

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

AUDIT REPORT

OF

ATTICA CONSOLIDATED SCHOOL CORPORATION

FOUNTAIN COUNTY, INDIANA

July 1, 2007 to June 30, 2009



**FILED**

03/25/2010



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SCHEDULE OF OFFICIALS

<u>Office</u>	<u>Official</u>	<u>Term</u>
Treasurer	Carrie R. Brier	07-01-07 to 06-30-10
Superintendent of Schools	Dr. Judith A. Bush	07-01-07 to 06-30-10
President of the School Board	Tony Crane Michael Wriighthouse Tony Crane	07-01-07 to 06-30-08 07-01-08 to 06-30-09 07-01-09 to 06-30-10



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

TO: THE OFFICIALS OF THE ATTICA CONSOLIDATED SCHOOL  
CORPORATION, FOUNTAIN COUNTY, INDIANA

We have audited the accompanying financial statements of the governmental activities, each major fund, and the aggregate remaining fund information of the Attica Consolidated 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 16, 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, 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 Long-Term Debt has 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 it.

STATE BOARD OF ACCOUNTS

February 16, 2010



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

TO: THE OFFICIALS OF THE ATTICA CONSOLIDATED SCHOOL  
CORPORATION, FOUNTAIN COUNTY, INDIANA

We have audited the financial statements of the governmental activities, each major fund, and the aggregate remaining fund information of the Attica Consolidated 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 16, 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.

Our consideration of the internal control over financial reporting was for the limited purpose described in the preceding paragraph and would not necessarily identify all deficiencies in internal control over financial reporting that might be significant deficiencies or material weaknesses. However, as discussed below, we identified certain deficiencies in internal control over financial reporting that we considered to be significant deficiencies.

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. We consider the deficiencies described in item 2009-1 of the accompanying Schedule of Findings and Questioned Costs to be significant deficiencies in internal control over financial reporting.

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.

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)

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. However, we believe that none of the significant deficiencies described above is a material weakness.

We noted other matters involving the internal control over financial reporting that we have discussed with the management of the School Corporation on February 16, 2010. These immaterial instances of noncompliance were subsequently communicated to management in a separate letter.

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.

The School Corporation's response to the findings identified in our audit is described in the accompanying section of the report entitled Corrective Action Plan. We did not audit the School Corporation's response and, accordingly, we express no opinion on it.

This report is intended solely for the information and use of the School Corporation's management, School Board of Trustees and federal awarding agencies and pass-through entities and is not intended to be and should not be used by anyone other than these specified parties. In accordance with Indiana Code 5-11-5-1, this report is a part of the public records of the State Board of Accounts and of the office examined.

STATE BOARD OF ACCOUNTS

February 16, 2010

ATTICA CONSOLIDATED 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>	Net (Disbursement) Receipts and Changes in Net Assets
		Charges for Services	Operating Grants and Contributions		
Governmental activities:					
Instruction	\$ 4,761,373	\$ -	\$ 122,866	\$ (4,638,507)	
Support services	2,430,440	205,171	183,274	(2,041,995)	
Noninstructional services	467,033	-	-	(467,033)	
Facilities acquisition and construction	432,007	-	-	(432,007)	
Debt service	2,219,851	-	-	(2,219,851)	
Nonprogrammed charges	415,655	-	-	(415,655)	
Total governmental activities	\$ 10,726,359	\$ 205,171	\$ 306,140	(10,215,048)	
General receipts:					
Property taxes				1,595,447	
Other local sources				945,771	
State aid				3,977,166	
Bonds and loans				1,422,816	
Grants and contributions not restricted to specific programs				531,733	
Sale of property				15,008	
Investment earnings				35,635	
Other				120,639	
Total general receipts				8,644,215	
Change in net assets					(1,570,833)
Net assets - beginning					2,323,806
Net assets - ending					\$ 752,973
<u>Assets</u>					
Cash and investments				\$ 347,542	
Restricted assets:					
Cash and investments				405,431	
Total assets				\$ 752,973	
<u>Net Assets</u>					
Restricted for:					
Debt service				\$ 405,431	
Unrestricted				347,542	
Total net assets				\$ 752,973	

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

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

<u>Functions/Programs</u>	<u>Disbursements</u>	Program Receipts		<u>Totals</u>
		Charges for Services	Operating Grants and Contributions	<u>Net (Disbursement) Receipts and Changes in Net Assets</u>
Governmental activities:				
Instruction	\$ 4,566,161	\$ -	\$ 99,828	\$ (4,466,333)
Support services	2,539,372	229,261	185,265	(2,124,846)
Noninstructional services	445,241	-	-	(445,241)
Facilities acquisition and construction	728,492	-	-	(728,492)
Debt service	2,859,936	-	-	(2,859,936)
Nonprogrammed charges	361,929	-	-	(361,929)
<u>Total governmental activities</u>	<u>\$ 11,501,131</u>	<u>\$ 229,261</u>	<u>\$ 285,093</u>	<u>(10,986,777)</u>
General receipts:				
Property taxes				3,404,254
Other local sources				1,053,250
State aid				4,284,212
Bonds and loans				1,165,051
Grants and contributions not restricted to specific programs				1,022,258
Investment earnings				3,466
Other				61,778
<u>Total general receipts</u>				<u>10,994,269</u>
Change in net assets				7,492
Net assets - beginning				<u>752,973</u>
Net assets - ending				<u>\$ 760,465</u>
<u>Assets</u>				
Cash and investments				\$ 339,748
Restricted assets:				
Cash and investments				<u>420,717</u>
<u>Total assets</u>				<u>\$ 760,465</u>
<u>Net Assets</u>				
Restricted for:				
Debt service				\$ 420,717
Unrestricted				<u>339,748</u>
<u>Total net assets</u>				<u>\$ 760,465</u>

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

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

	General	Debt Service	Building Project	Other	Totals
<b>Receipts:</b>					
Local sources	\$ 963,412	\$ 587,693	\$ -	\$ 1,230,519	\$ 2,781,624
Intermediate sources	396	-	-	-	396
State sources	4,056,729	-	-	151,868	4,208,597
Federal sources	6,696	-	-	599,745	606,441
Temporary loans	602,752	350,806	-	469,258	1,422,816
Other	11,000	-	106,399	3,240	120,639
<b>Total receipts</b>	<b>5,640,985</b>	<b>938,499</b>	<b>106,399</b>	<b>2,454,630</b>	<b>9,140,513</b>
<b>Disbursements:</b>					
<b>Current:</b>					
Instruction	3,885,019	-	-	876,354	4,761,373
Support services	1,482,983	-	-	947,457	2,430,440
Noninstructional services	144,241	-	-	322,792	467,033
Facilities acquisition and construction	-	-	-	432,007	432,007
Debt services	491,500	1,206,100	-	522,251	2,219,851
Nonprogrammed charges	382,026	-	-	33,629	415,655
<b>Total disbursements</b>	<b>6,385,769</b>	<b>1,206,100</b>	<b>-</b>	<b>3,134,490</b>	<b>10,726,359</b>
Excess (deficiency) of receipts over disbursements	(744,784)	(267,601)	106,399	(679,860)	(1,585,846)
<b>Other financing sources (uses):</b>					
Sale of capital assets	-	-	-	15,013	15,013
Excess (deficiency) of receipts and other financing sources over disbursements and other financing uses	(744,784)	(267,601)	106,399	(664,847)	(1,570,833)
Cash and investments - beginning	753,846	607,600	76,428	885,932	2,323,806
Cash and investments - ending	<u>\$ 9,062</u>	<u>\$ 339,999</u>	<u>\$ 182,827</u>	<u>\$ 221,085</u>	<u>\$ 752,973</u>
<b>Cash and Investment Assets - Ending</b>					
Cash and investments	\$ 9,062	\$ -	\$ 182,827	\$ 155,653	\$ 347,542
Restricted assets:					
Cash and investments	-	339,999	-	65,432	405,431
<b>Total cash and investment assets - ending</b>	<u>\$ 9,062</u>	<u>\$ 339,999</u>	<u>\$ 182,827</u>	<u>\$ 221,085</u>	<u>\$ 752,973</u>
<b>Cash and Investment Fund Balance - Ending</b>					
Restricted for:					
Debt service	\$ -	\$ 339,999	\$ -	\$ 65,432	\$ 405,431
Unrestricted	9,062	-	182,827	155,653	347,542
<b>Total cash and investment fund balance - ending</b>	<u>\$ 9,062</u>	<u>\$ 339,999</u>	<u>\$ 182,827</u>	<u>\$ 221,085</u>	<u>\$ 752,973</u>

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

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

	General	Fiscal Stabilization	Debt Service	Building Project	Other	Totals
<b>Receipts:</b>						
Local sources	\$ 1,716,117	\$ -	\$ 1,104,938	\$ -	\$ 1,868,780	\$ 4,689,835
Intermediate sources	396	-	-	-	-	396
State sources	4,354,040	-	-	-	118,423	4,472,463
Federal sources	4,988	471,993	-	-	642,119	1,119,100
Temporary loans	250,000	-	330,095	100,000	484,956	1,165,051
Other	-	-	-	51,918	9,860	61,778
<b>Total receipts</b>	<b>6,325,541</b>	<b>471,993</b>	<b>1,435,033</b>	<b>151,918</b>	<b>3,124,138</b>	<b>11,508,623</b>
<b>Disbursements:</b>						
<b>Current:</b>						
Instruction	3,511,625	144,503	-	-	910,033	4,566,161
Support services	1,629,015	72,469	-	-	837,888	2,539,372
Noninstructional services	137,401	-	-	-	307,840	445,241
Facilities acquisition and construction	-	-	-	334,745	393,747	728,492
Debt services	852,752	-	1,407,852	-	599,332	2,859,936
Nonprogrammed charges	310,489	-	-	-	51,440	361,929
<b>Total disbursements</b>	<b>6,441,282</b>	<b>216,972</b>	<b>1,407,852</b>	<b>334,745</b>	<b>3,100,280</b>	<b>11,501,131</b>
<b>Excess (deficiency) of receipts over disbursements</b>	<b>(115,741)</b>	<b>255,021</b>	<b>27,181</b>	<b>(182,827)</b>	<b>23,858</b>	<b>7,492</b>
<b>Other financing sources (uses):</b>						
Transfers in	62,035	-	-	-	27,027	89,062
Transfers out	-	-	(13,897)	-	(75,165)	(89,062)
<b>Total other financing sources (uses)</b>	<b>62,035</b>	<b>-</b>	<b>(13,897)</b>	<b>-</b>	<b>(48,138)</b>	<b>-</b>
<b>Excess (deficiency) of receipts and other financing sources over disbursements and other financing uses</b>	<b>(53,706)</b>	<b>255,021</b>	<b>13,284</b>	<b>(182,827)</b>	<b>(24,280)</b>	<b>7,492</b>
Cash and investments - beginning	9,062	-	339,999	182,827	221,085	752,973
<b>Cash and investments - ending</b>	<b>\$ (44,644)</b>	<b>\$ 255,021</b>	<b>\$ 353,283</b>	<b>\$ -</b>	<b>\$ 196,805</b>	<b>\$ 760,465</b>
<b>Cash and Investment Assets - Ending</b>						
Cash and investments	\$ (44,644)	\$ 255,021	\$ -	\$ -	\$ 129,371	\$ 339,748
Restricted assets:						
Cash and investments	-	-	353,283	-	67,434	420,717
<b>Total cash and investment assets - ending</b>	<b>\$ (44,644)</b>	<b>\$ 255,021</b>	<b>\$ 353,283</b>	<b>\$ -</b>	<b>\$ 196,805</b>	<b>\$ 760,465</b>
<b>Cash and Investment Fund Balance - Ending</b>						
Restricted for:						
Debt service	\$ -	\$ -	\$ 353,283	\$ -	\$ 67,434	\$ 420,717
Unrestricted	(44,644)	255,021	-	-	129,371	339,748
<b>Total cash and investment fund balance - ending</b>	<b>\$ (44,644)</b>	<b>\$ 255,021</b>	<b>\$ 353,283</b>	<b>\$ -</b>	<b>\$ 196,805</b>	<b>\$ 760,465</b>

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

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

	Pension Trust Funds	Private-Purpose Trust Funds	Agency Funds
Deductions:			
Benefits	\$ 25,118	\$ -	
Administrative and general	-	133	
Total Deductions	25,118	133	
Excess (deficiency) of total additions over total deductions	(25,118)	(133)	
Cash and investment fund balance - beginning	-	3,022	
Cash and investment fund balance - ending	\$ (25,118)	\$ 2,889	\$ 22,693
Net assets:			
Cash and investments	\$ (25,118)	\$ 2,889	
Total net assets - cash and investment basis held in trust	\$ (25,118)	\$ 2,889	

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

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

	Pension Trust Funds	Private-Purpose Trust Funds	Agency Funds
Additions:			
Other	\$ 25,118	\$ -	
Deductions:			
Administrative and general	-	2,207	
Excess (deficiency) of total additions over total deductions	25,118	(2,207)	
Cash and investment fund balance - beginning	(25,118)	2,889	
Cash and investment fund balance - ending	\$ -	\$ 682	\$ 27,884
Net assets:			
Cash and investments	\$ -	\$ 682	
Total net assets - cash and investment basis held in trust	\$ -	\$ 682	

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

ATTICA CONSOLIDATED 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.

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 seven other school corporations in a joint venture to operate West Central Indiana Career and Technical Education Cooperative which was created to provide programs and services for high school students in career and technical education. Member corporations are charged for services based upon the number of participating students. Complete financial statements for the West Central Indiana Career and Technical Education Cooperative can be obtained from Crawfordsville Community School Corporation, P.O. Box 272, 1000 Fairview Avenue, Crawfordsville, Indiana 47933.

The School Corporation is a participant with eight other school corporations in a joint venture to operate West Central Indiana Special Services Cooperative which was created to provide programs and services for children with disabilities. Member corporations are charged for services based upon the number of participating students. Complete financial statements for the West Central Indiana Special Services Cooperative can be obtained from Crawfordsville Community School Corporation, P.O. Box 272, 1000 Fairview Avenue, Crawfordsville, Indiana 47933.

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.

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,

ATTICA CONSOLIDATED SCHOOL CORPORATION  
NOTES TO FINANCIAL STATEMENTS  
(Continued)

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 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 building project fund accounts for planned construction costs incurred by the school corporation.

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.

Additionally, the School Corporation reports the following fund types:

The pension trust funds account for the activities of the Retirement/Severance Bonds, which accumulate resources for pension benefit payments.

The private-purpose trust fund reports a trust arrangement under which principal and income benefit the drama productions, leadership training and building improvements.

Agency funds account for assets held by the School Corporation as a clearing account for payroll withholdings.

C. Measurement Focus and Basis of Accounting

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

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

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

ATTICA CONSOLIDATED SCHOOL CORPORATION  
NOTES TO FINANCIAL STATEMENTS  
(Continued)

As a general rule, the effect of interfund activity has been eliminated from the government-wide financial statements. Exceptions to this general rule are payments-in-lieu of taxes. Elimination of these charges would distort the direct costs and program receipts reported for the various functions concerned.

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 or internal service 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

Normally 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 may become delinquent if not paid by May 10 and November 10, respectively.

3. Capital Assets

Capital assets arising from cash transactions acquired for use in governmental or proprietary fund operations are accounted for as capital outlay disbursements of the fund upon acquisition.

4. Long-Term Debt

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

5. Equity Classification

Government-Wide Statements

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

ATTICA CONSOLIDATED SCHOOL CORPORATION  
NOTES TO FINANCIAL STATEMENTS  
(Continued)

- 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.

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 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 reported as reimbursements.
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.

ATTICA CONSOLIDATED SCHOOL CORPORATION  
 NOTES TO FINANCIAL STATEMENTS  
 (Continued)

II. Stewardship, Compliance and Accountability

A. Budgetary Information

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

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

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

B. Cash and Investment Balance Deficits

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

Fund	2007-2008	2008-2009
Transportation Operating	\$ 6,787	\$ 46
Retirement/Severance Bond	25,118	-
Textbook Rental	11,291	2,566
Elementary MOMH	53,150	12,525
Special Ed Pre School	12,759	57,848
Machine Trades	3,357	-
CAD	2,077	-
LD	23,017	-
Project Lead The Way Grant	136	-
General Fund	-	44,644
School Bus Replacement	-	19,109
Title I	-	9,861
Drug Abuse Grant	-	1,171

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

ATTICA CONSOLIDATED SCHOOL CORPORATION  
 NOTES TO FINANCIAL STATEMENTS  
 (Continued)

III. Detailed Notes on All Funds

A. Deposits

Custodial credit risk is the risk that in the event of a bank failure, the government's deposits may not be returned to it. Indiana Code 5-13-8-1 allows a political subdivision of the State of Indiana to deposit public funds in a financial institution only if the financial institution is a depository eligible to receive state funds and has a principal office or branch that qualifies to receive public funds of the political subdivision. The bank balances were insured by the Federal Deposit Insurance Corporation or the Public Deposit Insurance Fund, which covers all public funds held in approved depositories.

B. Interfund Transfers

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

Transfer From	Transfer To	2008	2009
Debt Service Fund	Other governmental funds	\$ -	\$ 13,897
Other governmental funds	General Fund	-	62,035
Other governmental funds	Other governmental funds	-	13,130
Totals		<u>\$ -</u>	<u>\$ 89,062</u>

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; medical benefits to employees, retirees, and dependents (excluding postemployment benefits), 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.

ATTICA CONSOLIDATED SCHOOL CORPORATION  
NOTES TO FINANCIAL STATEMENTS  
(Continued)

B. Holding Corporations

The School Corporation has entered into a capital lease with Attica 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 were made in the amount of \$665,000 and \$680,000 for the years ending June 30, 2008 and June 30, 2009, respectively.

The School Corporation has entered into a capital lease with Attica 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 each year totaled \$349,000.

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.

ATTICA CONSOLIDATED SCHOOL CORPORATION  
NOTES TO FINANCIAL STATEMENTS  
(Continued)

Actuarial Information for the Above Plan

	PERF
Annual required contribution	\$ 44,116
Interest on net pension obligation	(1,078)
Adjustment to annual required contribution	1,228
Annual pension cost	44,266
Contributions made	46,084
Increase (decrease) in net pension obligation	(1,818)
Net pension obligation, beginning of year	(14,868)
Net pension obligation, end of year	\$ (16,686)

	PERF
Contribution rates:	
School Corporation	5.25%
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%

ATTICA CONSOLIDATED 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	\$ 38,424	86%	\$ (25,914)
	06-30-07	48,848	77%	(14,868)
	06-30-08	44,266	104%	(16,686)

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.

ATTICA CONSOLIDATED SCHOOL CORPORATION  
NOTES TO FINANCIAL STATEMENTS  
(Continued)

Plan members are required to contribute 3% of their salary and the School Corporation is to contribute at an actuarially determined rate. The current rate has been actuarially determined under the entry age normal cost method to be 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 \$95,655, \$90,966, and \$88,346, respectively. The School Corporation actually contributed 100% of the required contribution for each of the fiscal years.

ATTICA CONSOLIDATED SCHOOL CORPORATION  
 REQUIRED SUPPLEMENTARY INFORMATION  
 SCHEDULE OF FUNDING PROGRESS

Public Employees' Retirement Fund

Actuarial Valuation Date	Actuarial Value of Assets (a)	Actuarial Accrued Liability (AAL) (b)	Excess of Assets Over AAL (a-b)	Funded Ratio (a/b)	Covered Payroll (c)	Excess AAL as a Percentage of Covered Payroll ((a-b)/c)
07-01-06	\$ 987,927	\$ 873,895	\$ 114,032	113%	\$ 898,845	13%
07-01-07	1,084,622	947,561	137,061	114%	855,141	16%
07-01-08	1,212,304	1,089,216	123,088	111%	860,166	14%

ATTICA CONSOLIDATED 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	School Lunch	Textbook Rental	Levy Excess	Elementary MOMH
<b>Receipts:</b>						
Local sources	\$ 125,385	\$ 2,338	\$ 193,505	\$ 77,455	\$ -	\$ 41,264
State sources	-	44,395	4,677	36,803	-	-
Federal sources	-	-	138,402	-	-	-
Temporary loans	140,371	-	-	-	-	-
Other	2,987	-	-	128	-	-
<b>Total receipts</b>	<b>268,743</b>	<b>46,733</b>	<b>336,584</b>	<b>114,386</b>	<b>-</b>	<b>41,264</b>
<b>Disbursements:</b>						
<b>Current:</b>						
Instruction	-	3,667	-	-	-	35,978
Support services	335,502	458	468	115,174	-	63,835
Noninstructional services	-	-	322,792	-	-	-
Facilities acquisition and construction	-	-	-	-	-	-
Debt services	90,665	-	-	-	-	-
Nonprogrammed charges	-	33,629	-	-	-	-
<b>Total disbursements</b>	<b>426,167</b>	<b>37,754</b>	<b>323,260</b>	<b>115,174</b>	<b>-</b>	<b>99,813</b>
Excess (deficiency) of receipts over disbursements	(157,424)	8,979	13,324	(788)	-	(58,549)
<b>Other financing sources (uses):</b>						
Sale of capital assets	14,511	-	-	327	-	-
<b>Total other financing sources (uses)</b>	<b>14,511</b>	<b>-</b>	<b>-</b>	<b>327</b>	<b>-</b>	<b>-</b>
Excess (deficiency) of receipts and other financing sources over disbursements and other financing uses	(142,913)	8,979	13,324	(461)	-	(58,549)
Cash and investments - beginning	136,126	29,675	41,631	(10,830)	16,250	58,549
Cash and investments - ending	\$ (6,787)	\$ 38,654	\$ 54,955	\$ (11,291)	\$ 16,250	\$ -
<b><u>Cash and Investment Assets - Ending</u></b>						
Cash and investments	\$ (6,787)	\$ 38,654	\$ 54,955	\$ (11,291)	\$ 16,250	\$ -
Restricted assets:						
Cash and investments	-	-	-	-	-	-
<b>Total cash and investment assets - ending</b>	<b>\$ (6,787)</b>	<b>\$ 38,654</b>	<b>\$ 54,955</b>	<b>\$ (11,291)</b>	<b>\$ 16,250</b>	<b>\$ -</b>
<b><u>Cash and Investment Fund Balance - Ending</u></b>						
Restricted for:						
Debt service	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Unrestricted	(6,787)	38,654	54,955	(11,291)	16,250	-
<b>Total cash and investment fund balance - ending</b>	<b>\$ (6,787)</b>	<b>\$ 38,654</b>	<b>\$ 54,955</b>	<b>\$ (11,291)</b>	<b>\$ 16,250</b>	<b>\$ -</b>

ATTICA CONSOLIDATED 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)

	Elementary MOMH	Special Education Preschool	Special Education Preschool	Machine Trades	Machine Trades	CAD
<b>Receipts:</b>						
Local sources	\$ 63,818	\$ 36,293	\$ 62,166	\$ 17,454	\$ 55,292	\$ 27,472
State sources	-	-	-	-	-	-
Federal sources	-	-	-	-	-	-
Temporary loans	-	-	-	-	-	-
Other	-	-	-	-	-	-
<b>Total receipts</b>	<u>63,818</u>	<u>36,293</u>	<u>62,166</u>	<u>17,454</u>	<u>55,292</u>	<u>27,472</u>
<b>Disbursements:</b>						
<b>Current:</b>						
Instruction	116,968	8,769	71,115	10,576	46,142	14,035
Support services	-	14,963	1,830	1,148	-	1,976
Noninstructional services	-	-	-	-	-	-
Facilities acquisition and construction	-	-	1,980	-	-	-
Debt services	-	-	-	-	-	-
Nonprogrammed charges	-	-	-	-	-	-
<b>Total disbursements</b>	<u>116,968</u>	<u>23,732</u>	<u>74,925</u>	<u>11,724</u>	<u>46,142</u>	<u>16,011</u>
Excess (deficiency) of receipts over disbursements	<u>(53,150)</u>	<u>12,561</u>	<u>(12,759)</u>	<u>5,730</u>	<u>9,150</u>	<u>11,461</u>
<b>Other financing sources (uses):</b>						
Sale of capital assets	-	-	-	-	-	-
<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>(53,150)</u>	<u>12,561</u>	<u>(12,759)</u>	<u>5,730</u>	<u>9,150</u>	<u>11,461</u>
Cash and investments - beginning	<u>-</u>	<u>(12,561)</u>	<u>-</u>	<u>(9,087)</u>	<u>-</u>	<u>(13,538)</u>
Cash and investments - ending	<u>\$ (53,150)</u>	<u>\$ -</u>	<u>\$ (12,759)</u>	<u>\$ (3,357)</u>	<u>\$ 9,150</u>	<u>\$ (2,077)</u>
<b><u>Cash and Investment Assets - Ending</u></b>						
Cash and investments	\$ (53,150)	\$ -	\$ (12,759)	\$ (3,357)	\$ 9,150	\$ (2,077)
Restricted assets:						
Cash and investments	-	-	-	-	-	-
<b>Total cash and investment assets - ending</b>	<u>\$ (53,150)</u>	<u>\$ -</u>	<u>\$ (12,759)</u>	<u>\$ (3,357)</u>	<u>\$ 9,150</u>	<u>\$ (2,077)</u>
<b><u>Cash and Investment Fund Balance - Ending</u></b>						
Restricted for:						
Debt service	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Unrestricted	<u>(53,150)</u>	<u>-</u>	<u>(12,759)</u>	<u>(3,357)</u>	<u>9,150</u>	<u>(2,077)</u>
<b>Total cash and investment fund balance - ending</b>	<u>\$ (53,150)</u>	<u>\$ -</u>	<u>\$ (12,759)</u>	<u>\$ (3,357)</u>	<u>\$ 9,150</u>	<u>\$ (2,077)</u>

ATTICA CONSOLIDATED 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)

	CAD	CISCO Academy	Health Careers	Health Careers	Alternative Education	Library Printed Material Grant
<b>Receipts:</b>						
Local sources	\$ 79,077	\$ 4,701	\$ 34,020	\$ 10,139	\$ -	\$ -
State sources	-	-	-	-	2,315	-
Federal sources	-	-	-	-	-	-
Temporary loans	-	-	-	-	-	-
Other	-	-	-	-	-	-
<b>Total receipts</b>	<b>79,077</b>	<b>4,701</b>	<b>34,020</b>	<b>10,139</b>	<b>2,315</b>	<b>-</b>
<b>Disbursements:</b>						
<b>Current:</b>						
Instruction	73,093	5,602	21,092	6,295	2,358	-
Support services	-	3,408	-	4,134	-	-
Noninstructional services	-	-	-	-	-	-
Facilities acquisition and construction	-	-	-	-	-	-
Debt services	-	-	-	-	-	-
Nonprogrammed charges	-	-	-	-	-	-
<b>Total disbursements</b>	<b>73,093</b>	<b>9,010</b>	<b>21,092</b>	<b>10,429</b>	<b>2,358</b>	<b>-</b>
Excess (deficiency) of receipts over disbursements	5,984	(4,309)	12,928	(290)	(43)	-
<b>Other financing sources (uses):</b>						
Sale of capital assets	-	-	-	-	-	-
<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	5,984	(4,309)	12,928	(290)	(43)	-
Cash and investments - beginning	-	4,309	-	290	2,382	88
Cash and investments - ending	\$ 5,984	\$ -	\$ 12,928	\$ -	\$ 2,339	\$ 88
<b><u>Cash and Investment Assets - Ending</u></b>						
Cash and investments	\$ 5,984	\$ -	\$ 12,928	\$ -	\$ 2,339	\$ 88
Restricted assets:						
Cash and investments	-	-	-	-	-	-
<b>Total cash and investment assets - ending</b>	<b>\$ 5,984</b>	<b>\$ -</b>	<b>\$ 12,928</b>	<b>\$ -</b>	<b>\$ 2,339</b>	<b>\$ 88</b>
<b><u>Cash and Investment Fund Balance - Ending</u></b>						
Restricted for:						
Debt service	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Unrestricted	5,984	-	12,928	-	2,339	88
<b>Total cash and investment fund balance - ending</b>	<b>\$ 5,984</b>	<b>\$ -</b>	<b>\$ 12,928</b>	<b>\$ -</b>	<b>\$ 2,339</b>	<b>\$ 88</b>

ATTICA CONSOLIDATED 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)

	Safe School Haven Grant	Intervention/ Career Counseling	Gifted and Talented	Gifted and Talented 2007-2008	Medicaid Reimbursement	Non-English Speaking Grant
<b>Receipts:</b>						
Local sources	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
State sources	199	30,000	-	29,276	3,392	811
Federal sources	-	-	-	-	-	-
Temporary loans	-	-	-	-	-	-
Other	-	-	-	125	-	-
<b>Total receipts</b>	<b>199</b>	<b>30,000</b>	<b>-</b>	<b>29,401</b>	<b>3,392</b>	<b>811</b>
<b>Disbursements:</b>						
<b>Current:</b>						
Instruction	-	1,140	1,243	11,822	-	-
Support services	-	28,880	-	-	9,254	-
Noninstructional services	-	-	-	-	-	-
Facilities acquisition and construction	-	-	-	-	-	-
Debt services	-	-	-	-	-	-
Nonprogrammed charges	-	-	-	-	-	-
<b>Total disbursements</b>	<b>-</b>	<b>30,020</b>	<b>1,243</b>	<b>11,822</b>	<b>9,254</b>	<b>-</b>
Excess (deficiency) of receipts over disbursements	199	(20)	(1,243)	17,579	(5,862)	811
<b>Other financing sources (uses):</b>						
Sale of capital assets	-	-	-	-	-	-
<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	199	(20)	(1,243)	17,579	(5,862)	811
Cash and investments - beginning	-	2,577	1,243	-	30,729	-
Cash and investments - ending	<u>199</u>	<u>2,557</u>	<u>-</u>	<u>17,579</u>	<u>24,867</u>	<u>811</u>
<b><u>Cash and Investment Assets - Ending</u></b>						
Cash and investments	\$ 199	\$ 2,557	\$ -	\$ 17,579	\$ 24,867	\$ 811
Restricted assets:						
Cash and investments	-	-	-	-	-	-
<b>Total cash and investment assets - ending</b>	<b><u>199</u></b>	<b><u>2,557</u></b>	<b><u>-</u></b>	<b><u>17,579</u></b>	<b><u>24,867</u></b>	<b><u>811</u></b>
<b><u>Cash and Investment Fund Balance - Ending</u></b>						
Restricted for:						
Debt service	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Unrestricted	<u>199</u>	<u>2,557</u>	<u>-</u>	<u>17,579</u>	<u>24,867</u>	<u>811</u>
<b>Total cash and investment fund balance - ending</b>	<b><u>199</u></b>	<b><u>2,557</u></b>	<b><u>-</u></b>	<b><u>17,579</u></b>	<b><u>24,867</u></b>	<b><u>811</u></b>

ATTICA CONSOLIDATED SCHOOL CORPORATION  
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 (Continued)

	School Technology	Technology Grant	Title I	Title I	School Improvement Grant	Title V Part A
<b>Receipts:</b>						
Local sources	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
State sources	-	-	-	-	-	-
Federal sources	379	-	151,933	-	18,200	2,910
Temporary loans	-	-	-	-	-	-
Other	-	-	-	-	-	-
<b>Total receipts</b>	<b>379</b>	<b>-</b>	<b>151,933</b>	<b>-</b>	<b>18,200</b>	<b>2,910</b>
<b>Disbursements:</b>						
<b>Current:</b>						
Instruction	-	1,725	139,212	10,292	2,369	1,600
Support services	-	-	-	-	-	(1,173)
Noninstructional services	-	-	-	-	-	-
Facilities acquisition and construction	5,784	58,219	-	-	-	-
Debt services	-	-	-	-	-	-
Nonprogrammed charges	-	-	-	-	-	-
<b>Total disbursements</b>	<b>5,784</b>	<b>59,944</b>	<b>139,212</b>	<b>10,292</b>	<b>2,369</b>	<b>427</b>
Excess (deficiency) of receipts over disbursements	(5,405)	(59,944)	12,721	(10,292)	15,831	2,483
<b>Other financing sources (uses):</b>						
Sale of capital assets	-	-	-	-	-	-
<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	(5,405)	(59,944)	12,721	(10,292)	15,831	2,483
Cash and investments - beginning	6,393	60,263	-	10,292	9,462	(2,483)
Cash and investments - ending	<u>\$ 988</u>	<u>\$ 319</u>	<u>\$ 12,721</u>	<u>\$ -</u>	<u>\$ 25,293</u>	<u>\$ -</u>
<b><u>Cash and Investment Assets - Ending</u></b>						
Cash and investments	\$ 988	\$ 319	\$ 12,721	\$ -	\$ 25,293	\$ -
Restricted assets:						
Cash and investments	-	-	-	-	-	-
<b>Total cash and investment assets - ending</b>	<b>\$ 988</b>	<b>\$ 319</b>	<b>\$ 12,721</b>	<b>\$ -</b>	<b>\$ 25,293</b>	<b>\$ -</b>
<b><u>Cash and Investment Fund Balance - Ending</u></b>						
Restricted for:						
Debt service	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Unrestricted	988	319	12,721	-	25,293	-
<b>Total cash and investment fund balance - ending</b>	<b>\$ 988</b>	<b>\$ 319</b>	<b>\$ 12,721</b>	<b>\$ -</b>	<b>\$ 25,293</b>	<b>\$ -</b>

ATTICA CONSOLIDATED SCHOOL CORPORATION  
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 For the Year Ended June 30, 2008  
 (Continued)

	LD	LD	Drug Abuse Grant	Drug Abuse Grant	Project Lead The Way Grant	Title II Part A
<b>Receipts:</b>						
Local sources	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
State sources	-	-	-	-	-	-
Federal sources	60,472	191,489	3,259	-	-	31,569
Temporary loans	-	-	-	-	-	-
Other	-	-	-	-	-	-
<b>Total receipts</b>	<b>60,472</b>	<b>191,489</b>	<b>3,259</b>	<b>-</b>	<b>-</b>	<b>31,569</b>
<b>Disbursements:</b>						
<b>Current:</b>						
Instruction	31,076	214,506	2,379	944	136	42,220
Support services	-	-	-	-	-	-
Noninstructional services	-	-	-	-	-	-
Facilities acquisition and construction	-	-	-	-	-	-
Debt services	-	-	-	-	-	-
Nonprogrammed charges	-	-	-	-	-	-
<b>Total disbursements</b>	<b>31,076</b>	<b>214,506</b>	<b>2,379</b>	<b>944</b>	<b>136</b>	<b>42,220</b>
<b>Excess (deficiency) of receipts over disbursements</b>	<b>29,396</b>	<b>(23,017)</b>	<b>880</b>	<b>(944)</b>	<b>(136)</b>	<b>(10,651)</b>
<b>Other financing sources (uses):</b>						
Sale of capital assets	-	-	-	-	-	-
<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>29,396</b>	<b>(23,017)</b>	<b>880</b>	<b>(944)</b>	<b>(136)</b>	<b>(10,651)</b>
<b>Cash and investments - beginning</b>	<b>(29,396)</b>	<b>-</b>	<b>380</b>	<b>3,272</b>	<b>-</b>	<b>21,093</b>
<b>Cash and investments - ending</b>	<b>\$ -</b>	<b>\$ (23,017)</b>	<b>\$ 1,260</b>	<b>\$ 2,328</b>	<b>\$ (136)</b>	<b>\$ 10,442</b>
<b><u>Cash and Investment Assets - Ending</u></b>						
Cash and investments	\$ -	\$ (23,017)	\$ 1,260	\$ 2,328	\$ (136)	\$ 10,442
Restricted assets:						
Cash and investments	-	-	-	-	-	-
<b>Total cash and investment assets - ending</b>	<b>\$ -</b>	<b>\$ (23,017)</b>	<b>\$ 1,260</b>	<b>\$ 2,328</b>	<b>\$ (136)</b>	<b>\$ 10,442</b>
<b><u>Cash and Investment Fund Balance - Ending</u></b>						
Restricted for:						
Debt service	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Unrestricted	-	(23,017)	1,260	2,328	(136)	10,442
<b>Total cash and investment fund balance - ending</b>	<b>\$ -</b>	<b>\$ (23,017)</b>	<b>\$ 1,260</b>	<b>\$ 2,328</b>	<b>\$ (136)</b>	<b>\$ 10,442</b>

ATTICA CONSOLIDATED SCHOOL CORPORATION  
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 (Continued)

	Title III	Retirement Bond/Debt	Capital Projects	School Bus Replacement	Totals
<b>Receipts:</b>					
Local sources	\$ -	\$ 67,405	\$ 314,701	\$ 18,034	\$ 1,230,519
State sources	-	-	-	-	151,868
Federal sources	1,132	-	-	-	599,745
Temporary loans	-	64,534	264,353	-	469,258
Other	-	-	-	-	3,240
<b>Total receipts</b>	<b>1,132</b>	<b>131,939</b>	<b>579,054</b>	<b>18,034</b>	<b>2,454,630</b>
<b>Disbursements:</b>					
<b>Current:</b>					
Instruction	-	-	-	-	876,354
Support services	-	-	301,490	66,110	947,457
Noninstructional services	-	-	-	-	322,792
Facilities acquisition and construction	-	-	366,024	-	432,007
Debt services	-	133,068	298,518	-	522,251
Nonprogrammed charges	-	-	-	-	33,629
<b>Total disbursements</b>	<b>-</b>	<b>133,068</b>	<b>966,032</b>	<b>66,110</b>	<b>3,134,490</b>
Excess (deficiency) of receipts over disbursements	1,132	(1,129)	(386,978)	(48,076)	(679,860)
<b>Other financing sources (uses):</b>					
Sale of capital assets	-	-	-	175	15,013
<b>Total other financing sources (uses)</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>175</b>	<b>15,013</b>
Excess (deficiency) of receipts and other financing sources over disbursements and other financing uses	1,132	(1,129)	(386,978)	(47,901)	(664,847)
Cash and investments - beginning	-	66,561	412,679	49,583	885,932
Cash and investments - ending	<u>\$ 1,132</u>	<u>\$ 65,432</u>	<u>\$ 25,701</u>	<u>\$ 1,682</u>	<u>\$ 221,085</u>
<b><u>Cash and Investment Assets - Ending</u></b>					
Cash and investments	\$ 1,132	\$ -	\$ 25,701	\$ 1,682	\$ 155,653
Restricted assets:					
Cash and investments	-	65,432	-	-	65,432
<b>Total cash and investment assets - ending</b>	<b><u>\$ 1,132</u></b>	<b><u>\$ 65,432</u></b>	<b><u>\$ 25,701</u></b>	<b><u>\$ 1,682</u></b>	<b><u>\$ 221,085</u></b>
<b><u>Cash and Investment Fund Balance - Ending</u></b>					
Restricted for:					
Debt service	\$ -	\$ 65,432	\$ -	\$ -	\$ 65,432
Unrestricted	1,132	-	25,701	1,682	155,653
<b>Total cash and investment fund balance - ending</b>	<b><u>\$ 1,132</u></b>	<b><u>\$ 65,432</u></b>	<b><u>\$ 25,701</u></b>	<b><u>\$ 1,682</u></b>	<b><u>\$ 221,085</u></b>

ATTICA CONSOLIDATED SCHOOL CORPORATION  
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	Transportation Operating	Special Education Preschool	School Lunch	Textbook Rental	Levy Excess	Elementary MOMH
<b>Receipts:</b>						
Local sources	\$ 267,815	\$ 4,574	\$ 154,796	\$ 56,352	\$ -	\$ 107,342
State sources	-	51,268	4,598	32,557	-	-
Federal sources	-	-	148,110	-	-	-
Temporary loans	111,138	-	-	-	-	-
Other	9,316	-	-	544	-	-
<b>Total receipts</b>	<b>388,269</b>	<b>55,842</b>	<b>307,504</b>	<b>89,453</b>	<b>-</b>	<b>107,342</b>
<b>Disbursements:</b>						
<b>Current:</b>						
Instruction	-	15	-	-	-	115,686
Support services	241,157	17,904	1,024	94,625	-	-
Noninstructional services	-	-	307,840	-	-	-
Facilities acquisition and construction	-	-	9,416	-	-	-
Debt services	140,371	-	-	-	-	-
Nonprogrammed charges	-	51,440	-	-	-	-
<b>Total disbursements</b>	<b>381,528</b>	<b>69,359</b>	<b>318,280</b>	<b>94,625</b>	<b>-</b>	<b>115,686</b>
Excess (deficiency) of receipts over disbursements	6,741	(13,517)	(10,776)	(5,172)	-	(8,344)
<b>Other financing sources (uses):</b>						
Transfers in	-	-	-	13,897	-	-
Transfers out	-	-	-	-	(16,250)	(4,181)
<b>Total other financing sources (uses)</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>13,897</b>	<b>(16,250)</b>	<b>(4,181)</b>
Excess (deficiency) of receipts and other financing sources over disbursements and other financing uses	6,741	(13,517)	(10,776)	8,725	(16,250)	(12,525)
Cash and investments - beginning	(6,787)	38,654	54,955	(11,291)	16,250	-
Cash and investments - ending	\$ (46)	\$ 25,137	\$ 44,179	\$ (2,566)	\$ -	\$ (12,525)
<b>Cash and Investment Assets - Ending</b>						
Cash and investments	\$ (46)	\$ 25,137	\$ 44,179	\$ (2,566)	\$ -	\$ (12,525)
Restricted assets:						
Cash and investments	-	-	-	-	-	-
<b>Total cash and investment assets - ending</b>	<b>\$ (46)</b>	<b>\$ 25,137</b>	<b>\$ 44,179</b>	<b>\$ (2,566)</b>	<b>\$ -</b>	<b>\$ (12,525)</b>
<b>Cash and Investment Fund Balance - Ending</b>						
Restricted for:						
Debt service	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Unrestricted	(46)	25,137	44,179	(2,566)	-	(12,525)
<b>Total cash and investment fund balance - ending</b>	<b>\$ (46)</b>	<b>\$ 25,137</b>	<b>\$ 44,179</b>	<b>\$ (2,566)</b>	<b>\$ -</b>	<b>\$ (12,525)</b>

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 (Continued)

	Elementary MOMH	Special Education Preschool	Special Education Preschool	Machine Trades	Machine Trades	CAD
Receipts:						
Local sources	\$ 71,398	\$ 66,491	\$ 23,154	\$ 51,513	\$ 4,449	\$ 60,940
State sources	-	-	-	-	-	-
Federal sources	-	-	-	-	-	-
Temporary loans	-	-	-	-	-	-
Other	-	-	-	-	-	-
<b>Total receipts</b>	<u>71,398</u>	<u>66,491</u>	<u>23,154</u>	<u>51,513</u>	<u>4,449</u>	<u>60,940</u>
Disbursements:						
Current:						
Instruction	15,268	123,077	9,755	43,362	6,745	56,230
Support services	7,161	-	1,902	-	7,862	-
Noninstructional services	-	-	-	-	-	-
Facilities acquisition and construction	-	-	-	-	-	-
Debt services	-	-	-	-	-	-
Nonprogrammed charges	-	-	-	-	-	-
<b>Total disbursements</b>	<u>22,429</u>	<u>123,077</u>	<u>11,657</u>	<u>43,362</u>	<u>14,607</u>	<u>56,230</u>
Excess (deficiency) of receipts over disbursements	<u>48,969</u>	<u>(56,586)</u>	<u>11,497</u>	<u>8,151</u>	<u>(10,158)</u>	<u>4,710</u>
Other financing sources (uses):						
Transfers in	4,181	-	1,262	-	1,008	-
Transfers out	-	(1,262)	-	(1,008)	-	(1,960)
<b>Total other financing sources (uses)</b>	<u>4,181</u>	<u>(1,262)</u>	<u>1,262</u>	<u>(1,008)</u>	<u>1,008</u>	<u>(1,960)</u>
Excess (deficiency) of receipts and other financing sources over disbursements and other financing uses	53,150	(57,848)	12,759	7,143	(9,150)	2,750
Cash and investments - beginning	<u>(53,150)</u>	<u>-</u>	<u>(12,759)</u>	<u>(3,357)</u>	<u>9,150</u>	<u>(2,077)</u>
Cash and investments - ending	<u>\$ -</u>	<u>\$ (57,848)</u>	<u>\$ -</u>	<u>\$ 3,786</u>	<u>\$ -</u>	<u>\$ 673</u>
<u>Cash and Investment Assets - Ending</u>						
Cash and investments	\$ -	\$ (57,848)	\$ -	\$ 3,786	\$ -	\$ 673
Restricted assets:						
Cash and investments	-	-	-	-	-	-
<b>Total cash and investment assets - ending</b>	<u>\$ -</u>	<u>\$ (57,848)</u>	<u>\$ -</u>	<u>\$ 3,786</u>	<u>\$ -</u>	<u>\$ 673</u>
<u>Cash and Investment Fund Balance - Ending</u>						
Restricted for:						
Debt service	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Unrestricted	-	(57,848)	-	3,786	-	673
<b>Total cash and investment fund balance - ending</b>	<u>\$ -</u>	<u>\$ (57,848)</u>	<u>\$ -</u>	<u>\$ 3,786</u>	<u>\$ -</u>	<u>\$ 673</u>

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 (Continued)

	CAD	Health Careers	Health Careers	Alternative Education	Library Printed Material Grant	Safe School Haven Grant
<b>Receipts:</b>						
Local sources	\$ 5,040	\$ 2,363	\$ 25,347	\$ -	\$ -	\$ -
State sources	-	-	-	-	-	-
Federal sources	-	-	-	-	-	-
Temporary loans	-	-	-	-	-	-
Other	-	-	-	-	-	-
<b>Total receipts</b>	<b>5,040</b>	<b>2,363</b>	<b>25,347</b>	<b>-</b>	<b>-</b>	<b>-</b>
<b>Disbursements:</b>						
<b>Current:</b>						
Instruction	11,010	3,156	18,783	-	-	-
Support services	1,974	12,135	-	-	-	-
Noninstructional services	-	-	-	-	-	-
Facilities acquisition and construction	-	-	-	-	-	-
Debt services	-	-	-	-	-	-
Nonprogrammed charges	-	-	-	-	-	-
<b>Total disbursements</b>	<b>12,984</b>	<b>15,291</b>	<b>18,783</b>	<b>-</b>	<b>-</b>	<b>-</b>
Excess (deficiency) of receipts over disbursements	(7,944)	(12,928)	6,564	-	-	-
<b>Other financing sources (uses):</b>						
Transfers in	1,960	-	-	-	-	-
Transfers out	-	-	-	-	-	-
<b>Total other financing sources (uses)</b>	<b>1,960</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	(5,984)	(12,928)	6,564	-	-	-
Cash and investments - beginning	5,984	12,928	-	2,339	88	199
Cash and investments - ending	\$ -	\$ -	\$ 6,564	\$ 2,339	\$ 88	\$ 199
<b>Cash and Investment Assets - Ending</b>						
Cash and investments	\$ -	\$ -	\$ 6,564	\$ 2,339	\$ 88	\$ 199
Restricted assets:						
Cash and investments	-	-	-	-	-	-
<b>Total cash and investment assets - ending</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ 6,564</b>	<b>\$ 2,339</b>	<b>\$ 88</b>	<b>\$ 199</b>
<b>Cash and Investment Fund Balance - Ending</b>						
Restricted for:						
Debt service	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Unrestricted	-	-	6,564	2,339	88	199
<b>Total cash and investment fund balance - ending</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ 6,564</b>	<b>\$ 2,339</b>	<b>\$ 88</b>	<b>\$ 199</b>

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 For the Year Ended June 30, 2009  
 (Continued)

	Intervention/ Career Counseling	Gifted and Talented	Gifted and Talented	Medicaid Reimbursement	Non-English Speaking Grant	School Technology
<b>Receipts:</b>						
Local sources	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
State sources	-	29,276	-	-	724	-
Federal sources	-	-	-	-	-	21,212
Temporary loans	-	-	-	-	-	-
Other	-	-	-	-	-	-
<b>Total receipts</b>	<b>-</b>	<b>29,276</b>	<b>-</b>	<b>-</b>	<b>724</b>	<b>21,212</b>
<b>Disbursements:</b>						
<b>Current:</b>						
Instruction	-	29,276	1,887	-	897	-
Support services	2,557	-	-	9,151	-	-
Noninstructional services	-	-	-	-	-	-
Facilities acquisition and construction	-	-	-	-	-	12,852
Debt services	-	-	-	-	-	-
Nonprogrammed charges	-	-	-	-	-	-
<b>Total disbursements</b>	<b>2,557</b>	<b>29,276</b>	<b>1,887</b>	<b>9,151</b>	<b>897</b>	<b>12,852</b>
Excess (deficiency) of receipts over disbursements	(2,557)	-	(1,887)	(9,151)	(173)	8,360
<b>Other financing sources (uses):</b>						
Transfers in	-	-	-	-	-	-
Transfers out	-	-	(15,692)	-	-	-
<b>Total other financing sources (uses)</b>	<b>-</b>	<b>-</b>	<b>(15,692)</b>	<b>-</b>	<b>-</b>	<b>-</b>
Excess (deficiency) of receipts and other financing sources over disbursements and other financing uses	(2,557)	-	(17,579)	(9,151)	(173)	8,360
Cash and investments - beginning	2,557	-	17,579	24,867	811	988
Cash and investments - ending	\$ -	\$ -	\$ -	\$ 15,716	\$ 638	\$ 9,348
<b>Cash and Investment Assets - Ending</b>						
Cash and investments	\$ -	\$ -	\$ -	\$ 15,716	\$ 638	\$ 9,348
<b>Restricted assets:</b>						
Cash and investments	-	-	-	-	-	-
<b>Total cash and investment assets - ending</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ 15,716</b>	<b>\$ 638</b>	<b>\$ 9,348</b>
<b>Cash and Investment Fund Balance - Ending</b>						
<b>Restricted for:</b>						
Debt service	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Unrestricted	-	-	-	15,716	638	9,348
<b>Total cash and investment fund balance - ending</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ 15,716</b>	<b>\$ 638</b>	<b>\$ 9,348</b>

ATTICA CONSOLIDATED 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 Grant	Title I	Title I	School Improvement Grant	Title V Part A	LD
<b>Receipts:</b>						
Local sources	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
State sources	-	-	-	-	-	-
Federal sources	-	10,000	174,034	4,800	589	195,478
Temporary loans	-	-	-	-	-	-
Other	-	-	-	-	-	-
<b>Total receipts</b>	<b>-</b>	<b>10,000</b>	<b>174,034</b>	<b>4,800</b>	<b>589</b>	<b>195,478</b>
<b>Disbursements:</b>						
<b>Current:</b>						
Instruction	-	18,003	183,945	-	-	173,097
Support services	132	-	-	-	-	-
Noninstructional services	-	-	-	-	-	-
Facilities acquisition and construction	187	-	-	-	-	-
Debt services	-	-	-	-	-	-
Nonprogrammed charges	-	-	-	-	-	-
<b>Total disbursements</b>	<b>319</b>	<b>18,003</b>	<b>183,945</b>	<b>-</b>	<b>-</b>	<b>173,097</b>
<b>Excess (deficiency) of receipts over disbursements</b>	<b>(319)</b>	<b>(8,003)</b>	<b>(9,911)</b>	<b>4,800</b>	<b>589</b>	<b>22,381</b>
<b>Other financing sources (uses):</b>						
Transfers in	-	4,669	50	-	-	-
Transfers out	-	(4,719)	-	(30,093)	-	-
<b>Total other financing sources (uses)</b>	<b>-</b>	<b>(50)</b>	<b>50</b>	<b>(30,093)</b>	<b>-</b>	<b>-</b>
<b>Excess (deficiency) of receipts and other financing sources over disbursements and other financing uses</b>	<b>(319)</b>	<b>(8,053)</b>	<b>(9,861)</b>	<b>(25,293)</b>	<b>589</b>	<b>22,381</b>
<b>Cash and investments - beginning</b>	<b>319</b>	<b>12,721</b>	<b>-</b>	<b>25,293</b>	<b>-</b>	<b>-</b>
<b>Cash and investments - ending</b>	<b>\$ -</b>	<b>\$ 4,668</b>	<b>\$ (9,861)</b>	<b>\$ -</b>	<b>\$ 589</b>	<b>\$ 22,381</b>
<b>Cash and Investment Assets - Ending</b>						
Cash and investments	\$ -	\$ 4,668	\$ (9,861)	\$ -	\$ 589	\$ 22,381
Restricted assets:						
Cash and investments	-	-	-	-	-	-
<b>Total cash and investment assets - ending</b>	<b>\$ -</b>	<b>\$ 4,668</b>	<b>\$ (9,861)</b>	<b>\$ -</b>	<b>\$ 589</b>	<b>\$ 22,381</b>
<b>Cash and Investment Fund Balance - Ending</b>						
Restricted for:						
Debt service	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Unrestricted	-	4,668	(9,861)	-	589	22,381
<b>Total cash and investment fund balance - ending</b>	<b>\$ -</b>	<b>\$ 4,668</b>	<b>\$ (9,861)</b>	<b>\$ -</b>	<b>\$ 589</b>	<b>\$ 22,381</b>

ATTICA CONSOLIDATED 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)

	LD	Drug Abuse Grant	Drug Abuse Grant	Project Lead The Way Grant	Title II Part A	Title III
<b>Receipts:</b>						
Local sources	\$ -	\$ -	\$ -	\$ 51,500	\$ -	\$ -
State sources	-	-	-	-	-	-
Federal sources	24,435	-	-	-	31,748	-
Temporary loans	-	-	-	-	-	-
Other	-	-	-	-	-	-
<b>Total receipts</b>	<u>24,435</u>	<u>-</u>	<u>-</u>	<u>51,500</u>	<u>31,748</u>	<u>-</u>
<b>Disbursements:</b>						
<b>Current:</b>						
Instruction	1,418	1,260	3,499	51,364	42,190	110
Support services	-	-	-	-	-	-
Noninstructional services	-	-	-	-	-	-
Facilities acquisition and construction	-	-	-	-	-	-
Debt services	-	-	-	-	-	-
Nonprogrammed charges	-	-	-	-	-	-
<b>Total disbursements</b>	<u>1,418</u>	<u>1,260</u>	<u>3,499</u>	<u>51,364</u>	<u>42,190</u>	<u>110</u>
Excess (deficiency) of receipts over disbursements	<u>23,017</u>	<u>(1,260)</u>	<u>(3,499)</u>	<u>136</u>	<u>(10,442)</u>	<u>(110)</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>
Excess (deficiency) of receipts and other financing sources over disbursements and other financing uses	23,017	(1,260)	(3,499)	136	(10,442)	(110)
Cash and investments - beginning	<u>(23,017)</u>	<u>1,260</u>	<u>2,328</u>	<u>(136)</u>	<u>10,442</u>	<u>1,132</u>
Cash and investments - ending	<u>\$ -</u>	<u>\$ -</u>	<u>\$ (1,171)</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 1,022</u>
<b>Cash and Investment Assets - Ending</b>						
Cash and investments	\$ -	\$ -	\$ (1,171)	\$ -	\$ -	\$ 1,022
Restricted assets:						
Cash and investments	-	-	-	-	-	-
<b>Total cash and investment assets - ending</b>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ (1,171)</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 1,022</u>
<b>Cash and Investment Fund Balance - Ending</b>						
Restricted for:						
Debt service	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Unrestricted	-	-	(1,171)	-	-	1,022
<b>Total cash and investment fund balance - ending</b>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ (1,171)</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 1,022</u>

ATTICA CONSOLIDATED 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)

	Stimulus Title I Preschool	Retirement Bond/Debt	Capital Projects	School Bus Replacement	Totals
<b>Receipts:</b>					
Local sources	\$ -	\$ 130,735	\$ 660,560	\$ 124,411	\$ 1,868,780
State sources	-	-	-	-	118,423
Federal sources	31,713	-	-	-	642,119
Temporary loans	-	65,875	307,943	-	484,956
Other	-	-	-	-	9,860
<b>Total receipts</b>	<u>31,713</u>	<u>196,610</u>	<u>968,503</u>	<u>124,411</u>	<u>3,124,138</u>
<b>Disbursements:</b>					
<b>Current:</b>					
Instruction	-	-	-	-	910,033
Support services	-	-	295,102	145,202	837,888
Noninstructional services	-	-	-	-	307,840
Facilities acquisition and construction	-	-	371,292	-	393,747
Debt services	-	194,608	264,353	-	599,332
Nonprogrammed charges	-	-	-	-	51,440
<b>Total disbursements</b>	<u>-</u>	<u>194,608</u>	<u>930,747</u>	<u>145,202</u>	<u>3,100,280</u>
Excess (deficiency) of receipts over disbursements	<u>31,713</u>	<u>2,002</u>	<u>37,756</u>	<u>(20,791)</u>	<u>23,858</u>
<b>Other financing sources (uses):</b>					
Transfers in	-	-	-	-	27,027
Transfers out	-	-	-	-	(75,165)
<b>Total other financing sources (uses)</b>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>(48,138)</u>
Excess (deficiency) of receipts and other financing sources over disbursements and other financing uses	31,713	2,002	37,756	(20,791)	(24,280)
Cash and investments - beginning	-	65,432	25,701	1,682	221,085
Cash and investments - ending	<u>\$ 31,713</u>	<u>\$ 67,434</u>	<u>\$ 63,457</u>	<u>\$ (19,109)</u>	<u>\$ 196,805</u>
<b>Cash and Investment Assets - Ending</b>					
Cash and investments	\$ 31,713	\$ -	\$ 63,457	\$ (19,109)	\$ 129,371
<b>Restricted assets:</b>					
Cash and investments	-	67,434	-	-	67,434
<b>Total cash and investment assets - ending</b>	<u>\$ 31,713</u>	<u>\$ 67,434</u>	<u>\$ 63,457</u>	<u>\$ (19,109)</u>	<u>\$ 196,805</u>
<b>Cash and Investment Fund Balance - Ending</b>					
<b>Restricted for:</b>					
Debt service	\$ -	\$ 67,434	\$ -	\$ -	\$ 67,434
Unrestricted	31,713	-	63,457	(19,109)	129,371
<b>Total cash and investment fund balance - ending</b>	<u>\$ 31,713</u>	<u>\$ 67,434</u>	<u>\$ 63,457</u>	<u>\$ (19,109)</u>	<u>\$ 196,805</u>

ATTICA CONSOLIDATED 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

	Jimmy Durante Grant	Indiana Next Leadership Training	State Farm Insurance Donation	Totals
Deductions:				
Administrative and general	\$ 133	\$ -	\$ -	\$ 133
Cash and investment fund balance - beginning	<u>890</u>	<u>182</u>	<u>1,950</u>	<u>3,022</u>
Cash and investment fund balance - ending	<u>\$ 757</u>	<u>\$ 182</u>	<u>\$ 1,950</u>	<u>\$ 2,889</u>
Net assets:				
Cash and investments	<u>\$ 757</u>	<u>\$ 182</u>	<u>\$ 1,950</u>	<u>\$ 2,889</u>
Total net assets - cash and investment basis held in trust	<u>\$ 757</u>	<u>\$ 182</u>	<u>\$ 1,950</u>	<u>\$ 2,889</u>

ATTICA CONSOLIDATED 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

	Jimmy Durante Grant	Indiana Next Leadership Training	State Farm Insurance Donation	Totals
Deductions:				
Administrative and general	\$ 257	\$ -	\$ 1,950	\$ 2,207
Cash and investment fund balance - beginning	757	182	1,950	2,889
Cash and investment fund balance - ending	500	182	-	682
Net assets:				
Cash and investments	500	182	-	682
Total net assets - cash and investment basis held in trust	500	182	-	682

ATTICA CONSOLIDATED SCHOOL CORPORATION  
 SUPPLEMENTARY INFORMATION  
 SCHEDULE OF LONG-TERM DEBT  
 June 30, 2009

The School Corporation has entered into the following debt:

Description of Debt	Ending Principal Balance	Principal and Interest Due Within One Year
Governmental activities:		
Capital leases:		
Equipment Lease	\$ 3,763	\$ 3,843
Computer Lease #3	5,442	5,537
Computer Lease #4	14,577	15,016
Computer Lease #5	37,000	5,078
Computer Lease #24503	35,446	15,092
Computer Lease #24535	60,147	18,766
School Bus Lease	39,450	40,712
Energy Savings	243,036	195,212
High School Building	6,970,000	750,000
Elementary Building	3,190,000	350,500
Fast Forward Lease	57,649	40,876
Roof Lease	153,342	27,491
Bonds payable:		
General obligation bonds:		
Taxable Pension Bonds	920,000	131,790
Total governmental activities debt	<u>\$ 11,729,852</u>	<u>\$ 1,599,913</u>

ATTICA CONSOLIDATED SCHOOL CORPORATION  
AUDIT RESULTS AND COMMENTS

CONDITION OF RECORDS

The following deficiencies relating to the recordkeeping were noted:

Some transactions were recorded as "negative" receipts and disbursements.

Officials and employees are required to use State Board of Accounts prescribed or approved forms in the manner prescribed. (Accounting and Uniform Compliance Guidelines Manual for Indiana Public School Corporations, Chapter 9)

DEPOSITS - TIMELINESS

Some receipts examined for textbook rental were deposited later than the next business day. A similar comment was in prior Report B22526, Report B26617, and Report B31759.

IC 5-13-6-1(c) states in part:

". . . all local officers . . . who collect public funds of their respective political subdivisions shall deposit funds not later than the business day following the receipt of funds on business days of the depository in the depository or depositories selected by the . . . local boards of finance . . ."

DEPOSITS - CLASSIFICATION OF FUNDS

Some textbook rental receipts examined did not reconcile to the cash and check amounts as shown on the deposit ticket. A similar comment was in prior Report B22526, Report B26617, and Report B31759.

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

ATTICA CONSOLIDATED SCHOOL CORPORATION  
 AUDIT RESULTS AND COMMENTS  
 (Continued)

OVERDRAWN FUND BALANCES

The fund balances of the following funds were overdrawn at June 30, 2008 and 2009, by the amounts shown:

Fund	2008	2009
Transportation Operating	\$ 6,787	\$ 46
Retirement/Severance Bond	25,118	-
Textbook Rental	11,291	2,566
Elementary MOMH	53,150	12,525
Special Ed Pre School	12,759	57,848
Machine Trades	3,357	-
CAD	2,077	-
LD	23,017	-
Project Lead The Way Grant	136	-
General Fund	-	44,644
School Bus Replacement	-	19,109
Title I	-	9,861
Drug Abuse Grant	-	1,171

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)

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 ATTICA CONSOLIDATED SCHOOL  
CORPORATION, FOUNTAIN COUNTY, INDIANA

Compliance

We have audited the compliance of the Attica Consolidated 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.

The School Corporation's response to the findings identified in our audit is described in the accompanying Corrective Action Plan. We did not audit the School Corporation's response and, accordingly, we express no opinion on it.

This report is intended solely for the information and use of the School Corporation's management, the School Board of Trustees and federal awarding agencies and pass-through entities and is not intended to be and should not be used by anyone other than these specified parties. In accordance with Indiana Code 5-11-5-1, this report is a part of the public records of the State Board of Accounts and of the office examined.

STATE BOARD OF ACCOUNTS

February 16, 2010

ATTICA CONSOLIDATED 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 07-08	\$ 25,704	\$ -
		FY 08-09	-	25,598
Total for program			<u>25,704</u>	<u>25,598</u>
National School Lunch Program	10.555			
		FY 07-08	126,253	-
		FY 08-09	-	143,047
Total for program			<u>126,253</u>	<u>143,047</u>
Total for cluster			<u>151,957</u>	<u>168,645</u>
Total for federal grantor agency			<u>151,957</u>	<u>168,645</u>
<u>U.S. DEPARTMENT OF EDUCATION</u>				
Pass-Through Crawfordsville Community School Corporation				
Special Education Cluster				
Special Education Grants to States	84.027			
		14208-062-PN01	223,030	-
		14209-062-PN01	-	220,980
Total for program			<u>223,030</u>	<u>220,980</u>
Special Education Preschool Grants	84.173			
		45708-062-PN01	14,534	-
		45709-062-PN01	-	14,534
Total for program			<u>14,534</u>	<u>14,534</u>
Total for cluster			<u>237,564</u>	<u>235,514</u>

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

ATTICA CONSOLIDATED SCHOOL CORPORATION  
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 State Fiscal Stabilization Fund Cluster ARRA-State Fiscal Stabilization Fund (SFSF) Education State Grants	84.394		-	216,971
Title I Grants to Local Educational Agencies	84.010			
		07-2435	10,292	-
		08-2435	139,212	18,003
		09-2435	-	183,945
Total for program			149,504	201,948
Safe and Drug-Free Schools and Communities State Grants	84.186			
		05-108	380	-
		06-108	944	2,328
		07-108	1,999	1,260
Total for program			3,323	3,588
Pass-Through Indiana Department of Workforce Development Tech-Prep Education	84.243	C1-9-PLTW-8-695	-	20,000
Pass-Through Indiana Department of Education State Grants for Innovative Programs	84.298	06-230	427	-
Improving Teacher Quality State Grants	84.367			
		06-2435	21,093	-
		07-2435	21,127	10,442
		08-2435	-	31,748
Total for program			42,220	42,190
School Improvement Grants	84.377		2,369	30,093
Total for federal grantor agency			435,407	750,304
Total federal awards expended			\$ 587,364	\$ 918,949

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

ATTICA CONSOLIDATED SCHOOL CORPORATION  
NOTES TO SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS

I. Basis of Presentation

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

Circular A-133 requires an annual audit of nonfederal entities expending a total amount of federal awards equal to or in excess of \$500,000 in any fiscal year unless by constitution or statute a less frequent audit is required. In accordance with the Indiana Code (IC 5-11-1 et seq.), audits of School Corporations shall be conducted biennially. Such audits shall include both years within the biennial period.

II. Noncash Assistance

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

Program Title	Federal CFDA Number	2008	2009
School Breakfast Program	10.553	\$ 2,293	\$ 3,034
National School Lunch Program	10.555	11,262	17,501

ATTICA CONSOLIDATED SCHOOL CORPORATION  
SCHEDULE OF FINDINGS AND QUESTIONED COSTS

Section I – Summary of Auditor's Results

Financial Statements:

Type of auditor's report issued: Unqualified

Internal control over financial reporting:

Material weaknesses identified? no

Significant deficiencies identified that are not considered to be material weaknesses? yes

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:

<u>CFDA Number</u>	<u>Name of Federal Program or Cluster</u>
84.010	Title I Grants to Local Educational Agencies Special Education Cluster State Fiscal Stabilization Fund Cluster

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

Auditee qualified as low-risk auditee? no

ATTICA CONSOLIDATED SCHOOL CORPORATION  
SCHEDULE OF FINDINGS AND QUESTIONED COSTS  
(Continued)

Section II – Financial Statement Findings

FINDING 2009-1, INTERNAL CONTROL

There were amounts posted to the wrong funds and accounts. Negative receipt and disbursement adjusting entries were posted and deficit fund balances were present during the audit period. There is also a lack of segregation of duties with limited oversight by management.

Governmental units should have internal controls in effect which provide reasonable assurance regarding the reliability of financial information and records, effectiveness and efficiency of operations, proper execution of management's objectives, and compliance with laws and regulations. Among other things, segregation of duties, safeguarding controls over cash and all other assets and all forms of information processing are necessary for proper internal control. (Accounting and Uniform Compliance Guidelines Manual for Indiana Public School Corporations, Chapter 9)

The School Board receives reports monthly as a part of the board packet, but does not adequately monitor fund balances. There are no reviews of adjustments or corrections. Items posted to incorrect funds were not detected by the School Corporation's officials. Several Auditor of State distributions were posted to the wrong accounts within the correct funds.

The conditions listed could allow assets to be misappropriated without detection or could allow the financial statements to be materially misstated without detection. Failure to monitor negative balances could result in a cash shortage and result in poor financial condition for the corporation.

We recommended that the School Board review fund balances, adjustments and error corrections. We also recommend that error corrections and receipt postings be reviewed by the Treasurer after posting.

Section III – Federal Award Findings and Questioned Costs

No matters are reportable.

**ATTICA CONSOLIDATED SCHOOL CORPORATION**

**205 E. SYCAMORE STREET  
ATTICA, INDIANA 47918  
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**SUMMARY SCHEDULE OF PRIOR AUDIT FINDINGS**FINDING 2007-1, Internal Control

There were several amounts posted to the wrong funds, adjustments, negative receipts and disbursements and deficit fund balances during the audit period. There is a lack of segregation of duties with limited oversight by management. There were several checks for payroll withholdings on the outstanding check list that have been outstanding for more than three years. The Treasurer did not know why these items were still outstanding and had not investigated.

Governmental units should have internal controls in effect which provide reasonable assurance regarding the reliability of financial information and records, effectiveness and efficiency of operations, proper execution of management's objectives, and compliance with laws and regulations. Among other things, segregation of duties, safeguarding controls over cash and all other assets and all forms of information processing are necessary for proper internal control. (Accounting and Uniform Compliance Guidelines Manual for Indiana Public School Corporations, Chapter 9)

The governing board receives reports monthly as a part of the board packet, but does not adequately monitor fund balances. There are no reviews of adjustments or corrections. Several items posted to incorrect funds were not detected by the unit's officials. Financial Institution Tax distributions from December 5, 2005 were posted to the wrong accounts within the correct funds. When the correction was made to transfer the amounts to the proper accounts, it was posted backward. This caused the incorrect accounts to show twice the amount of the distribution. The accounts that should have received the distribution had negative balances in the amount of the distribution.

The conditions listed could allow assets to be misappropriated without detection or could allow the financial statements to be materially misstated without detection. Failure to monitor negative balances could result in a cash shortage and result in poor financial condition for the corporation.

We recommend that the governing board review fund balances, adjustments and error corrections. We also recommend that error corrections and receipt postings be reviewed by the Treasurer after posting. Outstanding check listings should be reviewed monthly to identify checks which may be indicators of problems which need to be corrected.

Finding has not been corrected. A corrective action plan was submitted in the prior audit but has not been fully implemented.

Carrie Brier, Treasurer will provide the governing board with monthly fund balances and any adjustments or corrections to the fund ledger. Also, sign off sheets will be provided to the governing board on a monthly basis to document the review of fund balances, adjustments and corrections.

FINDING 2007-2, REPORTING

Federal Agency: Department of Education  
Federal Program: Special Education Cluster  
CFDA Number: 84.027, 84.173

Judith A. Bush, Ph.D.  
Superintendent

David Huckleberry  
Technology Coordinator

Carrie R. Brier  
Treasurer

Howard Crawford  
Transportation Director

Lois Peterson  
Receptionist

Federal Award Number: 14206-062-PN01, 45706-062-PN01, 14207-062-PN01, 45707-062-PN01

The amounts reported for Maintenance of Fiscal effort could not be verified to the School Corporation's records.

The Statement of Assurances provided in the grant application states in part: "The applicant will make a project report within thirty days after the termination of the project, and such other reports to the Indiana Department of Education to enable the Indiana Department of Education to perform its duties under the applicable law including information relating to the educational achievement of students participating in programs carried out under this project. The applicant will keep such records and afford such access thereto as the Indiana Department of Education may find necessary to assure the correctness and verification of such reports."

In some instances, the Treasurer reported that the amount of an account was split between local and federal funds, but there was no evidence supporting the amounts reported as local. Report of Federal expenditures did not have sufficient detail to verify the information.

If local funding is not properly calculated, the maintenance of fiscal effort calculation cannot be proven. This could cause another audit finding and ultimately jeopardize future funding.

We recommend that the School Corporation determine total expenditures by account and prepare a spreadsheet showing the breakdown between federal and locally funded items. The total expenditures should be broken down in a way that allows them to be easily traced back to Corporation records.

Corrective action has been taken for this finding.

Carrie L. Brues, Corp. Treasurer  
Signature and Title

02-16-10  
Date

# ATTICA CONSOLIDATED SCHOOL CORPORATION

205 E. SYCAMORE STREET  
ATTICA, INDIANA 47918  
765-762-7000  
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January 27, 2010

To: Indiana State Board of Accounts Field Examiner  
From: Judith A. Bush, Ph.D., Superintendent  
Carrie R. Brier, Corporation Treasurer  
Contact: Carrie R. Brier, Corporation Treasurer

Finding 2009-1, Internal Control

There will be more segregation of duties. Some have already been implemented, and will be making some additional changes, as per the recommendation of the State Board of Accounts Field Examiner.

It was suggested during our previous audit that the Treasurer present to the Board of Trustees a summary of corrections for the prior month. This was implemented along with the Treasurer attaching a form signed by all board members verifying they have been told about these corrections/adjustments. It was also a suggestion that the Board of School Trustees sign and verify that the monthly Fund balances have been presented and explained. The Treasurer has prepared a form that will be implemented at the February 2009 school board meeting.

The Treasurer is aware of the procedure that the State Board of Accounts would like followed for corrections of revenues and expenditures to be made. She will attempt to process such transactions as required by the State Board of Accounts and explained by the Field Examiner.

Carrie R. Brier  
Signature and Title

01-27-2010  
Date

Judith A. Bush, Ph.D.  
Superintendent

David Huckleberry  
Technology Coordinator

Carrie R. Brier  
Treasurer

Howard Crawford  
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ATTICA CONSOLIDATED SCHOOL CORPORATION  
EXIT CONFERENCE

The contents of this report were discussed on February 16, 2010, with Carrie R. Brier, Treasurer; Dr. Judith A. Bush, Superintendent of Schools; Tony Crane, President of the School Board; and Jodi Schmid, Deputy Treasurer. The officials concurred with our audit findings.