pool that will provide coverage for its members for up to \$100,000 per insured event. The risk pool obtains independent coverage for insured events in excess of the \$100,000 in a plan year.

BATESVILLE COMMUNITY SCHOOL CORPORATION
NOTES TO FINANCIAL STATEMENTS
(Continued)

B. Holding Corporations

The School Corporation has entered into a capital lease with Batesville Elementary School Building Corporation (the lessor). The lessor was organized as a not-for-profit corporation pursuant to state statute for the purpose of financing and constructing or reconstructing facilities for lease to the School Corporation. The lessor has been determined to be a related party of the School Corporation. Lease payments during the school year ending June 30, 2009, totaled \$561,250.

The School Corporation has entered into a capital lease with Batesville School Building Corporation (the lessor). The lessor was organized as a not-for-profit corporation pursuant to state statute for the purpose of financing and constructing or reconstructing facilities for lease to the School Corporation. The lessor has been determined to be a related party of the School Corporation. Lease payments during the school year ending June 30, 2009, totaled \$965,000.

C. Pension Plans

1. Agent Multiple-Employer Defined Benefit Pension Plan

Public Employees' Retirement Fund

Plan Description

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

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

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

Funding Policy and Annual Pension Cost

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

BATESVILLE COMMUNITY SCHOOL CORPORATION
NOTES TO FINANCIAL STATEMENTS
(Continued)

Actuarial Information for the Above Plan

	PERF
Annual required contribution	\$ 124,556
Interest on net pension obligation	(14,226)
Adjustment to annual required contribution	16,212
Annual pension cost	126,542
Contributions made	100,467
Increase in net pension obligation	26,075
Net pension obligation, beginning of year	(196,222)
Net pension obligation, end of year	\$ (170,147)

	PERF
Contribution rates:	
School Corporation	6.75%
Plan members	3%
Actuarial valuation date	07-01-08
Actuarial cost method	Entry age
Amortization method	Level percentage of projected payroll, closed
Amortization period	30 years
Amortization period (from date)	07-01-97
Asset valuation method	75% of expected actuarial value plus 25% of market value

<u>Actuarial Assumptions</u>	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%

BATESVILLE COMMUNITY SCHOOL CORPORATION
NOTES TO FINANCIAL STATEMENTS
(Continued)

Three Year Trend Information

	Year Ending	Annual Pension Cost (APC)	Percentage of APC Contributed	Net Pension Obligation
PERF	06-30-06	\$ 86,128	102%	\$ (225,298)
	06-30-07	119,770	76%	(196,222)
	06-30-08	126,542	79%	(170,147)

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

Teachers' Retirement Fund

Plan Description

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

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

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

Funding Policy and Annual Pension Costs

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

The School Corporation is to contribute at an actuarially determined rate. The current rate has been actuarially determined under the entry age normal cost method to be 6.82% of covered wages. The School Corporation's required contributions to the plan for the fiscal years ended June 30, 2009, 2008, and 2007, were \$249,844, \$219,654, and \$198,303, respectively. The School Corporation actually contributed 100% of the required contribution for each of the fiscal years.

BATESVILLE COMMUNITY SCHOOL CORPORATION
 REQUIRED SUPPLEMENTARY INFORMATION
 SCHEDULE OF FUNDING PROGRESS

Public Employees' Retirement Fund

Actuarial Valuation Date	Actuarial Value of Assets (a)	Actuarial Accrued Liability (AAL) (b)	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	\$ 1,722,815	\$ 1,966,045	\$ (243,230)	88%	\$ 1,564,858	(16%)
07-01-07	1,841,746	2,091,167	(249,421)	88%	1,635,913	(15%)
07-01-08	1,966,237	2,235,705	(269,468)	88%	1,696,673	(16%)

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

	Transportation Operating	Special Education Preschool	Rainy Day	Textbook Rental	Tri County Council Special Education	Education Plate Fee
Receipts:						
Local sources	\$ 949,916	\$ 52,265	\$ -	\$ 137,898	\$ -	\$ -
Intermediate sources	-	-	-	-	-	375
State sources	-	37,520	-	23,917	-	-
Federal sources	-	-	-	-	-	-
Temporary loans	-	-	-	-	-	-
Other	2,363	-	-	-	-	-
Total receipts	<u>952,279</u>	<u>89,785</u>	<u>-</u>	<u>161,815</u>	<u>-</u>	<u>375</u>
Disbursements:						
Current:						
Instruction	-	31,051	70,182	-	-	-
Support services	1,042,826	-	72,707	106,070	-	400
Debt services	-	-	-	-	-	-
Nonprogrammed charges	-	62,551	-	-	-	-
Total disbursements	<u>1,042,826</u>	<u>93,602</u>	<u>142,889</u>	<u>106,070</u>	<u>-</u>	<u>400</u>
Excess (deficiency) of receipts over disbursements	<u>(90,547)</u>	<u>(3,817)</u>	<u>(142,889)</u>	<u>55,745</u>	<u>-</u>	<u>(25)</u>
Other financing sources (uses):						
Sale of capital assets	6,001	-	-	-	-	-
Transfers in	-	-	140,000	-	-	-
Transfers out	(60,000)	-	-	-	-	-
Total other financing sources (uses)	<u>(53,999)</u>	<u>-</u>	<u>140,000</u>	<u>-</u>	<u>-</u>	<u>-</u>
Excess (deficiency) of receipts and other financing sources over disbursements and other financing uses	<u>(144,546)</u>	<u>(3,817)</u>	<u>(2,889)</u>	<u>55,745</u>	<u>-</u>	<u>(25)</u>
Cash and investments - beginning	<u>189,383</u>	<u>82,542</u>	<u>91,388</u>	<u>49,830</u>	<u>127</u>	<u>1,711</u>
Cash and investments - ending	<u>\$ 44,837</u>	<u>\$ 78,725</u>	<u>\$ 88,499</u>	<u>\$ 105,575</u>	<u>\$ 127</u>	<u>\$ 1,686</u>
Cash and Investment Assets - Ending						
Cash and investments	<u>\$ 44,837</u>	<u>\$ 78,725</u>	<u>\$ 88,499</u>	<u>\$ 105,575</u>	<u>\$ 127</u>	<u>\$ 1,686</u>
Total cash and investment assets - ending	<u>\$ 44,837</u>	<u>\$ 78,725</u>	<u>\$ 88,499</u>	<u>\$ 105,575</u>	<u>\$ 127</u>	<u>\$ 1,686</u>
Cash and Investment Fund Balance - Ending						
Unrestricted	<u>\$ 44,837</u>	<u>\$ 78,725</u>	<u>\$ 88,499</u>	<u>\$ 105,575</u>	<u>\$ 127</u>	<u>\$ 1,686</u>
Total cash and investment fund balance - ending	<u>\$ 44,837</u>	<u>\$ 78,725</u>	<u>\$ 88,499</u>	<u>\$ 105,575</u>	<u>\$ 127</u>	<u>\$ 1,686</u>

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

	Gifted and Talented 2007-08	Gifted and Talented 2006-07	Computer Consortium Advancement	Arts in Education	Non-English Speaking Program	Technology
Receipts:						
Local sources	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Intermediate sources	-	-	-	-	-	-
State sources	33,908	-	50,575	-	2,920	-
Federal sources	-	-	-	-	-	-
Temporary loans	-	-	-	-	-	-
Other	-	-	-	-	-	-
Total receipts	<u>33,908</u>	<u>-</u>	<u>50,575</u>	<u>-</u>	<u>2,920</u>	<u>-</u>
Disbursements:						
Current:						
Instruction	30,815	4,778	-	338	4,344	-
Support services	-	-	50,575	-	-	-
Debt services	-	-	-	-	-	-
Nonprogrammed charges	-	-	-	-	-	-
Total disbursements	<u>30,815</u>	<u>4,778</u>	<u>50,575</u>	<u>338</u>	<u>4,344</u>	<u>-</u>
Excess (deficiency) of receipts over disbursements	<u>3,093</u>	<u>(4,778)</u>	<u>-</u>	<u>(338)</u>	<u>(1,424)</u>	<u>-</u>
Other financing sources (uses):						
Sale of capital assets	-	-	-	-	5,177	-
Transfers in	-	-	-	-	-	-
Transfers out	-	-	-	-	-	-
Total other financing sources (uses)	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>5,177</u>	<u>-</u>
Excess (deficiency) of receipts and other financing sources over disbursements and other financing uses	<u>3,093</u>	<u>(4,778)</u>	<u>-</u>	<u>(338)</u>	<u>3,753</u>	<u>-</u>
Cash and investments - beginning	<u>-</u>	<u>4,778</u>	<u>-</u>	<u>517</u>	<u>288</u>	<u>37,007</u>
Cash and investments - ending	<u>\$ 3,093</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 179</u>	<u>\$ 4,041</u>	<u>\$ 37,007</u>
<u>Cash and Investment Assets - Ending</u>						
Cash and investments	<u>\$ 3,093</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 179</u>	<u>\$ 4,041</u>	<u>\$ 37,007</u>
Total cash and investment assets - ending	<u>\$ 3,093</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 179</u>	<u>\$ 4,041</u>	<u>\$ 37,007</u>
<u>Cash and Investment Fund Balance - Ending</u>						
Unrestricted	<u>\$ 3,093</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 179</u>	<u>\$ 4,041</u>	<u>\$ 37,007</u>
Total cash and investment fund balance - ending	<u>\$ 3,093</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 179</u>	<u>\$ 4,041</u>	<u>\$ 37,007</u>

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

	Access Indiana Grant	Title V Part A 2005-06	Title V Part A 2006-07	Safe and Drug Free Schools - Trip Grant	Safe and Drug Free 2006-07	Safe and Drug Free 2005-06
Receipts:						
Local sources	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Intermediate sources	-	-	-	-	-	-
State sources	-	-	-	-	-	-
Federal sources	-	-	3,327	1,150	4,135	-
Temporary loans	-	-	-	-	-	-
Other	-	-	-	-	-	-
Total receipts	-	-	3,327	1,150	4,135	-
Disbursements:						
Current:						
Instruction	-	-	-	1,150	889	2,925
Support services	-	5,193	100	-	-	-
Debt services	-	-	-	-	-	-
Nonprogrammed charges	-	-	-	-	-	-
Total disbursements	-	5,193	100	1,150	889	2,925
Excess (deficiency) of receipts over disbursements	-	(5,193)	3,227	-	3,246	(2,925)
Other financing sources (uses):						
Sale of capital assets	-	-	-	-	-	-
Transfers in	-	-	-	-	-	-
Transfers out	-	-	-	-	-	-
Total other financing sources (uses)	-	-	-	-	-	-
Excess (deficiency) of receipts and other financing sources over disbursements and other financing uses	-	(5,193)	3,227	-	3,246	(2,925)
Cash and investments - beginning	7,000	5,193	-	-	-	2,925
Cash and investments - ending	\$ 7,000	\$ -	\$ 3,227	\$ -	\$ 3,246	\$ -
Cash and Investment Assets - Ending						
Cash and investments	\$ 7,000	\$ -	\$ 3,227	\$ -	\$ 3,246	\$ -
Total cash and investment assets - ending	\$ 7,000	\$ -	\$ 3,227	\$ -	\$ 3,246	\$ -
Cash and Investment Fund Balance - Ending						
Unrestricted	\$ 7,000	\$ -	\$ 3,227	\$ -	\$ 3,246	\$ -
Total cash and investment fund balance - ending	\$ 7,000	\$ -	\$ 3,227	\$ -	\$ 3,246	\$ -

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

	Drug Free Choices Director	Hurricane Katrina Aid	Title II Part A	School Bus Replacement	Totals
Receipts:					
Local sources	\$ -	\$ -	\$ -	\$ 83,910	\$ 1,223,989
Intermediate sources	-	-	-	-	375
State sources	-	-	-	-	148,840
Federal sources	46,410	-	34,473	-	89,495
Temporary loans	-	-	-	40,000	40,000
Other	-	-	-	-	2,363
Total receipts	<u>46,410</u>	<u>-</u>	<u>34,473</u>	<u>123,910</u>	<u>1,505,062</u>
Disbursements:					
Current:					
Instruction	23,705	12,000	17,632	-	199,809
Support services	-	-	7,932	88,439	1,374,242
Debt services	-	-	-	50,000	50,000
Nonprogrammed charges	-	-	-	-	62,551
Total disbursements	<u>23,705</u>	<u>12,000</u>	<u>25,564</u>	<u>138,439</u>	<u>1,686,602</u>
Excess (deficiency) of receipts over disbursements	<u>22,705</u>	<u>(12,000)</u>	<u>8,909</u>	<u>(14,529)</u>	<u>(181,540)</u>
Other financing sources (uses):					
Sale of capital assets	-	-	370	-	11,548
Transfers in	-	-	-	-	140,000
Transfers out	-	-	-	-	(60,000)
Total other financing sources (uses)	<u>-</u>	<u>-</u>	<u>370</u>	<u>-</u>	<u>91,548</u>
Excess (deficiency) of receipts and other financing sources over disbursements and other financing uses	22,705	(12,000)	9,279	(14,529)	(89,992)
Cash and investments - beginning	<u>-</u>	<u>12,000</u>	<u>1,970</u>	<u>17,238</u>	<u>503,897</u>
Cash and investments - ending	<u>\$ 22,705</u>	<u>\$ -</u>	<u>\$ 11,249</u>	<u>\$ 2,709</u>	<u>\$ 413,905</u>
Cash and Investment Assets - Ending					
Cash and investments	<u>\$ 22,705</u>	<u>\$ -</u>	<u>\$ 11,249</u>	<u>\$ 2,709</u>	<u>\$ 413,905</u>
Total cash and investment assets - ending	<u>\$ 22,705</u>	<u>\$ -</u>	<u>\$ 11,249</u>	<u>\$ 2,709</u>	<u>\$ 413,905</u>
Cash and Investment Fund Balance - Ending					
Unrestricted	<u>\$ 22,705</u>	<u>\$ -</u>	<u>\$ 11,249</u>	<u>\$ 2,709</u>	<u>\$ 413,905</u>
Total cash and investment fund balance - ending	<u>\$ 22,705</u>	<u>\$ -</u>	<u>\$ 11,249</u>	<u>\$ 2,709</u>	<u>\$ 413,905</u>

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

	Transportation Operating	Special Education Preschool	Rainy Day	Textbook Rental	Tri County Council Special Education	Education Plate Fee
Receipts:						
Local sources	\$ 1,150,403	\$ 58,095	\$ -	\$ 132,204	\$ -	\$ -
Intermediate sources	-	-	-	-	-	1,838
State sources	-	44,798	-	24,661	-	-
Federal sources	-	-	-	-	-	-
Total receipts	1,150,403	102,893	-	156,865	-	1,838
Disbursements:						
Current:						
Instruction	-	45,805	-	-	-	-
Support services	1,051,321	-	101,469	204,875	-	1,723
Noninstructional services	-	-	-	-	-	-
Debt services	-	-	-	-	-	-
Nonprogrammed charges	-	62,567	-	-	-	-
Total disbursements	1,051,321	108,372	101,469	204,875	-	1,723
Excess (deficiency) of receipts over disbursements	99,082	(5,479)	(101,469)	(48,010)	-	115
Other financing sources (uses):						
Sale of capital assets	5,127	-	-	-	-	-
Transfers in	-	-	90,000	-	-	-
Transfers out	(30,000)	-	-	-	-	-
Total other financing sources (uses)	(24,873)	-	90,000	-	-	-
Excess (deficiency) of receipts and other financing sources over disbursements and other financing uses	74,209	(5,479)	(11,469)	(48,010)	-	115
Cash and investments - beginning	44,837	78,725	88,499	105,575	127	1,686
Cash and investments - ending	<u>\$ 119,046</u>	<u>\$ 73,246</u>	<u>\$ 77,030</u>	<u>\$ 57,565</u>	<u>\$ 127</u>	<u>\$ 1,801</u>
<u>Cash and Investment Assets - Ending</u>						
Cash and investments	<u>\$ 119,046</u>	<u>\$ 73,246</u>	<u>\$ 77,030</u>	<u>\$ 57,565</u>	<u>\$ 127</u>	<u>\$ 1,801</u>
Total cash and investment assets - ending	<u>\$ 119,046</u>	<u>\$ 73,246</u>	<u>\$ 77,030</u>	<u>\$ 57,565</u>	<u>\$ 127</u>	<u>\$ 1,801</u>
<u>Cash and Investment Fund Balance - Ending</u>						
Unrestricted	<u>\$ 119,046</u>	<u>\$ 73,246</u>	<u>\$ 77,030</u>	<u>\$ 57,565</u>	<u>\$ 127</u>	<u>\$ 1,801</u>
Total cash and investment fund balance - ending	<u>\$ 119,046</u>	<u>\$ 73,246</u>	<u>\$ 77,030</u>	<u>\$ 57,565</u>	<u>\$ 127</u>	<u>\$ 1,801</u>

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

	Safe School Haven	Gifted and Talented 2007-08	Gifted and Talented 2008-09	Computer Consortium Advancement	Arts in Education	Non-English Speaking Program
Receipts:						
Local sources	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Intermediate sources	-	-	-	-	-	-
State sources	1,679	-	33,908	42,154	-	5,097
Federal sources	-	-	-	-	-	-
Total receipts	<u>1,679</u>	<u>-</u>	<u>33,908</u>	<u>42,154</u>	<u>-</u>	<u>5,097</u>
Disbursements:						
Current:						
Instruction	-	3,093	32,482	-	30	7,693
Support services	1,679	-	-	42,154	-	-
Noninstructional services	-	-	-	-	-	-
Debt services	-	-	-	-	-	-
Nonprogrammed charges	-	-	-	-	-	-
Total disbursements	<u>1,679</u>	<u>3,093</u>	<u>32,482</u>	<u>42,154</u>	<u>30</u>	<u>7,693</u>
Excess (deficiency) of receipts over disbursements	<u>-</u>	<u>(3,093)</u>	<u>1,426</u>	<u>-</u>	<u>(30)</u>	<u>(2,596)</u>
Other financing sources (uses):						
Sale of capital assets	-	-	-	-	-	-
Transfers in	-	-	-	-	-	-
Transfers out	-	-	-	-	-	-
Total other financing sources (uses)	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Excess (deficiency) of receipts and other financing sources over disbursements and other financing uses	<u>-</u>	<u>(3,093)</u>	<u>1,426</u>	<u>-</u>	<u>(30)</u>	<u>(2,596)</u>
Cash and investments - beginning	<u>-</u>	<u>3,093</u>	<u>-</u>	<u>-</u>	<u>179</u>	<u>4,041</u>
Cash and investments - ending	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 1,426</u>	<u>\$ -</u>	<u>\$ 149</u>	<u>\$ 1,445</u>
<u>Cash and Investment Assets - Ending</u>						
Cash and investments	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 1,426</u>	<u>\$ -</u>	<u>\$ 149</u>	<u>\$ 1,445</u>
Total cash and investment assets - ending	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 1,426</u>	<u>\$ -</u>	<u>\$ 149</u>	<u>\$ 1,445</u>
<u>Cash and Investment Fund Balance - Ending</u>						
Unrestricted	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 1,426</u>	<u>\$ -</u>	<u>\$ 149</u>	<u>\$ 1,445</u>
Total cash and investment fund balance - ending	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 1,426</u>	<u>\$ -</u>	<u>\$ 149</u>	<u>\$ 1,445</u>

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

	Technology	Access Indiana Grant	SPF-SIG Strategic Prevention	Title I 2008-09	Title V Part A 2006-07	Title V Part A 2007-08
Receipts:						
Local sources	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Intermediate sources	-	-	-	-	-	-
State sources	-	-	148,750	-	-	-
Federal sources	-	-	-	137,459	-	1,637
Total receipts	-	-	148,750	137,459	-	1,637
Disbursements:						
Current:						
Instruction	-	-	-	102,035	-	400
Support services	13,570	-	-	5,598	3,227	463
Noninstructional services	-	-	97,072	-	-	-
Debt services	-	-	-	-	-	-
Nonprogrammed charges	-	-	-	-	-	-
Total disbursements	13,570	-	97,072	107,633	3,227	863
Excess (deficiency) of receipts over disbursements	(13,570)	-	51,678	29,826	(3,227)	774
Other financing sources (uses):						
Sale of capital assets	-	-	-	-	-	-
Transfers in	-	-	-	-	-	-
Transfers out	-	-	-	-	-	-
Total other financing sources (uses)	-	-	-	-	-	-
Excess (deficiency) of receipts and other financing sources over disbursements and other financing uses	(13,570)	-	51,678	29,826	(3,227)	774
Cash and investments - beginning	37,007	7,000	-	-	3,227	-
Cash and investments - ending	<u>\$ 23,437</u>	<u>\$ 7,000</u>	<u>\$ 51,678</u>	<u>\$ 29,826</u>	<u>\$ -</u>	<u>\$ 774</u>
<u>Cash and Investment Assets - Ending</u>						
Cash and investments	<u>\$ 23,437</u>	<u>\$ 7,000</u>	<u>\$ 51,678</u>	<u>\$ 29,826</u>	<u>\$ -</u>	<u>\$ 774</u>
Total cash and investment assets - ending	<u>\$ 23,437</u>	<u>\$ 7,000</u>	<u>\$ 51,678</u>	<u>\$ 29,826</u>	<u>\$ -</u>	<u>\$ 774</u>
<u>Cash and Investment Fund Balance - Ending</u>						
Unrestricted	<u>\$ 23,437</u>	<u>\$ 7,000</u>	<u>\$ 51,678</u>	<u>\$ 29,826</u>	<u>\$ -</u>	<u>\$ 774</u>
Total cash and investment fund balance - ending	<u>\$ 23,437</u>	<u>\$ 7,000</u>	<u>\$ 51,678</u>	<u>\$ 29,826</u>	<u>\$ -</u>	<u>\$ 774</u>

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

	Safe and Drug Free 2006-07	Safe and Drug Free 2007-08	Drug Free Choices Director	Title II Part A	School Bus Replacement	Totals
Receipts:						
Local sources	\$ -	\$ -	\$ -	\$ -	\$ 192,457	\$ 1,533,159
Intermediate sources	-	-	-	-	-	1,838
State sources	-	-	-	-	-	301,047
Federal sources	-	4,098	46,410	35,044	-	224,648
Total receipts	-	4,098	46,410	35,044	192,457	2,060,692
Disbursements:						
Current:						
Instruction	3,246	2,034	48,956	21,353	-	267,127
Support services	-	-	-	10,632	92,422	1,529,133
Noninstructional services	-	-	-	-	-	97,072
Debt services	-	-	-	-	40,000	40,000
Nonprogrammed charges	-	-	-	-	-	62,567
Total disbursements	3,246	2,034	48,956	31,985	132,422	1,995,899
Excess (deficiency) of receipts over disbursements	(3,246)	2,064	(2,546)	3,059	60,035	64,793
Other financing sources (uses):						
Sale of capital assets	-	-	-	-	-	5,127
Transfers in	-	-	-	-	-	90,000
Transfers out	-	-	-	-	-	(30,000)
Total other financing sources (uses)	-	-	-	-	-	65,127
Excess (deficiency) of receipts and other financing sources over disbursements and other financing uses	(3,246)	2,064	(2,546)	3,059	60,035	129,920
Cash and investments - beginning	3,246	-	22,705	11,249	2,709	413,905
Cash and investments - ending	\$ -	\$ 2,064	\$ 20,159	\$ 14,308	\$ 62,744	\$ 543,825
<u>Cash and Investment Assets - Ending</u>						
Cash and investments	\$ -	\$ 2,064	\$ 20,159	\$ 14,308	\$ 62,744	\$ 543,825
Total cash and investment assets - ending	\$ -	\$ 2,064	\$ 20,159	\$ 14,308	\$ 62,744	\$ 543,825
<u>Cash and Investment Fund Balance - Ending</u>						
Unrestricted	\$ -	\$ 2,064	\$ 20,159	\$ 14,308	\$ 62,744	\$ 543,825
Total cash and investment fund balance - ending	\$ -	\$ 2,064	\$ 20,159	\$ 14,308	\$ 62,744	\$ 543,825

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

	<u>Nora Woning Scholarship</u>	<u>Burst Educational Foundation</u>	<u>Donations Primary Reading</u>	<u>Project Lead The Way</u>	<u>SICCEC High School Learning Center</u>	<u>Create Foundation</u>
Additions:						
Contributions:						
Other	\$ 96,584	\$ -	\$ 9,474	\$ 10,000	\$ -	\$ 124,658
Deductions:						
Administrative and general	<u>3,500</u>	<u>-</u>	<u>9,616</u>	<u>9,676</u>	<u>745</u>	<u>115,802</u>
Excess (deficiency) of total additions over total deductions	93,084	-	(142)	324	(745)	8,856
Cash and investment fund balance - beginning	<u>608</u>	<u>1,721</u>	<u>1,373</u>	<u>-</u>	<u>8,244</u>	<u>20,128</u>
Cash and investments - June 30	<u>\$ 93,692</u>	<u>\$ 1,721</u>	<u>\$ 1,231</u>	<u>\$ 324</u>	<u>\$ 7,499</u>	<u>\$ 28,984</u>
Net assets:						
Cash and investments	<u>\$ 93,692</u>	<u>\$ 1,721</u>	<u>\$ 1,231</u>	<u>\$ 324</u>	<u>\$ 7,499</u>	<u>\$ 28,984</u>
Total net assets - cash and investment basis held in trust	<u>\$ 93,692</u>	<u>\$ 1,721</u>	<u>\$ 1,231</u>	<u>\$ 324</u>	<u>\$ 7,499</u>	<u>\$ 28,984</u>

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

	Student Incentive	BASICS Grant - Planning	Rising Sun Grant #1345 - D Sneed	Ripley County Community	Rising Sun Grant #1316 - MS AV EQ	Totals
Additions:						
Contributions:						
Other	\$ 1,230	\$ 1,975	\$ 10,000	\$ -	\$ 1,500	\$ 255,421
Deductions:						
Administrative and general	1,003	21,883	-	3,000	1,016	166,241
Excess (deficiency) of total additions over total deductions	227	(19,908)	10,000	(3,000)	484	89,180
Cash and investment fund balance - beginning	764	19,908	-	3,000	-	55,746
Cash and investments - June 30	<u>\$ 991</u>	<u>\$ -</u>	<u>\$ 10,000</u>	<u>\$ -</u>	<u>\$ 484</u>	<u>\$ 144,926</u>
Net assets:						
Cash and investments	<u>\$ 991</u>	<u>\$ -</u>	<u>\$ 10,000</u>	<u>\$ -</u>	<u>\$ 484</u>	<u>\$ 144,926</u>
Total net assets - cash and investment basis held in trust	<u>\$ 991</u>	<u>\$ -</u>	<u>\$ 10,000</u>	<u>\$ -</u>	<u>\$ 484</u>	<u>\$ 144,926</u>

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

	<u>Nora Woning Scholarship</u>	<u>Burst Educational Foundation</u>	<u>Donations Primary Reading</u>	<u>Project Lead The Way</u>	<u>Pepsi Advertising Signs</u>	<u>Batesville Community Education</u>
Additions:						
Contributions:						
Other	\$ 78,179	\$ -	\$ 12,455	\$ -	\$ 15,000	\$ 870
Deductions:						
Administrative and general	93,000	150	11,177	324	15,000	-
Excess (deficiency) of total additions over total deductions	(14,821)	(150)	1,278	(324)	-	870
Cash and investment fund balance - beginning	93,692	1,721	1,231	324	-	-
Cash and investments - June 30	<u>\$ 78,871</u>	<u>\$ 1,571</u>	<u>\$ 2,509</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 870</u>
Net assets:						
Cash and investments	<u>\$ 78,871</u>	<u>\$ 1,571</u>	<u>\$ 2,509</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 870</u>
Total net assets - cash and investment basis held in trust	<u>\$ 78,871</u>	<u>\$ 1,571</u>	<u>\$ 2,509</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 870</u>

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

	SICCEC High School <u>Learning Center</u>	Create Foundation	Student Incentive	BASICS Grant - Planning	Rising Sun Grant #1345 - D Sneed	Ripley County Nurse Grant
Additions:						
Contributions:						
Other	\$ -	\$ 8,898	\$ 1,521	\$ 885	\$ -	\$ 290
Deductions:						
Administrative and general	337	17,751	2,511	885	10,000	290
Excess (deficiency) of total additions over total deductions	(337)	(8,853)	(990)	-	(10,000)	-
Cash and investment fund balance - beginning	7,499	28,984	991	-	10,000	-
Cash and investments - June 30	<u>\$ 7,162</u>	<u>\$ 20,131</u>	<u>\$ 1</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>
Net assets:						
Cash and investments	<u>\$ 7,162</u>	<u>\$ 20,131</u>	<u>\$ 1</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>
Total net assets - cash and investment basis held in trust	<u>\$ 7,162</u>	<u>\$ 20,131</u>	<u>\$ 1</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>

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

	Rising Sun Grant #1316 - MS AV EQ	Rising Sun BIS Grant #1379	ECO 15 Grant	Rising Sun Ceiling Mount System	Totals
Additions:					
Contributions:					
Other	\$ -	\$ 25,980	\$ 10,352	\$ 48,877	\$ 203,307
Deductions:					
Administrative and general	443	25,072	10,352	-	187,292
Excess (deficiency) of total additions over total deductions	(443)	908	-	48,877	16,015
Cash and investment fund balance - beginning	484	-	-	-	144,926
Cash and investments - June 30	<u>\$ 41</u>	<u>\$ 908</u>	<u>\$ -</u>	<u>\$ 48,877</u>	<u>\$ 160,941</u>
Net assets:					
Cash and investments	<u>\$ 41</u>	<u>\$ 908</u>	<u>\$ -</u>	<u>\$ 48,877</u>	<u>\$ 160,941</u>
Total net assets - cash and investment basis held in trust	<u>\$ 41</u>	<u>\$ 908</u>	<u>\$ -</u>	<u>\$ 48,877</u>	<u>\$ 160,941</u>

BATESVILLE COMMUNITY SCHOOL CORPORATION
 SUPPLEMENTARY INFORMATION
 SCHEDULE OF CAPITAL ASSETS
 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:	
Buildings	\$ 24,628,157
Machinery and equipment	<u>828,727</u>
 Total governmental activities, capital assets not being depreciated	 <u><u>\$ 25,456,884</u></u>

BATESVILLE COMMUNITY SCHOOL CORPORATION
 SUPPLEMENTARY INFORMATION
 SCHEDULE OF LONG-TERM DEBT
 June 30, 2009

The School Corporation has entered into the following debt:

Description of Debt	Ending Principal Balance	Principal and Interest Due Within One Year
Governmental activities:		
Notes and loans payable		
Textbook loans payable	\$ 77,263	\$ 43,438
Common school loans payable	238,144	116,245
Capital Leases:		
Batesville Elementary School Building Corporation	391,769	295,000
Batesville School Building Corporation	<u>7,510,000</u>	<u>964,000</u>
Total governmental activities debt	<u>\$ 8,217,176</u>	<u>\$ 1,418,683</u>

BATESVILLE COMMUNITY SCHOOL CORPORATION
AUDIT RESULT AND COMMENT

TRANSPORTATION FUND

Portions of the Superintendent's and Treasurer's salaries were paid from the Transportation Fund during the audit period. A record of hours worked by officers and employees employed in more than one position was not presented for audit.

IC 5-11-9-4 requires in part: ". . . records be maintained showing which hours were worked each day by officers and employees . . . employed . . . in more than one (1) position by the same public agency . . ."

Some positions have been formally established by boards of school trustees, through job description, duties assigned, title, salary schedules, etc., as transportation related (for example, Assistant Superintendent-Transportation Director). We will not take audit exception, in these situations (other than positions excluded by statute), to direct transportation related employees having direct transportation related expenses being paid from the transportation fund if a cost allocation system based upon auditable statistics is established tracking costs attributable to the transportation program and therefore payable from the transportation fund. The use of time cards, time logs, or other means of accumulating auditable statistics upon which to base costs would have to be maintained. The time spent on such programs by persons serving in more than one program area must be specific if costs are to be separated. These costs cannot be accurately maintained on a percentage basis and requires the use of one of the methods mentioned above to provide auditable statistics and should cover all program areas in which a person serves or for which the service, materials, supplies, etc., are provided. (The School Administrator and Uniform Compliance Guidelines, Volume 157)

(This page intentionally left blank.)

SUPPLEMENTAL AUDIT OF
FEDERAL AWARDS



STATE OF INDIANA
AN EQUAL OPPORTUNITY EMPLOYER

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

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

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 BATESVILLE COMMUNITY
SCHOOL CORPORATION, RIPLEY COUNTY, INDIANA

Compliance

We have audited the compliance of the Batesville Community School Corporation (School Corporation) with the types of compliance requirements described in the U.S. Office of Management and Budget (OMB) Circular A-133 Compliance Supplement that are applicable to each of its major federal programs for the years ended June 30, 2008 and 2009. The School Corporation's major federal programs are identified in the Summary of Auditor's Results section of the accompanying Schedule of Findings and Questioned Costs. Compliance with the requirements of laws, regulations, contracts and grants applicable to each of its major federal programs is the responsibility of the School Corporation's management. Our responsibility is to express an opinion on the School Corporation's compliance based on our audit.

We conducted our audit of compliance in accordance with auditing standards generally accepted in the United States of America; the standards applicable to financial audits contained in Government Auditing Standards, issued by the Comptroller General of the United States; and OMB Circular A-133, Audits of States, Local Governments, and Non-Profit Organizations. Those standards and OMB Circular A-133 require that we plan and perform the audit to obtain reasonable assurance about whether noncompliance with the types of compliance requirements referred to above that could have a direct and material effect on a major federal program occurred. An audit includes examining, on a test basis, evidence about the School Corporation's compliance with those requirements and performing such other procedures as we considered necessary in the circumstances. We believe that our audit provides a reasonable basis for our opinion. Our audit does not provide a legal determination of the School Corporation's compliance with those requirements.

In our opinion, the School Corporation complied in all material respects with the requirements referred to above that are applicable to each of its major federal programs for the years ended June 30, 2008 and 2009.

Internal Control Over Compliance

The management of the School Corporation is responsible for establishing and maintaining effective internal control over compliance with requirements of laws, regulations, contracts and grants applicable to federal programs. In planning and performing our audit, we considered the School Corporation's internal control over compliance with requirements that could have a direct and material effect on a major federal program in order to determine our auditing procedures for the purpose of expressing our opinion on compliance, but not for the purpose of expressing an opinion on the effectiveness of internal control over compliance. Accordingly, we do not express an opinion on the effectiveness of the School Corporation's internal control over compliance.

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

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

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

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

This report is intended solely for the information and use of the School Corporation's management, Board of School 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 15, 2010

BATESVILLE COMMUNITY SCHOOL CORPORATION
SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS
For The Years Ended June 30, 2008 and 2009

Federal Grantor Agency/Pass-Through Entity Cluster Title/Program Title/Project Title	Federal CFDA Number	Pass-Through Entity (or Other) Identifying Number	Total Federal Awards Expended 06-30-08	Total Federal Awards Expended 06-30-09
<u>U.S. DEPARTMENT OF AGRICULTURE</u>				
Pass-Through Indiana Department of Education				
Child Nutrition Cluster				
School Breakfast Program				
	10.553			
		FY 08	\$ 40,259	\$ -
		FY 09	-	48,596
National School Lunch Program				
	10.555			
		FY 08	169,935	-
		FY 09	-	200,110
Total for cluster			<u>210,194</u>	<u>248,706</u>
Total for federal grantor agency			<u>210,194</u>	<u>248,706</u>
<u>U.S. DEPARTMENT OF EDUCATION</u>				
Pass-Through Indiana Department of Education				
Title I, Part A Cluster				
Title I Grants to Local Educational Agencies				
	84.010	09-6895	-	107,633
State Fiscal Stabilization Fund Cluster				
ARRA - State Fiscal Stabilization Fund (SFSF)				
-Education State Grants, Recovery Act				
	84.394			
		FY 09	-	439,744
Safe and Drug Free Schools and Communities - State Grants				
	84.186			
		6895-06	2,925	-
		05-017	1,150	-
		6895-07	889	3,246
		Choices FY 07-08	23,705	22,705
		6895-08	-	2,034
		Choices FY 08-09	-	26,251
Total for program			<u>28,669</u>	<u>54,236</u>
State Grants for Innovative Programs				
	84.298			
		06-6895	5,193	-
		07-6895	100	3,227
		08-6895	-	863
Total for program			<u>5,293</u>	<u>4,090</u>
Improving Teacher Quality State Grants				
	84.367			
		06-6895	1,970	-
		07-6895	23,594	10,879
		08-6895	-	21,106
Total for program			<u>25,564</u>	<u>31,985</u>
Hurricane Education Recovery				
	84.938			
		FY 07	12,000	-
Total for federal grantor agency			<u>71,526</u>	<u>637,688</u>
Total federal awards expended			<u>\$ 281,720</u>	<u>\$ 886,394</u>

The accompanying note is an integral part of the Schedule of Expenditures of Federal Awards.

BATESVILLE COMMUNITY SCHOOL CORPORATION
NOTE TO SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS

Basis of Presentation

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

Circular A-133 requires an annual audit of nonfederal entities expending a total amount of federal awards equal to or in excess of \$500,000 in any fiscal year unless by constitution or statute a less frequent audit is required. In accordance with the 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.

BATESVILLE COMMUNITY SCHOOL CORPORATION
SUMMARY SCHEDULE OF PRIOR AUDIT FINDINGS

No matters are reportable.

BATESVILLE COMMUNITY SCHOOL CORPORATION
EXIT CONFERENCE

The contents of this report were discussed on February 15, 2010, with Constants M. Wintz, Treasurer; Dr. James S. Roberts, Superintendent of Schools; and Chris R. Lowery, President of the School Board. The officials concurred with our audit finding.