

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

AUDIT REPORT
OF
FAYETTE COUNTY SCHOOL CORPORATION
FAYETTE COUNTY, INDIANA
July 1, 2007 to June 30, 2009



FILED
03/26/2010

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SCHEDULE OF OFFICIALS

<u>Office</u>	<u>Official</u>	<u>Term</u>
Treasurer	John Perkins	07-01-07 to 06-30-10
Superintendent of Schools	Dr. Russell Hodges	07-01-07 to 06-30-10
President of the School Board	Gary Breitenbach Steve Kaiser Dale Thomas	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 FAYETTE COUNTY SCHOOL
CORPORATION, FAYETTE COUNTY, INDIANA

We have audited the accompanying financial statements of the governmental activities, each major fund, and the aggregate remaining fund information of the Fayette County 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 March 3, 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.

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

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

U.S. Office of Management and Budget Circular A-133, Audits of States, Local Governments, and Non-Profit Organizations, and is not a required part of the basic financial statements. Such information has been subjected to the auditing procedures applied in the audit of the basic financial statements and, in our opinion, is fairly stated, in all material respects, in relation to the basic financial statements taken as a whole.

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

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

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

STATE BOARD OF ACCOUNTS

March 3, 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 FAYETTE COUNTY SCHOOL
CORPORATION, FAYETTE COUNTY, INDIANA

We have audited the financial statements of the governmental activities, each major fund, and the aggregate remaining fund information of the Fayette County 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 March 3, 2010. We conducted our audit in accordance with auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in Government Auditing Standards, issued by the Comptroller General of the United States.

Internal Control Over Financial Reporting

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

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

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

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

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

Compliance and Other Matters

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

The School Corporation's response to the findings identified in our audit is described in the accompanying section of the report entitled Official Response and 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 board of school trustees, and federal awarding agencies and pass-through entities and is not intended to be and should not be used by anyone other than these specified parties. In accordance with Indiana Code 5-11-5-1, this report is a part of the public records of the State Board of Accounts and of the office examined.

STATE BOARD OF ACCOUNTS

March 3, 2010

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

<u>Functions/Programs</u>	<u>Disbursements</u>	<u>Program Receipts</u>		<u>Totals</u>
		<u>Charges for Services</u>	<u>Operating Grants and Contributions</u>	<u>Net (Disbursement) Receipts and Changes in Net Assets</u>
Governmental activities:				
Instruction	\$ 21,997,364	\$ -	\$ 324,233	\$ (21,673,131)
Support services	12,957,280	948,050	1,461,584	(10,547,646)
Noninstructional services	2,098,326	-	-	(2,098,326)
Facilities acquisition and construction	1,382,673	-	-	(1,382,673)
Debt service	1,925,850	-	-	(1,925,850)
Nonprogrammed charges	<u>1,301,332</u>	<u>-</u>	<u>-</u>	<u>(1,301,332)</u>
Total governmental activities	<u>\$ 41,662,825</u>	<u>\$ 948,050</u>	<u>\$ 1,785,817</u>	<u>(38,928,958)</u>
General receipts:				
Property taxes				13,368,745
Other local sources				3,681,887
State aid				17,840,088
Tax anticipation warrants received				2,541,522
Tax anticipation warrants repaid				(316,972)
Grants and contributions not restricted to specific programs				5,073,099
Sale of property				228,733
Investment earnings				902,894
Other				<u>27,081</u>
Total general receipts				<u>43,347,077</u>
Change in net assets				4,418,119
Net assets - beginning				<u>9,549,262</u>
Net assets - ending				<u>\$ 13,967,381</u>
<u>Assets</u>				
Cash and investments				\$ 11,488,703
Restricted assets:				
Cash and investments				<u>2,478,678</u>
Total assets				<u>\$ 13,967,381</u>
<u>Net Assets</u>				
Restricted for:				
Debt service				\$ 2,480,820
Unrestricted				<u>11,486,561</u>
Total net assets				<u>\$ 13,967,381</u>

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

FAYETTE COUNTY 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>Net (Disbursement) Receipts and Changes in Net Assets</u>
		<u>Charges for Services</u>	<u>Operating Grants and Contributions</u>	<u>Totals</u>
Governmental activities:				
Instruction	\$ 21,099,480	\$ -	\$ 498,579	\$ (20,600,901)
Support services	14,506,045	917,701	1,422,073	(12,166,271)
Noninstructional services	2,254,767	-	-	(2,254,767)
Facilities acquisition and construction	560,440	-	-	(560,440)
Debt service	1,896,674	-	-	(1,896,674)
Nonprogrammed charges	<u>1,434,497</u>	<u>-</u>	<u>-</u>	<u>(1,434,497)</u>
Total governmental activities	<u>\$ 41,751,903</u>	<u>\$ 917,701</u>	<u>\$ 1,920,652</u>	<u>(38,913,550)</u>
General receipts:				
Property taxes				10,929,266
Other local sources				3,743,237
State aid				19,957,464
Tax anticipation warrants repaid				(2,541,522)
Grants and contributions not restricted to specific programs				7,402,586
Sale of property				316,615
Investment earnings				324,076
Other				<u>241,379</u>
Total general receipts				<u>40,373,101</u>
Change in net assets				1,459,551
Net assets - beginning				<u>\$ 13,967,381</u>
Net assets - ending				<u>\$ 15,426,932</u>
<u>Assets</u>				
Cash and investments				\$ 13,254,184
Restricted assets:				
Cash and investments				<u>2,172,748</u>
Total assets				<u>\$ 15,426,932</u>
<u>Net Assets</u>				
Restricted for:				
Debt service				\$ 2,172,748
Unrestricted				<u>13,254,184</u>
Total net assets				<u>\$ 15,426,932</u>

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

FAYETTE COUNTY 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	Rainy Day Fund	Whitewater Technical Career Center	Other	Totals
Receipts:					
Local sources	\$ 8,374,386	\$ -	\$ 2,022,292	\$ 8,456,405	\$ 18,853,083
Intermediate sources	781	-	-	-	781
State sources	18,120,514	-	-	594,002	18,714,516
Federal sources	-	-	-	6,020,094	6,020,094
Temporary loans	2,541,522	-	-	-	2,541,522
Other	-	-	-	39,187	39,187
Total receipts	29,037,203	-	2,022,292	15,109,688	46,169,183
Disbursements:					
Current:					
Instruction	17,141,459	-	1,273,002	3,582,903	21,997,364
Support services	6,538,018	-	598,174	5,821,088	12,957,280
Noninstructional services	212,357	-	-	1,885,969	2,098,326
Facilities acquisition and construction	-	-	-	1,382,673	1,382,673
Debt services	120,330	-	-	2,122,492	2,242,822
Nonprogrammed charges	1,039,449	-	76,383	185,500	1,301,332
Total disbursements	25,051,613	-	1,947,559	14,980,625	41,979,797
Excess of receipts over disbursements	3,985,590	-	74,733	129,063	4,189,386
Other financing sources (uses):					
Sale of capital assets	89,232	-	33,783	105,718	228,733
Transfers in	-	3,200,000	-	2,091,025	5,291,025
Transfers out	(3,200,000)	-	(189,500)	(1,901,525)	(5,291,025)
Total other financing sources (uses)	(3,110,768)	3,200,000	(155,717)	295,218	228,733
Excess (deficiency) of receipts and other financing sources over disbursements and other financing uses	874,822	3,200,000	(80,984)	424,281	4,418,119
Cash and investments - beginning	2,882,245	-	1,814,961	4,852,056	9,549,262
Cash and investments - ending	<u>\$ 3,757,067</u>	<u>\$ 3,200,000</u>	<u>\$ 1,733,977</u>	<u>\$ 5,276,337</u>	<u>13,967,381</u>
Net assets of governmental activities					<u><u>\$ 13,967,381</u></u>
Cash and Investment Assets - Ending					
Cash and investments	\$ 3,757,067	\$ 3,200,000	\$ 1,733,977	\$ 2,797,659	\$ 11,488,703
Restricted assets:					
Cash and investments	-	-	-	2,478,678	2,478,678
Total cash and investment assets - ending	<u><u>\$ 3,757,067</u></u>	<u><u>\$ 3,200,000</u></u>	<u><u>\$ 1,733,977</u></u>	<u><u>\$ 5,276,337</u></u>	<u><u>\$ 13,967,381</u></u>
Cash and Investment Fund Balance - Ending					
Restricted for:					
Debt service	\$ -	\$ -	\$ -	\$ 2,480,820	\$ 2,480,820
Unrestricted	3,757,067	3,200,000	1,733,977	2,795,517	11,486,561
Total cash and investment fund balance - ending	<u><u>\$ 3,757,067</u></u>	<u><u>\$ 3,200,000</u></u>	<u><u>\$ 1,733,977</u></u>	<u><u>\$ 5,276,337</u></u>	<u><u>\$ 13,967,381</u></u>

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

FAYETTE COUNTY 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	Rainy Day Fund	Whitewater Technical Career Center	Fiscal Stabilization	Other	Totals
Receipts:						
Local sources	\$ 6,475,164	\$ -	\$ 2,152,206	\$ -	\$ 7,292,029	\$ 15,919,399
State sources	20,397,899	-	-	-	564,069	20,961,968
Federal sources	-	-	-	2,139,019	6,173,714	8,312,733
Other	-	-	-	-	242,261	242,261
Total receipts	<u>26,873,063</u>	<u>-</u>	<u>2,152,206</u>	<u>2,139,019</u>	<u>14,272,073</u>	<u>45,436,361</u>
Disbursements:						
Current:						
Instruction	16,359,565	-	1,208,660	-	3,531,255	21,099,480
Support services	7,761,734	-	713,623	-	6,030,688	14,506,045
Noninstructional services	206,646	-	-	-	2,048,121	2,254,767
Facilities acquisition and construction	-	-	-	-	560,440	560,440
Debt services	2,541,522	-	-	-	1,896,674	4,438,196
Nonprogrammed charges	1,092,531	-	97,665	-	244,301	1,434,497
Total disbursements	<u>27,961,998</u>	<u>-</u>	<u>2,019,948</u>	<u>-</u>	<u>14,311,479</u>	<u>44,293,425</u>
Excess (deficiency) of receipts over disbursements	<u>(1,088,935)</u>	<u>-</u>	<u>132,258</u>	<u>2,139,019</u>	<u>(39,406)</u>	<u>1,142,936</u>
Other financing sources (uses):						
Sale of capital assets	119,053	-	11,415	-	186,147	316,615
Transfers in	-	1,460,000	-	-	896,143	2,356,143
Transfers out	(1,460,000)	-	(360,000)	-	(536,143)	(2,356,143)
Total other financing sources (uses)	<u>(1,340,947)</u>	<u>1,460,000</u>	<u>(348,585)</u>	<u>-</u>	<u>546,147</u>	<u>316,615</u>
Excess (deficiency) of receipts and other financing sources over disbursements and other financing uses	<u>(2,429,882)</u>	<u>1,460,000</u>	<u>(216,327)</u>	<u>2,139,019</u>	<u>506,741</u>	<u>1,459,551</u>
Cash and investments - beginning	<u>3,757,067</u>	<u>3,200,000</u>	<u>1,733,977</u>	<u>-</u>	<u>5,276,337</u>	<u>13,967,381</u>
Cash and investments - ending	<u>\$ 1,327,185</u>	<u>\$ 4,660,000</u>	<u>\$ 1,517,650</u>	<u>\$ 2,139,019</u>	<u>\$ 5,783,078</u>	<u>\$ 15,426,932</u>
<u>Cash and Investment Assets - Ending</u>						
Cash and investments	\$ 1,327,185	\$ 4,660,000	\$ 1,517,650	\$ 2,139,019	\$ 3,610,330	\$ 13,254,184
Restricted assets:						
Cash and investments	-	-	-	-	2,172,748	2,172,748
Total cash and investment assets - ending	<u>\$ 1,327,185</u>	<u>\$ 4,660,000</u>	<u>\$ 1,517,650</u>	<u>\$ 2,139,019</u>	<u>\$ 5,783,078</u>	<u>\$ 15,426,932</u>
<u>Cash and Investment Fund Balance - Ending</u>						
Restricted for:						
Debt service	\$ -	\$ -	\$ -	\$ -	\$ 2,172,748	\$ 2,172,748
Unrestricted	1,327,185	4,660,000	1,517,650	2,139,019	3,610,330	13,254,184
Total cash and investment fund balance - ending	<u>\$ 1,327,185</u>	<u>\$ 4,660,000</u>	<u>\$ 1,517,650</u>	<u>\$ 2,139,019</u>	<u>\$ 5,783,078</u>	<u>\$ 15,426,932</u>

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

FAYETTE COUNTY 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
Additions:			
Contributions:			
Employer	\$ 33,546	\$ -	
Other	-	16,220	
Total contributions	33,546	16,220	
Investment earnings:			
Interest	4,408	-	
Total additions	37,954	16,220	
Deductions:			
Benefits	16,528	-	
Administrative and general	-	6,595	
Total deductions	16,528	6,595	
Excess of total additions of total deductions	21,426	9,625	
Cash and investment fund balance - beginning	1,724,024	2,880	
Cash and investment fund balance - ending	\$ 1,745,450	\$ 12,505	\$ 334,837
Net assets:			
Cash and investments	\$ 1,745,450	\$ 12,505	
Total net assets - cash and investment basis held in trust	\$ 1,745,450	\$ 12,505	

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

FAYETTE COUNTY 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:			
Contributions:			
Employer	\$ 49,146	\$ -	
Other	-	28,907	
Total contributions	49,146	28,907	
Investment earnings:			
Interest	5,051	-	
Total additions	54,197	28,907	
Deductions:			
Benefits	620,480	-	
Administrative and general	-	52,993	
Total deductions	620,480	52,993	
Deficiency of total additions over total deductions	(566,283)	(24,086)	
Cash and investment fund balance - beginning	1,745,450	12,505	
Cash and investment fund balance - ending	\$ 1,179,167	\$ (11,581)	\$ 298,164
Net assets:			
Cash and investments	\$ 1,179,167	\$ (11,581)	
Total net assets - cash and investment basis held in trust	\$ 1,179,167	\$ (11,581)	

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

FAYETTE COUNTY SCHOOL CORPORATION
NOTES TO FINANCIAL STATEMENTS

I. Summary of Significant Accounting Policies

A. Reporting Entity

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

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

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

Primary Government: Fayette County School Corporation

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

Joint Venture

The School Corporation is a participant with Centerville-Abington School Corporation and Rush County School Corporation in a joint venture to operate Centerville-Fayette-Rush (CFR) Special Services which was created to provide instruction to handicapped children. The CFR Special Service's continued existence depends on continued funding by the School Corporation. Fayette County School Corporation maintains the treasury function for CFR Special Services and is accountable to CFR Special Services for all fiscal matters.

The School Corporation is a participant with other member school corporations in a joint venture to operate Whitewater Technical Career Center (Co-op) which was created to provide vocational education instruction to students of member schools. The Co-op's continued existence depends on continued funding by the School Corporation. The Co-op Board consists of the Superintendents of the member school corporations. Fayette County School Corporation maintains the treasury function of the Co-op and is accountable to the Co-op for all fiscal matters.

The School Corporation is a participant with many other member school corporations in a joint venture to operate East Central Indiana Educational Service Center (Co-op), which was created to take advantage of bulk purchasing power, centralized repairs of equipment, and joint in-service training programs. The Co-op's governing board consists of a member selected by each participating school corporation. The board has full authority to manage the Co-op's operations, and also maintains the treasury functions. Complete financial statements for the East Central Indiana Educational Service Center (Co-op) may be obtained by contacting East Central Indiana Educational Service Center, 1601 Indiana Avenue, Connersville, IN 47331.

FAYETTE COUNTY SCHOOL CORPORATION
NOTES TO FINANCIAL STATEMENTS
(Continued)

B. Government-Wide and Fund Financial Statements

Government-Wide Financial Statements

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

Fund Financial Statements

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

The School Corporation reports the following major governmental funds:

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

The rainy day fund is used to account for funds in accordance with Indiana Code 36-1-8-5.1 and a locally adopted resolution.

The Whitewater Technical Career Center fund accounts for funds received and expended for vocational education.

Fiscal stabilization-education (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 future fund and the retirement/severance bond which accumulate resources for pension benefit payments.

The private-purpose trust funds report trust arrangements under which principal and income benefit the school corporation and students.

The agency fund accounts for assets held by the School Corporation as an agent for payroll withholdings.

FAYETTE COUNTY SCHOOL CORPORATION
NOTES TO FINANCIAL STATEMENTS
(Continued)

C. Measurement Focus and Basis of Accounting

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

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

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

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

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

D. Assets and Cash and Investment Balances

1. Cash and Investments

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

2. Property Taxes

Property taxes levied are collected by the County Treasurer and are distributed to the School Corporation in June and in December. State statute (IC 6-1.1-17-16) requires the Indiana Department of Local Government Finance to establish property tax rates and levies by February 15. These rates were based upon the preceding year's March 1 (lien date) assessed valuations adjusted for various tax credits. Taxable property is assessed at 100% of the true tax value (determined in accordance with rules and regulations adopted by the Indiana Department of Local Government Finance). Taxes may be paid in two equal installments which become delinquent if not paid timely.

3. Capital Assets

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

FAYETTE COUNTY SCHOOL CORPORATION
NOTES TO FINANCIAL STATEMENTS
(Continued)

4. Long-Term Debt

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

5. Equity Classification

Government-Wide Statements

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

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

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

Fund Financial Statements

Governmental fund equity is classified as fund balance.

E. Receipts and Disbursements

Program Receipts

Amounts reported as program receipts include (1) charges to customers or applicants for goods, services, or privileges provided and (2) operating grants and contributions. 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 not reported as reimbursements but as adjustments to disbursements in the respective funds.

FAYETTE COUNTY SCHOOL CORPORATION
NOTES TO FINANCIAL STATEMENTS
(Continued)

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

Government-Wide Financial Statements

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

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

II. Stewardship, Compliance and Accountability

A. Budgetary Information

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

Prior to the first required publication, the fiscal officer of the School Corporation submits to the governing board a proposed operating budget for the year commencing the following July 1. Prior to adoption, the budget is advertised and public hearings are conducted by the governing board to obtain taxpayer comments. In September of each year, the governing board, through the passage of a resolution/ordinance, approves the budget for the next year. Copies of the budget resolution/ordinance and the advertisement for funds for which property taxes are levied 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:

FAYETTE COUNTY SCHOOL CORPORATION
NOTES TO FINANCIAL STATEMENTS
(Continued)

Fund	2008	2009
Whitewater Technical Capital Outlay	\$ 44,078	\$ -
East Central Educational Service Center Health	31,374	-
Whitewater Technical Career Center 08-09 Moving	51,280	-
Whitewater Technical Career Center Perkins 07-08	14,552	-
CHS Project Lead the Way 07-08	4,160	-
Head Start 07-08	20,090	-
Title II Part B Math/Science	7,679	-
Capital Projects	320,193	145,857
School Bus Replacement	276,228	-
Special Education Preschool	-	3,114
Whitewater Technical Career Perkins 08-09	-	34,143
Head Start 08-09	-	18,009
Whitewater Technical Career Center Project Lead the Way	-	1,000
Adult Education	-	3,517
Middle School Renovations	-	26,130

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.

C. Tax Anticipation Warrants

At June 30, 2008, the cash and investment balances of certain funds included temporary loans in the form of tax anticipation warrants. These loans were obtained due to delayed tax distributions in 2008 and 2009 and were issued in the following amounts:

	<u>General</u>	<u>Transportation</u>
Payable, July 1, 2007	\$ 120,330	\$ 316,972
New loans received	2,541,522	-
Loans repaid	<u>(120,330)</u>	<u>(316,972)</u>
Payable, June 30, 2008	2,541,522	-
New loans received	-	-
Loans repaid	<u>(2,541,522)</u>	<u>-</u>
Payable, June 30, 2009	<u>\$ -</u>	<u>\$ -</u>

FAYETTE COUNTY SCHOOL CORPORATION
 NOTES TO FINANCIAL STATEMENTS
 (Continued)

III. Detailed Notes on All Funds

A. Deposits and Investments

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
General Fund	Rainy Day	\$ 3,200,000	\$ 1,460,000
Whitewater Technical Career Center	Other governmental funds	189,500	360,000
Other governmental funds	Other governmental funds	<u>1,901,525</u>	<u>536,143</u>
Totals		<u>\$ 5,291,025</u>	<u>\$ 2,356,143</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; and natural disasters are covered by commercial insurance from independent third parties. Settled claims from these risks have not exceeded commercial insurance coverage for the past three years. There were no significant reductions in insurance by major category of risk.

Medical Benefits to Employees, Retirees and Dependents

During 1990 the School Corporation joined with other governmental entities to form the East Central Indiana School Trust, a public entity risk pool currently operating as a common risk management and insurance program for eleven member governmental entities. The purpose of

FAYETTE COUNTY SCHOOL CORPORATION
NOTES TO FINANCIAL STATEMENTS
(Continued)

the risk pool is to provide a medium for the funding and administration of medical benefits to employees, retirees and dependents. The risk pool is considered a self-sustaining risk pool that will provide coverage for its members for up to \$150,000 per insured event. The risk pool obtains independent coverage for insured events in excess of the \$150,000 limit.

B. Holding Corporation

The School Corporation has entered into a capital lease with Fayette County Multi-School Building Corporation (the lessor). The lessor was organized as a not-for-profit corporation pursuant to state statute for the purpose of financing and constructing or reconstructing facilities for lease to the School Corporation. The lessor has been determined to be a related party of the School Corporation. Lease payments during the years ended June 30, 2008 and June 30, 2009, totaled \$840,000 and \$870,000, respectively.

The Fayette County Multi-School Building Corporation received proceeds from debt refinancing for the County Multi-School Building Corporation First Mortgage Refunding Bonds, Series 2008 in the amount of \$459,709 during 2008. These proceeds along with the income may be used for renovations as determined necessary at a future date.

C. Other Postemployment Benefits

In addition to the pension benefits described below, the School Corporation provides postemployment early retirement incentive benefits, as authorized by Indiana Code 5-10-8, to all employees who retire from the School Corporation on or after attaining age 55 with at least 15 years of service. Currently, 53 retirees meet these eligibility requirements. The School Corporation provides 100% of these postemployment benefits. Disbursements for those postemployment benefits are recognized on a pay-as-you-go basis. During the year ended June 30, 2009, disbursements of \$699,184 were recognized for postemployment benefits.

D. Pension Plans

1. Agent Multiple-Employer Defined Benefit Pension Plan

Public Employees' Retirement Fund

Plan Description

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

FAYETTE COUNTY SCHOOL CORPORATION
NOTES TO FINANCIAL STATEMENTS
(Continued)

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

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

Funding Policy and Annual Pension Cost

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

Actuarial Information for the Above Plan

	PERF
Annual required contribution	\$ 332,725
Interest on net pension obligation	(4,224)
Adjustment to annual required contribution	4,814
Annual pension cost	333,315
Contributions made	300,926
Increase in net pension obligation	32,389
Net pension obligation, beginning of year	(58,267)
Net pension obligation, end of year	\$ (25,878)

	PERF
Contribution rates:	
School Corporation	6%
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

FAYETTE COUNTY SCHOOL CORPORATION
 NOTES TO FINANCIAL STATEMENTS
 (Continued)

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

Three Year Trend Information

	Year Ending	Annual Pension Cost (APC)	Percentage of APC Contributed	Net Pension Obligation
PERF	06-30-06	\$ 265,165	102%	\$ (108,531)
	06-30-07	332,177	85%	(58,267)
	06-30-08	333,315	90%	(25,878)

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

FAYETTE COUNTY SCHOOL CORPORATION
NOTES TO FINANCIAL STATEMENTS
(Continued)

Funding Policy and Annual Pension Costs

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

Plan members are required to contribute 8.50% 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 \$549,113, \$491,089, and \$438,331, respectively. The School Corporation actually contributed 100% of the required contribution for each of the fiscal years.

FAYETTE COUNTY SCHOOL CORPORATION
 REQUIRED SUPPLEMENTARY INFORMATION
 SCHEDULE OF FUNDING PROGRESS

Public Employees' Retirement Fund

Actuarial Valuation Date	Actuarial Value of Assets (a)	Actuarial Accrued Liability (AAL) (b)	Unfunded AAL (a-b)	Funded Ratio (a/b)	Covered Payroll (c)	Unfunded AAL as a Percentage of Covered Payroll ((a-b)/c)
07-01-06	\$ 6,089,925	\$ 6,512,986	\$ (423,061)	94%	\$ 4,790,725	(9%)
07-01-07	6,678,694	7,009,716	(331,022)	95%	4,757,775	(7%)
07-01-08	7,012,506	7,264,087	(251,581)	97%	4,661,357	(5%)

FAYETTE COUNTY 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	Centerville- Fayette-Rush Special Education Consortium	Whitewater Technical Capital Outlay	East Central Educational Service Center Health
Receipts:							
Local sources	\$ 2,184,390	\$ 25,415	\$ 695,488	\$ 204,411	\$ 45,434	\$ 2,500	\$ -
State sources	-	108,115	13,420	167,516	1,414	-	-
Federal sources	-	-	1,132,695	-	-	-	-
Other	-	-	-	-	-	-	-
Total receipts	2,184,390	133,530	1,841,603	371,927	46,848	2,500	-
Disbursements:							
Current:							
Instruction	-	235,193	-	-	-	-	8,158
Support services	1,847,365	-	2,967	140,323	1,317	-	24,817
Noninstructional services	-	-	1,620,548	-	-	-	-
Facilities acquisition and construction	-	-	-	-	-	151,471	-
Debt services	211,036	-	-	-	-	-	-
Nonprogrammed charges	-	-	-	-	-	-	2,945
Total disbursements	2,058,401	235,193	1,623,515	140,323	1,317	151,471	35,920
Excess (deficiency) of receipts over disbursements	125,989	(101,663)	218,088	231,604	45,531	(148,971)	(35,920)
Other financing sources (uses):							
Sale of capital assets	34,359	4,699	17,384	13,676	-	-	31,374
Transfers in	64,450	-	-	-	-	189,500	-
Transfers out	-	-	-	-	-	-	-
Total other financing sources (uses)	98,809	4,699	17,384	13,676	-	189,500	31,374
Excess (deficiency) of receipts and other financing sources over disbursements and other financing uses	224,798	(96,964)	235,472	245,280	45,531	40,529	(4,546)
Cash and investments - beginning	537,586	197,116	334,638	334,684	207,458	(84,607)	4,546
Cash and investments - ending	\$ 762,384	\$ 100,152	\$ 570,110	\$ 579,964	\$ 252,989	\$ (44,078)	\$ -
Cash and Investment Assets - Ending							
Cash and investments	\$ 762,384	\$ 100,152	\$ 570,110	\$ 579,964	\$ 252,989	\$ (44,078)	\$ -
Restricted assets:							
Cash and investments	-	-	-	-	-	-	-
Total cash and investment assets - ending	\$ 762,384	\$ 100,152	\$ 570,110	\$ 579,964	\$ 252,989	\$ (44,078)	\$ -
Cash and Investment Fund Balance - Ending							
Restricted for:							
Debt service	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Unrestricted	762,384	100,152	570,110	579,964	252,989	(44,078)	-
Total cash and investment fund balance - ending	\$ 762,384	\$ 100,152	\$ 570,110	\$ 579,964	\$ 252,989	\$ (44,078)	\$ -

FAYETTE COUNTY 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)

	Magic Moments Capital Improvements	Education License Plate	Alternative Education	Safe Haven 06-07	Early Intervention	Teacher Fellow Grant	Connersville High School National Governor's Assoc. Grant
Receipts:							
Local sources	\$ 237,686	\$ -	\$ -	\$ -	\$ -	\$ 242	\$ -
State sources	50,436	-	8,552	5,000	1,000	-	-
Federal sources	-	-	-	-	-	-	-
Other	-	-	-	-	-	-	-
Total receipts	288,122	-	8,552	5,000	1,000	242	-
Disbursements:							
Current:							
Instruction	13,276	-	-	4,965	-	70,470	-
Support services	58,198	-	-	-	1,000	-	16,590
Noninstructional services	226,025	-	-	-	-	-	-
Facilities acquisition and construction	-	-	-	-	-	-	-
Debt services	-	-	-	-	-	-	-
Nonprogrammed charges	-	1,444	-	-	-	-	-
Total disbursements	297,499	1,444	-	4,965	1,000	70,470	16,590
Excess (deficiency) of receipts over disbursements	(9,377)	(1,444)	8,552	35	-	(70,228)	(16,590)
Other financing sources (uses):							
Sale of capital assets	229	-	-	-	-	-	-
Transfers in	-	-	-	-	-	-	-
Transfers out	-	-	-	-	-	-	-
Total other financing sources (uses)	229	-	-	-	-	-	-
Excess (deficiency) of receipts and other financing sources over disbursements and other financing uses	(9,148)	(1,444)	8,552	35	-	(70,228)	(16,590)
Cash and investments - beginning	44,646	1,444	35,316	(35)	-	71,734	49,966
Cash and investments - ending	\$ 35,498	\$ -	\$ 43,868	\$ -	\$ -	\$ 1,506	\$ 33,376
Cash and Investment Assets - Ending							
Cash and investments	\$ 35,498	\$ -	\$ 43,868	\$ -	\$ -	\$ 1,506	\$ 33,376
Restricted assets:							
Cash and investments	-	-	-	-	-	-	-
Total cash and investment assets - ending	\$ 35,498	\$ -	\$ 43,868	\$ -	\$ -	\$ 1,506	\$ 33,376
Cash and Investment Fund Balance - Ending							
Restricted for:							
Debt service	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Unrestricted	35,498	-	43,868	-	-	1,506	33,376
Total cash and investment fund balance - ending	\$ 35,498	\$ -	\$ 43,868	\$ -	\$ -	\$ 1,506	\$ 33,376

FAYETTE COUNTY 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)

	Medicaid Reimbursement	Non-English Grant	Technology Fund	Buddy Project	Technology Planning Grant	Access Indiana	1 - 1 Computing Initiative
Receipts:							
Local sources	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
State sources	3,618	-	189	-	-	2,500	-
Federal sources	-	-	-	-	-	-	-
Other	-	-	-	-	-	-	-
Total receipts	3,618	-	189	-	-	2,500	-
Disbursements:							
Current:							
Instruction	-	-	-	1,600	-	-	-
Support services	-	-	-	-	77,087	-	7,009
Noninstructional services	-	-	-	-	-	-	-
Facilities acquisition and construction	-	-	-	-	-	-	-
Debt services	-	-	-	-	-	-	-
Nonprogrammed charges	-	-	-	-	-	-	-
Total disbursements	-	-	-	1,600	77,087	-	7,009
Excess (deficiency) of receipts over disbursements	3,618	-	189	(1,600)	(77,087)	2,500	(7,009)
Other financing sources (uses):							
Sale of capital assets	-	-	-	-	-	-	-
Transfers in	-	-	-	-	-	-	-
Transfers out	-	-	-	-	-	-	-
Total other financing sources (uses)	-	-	-	-	-	-	-
Excess (deficiency) of receipts and other financing sources over disbursements and other financing uses	3,618	-	189	(1,600)	(77,087)	2,500	(7,009)
Cash and investments - beginning	10,883	1,563	407,593	1,600	84,529	-	7,009
Cash and investments - ending	<u>\$ 14,501</u>	<u>\$ 1,563</u>	<u>\$ 407,782</u>	<u>\$ -</u>	<u>\$ 7,442</u>	<u>\$ 2,500</u>	<u>\$ -</u>
Cash and Investment Assets - Ending							
Cash and investments	\$ 14,501	\$ 1,563	\$ 407,782	\$ -	\$ 7,442	\$ 2,500	\$ -
Restricted assets:							
Cash and investments	-	-	-	-	-	-	-
Total cash and investment assets - ending	<u>\$ 14,501</u>	<u>\$ 1,563</u>	<u>\$ 407,782</u>	<u>\$ -</u>	<u>\$ 7,442</u>	<u>\$ 2,500</u>	<u>\$ -</u>
Cash and Investment Fund Balance - Ending							
Restricted for:							
Debt service	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Unrestricted	14,501	1,563	407,782	-	7,442	2,500	-
Total cash and investment fund balance - ending	<u>\$ 14,501</u>	<u>\$ 1,563</u>	<u>\$ 407,782</u>	<u>\$ -</u>	<u>\$ 7,442</u>	<u>\$ 2,500</u>	<u>\$ -</u>

FAYETTE COUNTY 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)

	Connersville Holding Corporation	Connersville Middle School Economic Education Grant	Gifted and Talented	CHS In Access Mentor	Miscellaneous Clearing Account	Young Authors	Textbook Rental State Reimbursement
Receipts:							
Local sources	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 3,892	\$ -
State sources	-	-	43,806	15,000	-	-	173,436
Federal sources	-	-	-	-	-	-	-
Other	-	-	-	-	27,081	-	-
Total receipts	-	-	43,806	15,000	27,081	3,892	173,436
Disbursements:							
Current:							
Instruction	-	9,644	24,216	-	-	-	-
Support services	-	-	-	-	25,635	-	-
Noninstructional services	-	-	-	-	-	-	-
Facilities acquisition and construction	-	-	-	-	-	-	-
Debt services	20	-	-	-	-	-	-
Nonprogrammed charges	-	-	-	-	-	-	168,568
Total disbursements	20	9,644	24,216	-	25,635	-	168,568
Excess (deficiency) of receipts over disbursements	(20)	(9,644)	19,590	15,000	1,446	3,892	4,868
Other financing sources (uses):							
Sale of capital assets	-	-	-	-	-	-	3,997
Transfers in	-	-	-	-	-	-	-
Transfers out	-	-	-	-	-	-	-
Total other financing sources (uses)	-	-	-	-	-	-	3,997
Excess (deficiency) of receipts and other financing sources over disbursements and other financing uses	(20)	(9,644)	19,590	15,000	1,446	3,892	8,865
Cash and investments - beginning	27,749	9,644	-	-	-	-	-
Cash and investments - ending	\$ 27,729	\$ -	\$ 19,590	\$ 15,000	\$ 1,446	\$ 3,892	\$ 8,865
Cash and Investment Assets - Ending							
Cash and investments	\$ 27,729	\$ -	\$ 19,590	\$ 15,000	\$ 1,446	\$ 3,892	\$ 8,865
Restricted assets:							
Cash and investments	-	-	-	-	-	-	-
Total cash and investment assets - ending	\$ 27,729	\$ -	\$ 19,590	\$ 15,000	\$ 1,446	\$ 3,892	\$ 8,865
Cash and Investment Fund Balance - Ending							
Restricted for:							
Debt service	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Unrestricted	27,729	-	19,590	15,000	1,446	3,892	8,865
Total cash and investment fund balance - ending	\$ 27,729	\$ -	\$ 19,590	\$ 15,000	\$ 1,446	\$ 3,892	\$ 8,865

FAYETTE COUNTY 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)

	Title I Grandview Improvement	Title I Maplewood Improvement	Title I 07-08	Title I Grandview	Title I Maplewood	Title I 06-07	Title V 06-07
Receipts:							
Local sources	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
State sources	-	-	-	-	-	-	-
Federal sources	-	-	771,697	28,478	40,000	58,900	-
Other	-	-	-	-	-	-	-
Total receipts	-	-	771,697	28,478	40,000	58,900	-
Disbursements:							
Current:							
Instruction	1,639	960	363,006	-	-	45,431	6,949
Support services	3,063	1,657	228,566	18,197	17,320	15,471	720
Noninstructional services	-	-	24,718	948	-	1,760	-
Facilities acquisition and construction	-	-	-	-	-	-	-
Debt services	-	-	-	-	-	-	-
Nonprogrammed charges	-	-	-	-	-	-	737
Total disbursements	4,702	2,617	616,290	19,145	17,320	62,662	8,406
Excess (deficiency) of receipts over disbursements	(4,702)	(2,617)	155,407	9,333	22,680	(3,762)	(8,406)
Other financing sources (uses):							
Sale of capital assets	-	-	-	-	-	-	-
Transfers in	-	-	79,298	-	-	-	-
Transfers out	-	-	-	-	-	(79,298)	-
Total other financing sources (uses)	-	-	79,298	-	-	(79,298)	-
Excess (deficiency) of receipts and other financing sources over disbursements and other financing uses	(4,702)	(2,617)	234,705	9,333	22,680	(83,060)	(8,406)
Cash and investments - beginning	4,702	2,617	-	-	-	83,060	8,406
Cash and investments - ending	\$ -	\$ -	\$ 234,705	\$ 9,333	\$ 22,680	\$ -	\$ -
Cash and Investment Assets - Ending							
Cash and investments	\$ -	\$ -	\$ 234,705	\$ 9,333	\$ 22,680	\$ -	\$ -
Restricted assets:							
Cash and investments	-	-	-	-	-	-	-
Total cash and investment assets - ending	\$ -	\$ -	\$ 234,705	\$ 9,333	\$ 22,680	\$ -	\$ -
Cash and Investment Fund Balance - Ending							
Restricted for:							
Debt service	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Unrestricted	-	-	234,705	9,333	22,680	-	-
Total cash and investment fund balance - ending	\$ -	\$ -	\$ 234,705	\$ 9,333	\$ 22,680	\$ -	\$ -

FAYETTE COUNTY 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)

	Title V 07-08	Special Education IDEA Part B 06-07	Fayette County Share Special Education IDEA Part B 06-07 FC Share	Special Education Part B 2008	Special Education Part B 2008 Carryover	Special Education Part B 2006	CFR Part B Carryover
Receipts:							
Local sources	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
State sources	-	-	-	-	-	-	-
Federal sources	7,405	673,707	-	1,526,000	-	-	-
Other	-	-	-	-	-	-	-
Total receipts	7,405	673,707	-	1,526,000	-	-	-
Disbursements:							
Current:							
Instruction	1,221	123,142	117,596	395,689	586,043	5,146	5,071
Support services	-	62,830	10,927	406,288	124,400	25,479	31,001
Noninstructional services	-	-	-	-	-	-	-
Facilities acquisition and construction	-	-	-	-	-	-	-
Debt services	-	-	-	-	-	-	-
Nonprogrammed charges	-	-	-	-	-	-	-
Total disbursements	1,221	185,972	128,523	801,977	710,443	30,625	36,072
Excess (deficiency) of receipts over disbursements	6,184	487,735	(128,523)	724,023	(710,443)	(30,625)	(36,072)
Other financing sources (uses):							
Sale of capital assets	-	-	-	-	-	-	-
Transfers in	-	-	784,473	-	710,443	-	260,937
Transfers out	-	(1,045,410)	-	(710,443)	-	-	-
Total other financing sources (uses)	-	(1,045,410)	784,473	(710,443)	710,443	-	260,937
Excess (deficiency) of receipts and other financing sources over disbursements and other financing uses	6,184	(557,675)	655,950	13,580	-	(30,625)	224,865
Cash and investments - beginning	-	557,675	(655,950)	-	-	30,625	-
Cash and investments - ending	\$ 6,184	\$ -	\$ -	\$ 13,580	\$ -	\$ -	\$ 224,865
Cash and Investment Assets - Ending							
Cash and investments	\$ 6,184	\$ -	\$ -	\$ 13,580	\$ -	\$ -	\$ 224,865
Restricted assets:							
Cash and investments	-	-	-	-	-	-	-
Total cash and investment assets - ending	\$ 6,184	\$ -	\$ -	\$ 13,580	\$ -	\$ -	\$ 224,865
Cash and Investment Fund Balance - Ending							
Restricted for:							
Debt service	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Unrestricted	6,184	-	-	13,580	-	-	224,865
Total cash and investment fund balance - ending	\$ 6,184	\$ -	\$ -	\$ 13,580	\$ -	\$ -	\$ 224,865

FAYETTE COUNTY 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)

	FY 2008 Special Education Preschool	FY 2007 Special Education Preschool	FY2007 Preschool Carryover	2008 Adult Basic Education Comprehensive	Whitewater Technical Career Center Adult Basic Education 06-07	Adult Basic Education Comprehensive	Whitewater Technical Career Center Adult Basic Education 07-08
Receipts:							
Local sources	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
State sources	-	-	-	-	-	-	-
Federal sources	85,378	26,354	-	28,000	-	-	148,807
Other	-	-	-	-	-	-	-
Total receipts	85,378	26,354	-	28,000	-	-	148,807
Disbursements:							
Current:							
Instruction	7,777	5,723	1,924	11,732	2,597	12,100	90,187
Support services	61,912	8,439	-	9,887	701	407	55,976
Noninstructional services	-	-	-	-	-	-	-
Facilities acquisition and construction	-	-	-	-	-	-	-
Debt services	-	-	-	-	-	-	-
Nonprogrammed charges	-	-	-	-	-	-	-
Total disbursements	69,689	14,162	1,924	21,619	3,298	12,507	146,163
Excess (deficiency) of receipts over disbursements	15,689	12,192	(1,924)	6,381	(3,298)	(12,507)	2,644
Other financing sources (uses):							
Sale of capital assets	-	-	-	-	-	-	-
Transfers in	-	-	1,924	-	-	-	-
Transfers out	-	(1,924)	-	-	-	-	-
Total other financing sources (uses)	-	(1,924)	1,924	-	-	-	-
Excess (deficiency) of receipts and other financing sources over disbursements and other financing uses	15,689	10,268	-	6,381	(3,298)	(12,507)	2,644
Cash and investments - beginning	-	(10,268)	-	-	3,298	12,507	-
Cash and investments - ending	\$ 15,689	\$ -	\$ -	\$ 6,381	\$ -	\$ -	\$ 2,644
Cash and Investment Assets - Ending							
Cash and investments	\$ 15,689	\$ -	\$ -	\$ 6,381	\$ -	\$ -	\$ 2,644
Restricted assets:							
Cash and investments	-	-	-	-	-	-	-
Total cash and investment assets - ending	\$ 15,689	\$ -	\$ -	\$ 6,381	\$ -	\$ -	\$ 2,644
Cash and Investment Fund Balance - Ending							
Restricted for:							
Debt service	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Unrestricted	15,689	-	-	6,381	-	-	2,644
Total cash and investment fund balance - ending	\$ 15,689	\$ -	\$ -	\$ 6,381	\$ -	\$ -	\$ 2,644

FAYETTE COUNTY 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)

	Adult Education Corporate	Safe and Drug Free 07-08	Safe and Drug Free 06-07	Whitewater Technical Career Center 08-09 Moving	Whitewater Technical Career Center Perkins 07-08	Whitewater Technical Career Center Perkins
Receipts:						
Local sources	\$ 37,851	\$ -	\$ -	\$ -	\$ -	\$ -
State sources	-	-	-	-	-	-
Federal sources	-	16,161	-	-	158,684	30,000
Other	-	-	-	-	-	-
Total receipts	37,851	16,161	-	-	158,684	30,000
Disbursements:						
Current:						
Instruction	23,749	14,861	6,007	51,280	75,485	-
Support services	-	-	-	-	97,751	30,000
Noninstructional services	-	-	-	-	-	-
Facilities acquisition and construction	-	-	-	-	-	-
Debt services	-	-	-	-	-	-
Nonprogrammed charges	-	-	1,483	-	-	-
Total disbursements	23,749	14,861	7,490	51,280	173,236	30,000
Excess (deficiency) of receipts over disbursements	14,102	1,300	(7,490)	(51,280)	(14,552)	-
Other financing sources (uses):						
Sale of capital assets	-	-	-	-	-	-
Transfers in	-	-	-	-	-	-
Transfers out	-	-	-	-	-	-
Total other financing sources (uses)	-	-	-	-	-	-
Excess (deficiency) of receipts and other financing sources over disbursements and other financing uses	14,102	1,300	(7,490)	(51,280)	(14,552)	-
Cash and investments - beginning	24,140	-	7,490	-	-	-
Cash and investments - ending	\$ 38,242	\$ 1,300	\$ -	\$ (51,280)	\$ (14,552)	\$ -
Cash and Investment Assets - Ending						
Cash and investments	\$ 38,242	\$ 1,300	\$ -	\$ (51,280)	\$ (14,552)	\$ -
Restricted assets:						
Cash and investments	-	-	-	-	-	-
Total cash and investment assets - ending	\$ 38,242	\$ 1,300	\$ -	\$ (51,280)	\$ (14,552)	\$ -
Cash and Investment Fund Balance - Ending						
Restricted for:						
Debt service	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Unrestricted	38,242	1,300	-	(51,280)	(14,552)	-
Total cash and investment fund balance - ending	\$ 38,242	\$ 1,300	\$ -	\$ (51,280)	\$ (14,552)	\$ -

FAYETTE COUNTY 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)

	Whitewater Technical Career Center Perkins 06-07	Federal Medicaid Reimbursement	Evenstart 06-07	CHS Project Lead The Way 06-07	Connersville High School Library Services Technology Act Mini-Grant	Even Start 07/08
Receipts:						
Local sources	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
State sources	-	-	-	-	-	-
Federal sources	45,236	6,062	-	11,379	3,197	110,485
Other	-	-	-	-	-	-
Total receipts	<u>45,236</u>	<u>6,062</u>	<u>-</u>	<u>11,379</u>	<u>3,197</u>	<u>110,485</u>
Disbursements:						
Current:						
Instruction	8,527	9,448	6,242	7,482	-	27,245
Support services	1,135	7,963	7,795	1,000	-	57,607
Noninstructional services	-	-	38	-	-	11,932
Facilities acquisition and construction	-	-	-	-	-	-
Debt services	-	-	-	-	-	-
Nonprogrammed charges	-	-	-	-	-	-
Total disbursements	<u>9,662</u>	<u>17,411</u>	<u>14,075</u>	<u>8,482</u>	<u>-</u>	<u>96,784</u>
Excess (deficiency) of receipts over disbursements	<u>35,574</u>	<u>(11,349)</u>	<u>(14,075)</u>	<u>2,897</u>	<u>3,197</u>	<u>13,701</u>
Other financing sources (uses):						
Sale of capital assets	-	-	-	-	-	-
Transfers in	-	-	-	-	-	-
Transfers out	-	-	-	-	-	-
Total other financing sources (uses)	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Excess (deficiency) of receipts and other financing sources over disbursements and other financing uses	35,574	(11,349)	(14,075)	2,897	3,197	13,701
Cash and investments - beginning	(35,574)	24,144	14,075	(2,897)	(3,197)	-
Cash and investments - ending	<u>\$ -</u>	<u>\$ 12,795</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 13,701</u>
<u>Cash and Investment Assets - Ending</u>						
Cash and investments	\$ -	\$ 12,795	\$ -	\$ -	\$ -	\$ 13,701
Restricted assets:						
Cash and investments	-	-	-	-	-	-
Total cash and investment assets - ending	<u>\$ -</u>	<u>\$ 12,795</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 13,701</u>
<u>Cash and Investment Fund Balance - Ending</u>						
Restricted for:						
Debt service	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Unrestricted	-	12,795	-	-	-	13,701
Total cash and investment fund balance - ending	<u>\$ -</u>	<u>\$ 12,795</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 13,701</u>

FAYETTE COUNTY 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)

	CHS Project Lead The Way 07-08	High Schools That Work	Head Start 06-07	Head Start 07-08	Head Start 05-06	Title II Part A Improving Teacher Quality
Receipts:						
Local sources	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
State sources	-	-	-	-	-	-
Federal sources	8,570	500	7,548	861,667	-	186,000
Other	-	-	-	-	-	-
Total receipts	8,570	500	7,548	861,667	-	186,000
Disbursements:						
Current:						
Instruction	12,730	-	143,757	881,757	-	144,945
Support services	-	-	-	-	-	2,179
Noninstructional services	-	-	-	-	-	-
Facilities acquisition and construction	-	-	-	-	-	-
Debt services	-	-	-	-	-	-
Nonprogrammed charges	-	-	-	-	-	-
Total disbursements	12,730	-	143,757	881,757	-	147,124
Excess (deficiency) of receipts over disbursements	(4,160)	500	(136,209)	(20,090)	-	38,876
Other financing sources (uses):						
Sale of capital assets	-	-	-	-	-	-
Transfers in	-	-	-	-	-	-
Transfers out	-	-	-	-	-	-
Total other financing sources (uses)	-	-	-	-	-	-
Excess (deficiency) of receipts and other financing sources over disbursements and other financing uses	(4,160)	500	(136,209)	(20,090)	-	38,876
Cash and investments - beginning	-	-	136,209	-	2,145	-
Cash and investments - ending	\$ (4,160)	\$ 500	\$ -	\$ (20,090)	\$ 2,145	\$ 38,876
Cash and Investment Assets - Ending						
Cash and investments	\$ (4,160)	\$ 500	\$ -	\$ (20,090)	\$ 2,145	\$ 38,876
Restricted assets:						
Cash and investments	-	-	-	-	-	-
Total cash and investment assets - ending	\$ (4,160)	\$ 500	\$ -	\$ (20,090)	\$ 2,145	\$ 38,876
Cash and Investment Fund Balance - Ending						
Restricted for:						
Debt service	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Unrestricted	(4,160)	500	-	(20,090)	2,145	38,876
Total cash and investment fund balance - ending	\$ (4,160)	\$ 500	\$ -	\$ (20,090)	\$ 2,145	\$ 38,876

FAYETTE COUNTY 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)

	Title II Part B Math/Science	Title II Part D Education Technology In Access	Title II Part D Technology 06-07	Title II Part A Teacher 06-07	Debt Service	Retirement/ Severance Bond Debt Service
Receipts:						
Local sources	\$ -	\$ -	\$ -	\$ -	\$ 2,359,485	\$ 265,143
State sources	-	-	-	-	-	-
Federal sources	16,392	-	1,600	29,192	-	-
Other	-	-	-	-	-	-
Total receipts	16,392	-	1,600	29,192	2,359,485	265,143
Disbursements:						
Current:						
Instruction	1,915	-	371	15,647	-	-
Support services	99,153	27,066	3,217	5,766	-	-
Noninstructional services	-	-	-	-	-	-
Facilities acquisition and construction	-	-	-	-	-	-
Debt services	-	-	-	-	1,588,991	216,509
Nonprogrammed charges	-	-	502	9,821	-	-
Total disbursements	101,068	27,066	4,090	31,234	1,588,991	216,509
Excess (deficiency) of receipts over disbursements	(84,676)	(27,066)	(2,490)	(2,042)	770,494	48,634
Other financing sources (uses):						
Sale of capital assets	-	-	-	-	-	-
Transfers in	-	-	-	-	-	-
Transfers out	-	-	-	-	-	-
Total other financing sources (uses)	-	-	-	-	-	-
Excess (deficiency) of receipts and other financing sources over disbursements and other financing uses	(84,676)	(27,066)	(2,490)	(2,042)	770,494	48,634
Cash and investments - beginning	76,997	27,066	2,490	2,042	(379,790)	39,340
Cash and investments - ending	\$ (7,679)	\$ -	\$ -	\$ -	\$ 390,704	\$ 87,974
Cash and Investment Assets - Ending						
Cash and investments	\$ (7,679)	\$ -	\$ -	\$ -	\$ -	\$ -
Restricted assets:						
Cash and investments	-	-	-	-	390,704	87,974
Total cash and investment assets - ending	\$ (7,679)	\$ -	\$ -	\$ -	\$ 390,704	\$ 87,974
Cash and Investment Fund Balance - Ending						
Restricted for:						
Debt service	\$ -	\$ -	\$ -	\$ -	\$ 390,704	\$ 87,974
Unrestricted	(7,679)	-	-	-	-	-
Total cash and investment fund balance - ending	\$ (7,679)	\$ -	\$ -	\$ -	\$ 390,704	\$ 87,974

FAYETTE COUNTY 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)

	Capital Projects	School Bus Replacement	Even Start Dollar General Grant	Even Start Fayette County Foundation Grant	Qualified Zone Academy Bond	Totals
Receipts:						
Local sources	\$ 2,124,474	\$ 269,994	\$ -	\$ -	\$ -	\$ 8,456,405
State sources	-	-	-	-	-	594,002
Federal sources	-	-	-	-	-	6,020,094
Other	-	10,699	-	1,407	-	39,187
Total receipts	2,124,474	280,693	-	1,407	-	15,109,688
Disbursements:						
Current:						
Instruction	-	-	-	-	-	3,582,903
Support services	1,524,208	660,556	10,000	143	-	5,821,088
Noninstructional services	-	-	-	-	-	1,885,969
Facilities acquisition and construction	1,231,202	-	-	-	-	1,382,673
Debt services	-	105,936	-	-	-	2,122,492
Nonprogrammed charges	-	-	-	-	-	185,500
Total disbursements	2,755,410	766,492	10,000	143	-	14,980,625
Excess (deficiency) of receipts over disbursements	(630,936)	(485,799)	(10,000)	1,264	-	129,063
Other financing sources (uses):						
Sale of capital assets	-	-	-	-	-	105,718
Transfers in	-	-	-	-	-	2,091,025
Transfers out	-	(64,450)	-	-	-	(1,901,525)
Total other financing sources (uses)	-	(64,450)	-	-	-	295,218
Excess (deficiency) of receipts and other financing sources over disbursements and other financing uses	(630,936)	(550,249)	(10,000)	1,264	-	424,281
Cash and investments - beginning	310,743	274,021	10,000	878	2,000,000	4,852,056
Cash and investments - ending	<u>\$ (320,193)</u>	<u>\$ (276,228)</u>	<u>\$ -</u>	<u>\$ 2,142</u>	<u>\$ 2,000,000</u>	<u>\$ 5,276,337</u>
Cash and Investment Assets - Ending						
Cash and investments	\$ (320,193)	\$ (276,228)	\$ -	\$ 2,142	\$ -	\$ 2,797,659
Restricted assets:						
Cash and investments	-	-	-	-	2,000,000	2,478,678
Total cash and investment assets - ending	<u>\$ (320,193)</u>	<u>\$ (276,228)</u>	<u>\$ -</u>	<u>\$ 2,142</u>	<u>\$ 2,000,000</u>	<u>\$ 5,276,337</u>
Cash and Investment Fund Balance - Ending						
Restricted for:						
Debt service	\$ -	\$ -	\$ -	\$ 2,142	\$ 2,000,000	\$ 2,480,820
Unrestricted	(320,193)	(276,228)	-	-	-	2,795,517
Total cash and investment fund balance - ending	<u>\$ (320,193)</u>	<u>\$ (276,228)</u>	<u>\$ -</u>	<u>\$ 2,142</u>	<u>\$ 2,000,000</u>	<u>\$ 5,276,337</u>

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

	Transportation Operating	Special Education Preschool	School Lunch	Textbook Rental	Centerville- Fayette-Rush Special Education Consortium	Whitewater Technical Capital Outlay	Magic Moments Capital Improvements
Receipts:							
Local sources	\$ 1,952,119	\$ 21,646	\$ 680,694	\$ 257,899	\$ 61,402	\$ -	\$ 217,651
State sources	-	111,995	12,818	153,201	1,316	-	56,383
Federal sources	-	-	1,124,738	-	-	-	-
Other	-	-	-	-	-	-	-
Total receipts	1,952,119	133,641	1,818,250	411,100	62,718	-	274,034
Disbursements:							
Current:							
Instruction	-	238,561	-	-	17,967	-	-
Support services	1,936,245	-	77	392,542	1,680	-	18,188
Noninstructional services	-	-	1,710,614	-	-	-	282,592
Facilities acquisition and construction	-	-	-	-	-	120,922	-
Debt services	-	-	-	-	-	-	-
Nonprogrammed charges	-	-	-	-	-	-	-
Total disbursements	1,936,245	238,561	1,710,691	392,542	19,647	120,922	300,780
Excess (deficiency) of receipts over disbursements	15,874	(104,920)	107,559	18,558	43,071	(120,922)	(26,746)
Other financing sources (uses):							
Sale of capital assets	87,879	1,654	8,785	8,255	-	-	-
Transfers in	-	-	-	-	-	360,000	-
Transfers out	-	-	-	-	-	-	-
Total other financing sources (uses)	87,879	1,654	8,785	8,255	-	360,000	-
Excess (deficiency) of receipts and other financing sources over disbursements and other financing uses	103,753	(103,266)	116,344	26,813	43,071	239,078	(26,746)
Cash and investments - beginning	762,384	100,152	570,110	579,964	252,989	(44,078)	35,498
Cash and investments - ending	\$ 866,137	\$ (3,114)	\$ 686,454	\$ 606,777	\$ 296,060	\$ 195,000	\$ 8,752
Cash and Investment Assets - Ending							
Cash and investments	\$ 866,137	\$ (3,114)	\$ 686,454	\$ 606,777	\$ 296,060	\$ 195,000	\$ 8,752
Restricted assets:							
Cash and investments	-	-	-	-	-	-	-
Total cash and investment assets - ending	\$ 866,137	\$ (3,114)	\$ 686,454	\$ 606,777	\$ 296,060	\$ 195,000	\$ 8,752
Cash and Investment Fund Balance - Ending							
Restricted for:							
Debt service	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Unrestricted	866,137	(3,114)	686,454	606,777	296,060	195,000	8,752
Total cash and investment fund balance - ending	\$ 866,137	\$ (3,114)	\$ 686,454	\$ 606,777	\$ 296,060	\$ 195,000	\$ 8,752

FAYETTE COUNTY 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)

	Alternative Education	Early Intervention	Target Field Trip	Teacher Fellow Grant	Connersville High School National Governor's Assoc. Grant	Medicaid Reimbursement	Non-English Grant
Receipts:							
Local sources	\$ -	\$ -	\$ 800	\$ -	\$ -	\$ -	\$ -
State sources	6,540	9,000	-	-	-	-	-
Federal sources	-	-	-	-	-	-	-
Other	-	-	-	-	-	-	-
Total receipts	6,540	9,000	800	-	-	-	-
Disbursements:							
Current:							
Instruction	-	-	-	1,506	-	-	-
Support services	-	9,000	498	-	3,643	-	-
Noninstructional services	-	-	-	-	-	-	-
Facilities acquisition and construction	-	-	-	-	-	-	-
Debt services	-	-	-	-	-	-	-
Nonprogrammed charges	-	-	-	-	-	-	-
Total disbursements	-	9,000	498	1,506	3,643	-	-
Excess (deficiency) of receipts over disbursements	6,540	-	302	(1,506)	(3,643)	-	-
Other financing sources (uses):							
Sale of capital assets	-	-	-	-	-	-	-
Transfers in	-	-	-	-	-	-	-
Transfers out	-	-	-	-	-	-	-
Total other financing sources (uses)	-	-	-	-	-	-	-
Excess (deficiency) of receipts and other financing sources over disbursements and other financing uses	6,540	-	302	(1,506)	(3,643)	-	-
Cash and investments - beginning	43,868	-	-	1,506	33,376	14,501	1,563
Cash and investments - ending	<u>\$ 50,408</u>	<u>\$ -</u>	<u>\$ 302</u>	<u>\$ -</u>	<u>\$ 29,733</u>	<u>\$ 14,501</u>	<u>\$ 1,563</u>
Cash and Investment Assets - Ending							
Cash and investments	\$ 50,408	\$ -	\$ 302	\$ -	\$ 29,733	\$ 14,501	\$ 1,563
Restricted assets:							
Cash and investments	-	-	-	-	-	-	-
Total cash and investment assets - ending	<u>\$ 50,408</u>	<u>\$ -</u>	<u>\$ 302</u>	<u>\$ -</u>	<u>\$ 29,733</u>	<u>\$ 14,501</u>	<u>\$ 1,563</u>
Cash and Investment Fund Balance - Ending							
Restricted for:							
Debt service	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Unrestricted	50,408	-	302	-	29,733	14,501	1,563
Total cash and investment fund balance - ending	<u>\$ 50,408</u>	<u>\$ -</u>	<u>\$ 302</u>	<u>\$ -</u>	<u>\$ 29,733</u>	<u>\$ 14,501</u>	<u>\$ 1,563</u>

FAYETTE COUNTY 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 Fund	Technology Planning Grant	Access Indiana	Connersville Holding Corporation	Gifted and Talented	Gifted and Talented	Miscellaneous Clearing Account
Receipts:							
Local sources	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
State sources	24,674	-	-	-	-	-	-
Federal sources	-	-	-	-	-	-	-
Other	-	-	-	-	-	-	241,379
Total receipts	24,674	-	-	-	-	-	241,379
Disbursements:							
Current:							
Instruction	2,430	-	-	-	19,590	15,000	-
Support services	16,324	7,442	-	-	-	-	205,004
Noninstructional services	-	-	-	-	-	-	-
Facilities acquisition and construction	-	-	-	-	-	-	-
Debt services	-	-	-	-	-	-	-
Nonprogrammed charges	-	-	-	-	-	-	-
Total disbursements	18,754	7,442	-	-	19,590	15,000	205,004
Excess (deficiency) of receipts over disbursements	5,920	(7,442)	-	-	(19,590)	(15,000)	36,375
Other financing sources (uses):							
Sale of capital assets	-	-	-	-	-	-	-
Transfers in	-	-	-	-	-	-	-
Transfers out	-	-	-	-	-	-	-
Total other financing sources (uses)	-	-	-	-	-	-	-
Excess (deficiency) of receipts and other financing sources over disbursements and other financing uses	5,920	(7,442)	-	-	(19,590)	(15,000)	36,375
Cash and investments - beginning	407,782	7,442	2,500	27,729	19,590	15,000	1,446
Cash and investments - ending	\$ 413,702	\$ -	\$ 2,500	\$ 27,729	\$ -	\$ -	\$ 37,821
Cash and Investment Assets - Ending							
Cash and investments	\$ 413,702	\$ -	\$ 2,500	\$ 27,729	\$ -	\$ -	\$ 37,821
Restricted assets:							
Cash and investments	-	-	-	-	-	-	-
Total cash and investment assets - ending	\$ 413,702	\$ -	\$ 2,500	\$ 27,729	\$ -	\$ -	\$ 37,821
Cash and Investment Fund Balance - Ending							
Restricted for:							
Debt service	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Unrestricted	413,702	-	2,500	27,729	-	-	37,821
Total cash and investment fund balance - ending	\$ 413,702	\$ -	\$ 2,500	\$ 27,729	\$ -	\$ -	\$ 37,821

FAYETTE COUNTY 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)

	Young Authors	Gifted/Talented 08-09	Textbook Rental State Reimbursement	Title I 07-08	Title I Grandview	Title I Maplewood	Title I 08-09
Receipts:							
Local sources	\$ 4,701	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
State sources	-	43,806	144,336	-	-	-	-
Federal sources	-	-	-	85,000	-	-	857,784
Other	-	-	-	-	-	-	-
Total receipts	4,701	43,806	144,336	85,000	-	-	857,784
Disbursements:							
Current:							
Instruction	-	17,825	-	60,689	-	-	209,638
Support services	-	-	-	152,860	8,281	22,680	496,541
Noninstructional services	4,598	-	-	3,726	1,052	-	22,827
Facilities acquisition and construction	-	-	-	-	-	-	-
Debt services	-	-	-	-	-	-	-
Nonprogrammed charges	-	-	232,163	3,976	-	-	-
Total disbursements	4,598	17,825	232,163	221,251	9,333	22,680	729,006
Excess (deficiency) of receipts over disbursements	103	25,981	(87,827)	(136,251)	(9,333)	(22,680)	128,778
Other financing sources (uses):							
Sale of capital assets	-	-	79,574	-	-	-	-
Transfers in	-	-	-	-	-	-	98,454
Transfers out	-	-	-	(98,454)	-	-	-
Total other financing sources (uses)	-	-	79,574	(98,454)	-	-	98,454
Excess (deficiency) of receipts and other financing sources over disbursements and other financing uses	103	25,981	(8,253)	(234,705)	(9,333)	(22,680)	227,232
Cash and investments - beginning	3,892	-	8,865	234,705	9,333	22,680	-
Cash and investments - ending	\$ 3,995	\$ 25,981	\$ 612	\$ -	\$ -	\$ -	\$ 227,232
Cash and Investment Assets - Ending							
Cash and investments	\$ 3,995	\$ 25,981	\$ 612	\$ -	\$ -	\$ -	\$ 227,232
Restricted assets:							
Cash and investments	-	-	-	-	-	-	-
Total cash and investment assets - ending	\$ 3,995	\$ 25,981	\$ 612	\$ -	\$ -	\$ -	\$ 227,232
Cash and Investment Fund Balance - Ending							
Restricted for:							
Debt service	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Unrestricted	3,995	25,981	612	-	-	-	227,232
Total cash and investment fund balance - ending	\$ 3,995	\$ 25,981	\$ 612	\$ -	\$ -	\$ -	\$ 227,232

FAYETTE COUNTY 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)

	Title I Frazee	Title V 07-08	Title V 08-09	Special Education Part B 2008	Special Education Part B 2008 Carryover	CFR Part B Discretionary	CFR Part B Carryover
Receipts:							
Local sources	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
State sources	-	-	-	-	-	-	-
Federal sources	25,000	-	4,500	443,089	-	100,000	-
Other	-	-	-	-	-	-	-
Total receipts	25,000	-	4,500	443,089	-	100,000	-
Disbursements:							
Current:							
Instruction	-	5,814	3,288	91,932	127,583	5,038	-
Support services	15,947	370	-	(60,823)	(40,570)	94,962	224,865
Noninstructional services	-	-	-	-	-	-	-
Facilities acquisition and construction	-	-	-	-	-	-	-
Debt services	-	-	-	-	-	-	-
Nonprogrammed charges	-	-	-	-	-	-	-
Total disbursements	15,947	6,184	3,288	31,109	87,013	100,000	224,865
Excess (deficiency) of receipts over disbursements	9,053	(6,184)	1,212	411,980	(87,013)	-	(224,865)
Other financing sources (uses):							
Sale of capital assets	-	-	-	-	-	-	-
Transfers in	-	-	-	-	87,013	-	-
Transfers out	-	-	-	(425,560)	-	-	-
Total other financing sources (uses)	-	-	-	(425,560)	87,013	-	-
Excess (deficiency) of receipts and other financing sources over disbursements and other financing uses	9,053	(6,184)	1,212	(13,580)	-	-	(224,865)
Cash and investments - beginning	-	6,184	-	13,580	-	-	224,865
Cash and investments - ending	\$ 9,053	\$ -	\$ 1,212	\$ -	\$ -	\$ -	\$ -
Cash and Investment Assets - Ending							
Cash and investments	\$ 9,053	\$ -	\$ 1,212	\$ -	\$ -	\$ -	\$ -
Restricted assets:							
Cash and investments	-	-	-	-	-	-	-
Total cash and investment assets - ending	\$ 9,053	\$ -	\$ 1,212	\$ -	\$ -	\$ -	\$ -
Cash and Investment Fund Balance - Ending							
Restricted for:							
Debt service	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Unrestricted	9,053	-	1,212	-	-	-	-
Total cash and investment fund balance - ending	\$ 9,053	\$ -	\$ 1,212	\$ -	\$ -	\$ -	\$ -

FAYETTE COUNTY 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)

	CFR (ROSS) Part B	CFR Part B 2008-2009	2008 CFR Part B Carryover	FY 2008 Special Education Preschool	CFR Preschool 2008-2009	2008 Preschool Carryover	2009 Adult Basic Education Comprehensive
Receipts:							
Local sources	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
State sources	-	-	-	-	-	-	-
Federal sources	105,000	1,401,244	-	-	82,742	-	135,996
Other	-	-	-	-	-	-	-
Total receipts	105,000	1,401,244	-	-	82,742	-	135,996
Disbursements:							
Current:							
Instruction	84,060	934,277	147,593	-	-	2,129	38,449
Support services	-	417,359	98,982	13,560	69,007	-	88,771
Noninstructional services	-	-	-	-	-	-	-
Facilities acquisition and construction	-	-	-	-	-	-	-
Debt services	-	-	-	-	-	-	-
Nonprogrammed charges	-	-	-	-	-	-	-
Total disbursements	84,060	1,351,636	246,575	13,560	69,007	2,129	127,220
Excess (deficiency) of receipts over disbursements	20,940	49,608	(246,575)	(13,560)	13,735	(2,129)	8,776
Other financing sources (uses):							
Sale of capital assets	-	-	-	-	-	-	-
Transfers in	-	-	338,547	-	-	2,129	-
Transfers out	-	-	-	(2,129)	-	-	-
Total other financing sources (uses)	-	-	338,547	(2,129)	-	2,129	-
Excess (deficiency) of receipts and other financing sources over disbursements and other financing uses	20,940	49,608	91,972	(15,689)	13,735	-	8,776
Cash and investments - beginning	-	-	-	15,689	-	-	-
Cash and investments - ending	\$ 20,940	\$ 49,608	\$ 91,972	\$ -	\$ 13,735	\$ -	\$ 8,776
Cash and Investment Assets - Ending							
Cash and investments	\$ 20,940	\$ 49,608	\$ 91,972	\$ -	\$ 13,735	\$ -	\$ 8,776
Restricted assets:							
Cash and investments	-	-	-	-	-	-	-
Total cash and investment assets - ending	\$ 20,940	\$ 49,608	\$ 91,972	\$ -	\$ 13,735	\$ -	\$ 8,776
Cash and Investment Fund Balance - Ending							
Restricted for:							
Debt service	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Unrestricted	20,940	49,608	91,972	-	13,735	-	8,776
Total cash and investment fund balance - ending	\$ 20,940	\$ 49,608	\$ 91,972	\$ -	\$ 13,735	\$ -	\$ 8,776

FAYETTE COUNTY 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)

	2008 Adult Basic Education Comprehensive	Whitwater Technical Career Center Adult Basic Education 07-08	Adult Education Corporate	Safe and Drug Free 08-09	Safe and Drug Free 07-08	Whitwater Technical Career Center Perkins 08-09	Whitwater Technical Career Center 08-09 Moving
Receipts:							
Local sources	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
State sources	-	-	-	-	-	-	-
Federal sources	-	-	-	15,973	-	158,634	60,000
Other	-	-	-	-	-	-	-
Total receipts	-	-	-	15,973	-	158,634	60,000
Disbursements:							
Current:							
Instruction	3,662	4,578	13,144	13,429	10,681	95,949	8,720
Support services	2,719	(1,934)	-	-	-	96,828	-
Noninstructional services	-	-	-	-	-	-	-
Facilities acquisition and construction	-	-	-	-	-	-	-
Debt services	-	-	-	-	-	-	-
Nonprogrammed charges	-	-	-	-	619	-	-
Total disbursements	6,381	2,644	13,144	13,429	11,300	192,777	8,720
Excess (deficiency) of receipts over disbursements	(6,381)	(2,644)	(13,144)	2,544	(11,300)	(34,143)	51,280
Other financing sources (uses):							
Sale of capital assets	-	-	-	-	-	-	-
Transfers in	-	-	-	-	10,000	-	-
Transfers out	-	-	-	-	-	-	-
Total other financing sources (uses)	-	-	-	-	10,000	-	-
Excess (deficiency) of receipts and other financing sources over disbursements and other financing uses	(6,381)	(2,644)	(13,144)	2,544	(1,300)	(34,143)	51,280
Cash and investments - beginning	6,381	2,644	38,242	-	1,300	-	(51,280)
Cash and investments - ending	\$ -	\$ -	\$ 25,098	\$ 2,544	\$ -	\$ (34,143)	\$ -
Cash and Investment Assets - Ending							
Cash and investments	\$ -	\$ -	\$ 25,098	\$ 2,544	\$ -	\$ (34,143)	\$ -
Restricted assets:							
Cash and investments	-	-	-	-	-	-	-
Total cash and investment assets - ending	\$ -	\$ -	\$ 25,098	\$ 2,544	\$ -	\$ (34,143)	\$ -
Cash and Investment Fund Balance - Ending							
Restricted for:							
Debt service	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Unrestricted	-	-	25,098	2,544	-	(34,143)	-
Total cash and investment fund balance - ending	\$ -	\$ -	\$ 25,098	\$ 2,544	\$ -	\$ (34,143)	\$ -

FAYETTE COUNTY 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)

	Whitewater Technical Career Center Perkins 07-08	Federal Medicaid Reimbursement	Transportation Operating	Even Start 07-08	CHS Project Lead The Way 07-08	High Schools That Work
Receipts:						
Local sources	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
State sources	-	-	-	-	-	-
Federal sources	42,084	-	-	-	6,430	-
Other	-	-	-	-	-	-
Total receipts	42,084	-	-	-	6,430	-
Disbursements:						
Current:						
Instruction	26,150	4,841	-	3,691	(5)	500
Support services	1,382	3,139	-	9,507	2,275	-
Noninstructional services	-	-	-	503	-	-
Facilities acquisition and construction	-	4,064	-	-	-	-
Debt services	-	-	-	-	-	-
Nonprogrammed charges	-	-	-	-	-	-
Total disbursements	27,532	12,044	-	13,701	2,270	500
Excess (deficiency) of receipts over disbursements	14,552	(12,044)	-	(13,701)	4,160	(500)
Other financing sources (uses):						
Sale of capital assets	-	-	-	-	-	-
Transfers in	-	-	-	-	-	-
Transfers out	-	-	-	-	-	-
Total other financing sources (uses)	-	-	-	-	-	-
Excess (deficiency) of receipts and other financing sources over disbursements and other financing uses	14,552	(12,044)	-	(13,701)	4,160	(500)
Cash and investments - beginning	(14,552)	12,795	-	13,701	(4,160)	500
Cash and investments - ending	\$ -	\$ 751	\$ -	\$ -	\$ -	\$ -
Cash and Investment Assets - Ending						
Cash and investments	\$ -	\$ 751	\$ -	\$ -	\$ -	\$ -
Restricted assets:						
Cash and investments	-	-	-	-	-	-
Total cash and investment assets - ending	\$ -	\$ 751	\$ -	\$ -	\$ -	\$ -
Cash and Investment Fund Balance - Ending						
Restricted for:						
Debt service	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Unrestricted	-	751	-	-	-	-
Total cash and investment fund balance - ending	\$ -	\$ 751	\$ -	\$ -	\$ -	\$ -

FAYETTE COUNTY 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)

	CHS Project Lead The Way 08-09	Head Start 08-09	Head Start 07-08	Head Start 05-06	Title II Part A Improving Teacher Quality	Title II Part B Math/Science
Receipts:						
Local sources	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
State sources	-	-	-	-	-	-
Federal sources	8,043	889,669	167,295	-	20,936	101,932
Other	-	-	-	-	-	-
Total receipts	8,043	889,669	167,295	-	20,936	101,932
Disbursements:						
Current:						
Instruction	8,043	907,678	147,205	2,145	38,540	-
Support services	-	-	-	-	3,729	87,723
Noninstructional services	-	-	-	-	-	-
Facilities acquisition and construction	-	-	-	-	-	-
Debt services	-	-	-	-	-	-
Nonprogrammed charges	-	-	-	-	7,543	-
Total disbursements	8,043	907,678	147,205	2,145	49,812	87,723
Excess (deficiency) of receipts over disbursements	-	(18,009)	20,090	(2,145)	(28,876)	14,209
Other financing sources (uses):						
Sale of capital assets	-	-	-	-	-	-
Transfers in	-	-	-	-	-	-
Transfers out	-	-	-	-	(10,000)	-
Total other financing sources (uses)	-	-	-	-	(10,000)	-
Excess (deficiency) of receipts and other financing sources over disbursements and other financing uses	-	(18,009)	20,090	(2,145)	(38,876)	14,209
Cash and investments - beginning	-	-	(20,090)	2,145	38,876	(7,679)
Cash and investments - ending	\$ -	\$ (18,009)	\$ -	\$ -	\$ -	\$ 6,530
Cash and Investment Assets - Ending						
Cash and investments	\$ -	\$ (18,009)	\$ -	\$ -	\$ -	\$ 6,530
Restricted assets:						
Cash and investments	-	-	-	-	-	-
Total cash and investment assets - ending	\$ -	\$ (18,009)	\$ -	\$ -	\$ -	\$ 6,530
Cash and Investment Fund Balance - Ending						
Restricted for:						
Debt service	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Unrestricted	-	(18,009)	-	-	-	6,530
Total cash and investment fund balance - ending	\$ -	\$ (18,009)	\$ -	\$ -	\$ -	\$ 6,530

FAYETTE COUNTY 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)

	Whitewater Technical Career Center Project Lead The Way	Even Start 08-09	Title II Part A Teacher 08-09	Adult Education	Community Education Coalition Robotics	Debt Service
Receipts:						
Local sources	\$ -	\$ -	\$ -	\$ -	\$ 6,000	\$ 1,455,143
State sources	-	-	-	-	-	-
Federal sources	-	112,695	191,000	33,930	-	-
Other	-	-	-	-	-	-
Total receipts	-	112,695	191,000	33,930	6,000	1,455,143
Disbursements:						
Current:						
Instruction	-	22,761	161,096	35,078	-	-
Support services	1,000	57,380	-	2,369	200	-
Noninstructional services	-	16,409	-	-	5,800	-
Facilities acquisition and construction	-	-	-	-	-	-
Debt services	-	-	-	-	-	1,680,241
Nonprogrammed charges	-	-	-	-	-	-
Total disbursements	1,000	96,550	161,096	37,447	6,000	1,680,241
Excess (deficiency) of receipts over disbursements	(1,000)	16,145	29,904	(3,517)	-	(225,098)
Other financing sources (uses):						
Sale of capital assets	-	-	-	-	-	-
Transfers in	-	-	-	-	-	-
Transfers out	-	-	-	-	-	-
Total other financing sources (uses)	-	-	-	-	-	-
Excess (deficiency) of receipts and other financing sources over disbursements and other financing uses	(1,000)	16,145	29,904	(3,517)	-	(225,098)
Cash and investments - beginning	-	-	-	-	-	390,704
Cash and investments - ending	<u>\$ (1,000)</u>	<u>\$ 16,145</u>	<u>\$ 29,904</u>	<u>\$ (3,517)</u>	<u>\$ -</u>	<u>\$ 165,606</u>
Cash and Investment Assets - Ending						
Cash and investments	\$ (1,000)	\$ 16,145	\$ 29,904	\$ (3,517)	\$ -	\$ -
Restricted assets:						
Cash and investments	-	-	-	-	-	165,606
Total cash and investment assets - ending	<u>\$ (1,000)</u>	<u>\$ 16,145</u>	<u>\$ 29,904</u>	<u>\$ (3,517)</u>	<u>\$ -</u>	<u>\$ 165,606</u>
Cash and Investment Fund Balance - Ending						
Restricted for:						
Debt service	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 165,606
Unrestricted	(1,000)	16,145	29,904	(3,517)	-	-
Total cash and investment fund balance - ending	<u>\$ (1,000)</u>	<u>\$ 16,145</u>	<u>\$ 29,904</u>	<u>\$ (3,517)</u>	<u>\$ -</u>	<u>\$ 165,606</u>

FAYETTE COUNTY 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)

	Retirement/ Severance Bond Debt Service	Capital Projects	School Bus Replacement	Qualified Zone Academy Bond	Even Start Fayette County Foundation Grant	Totals
Receipts:						
Local sources	\$ 135,601	\$ 2,180,434	\$ 317,939	\$ -	\$ -	\$ 7,292,029
State sources	-	-	-	-	-	564,069
Federal sources	-	-	-	-	-	6,173,714
Other	-	-	-	-	882	242,261
Total receipts	135,601	2,180,434	317,939	-	882	14,272,073
Disbursements:						
Current:						
Instruction	-	-	-	-	-	3,531,255
Support services	-	1,570,644	-	-	292	6,030,688
Noninstructional services	-	-	-	-	-	2,048,121
Facilities acquisition and construction	-	435,454	-	-	-	560,440
Debt services	216,433	-	-	-	-	1,896,674
Nonprogrammed charges	-	-	-	-	-	244,301
Total disbursements	216,433	2,006,098	-	-	292	14,311,479
Excess (deficiency) of receipts over disbursements	(80,832)	174,336	317,939	-	590	(39,406)
Other financing sources (uses):						
Sale of capital assets	-	-	-	-	-	186,147
Transfers in	-	-	-	-	-	896,143
Transfers out	-	-	-	-	-	(536,143)
Total other financing sources (uses)	-	-	-	-	-	546,147
Excess (deficiency) of receipts and other financing sources over disbursements and other financing uses	(80,832)	174,336	317,939	-	590	506,741
Cash and investments - beginning	87,974	(320,193)	(276,228)	2,000,000	2,142	5,276,337
Cash and investments - ending	\$ 7,142	\$ (145,857)	\$ 41,711	\$ 2,000,000	\$ 2,732	\$ 5,783,078
Cash and Investment Assets - Ending						
Cash and investments	\$ -	\$ (145,857)	\$ 41,711	\$ -	\$ 2,732	\$ 3,610,330
Restricted assets:						
Cash and investments	7,142	-	-	2,000,000	-	2,172,748
Total cash and investment assets - ending	\$ 7,142	\$ (145,857)	\$ 41,711	\$ 2,000,000	\$ 2,732	\$ 5,783,078
Cash and Investment Fund Balance - Ending						
Restricted for:						
Debt service	\$ 7,142	\$ -	\$ -	\$ 2,000,000	\$ -	\$ 2,172,748
Unrestricted	-	(145,857)	41,711	-	2,732	3,610,330
Total cash and investment fund balance - ending	\$ 7,142	\$ (145,857)	\$ 41,711	\$ 2,000,000	\$ 2,732	\$ 5,783,078

FAYETTE COUNTY SCHOOL CORPORATION
 COMBINING SCHEDULE OF ADDITIONS, DEDUCTIONS, AND CHANGES IN CASH AND INVESTMENT BALANCES
 PENSION TRUST FUNDS
 For the Year Ended June 30, 2008

	Retirement/ Severance Bond	Post-Retirement/ Severance Future Benefit	Totals
Additions:			
Contributions:			
Employer	\$ -	\$ 33,546	\$ 33,546
Investment earnings:			
Interest	-	4,408	4,408
Total additions	-	37,954	37,954
Deductions:			
Benefits	-	16,528	16,528
Excess of total additions over total deductions			
	-	21,426	21,426
Cash and investment fund balance - beginning			
	1,577,088	146,936	1,724,024
Cash and investment fund balance - ending			
	\$ 1,577,088	\$ 168,362	\$ 1,745,450
Net assets:			
Cash and investments	\$ 1,577,088	\$ 168,362	\$ 1,745,450
Total net assets - cash and investment basis held in trust			
	\$ 1,577,088	\$ 168,362	\$ 1,745,450

FAYETTE COUNTY SCHOOL CORPORATION
 COMBINING SCHEDULE OF ADDITIONS, DEDUCTIONS, AND CHANGES IN CASH AND INVESTMENT BALANCES
 PENSION TRUST FUNDS
 For the Year Ended June 30, 2009

	Retirement/ Severance Bond	Post-Retirement/ Severance Future Benefit	Totals
Additions:			
Contributions:			
Employer	\$ -	\$ 49,146	\$ 49,146
Investment earnings:			
Interest	-	5,051	5,051
Total additions	-	54,197	54,197
Deductions:			
Benefits	599,999	20,481	620,480
Excess (deficiency) of total additions over total deductions	(599,999)	33,716	(566,283)
Cash and investment fund balance - beginning	1,577,088	168,362	1,745,450
Cash and investment fund balance - ending	\$ 977,089	\$ 202,078	\$ 1,179,167
Net assets:			
Cash and investments	\$ 977,089	\$ 202,078	\$ 1,179,167
Total net assets - cash and investment basis held in trust	\$ 977,089	\$ 202,078	\$ 1,179,167

FAYETTE COUNTY 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

	Partnership In Education	Special Programs	Fayette County Foundation Grant High School	Community Education Coalition Grant High School	Community Education Coalition Grant High School	Community Education Coalition Grant Even Start	Learning Lift	Totals
Additions:								
Contributions:								
Other	\$ -	\$ 2,549	\$ 2,674	\$ 3,405	\$ 5,092	\$ 2,500	\$ -	\$ 16,220
Deductions:								
Administrative and general	-	2,647	2,674	774	-	500	-	6,595
Excess (deficiency) of total additions over total deductions	-	(98)	-	2,631	5,092	2,000	-	9,625
Cash and investment fund balance - beginning	1,136	1,544	-	-	-	-	200	2,880
Cash and investments - June 30	<u>\$ 1,136</u>	<u>\$ 1,446</u>	<u>\$ -</u>	<u>\$ 2,631</u>	<u>\$ 5,092</u>	<u>\$ 2,000</u>	<u>\$ 200</u>	<u>\$ 12,505</u>
Net assets:								
Cash and investments	\$ 1,136	\$ 1,446	\$ -	\$ 2,631	\$ 5,092	\$ 2,000	\$ 200	\$ 12,505
Total net assets - cash and investment basis held in trust	<u>\$ 1,136</u>	<u>\$ 1,446</u>	<u>\$ -</u>	<u>\$ 2,631</u>	<u>\$ 5,092</u>	<u>\$ 2,000</u>	<u>\$ 200</u>	<u>\$ 12,505</u>

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

	<u>Partnership In Education</u>	<u>Middle School Renovations</u>	<u>FCSC Special Programs</u>	<u>Community Education Coalition Grant High School</u>	<u>Community Education Coalition Grant High School</u>
Additions:					
Contributions:					
Other	\$ -	\$ 135	\$ 6,130	\$ -	\$ -
Deductions:					
Administrative and general	198	26,265	6,438	2,631	5,092
Excess (deficiency) of total additions over total deductions	(198)	(26,130)	(308)	(2,631)	(5,092)
Cash and investment fund balance - beginning	1,136	-	1,446	2,631	5,092
Cash and investments - June 30	<u>\$ 938</u>	<u>\$ (26,130)</u>	<u>\$ 1,138</u>	<u>\$ -</u>	<u>\$ -</u>
Net assets:					
Cash and investments	<u>\$ 938</u>	<u>\$ (26,130)</u>	<u>\$ 1,138</u>	<u>\$ -</u>	<u>\$ -</u>
Total net assets - cash and investment basis held in trust	<u>\$ 938</u>	<u>\$ (26,130)</u>	<u>\$ 1,138</u>	<u>\$ -</u>	<u>\$ -</u>

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

	Community Education Coalition Grant Even Start	ISTRF/401A Adjustments	Band Instruments	Learning Lift	Totals
Additions:					
Contributions:					
Other	\$ -	\$ 21,627	\$ 1,015	\$ -	\$ 28,907
Deductions:					
Administrative and general	2,000	10,169	-	200	52,993
Excess (deficiency) of total additions over total deductions	(2,000)	11,458	1,015	(200)	(24,086)
Cash and investment fund balance - beginning	2,000	-	-	200	12,505
Cash and investments - June 30	<u>\$ -</u>	<u>\$ 11,458</u>	<u>\$ 1,015</u>	<u>\$ -</u>	<u>\$ (11,581)</u>
Net assets:					
Cash and investments	<u>\$ -</u>	<u>\$ 11,458</u>	<u>\$ 1,015</u>	<u>\$ -</u>	<u>\$ (11,581)</u>
Total net assets - cash and investment basis held in trust	<u>\$ -</u>	<u>\$ 11,458</u>	<u>\$ 1,015</u>	<u>\$ -</u>	<u>\$ (11,581)</u>

FAYETTE COUNTY SCHOOL CORPORATION
 COMBINING SCHEDULE OF ADDITIONS, DEDUCTIONS, AND CHANGES IN CASH AND INVESTMENT BALANCES
 AGENCY FUNDS
 For the Year Ended June 30, 2008

	<u>Payroll Withholding</u>
Additions:	
Agency fund additions	<u>\$ 23,321,861</u>
Deductions:	
Agency fund deductions	<u>23,275,125</u>
Excess of total additions over total deductions	46,736
Cash and investment fund balance - beginning	<u>288,101</u>
Cash and investment fund balance - ending	<u><u>\$ 334,837</u></u>

FAYETTE COUNTY SCHOOL CORPORATION
 COMBINING SCHEDULE OF ADDITIONS, DEDUCTIONS, AND CHANGES IN CASH AND INVESTMENT BALANCES
 AGENCY FUNDS
 For the Year Ended June 30, 2009

	<u>Payroll Withholding</u>
Additions:	
Agency fund additions	<u>\$ 23,693,463</u>
Deductions:	
Agency fund deductions	<u>23,730,136</u>
Deficiency of total additions over total deductions	(36,673)
Cash and investment fund balance - beginning	<u>334,837</u>
Cash and investment fund balance - ending	<u><u>\$ 298,164</u></u>

FAYETTE COUNTY SCHOOL CORPORATION
 SUPPLEMENTARY INFORMATION
 SCHEDULE OF CAPITAL ASSETS
 June 30, 2009

Capital assets are reported at estimated replacement cost.

<u>Primary Government</u>	<u>Ending Balance</u>
Governmental activities:	
Capital assets, not being depreciated:	
Land	\$ 5,500
Buildings	131,384,718
Improvements other than buildings	268,656
Machinery and equipment	<u>12,082,454</u>
 Total governmental activities, capital assets not being depreciated	 <u>\$ 143,741,328</u>

FAYETTE COUNTY 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:		
Multi-School Project 1998/2008	\$ 2,525,000	\$ 526,475
Middle School Project 2002	12,340,000	1,045,000
Bonds payable:		
General obligation bonds:		
Pension Bonds-Retirement & Severance	1,605,000	215,777
Qualified Zone Academy Bonds (QZAB)	<u>2,000,000</u>	<u>-</u>
Total governmental activities debt	<u>\$ 18,470,000</u>	<u>\$ 1,787,252</u>

FAYETTE COUNTY SCHOOL CORPORATION
AUDIT RESULTS AND COMMENTS

OVERDRAWN CASH BALANCES

The cash balances of the Whitewater Technical Capital Outlay Fund, Whitewater Technical Career Center 08-09 Moving Fund, Whitewater Technical Career Center Perkins 07-08 Fund, CHS Project Lead The Way 07-08 Fund, Head Start 07-08 Fund, Title II Part B Math/Science Fund, Capital Projects Fund, and School Bus Replacement Fund were overdrawn in 2008.

The cash balances of the Special Education Preschool, Whitewater Technical Career Center Perkins 08-09, Head Start 08-09 Fund, Whitewater Technical Career Center Project Lead The Way, Adult Education, Capital Projects Fund, and Middle School Renovations Fund were overdrawn in 2009.

The cash 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)

CONDITION OF RECORDS

The following deficiencies relating to the recordkeeping for school lunch receipts were noted. A similar comment was in prior Audit Reports B27130 and B31773.

There were a considerable number of posting errors. These errors included school lunch receipts not recorded in the proper amounts, lunch receipts classified as breakfast and breakfast receipts under lunch receipts code.

Controls over the receipting, disbursing, recording, and accounting for the financial activities are necessary to avoid substantial risk of invalid transactions, inaccurate records and financial statements and incorrect decision making. (Accounting and Uniform Compliance Guidelines Manual for Indiana Public School Corporations, Chapter 9)

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SUPPLEMENTAL AUDIT OF
FEDERAL AWARDS



STATE OF INDIANA
AN EQUAL OPPORTUNITY EMPLOYER

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

Telephone: (317) 232-2513
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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 FAYETTE COUNTY SCHOOL
CORPORATION, FAYETTE COUNTY, INDIANA

Compliance

We have audited the compliance of the Fayette County 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 non-compliance 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. However, the results of our auditing procedures disclosed instances of noncompliance with those requirements which are required to be reported in accordance with OMB Circular A-133 and which are described in the accompanying Schedule of Findings and Questioned Costs as items 2009-1.

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

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)

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.

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 Official Response and 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 board of school trustees, and federal awarding agencies and pass-through entities and is not intended to be and should not be used by anyone other than these specified parties. In accordance with Indiana Code 5-11-5-1, this report is a part of the public records of the State Board of Accounts and of the office examined.

STATE BOARD OF ACCOUNTS

March 3, 2010

FAYETTE COUNTY 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 2007-2008	\$ 241,420	\$ -
		FY 2008-2009	-	241,613
Total for program			<u>241,420</u>	<u>241,613</u>
National School Lunch Program	10.555			
		FY 2007-2008	902,475	-
		FY 2008-2009	-	952,756
Total for program			<u>902,475</u>	<u>952,756</u>
Total for Federal Grantor Agency/Total for cluster			<u>1,143,895</u>	<u>1,194,369</u>
<u>U.S. DEPARTMENT OF EDUCATION</u>				
Pass-Through Indiana Department of Education Special Education Cluster (IDEA) Special Education - Grants to States	84.027			
		14206-071-PY02	30,625	-
		14207-071-PY02	36,072	-
		14207-071-PN01	1,231,382	-
		14208-071-PN01	1,512,419	456,668
Fayette County Share of Grant		14208-071-PN01	710,443	87,012
		14207-054-DY01	-	100,000
		14207-071-PY02	-	224,865
		14208-043-DY01	-	84,060
		14208-071-PY02	-	246,575
		14209-071-PN01	-	1,351,636
Total for program			<u>3,520,941</u>	<u>2,550,816</u>
Special Education - Preschool Grants	84.173			
		45707-071-PN01	16,085	-
		45707-071-PY02	1,924	-
		45708-071-PN01	69,689	15,689
		45708-071-PY02	-	2,129
		45709-071-PN01	-	69,007
Total for program			<u>87,698</u>	<u>86,825</u>
Total for cluster			<u>3,608,639</u>	<u>2,637,641</u>
Adult Education - State Grant Program	84.002			
		FY07-8121	3,299	-
		FY07-8010	12,507	-
		FY08-8121	21,619	6,381
		FY08-8010	146,163	2,644
		C1-RRS-6-06-WTCC	-	37,447
		FY2009-8010	-	127,220
Total for program			<u>183,588</u>	<u>173,692</u>
Title I Grants to Local Educational Agencies	84.010			
Title I		SY2006-2007	141,960	-
Grandview		07-2395	4,702	-
Maplewood		07-2395	2,617	-
Grandview		08-2395	19,144	9,333

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

FAYETTE COUNTY 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 (continued)				
Maplewood Title I		08-2395	17,320	22,680
		08-2395	616,290	319,704
		SY2007-2008	1,221	6,184
		2395	-	3,288
Academic Achievement Award Title I		2008-2009	-	15,947
		09-2395	-	729,006
Total for program			<u>803,254</u>	<u>1,106,142</u>
Career and Technical Education - Basic Grants to States	84.048			
		CPS-6-492	30,000	-
		07-4700-2395	9,662	-
		C1-8-CPS-7-492	51,280	8,719
		08-4700-2395	173,236	27,532
		08-1303-2395	-	500
		C1-9-CPR-8-352	-	6,000
		09-4700-2395	-	192,777
Total for program			<u>264,178</u>	<u>235,528</u>
Safe and Drug Free Schools and Communities - State Grants	84.186			
		05-078	7,490	-
		2395-06	14,861	11,300
		2395-07	-	13,429
Total for program			<u>22,351</u>	<u>24,729</u>
Even Start - State Educational Agencies	84.213			
		1015	14,075	-
		FY08/1009	96,783	13,702
		FY09/1007	-	96,550
Total for program			<u>110,858</u>	<u>110,252</u>
Tech Prep Education	84.243			
		TP352	8,482	-
		C1-8-PLTW-7-352	12,730	2,270
		C1-9-PLTW-8a-352	-	1,000
		C1-9-PLTW-86-352	-	8,043
Total for program			<u>21,212</u>	<u>11,313</u>
State Grants for Innovative Programs	84.298			
		05-223	8,406	-
		06-2395	1,221	6,184
Total for program			<u>9,627</u>	<u>6,184</u>
Education Technology State Grants	84.318			
		S318X040014	27,066	-
		S318X050014	4,090	-
Total for program			<u>31,156</u>	<u>-</u>
Literacy Through School Libraries	84.364			
		S318X06-0014	2,145	-
Total for program			<u>2,145</u>	<u>-</u>

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

FAYETTE COUNTY 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 (continued)				
Mathematics and Science Partnerships	84.366	6000/182500	<u>101,068</u>	<u>87,723</u>
Total for program			<u>101,068</u>	<u>87,723</u>
Improving Teacher Quality State Grants	84.367			
		05-129	31,234	-
		06-2395	147,124	59,812
		07-2395	<u>161,096</u>	<u>-</u>
Total for program			<u>339,454</u>	<u>59,812</u>
Total for federal grantor agency			<u>5,497,530</u>	<u>4,453,016</u>
<u>U.S. DEPARTMENT OF HEALTH AND HUMAN SERVICES</u>				
Direct Grant				
Head Start	93.600			
		05-CH2000/15	143,757	-
		05-CH2000/16	881,757	147,205
		05-CH2000/17	<u>-</u>	<u>907,678</u>
Total for program			<u>1,025,514</u>	<u>1,054,883</u>
Total federal awards expended			<u>\$ 7,666,939</u>	<u>\$ 6,702,268</u>

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

FAYETTE COUNTY 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 Fayette County 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 corporation 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	\$ 9,879	\$ 16,986
National School Lunch Program	10.555	36,928	66,981

FAYETTE COUNTY 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?	none reported

Noncompliance material to financial statements noted? no

Federal Awards:

Internal control over major programs:

Material weaknesses identified?	no
Significant deficiencies identified that are not considered to be material weaknesses?	none reported

Type of auditor's report issued on compliance for major programs: Unqualified

Any audit findings disclosed that are required to be reported in accordance with section 510(a) of Circular A-133? no

Identification of Major Programs:

CFDA Number	Name of Federal Program or Cluster
93.600	School Lunch Cluster Special Education Cluster Head Start

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

Auditee qualified as low-risk auditee? no

Section II – Financial Statement Findings

No matters are reportable.

FAYETTE COUNTY SCHOOL CORPORATION
SCHEDULE OF FINDINGS AND QUESTIONED COSTS
(Continued)

Section III – Federal Award Findings and Questioned Costs

FINDING 2009-1, INTERNAL CONTROL REPORTABLE CONDITION/CASH MANAGEMENT

Federal Agency: U.S. Department of Education
Federal Program: Special Education Preschool
CFDA Number: 84.173
Pass-Through Entity: Indiana Department of Education

Seven of the months reviewed for Special Education Preschool had cash balances in excess of 110% of the average monthly expenditures.

EDGAR 80.20(b)(7) states in part: "Procedures for minimizing the time elapsing between the transfer of funds from the U.S. Treasury and disbursement by grantees and sub-grantees must be followed whenever advance payment procedures are used."

Surplus cash indicates noncompliance with the cash management requirement. Additionally, failure to minimize the cash on hand may cause future funding to be reduced by the pass-through agency.

We recommended that School Corporation Officials develop and implement procedures and controls to ensure that the time between the receipt and disbursement of federal funds is minimized.

FAYETTE COUNTY SCHOOL CORPORATION
SUMMARY SCHEDULE OF PRIOR AUDIT FINDINGS

No matters are reportable.



Fayette County School Corporation

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jperkins@fayette.k12.in.us

January 12, 2010

CORRECTIVE ACTION PLAN

2009-1

Finding Number 2990-1

Fiscal Year: 2007 – 2009
Auditee Contact Person: John Perkins
Title of Contact Person: Director of Finance
Phone Number: 765-825-2178

Status of Finding:

Since our last State Board of Account's audit, we have been working closely with the Director of the CFR (Centerville, Fayette, Rushville) Cooperative to provide for more accurate estimates for cash requests. Instead collecting in advance for the summer months, we are now requesting a lower amount each month, including the summer, which should provide us with a more accurate reflection of our expenditures. This process has already been placed into action with the current funding for the Special Education Pre-School program.

Submitted by:

John Perkins
Director of Finance

John A. Perkins
Director of Finance

Debbie S. Jobe
Deputy Treasurer

School Board
Ralph Burchett
Carl Hylton
Leslie Jacobs
Stephen Kaiser
Lori Savoy
Dale Thomas
Brad Wilson



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FAYETTE COUNTY SCHOOL CORPORATION
EXIT CONFERENCE

The contents of this report were discussed on March 3, 2010 with Dale Thomas, President of the School Board; Russell Hodges, Superintendent of Schools; John Perkins, Treasurer; Deborah Jobe, Deputy Treasurer; and Brad Wilson, Vice President of the School Board. The official response has been made a part of this report and may be found on page 71.



Fayette County School Corporation

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February 19, 2010

State Board of Accounts
302 W. Washington Street, Room E418
Indianapolis, IN 46204-2769

Re: OFFICIAL RESPONSE: Overdrawn Cash Balances

Dear SBOA,

At our audit of 7/1/2007 – 6/30/2009 a result and comment was issued that states in part..."The cash balance of any account may not be reduced below zero."

In certain years the Capital Projects, Bus Replacement and Special Education Pre-School indicated a negative balance at the end of the calendar year. The root cause of this condition is the late settlement from our county Treasurer and Auditor. The School Corporation is required to meet all statutory deadlines and guidelines and we are very dependent upon the timely collection and distributions by the county offices. When the county officials can not perform their duties, the School Corporation has no recourse but to report accurate cash balances in all funds regardless of the delays.

While maintaining compliance is the School's responsibility, there is a shared responsibility of local government officials to make sure their tasks are completed in a timely fashion.

On other, non-local funds such as Head Start, Project Lead the Way, Perkins Vocational and Part B Math/Science, the design of the grants will not allow for funding until there is an actual expenditure made and therefore the fund must be in a "negative" position for a short time while the funds are in route. The point is; a school corporation does not have an option available in these situations.

Therefore, while these funds are "routinely" overdrawn, there are reasonable and valid explanations for the occurrence. The audit is a snapshot of one point in time and is not reflective of the fund management throughout the year.

Thank you for your consideration of our position on this audit comment.

Sincerely,

John Perkins
Director of Finance

John A. Perkins
Director of Finance

Debbie S. Jobe
Deputy Treasurer

School Board
Ralph Burchett
Carl Hylton
Leslie Jacobs
Stephen Kaiser
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