

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

EXAMINATION REPORT

OF

SOUTHEAST DUBOIS COUNTY SCHOOL CORPORATION

DUBOIS COUNTY, INDIANA

July 1, 2007 to June 30, 2009



FILED

05/21/2010

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OFFICIALS

<u>Office</u>	<u>Official</u>	<u>Term</u>
Treasurer	Tracy A. Troesch	07-01-07 to 06-30-10
Superintendent of Schools	Robert K. Johnson	07-01-07 to 06-30-10
President of the School Board	Kent Uebelhor	07-01-07 to 06-30-10



STATE OF INDIANA
AN EQUAL OPPORTUNITY EMPLOYER

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

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

INDEPENDENT ACCOUNTANT'S REPORT

TO: THE OFFICIALS OF SOUTHEAST DUBOIS COUNTY
SCHOOL CORPORATION, DUBOIS COUNTY, INDIANA

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

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

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

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

STATE BOARD OF ACCOUNTS

February 8, 2010

SOUTHEAST DUBOIS 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>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	\$ 5,978,197	\$ -	\$ 147,611	\$ (5,830,586)
Support services	4,470,378	483,948	169,910	(3,816,520)
Noninstructional services	697,401	-	-	(697,401)
Facilities acquisition and construction	406,698	-	-	(406,698)
Debt service	2,457,384	-	-	(2,457,384)
Nonprogrammed charges	172,189	-	-	(172,189)
Total governmental activities	<u>\$ 14,182,247</u>	<u>\$ 483,948</u>	<u>\$ 317,521</u>	<u>(13,380,778)</u>
General receipts:				
Property taxes				2,737,165
Other local sources				1,238,837
State aid				5,377,906
Bonds and loans				1,000,000
Grants and contributions not restricted to specific programs				130,756
Investment earnings				136,655
Other				5,999
Total general receipts				<u>10,627,318</u>
Change in net assets				(2,753,460)
Net assets - beginning				<u>4,914,243</u>
Net assets - ending				<u>\$ 2,160,783</u>
<u>Assets</u>				
Cash and investments				\$ 1,940,888
Restricted assets:				
Cash and investments				<u>219,895</u>
Total assets				<u>\$ 2,160,783</u>
<u>Net Assets</u>				
Restricted for:				
Debt service				\$ 18,767
Other purposes				201,128
Unrestricted				<u>1,940,888</u>
Total net assets				<u>\$ 2,160,783</u>

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

SOUTHEAST DUBOIS 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>	<u>Program Receipts</u>		<u>Net (Disbursement) Receipts and Changes in Net Assets</u>
		<u>Charges for Services</u>	<u>Operating Grants and Contributions</u>	<u>Totals</u>
Governmental activities:				
Instruction	\$ 5,858,070	\$ -	\$ 170,769	\$ (5,687,301)
Support services	4,672,083	489,676	188,916	(3,993,491)
Noninstructional services	780,784	-	-	(780,784)
Facilities acquisition and construction	487,923	-	-	(487,923)
Debt service	2,754,437	-	-	(2,754,437)
Nonprogrammed charges	<u>221,388</u>	<u>-</u>	<u>-</u>	<u>(221,388)</u>
Total governmental activities	<u>\$ 14,774,685</u>	<u>\$ 489,676</u>	<u>\$ 359,685</u>	<u>(13,925,324)</u>
General receipts:				
Property taxes				6,705,390
Other local sources				1,786,353
State aid				6,162,052
Grants and contributions not restricted to specific programs				776,651
Sale of property				2,850
Investment earnings				79,051
Other				<u>1,817</u>
Total general receipts				<u>15,514,164</u>
Change in net assets				1,588,840
Net assets - beginning				<u>2,160,783</u>
Net assets - ending				<u>\$ 3,749,623</u>
<u>Assets</u>				
Cash and investments				\$ 3,239,569
Restricted assets:				
Cash and investments				<u>510,054</u>
Total assets				<u>\$ 3,749,623</u>
<u>Net Assets</u>				
Restricted for:				
Debt service				\$ 233,813
Other purposes				276,241
Unrestricted				<u>3,239,569</u>
Total net assets				<u>\$ 3,749,623</u>

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

SOUTHEAST DUBOIS 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	Debt Service	Capital Projects	Other	Totals
Receipts:						
Local sources	\$ 1,528,660	\$ -	\$ 780,295	\$ 592,595	\$ 1,060,417	\$ 3,961,967
Intermediate sources	124	-	-	-	854	978
State sources	5,493,626	-	-	-	91,943	5,585,569
Federal sources	229	-	-	-	240,385	240,614
Temporary loans	1,000,000	-	-	-	-	1,000,000
Interfund loans	-	-	186,000	-	150,500	336,500
Other	5,999	-	-	-	-	5,999
Total receipts	<u>8,028,638</u>	<u>-</u>	<u>966,295</u>	<u>592,595</u>	<u>1,544,099</u>	<u>11,131,627</u>
Disbursements:						
Current:						
Instruction	5,774,318	-	-	-	203,879	5,978,197
Support services	2,217,327	42,838	-	438,314	854,241	3,552,720
Noninstructional services	212,282	-	-	-	485,119	697,401
Facilities acquisition and construction	-	-	-	406,698	-	406,698
Debt services	1,000,000	-	1,095,830	-	361,554	2,457,384
Nonprogrammed charges	161,820	-	-	-	10,369	172,189
Interfund loans	-	336,500	-	-	-	336,500
Total disbursements	<u>9,365,747</u>	<u>379,338</u>	<u>1,095,830</u>	<u>845,012</u>	<u>1,915,162</u>	<u>13,601,089</u>
Deficiency of receipts over disbursements	<u>(1,337,109)</u>	<u>(379,338)</u>	<u>(129,535)</u>	<u>(252,417)</u>	<u>(371,063)</u>	<u>(2,469,462)</u>
Other financing sources (uses):						
Transfers in	147,572	150,000	-	-	70,288	367,860
Transfers out	<u>(27,516)</u>	<u>-</u>	<u>(15,892)</u>	<u>(162,028)</u>	<u>(162,424)</u>	<u>(367,860)</u>
Total other financing sources (uses)	<u>120,056</u>	<u>150,000</u>	<u>(15,892)</u>	<u>(162,028)</u>	<u>(92,136)</u>	<u>-</u>
Deficiency of receipts and other financing sources over disbursements and other financing uses	<u>(1,217,053)</u>	<u>(229,338)</u>	<u>(145,427)</u>	<u>(414,445)</u>	<u>(463,199)</u>	<u>(2,469,462)</u>
Cash and investments - beginning	<u>1,857,415</u>	<u>765,000</u>	<u>160,994</u>	<u>757,447</u>	<u>888,261</u>	<u>4,429,117</u>
Cash and investments - ending	<u>\$ 640,362</u>	<u>\$ 535,662</u>	<u>\$ 15,567</u>	<u>\$ 343,002</u>	<u>\$ 425,062</u>	<u>1,959,655</u>
Amounts reported for governmental activities in the Statement of Cash Activities and Net Assets - Cash and Investment Basis are different because:						
Internal service funds are used by management to charge the costs of certain services to individual funds. The assets and liabilities of the internal service funds are included in governmental activities in the Statement of Activities and Net Assets - Cash and Investment Basis.						
						<u>201,128</u>
Net assets of governmental activities						<u>\$ 2,160,783</u>
Cash and Investment Assets - Ending						
Cash and investments	\$ 640,362	\$ 535,662	\$ -	\$ 343,002	\$ 421,862	\$ 1,940,888
Restricted assets:						
Cash and investments	-	-	15,567	-	3,200	18,767
Total cash and investment assets - ending	<u>\$ 640,362</u>	<u>\$ 535,662</u>	<u>\$ 15,567</u>	<u>\$ 343,002</u>	<u>\$ 425,062</u>	<u>\$ 1,959,655</u>
Cash and Investment Fund Balance - Ending						
Restricted for:						
Debt service	\$ -	\$ -	\$ 15,567	\$ -	\$ 3,200	\$ 18,767
Unrestricted	<u>640,362</u>	<u>535,662</u>	<u>-</u>	<u>343,002</u>	<u>421,862</u>	<u>1,940,888</u>
Total cash and investment fund balance - ending	<u>\$ 640,362</u>	<u>\$ 535,662</u>	<u>\$ 15,567</u>	<u>\$ 343,002</u>	<u>\$ 425,062</u>	<u>\$ 1,959,655</u>

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

SOUTHEAST DUBOIS 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	ARRA Fiscal Stabilization	Debt Service	Capital Projects	Other	Totals
Receipts:							
Local sources	\$ 2,818,311	\$ -	\$ -	\$ 1,975,373	\$ 1,466,130	\$ 1,835,169	\$ 8,094,983
Intermediate sources	124	-	-	-	-	338	462
State sources	6,332,521	-	-	-	-	82,341	6,414,862
Federal sources	-	-	671,829	-	-	211,697	883,526
Interfund loans	-	336,500	-	-	-	-	336,500
Other	689	-	-	-	1,128	-	1,817
Total receipts	9,151,645	336,500	671,829	1,975,373	1,467,258	2,129,545	15,732,150
Disbursements:							
Current:							
Instruction	5,665,238	48,147	-	-	-	144,685	5,858,070
Support services	2,189,953	118,285	935	-	760,523	712,475	3,782,171
Noninstructional services	271,786	-	-	-	-	508,998	780,784
Facilities acquisition and construction	-	-	-	-	482,923	5,000	487,923
Debt services	1,000,000	-	-	1,393,181	-	361,256	2,754,437
Nonprogrammed charges	221,388	-	-	-	-	-	221,388
Interfund loans	-	-	-	186,000	-	150,500	336,500
Total disbursements	9,348,365	166,432	935	1,579,181	1,243,446	1,882,914	14,221,273
Excess (deficiency) of receipts over disbursements	(196,720)	170,068	670,894	396,192	223,812	246,631	1,510,877
Other financing sources (uses):							
Sale of capital assets	-	-	-	-	-	2,850	2,850
Transfers in	138	500,000	-	-	-	53,436	553,574
Transfers out	(9,561)	-	-	(257,382)	(205,158)	(81,473)	(553,574)
Total other financing sources (uses)	(9,423)	500,000	-	(257,382)	(205,158)	(25,187)	2,850
Excess (deficiency) of receipts and other financing sources over disbursements and other financing uses	(206,143)	670,068	670,894	138,810	18,654	221,444	1,513,727
Cash and investments - beginning	640,362	535,662	-	15,567	343,002	425,062	1,959,655
Cash and investments - ending	\$ 434,219	\$ 1,205,730	\$ 670,894	\$ 154,377	\$ 361,656	\$ 646,506	3,473,382
Amounts reported for governmental activities in the Statement of Cash Activities and Net Assets - Cash and Investment Basis are different because:							
Internal service funds are used by management to charge the costs of certain services to individual funds. The assets and liabilities of the internal service funds are included in governmental activities in the Statement of Activities and Net Assets - Cash and Investment Basis.							
							276,241
Net assets of governmental activities							<u>\$ 3,749,623</u>
Cash and Investment Assets - Ending							
Cash and investments	\$ 434,219	\$ 1,205,730	\$ 670,894	\$ -	\$ 361,656	\$ 567,070	\$ 3,239,569
Restricted assets:							
Cash and investments	-	-	-	154,377	-	79,436	233,813
Total cash and investment assets - ending	\$ 434,219	\$ 1,205,730	\$ 670,894	\$ 154,377	\$ 361,656	\$ 646,506	\$ 3,473,382
Cash and Investment Fund Balance - Ending							
Restricted for:							
Debt service	\$ -	\$ -	\$ -	\$ 154,377	\$ -	\$ 79,436	\$ 233,813
Unrestricted	434,219	1,205,730	670,894	-	361,656	567,070	3,239,569
Total cash and investment fund balance - ending	\$ 434,219	\$ 1,205,730	\$ 670,894	\$ 154,377	\$ 361,656	\$ 646,506	\$ 3,473,382

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

SOUTHEAST DUBOIS COUNTY SCHOOL CORPORATION
STATEMENT OF ASSETS AND FUND BALANCES AND RECEIPTS, DISBURSEMENTS,
AND CHANGES IN FUND BALANCES - CASH AND INVESTMENT BASIS
PROPRIETARY FUNDS
For the Year Ended June 30, 2008

	<u>Internal Service Fund</u>
Operating receipts:	
Charges for services	\$ 1,069,930
Miscellaneous	<u>18,522</u>
Total operating receipts	<u>1,088,452</u>
Operating disbursements:	
Insurance claims and expense	1,372,450
Deficiency of operating receipts over operating disbursements	<u>(283,998)</u>
Change in net assets	(283,998)
Cash and investment fund balance - beginning	<u>485,126</u>
Cash and investment fund balance - ending	<u><u>\$ 201,128</u></u>
<u>Cash and Investment Assets - Ending</u>	
Restricted assets:	
Cash and investments	<u><u>\$ 201,128</u></u>
<u>Cash and Investment Fund Balance - Ending</u>	
Restricted for:	
Other purposes	<u><u>\$ 201,128</u></u>

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

SOUTHEAST DUBOIS COUNTY SCHOOL CORPORATION
STATEMENT OF ASSETS AND FUND BALANCES AND RECEIPTS, DISBURSEMENTS,
AND CHANGES IN FUND BALANCES - CASH AND INVESTMENT BASIS
PROPRIETARY FUNDS
For the Year Ended June 30, 2009

	Internal Service Fund
Operating receipts:	
Charges for services	\$ 1,426,843
Miscellaneous	6,023
Total operating receipts	1,432,866
Operating disbursements:	
Insurance claims and expense	1,357,753
Excess of operating receipts over operating disbursements	75,113
Change in net assets	75,113
Cash and investment fund balance - beginning	201,128
Cash and investment fund balance - ending	\$ 276,241
<u>Cash and Investment Assets - Ending</u>	
Restricted assets:	
Cash and investments	\$ 276,241
<u>Cash and Investment Fund Balance - Ending</u>	
Restricted for:	
Other purposes	\$ 276,241

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

SOUTHEAST DUBOIS 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:			
Other	\$ 97,888	\$ 16,525	
Investment earnings:			
Interest	43,346	5,264	
Dividends	-	341	
Total investment earnings	43,346	5,605	
Total additions	141,234	22,130	
Deductions:			
Benefits	598,362	-	
Administrative and general	-	27,951	
Total deductions	598,362	27,951	
Deficiency of total additions over total deductions	(457,128)	(5,821)	
Cash and investment fund balance - beginning	869,246	147,303	
Cash and investment fund balance - ending	\$ 412,118	\$ 141,482	\$ 12,521
Net assets:			
Cash and investments	\$ 412,118	\$ 141,482	
Total net assets - cash and investment basis held in trust	\$ 412,118	\$ 141,482	

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

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

	<u>Pension Trust Funds</u>	<u>Private-Purpose Trust Funds</u>	<u>Agency Funds</u>
Additions:			
Contributions:			
Other	\$ -	\$ 10,665	
Investment earnings:			
Interest	-	7,417	
Dividends	-	583	
Total investment earnings	<u>-</u>	<u>8,000</u>	
Total additions	<u>-</u>	<u>18,665</u>	
Deductions:			
Benefits	59,659	-	
Administrative and general	-	18,582	
Total deductions	<u>59,659</u>	<u>18,582</u>	
Excess (deficiency) of total additions over total deductions	(59,659)	83	
Cash and investment fund balance - beginning	<u>412,118</u>	<u>141,482</u>	
Cash and investment fund balance - ending	<u>\$ 352,459</u>	<u>\$ 141,565</u>	<u>\$ 15,643</u>
Net assets:			
Cash and investments	<u>\$ 352,459</u>	<u>\$ 141,565</u>	
Total net assets - cash and investment basis held in trust	<u>\$ 352,459</u>	<u>\$ 141,565</u>	

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

SOUTHEAST DUBOIS 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: Southeast Dubois 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 in a joint venture to operate Dubois-Spencer-Perry Exceptional Children's Cooperative which was created to provide programs and services for exceptional children. The Dubois-Spencer-Perry Exceptional Children's Cooperative's continued existence depends on continued funding by the School Corporation. Complete financial statements for the Dubois-Spencer-Perry Exceptional Children's Cooperative can be obtained from Greater Jasper Consolidated Schools, 1520 St. Charles Street, Jasper, IN 47546.

The School Corporation is a participant in a joint venture to operate Area Vocational Program – District 47 which was created to provide vocational education needs of students. The Area Vocational Program – District 47's continued existence depends on continued funding by the School Corporation. Complete financial statements for the Area Vocational Program – District 47 can be obtained from Greater Jasper Consolidated Schools, 1520 St. Charles Street, Jasper, IN 47546.

The School Corporation is a participant in a joint venture to operate Southern Indiana Education Center (SIEC) which was created to operate and maintain an educational service center in order to allow participating school corporations to cooperate and share certain programs and services. The Southern Indiana Education Center (SIEC)'s continued existence depends on continued funding by the School Corporation. Complete financial statements for the Southern Indiana Education Center (SIEC) can be obtained from Southwest Dubois County School Corporation, 113 Jackson Street, Huntingburg, IN 47542.

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.

SOUTHEAST DUBOIS COUNTY SCHOOL CORPORATION
NOTES TO FINANCIAL STATEMENTS
(Continued)

Governmental activities generally are financed through taxes, intergovernmental revenues, and other nonexchange revenues. Business-type activities are financed in whole or in part by fees charged to external parties for goods or services.

Fund Financial Statements

Fund financial statements of the reporting entity are organized into funds, each of which is considered to be a separate accounting entity. Each fund is accounted for by providing a separate set of self-balancing accounts that constitutes its assets, fund equity, receipts, and disbursements. Separate financial statements are provided for governmental funds, proprietary funds, 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 capital projects fund accounts for planned construction, repair, replacement or remodeling of buildings; and the purchase, lease, upgrade, maintenance, or repair of computer equipment.

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

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

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

Additionally, the School Corporation reports the following fund types:

The internal service fund accounts for receipts and disbursements concerning the self-insured health insurance program provided to other departments on a cost-reimbursement basis.

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

The private-purpose trust fund reports a trust arrangement under which principal and income benefit the students of the School Corporation.

Agency funds account for assets held by the School Corporation as an agent for cafeteria and payroll of the School Corporation.

SOUTHEAST DUBOIS COUNTY SCHOOL CORPORATION
NOTES TO FINANCIAL STATEMENTS
(Continued)

C. Measurement Focus and Basis of Accounting

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

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

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

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

Proprietary funds are used to account for activities similar to those found in the private sector, where the determination of net income is necessary or useful to sound financial administration. Goods or services from such activities are provided to people outside the government (enterprise funds) or other departments or agencies primarily within the government (internal service funds). The School Corporation does not have any enterprise funds.

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

D. Assets and Cash and Investment Balances

1. Restricted Assets

All restricted assets, as presented in the accompanying financial statements, are restricted due to enabling legislation.

2. 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.

3. Property Taxes

Normally, property taxes levied are collected by the County Treasurer and are distributed to the School Corporation in June and in December. State statute (IC 6-1.1-17-16) requires the Indiana Department of Local Government Finance to establish property tax rates and levies by February 15. These rates were based upon the preceding year's March 1 (lien date) assessed valuations adjusted for various tax credits. Taxable property is assessed at 100% of the true tax value (determined in accordance with rules and regulations adopted by the

SOUTHEAST DUBOIS COUNTY SCHOOL CORPORATION
NOTES TO FINANCIAL STATEMENTS
(Continued)

Indiana Department of Local Government Finance). Taxes may be paid in two equal installments which may become delinquent if not paid by May 10 and November 10, respectively. All property taxes collected by the County Treasurer and available for distribution were distributed to the School Corporation on or prior to December 31 of the year collected.

4. Capital Assets

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

5. Long-Term Debt

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

6. 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."

Fund Financial Statements

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

E. Receipts and Disbursements

Program Receipts

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

F. Internal and Interfund 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 in the fund financial statements have been eliminated or reclassified.

SOUTHEAST DUBOIS COUNTY SCHOOL CORPORATION
NOTES TO FINANCIAL STATEMENTS
(Continued)

Fund Financial Statements

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

Government-Wide Financial Statements

Interfund activity, if any, is 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 loans and services between funds, if any, are not eliminated in the government-wide Statement of Activities and Net Assets – Cash and Investment Basis.

II. Stewardship, Compliance and Accountability

A. Budgetary Information

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

Prior to the first required publication, the fiscal officer of the School Corporation submits to the governing board a proposed operating budget for the year commencing the following January 1. Prior to adoption, the budget is advertised and public hearings are conducted by the governing board to obtain taxpayer comments. Prior to November 1, 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 high-way 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.

SOUTHEAST DUBOIS COUNTY SCHOOL CORPORATION
NOTES TO FINANCIAL STATEMENTS
(Continued)

B. Disbursements in Excess of Appropriations

For the years ended June 30, 2008 and 2009, disbursements exceeded budgeted appropriations in the following funds by the amounts below:

Fund	2007
Debt Service	\$ (190,092)
Pension Debt Service	(5,263)
Total	\$ (195,355)

These disbursements were funded by available fund balances.

III. Detailed Notes on All Funds

A. Deposits and Investments

Custodial credit risk is the risk that in the event of a bank failure, the government's deposits may not be returned to it. IC 5-13-8-1 allows a political subdivision of the State of Indiana to deposit public funds in a financial institution only if the financial institution is a depository eligible to receive State funds and has a principal office or branch that qualifies to receive public funds of the political subdivision. The School Corporation does not have a deposit policy for custodial credit risk. At June 30, 2009, the School Corporation had deposit balances in the amount of \$4,259,290.

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	2007-2008	2008-2009
General Fund	Other governmental funds	\$ 27,516	\$ 9,561
Capital Projects	Rainy Day	150,000	200,000
Debt Service	Rainy Day	-	250,000
Capital Projects	Other governmental funds	12,028	5,158
Debt Service	Other governmental funds	15,892	7,382
Other governmental funds	General Fund	147,572	138
	Rainy Day	-	50,000
	Other governmental funds	14,852	31,335
Totals		\$ 367,860	\$ 553,574

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

SOUTHEAST DUBOIS COUNTY SCHOOL CORPORATION
NOTES TO FINANCIAL STATEMENTS
(Continued)

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; 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.

The School Corporation has chosen to establish a risk financing fund for risks associated with medical benefits to employees, retirees, and dependents. The risk financing fund is accounted for in the Self-Insurance Fund, an internal service fund, where assets are set aside for claim settlements. The School Corporation purchases commercial insurance for claims in excess of coverage provided by the fund. Amounts are paid into the fund by all insured funds and are available to pay claims, claim reserves, and administrative costs of the program. Interfund premiums are based primarily upon the percentage of each fund's current year payroll as it relates to total payroll, and are reported as quasi-external interfund transactions.

Settled claims from risks covered by commercial insurance have not exceeded commercial insurance coverage for the past three years. There were no significant reductions in insurance by major category of risk.

B. Holding Corporations

The School Corporation has entered into a capital lease with Southeast Dubois County Jr./Sr. High 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 2009 totaled \$613,000, and \$617,000, respectively.

The School Corporation has entered into a capital lease with Southeast Dubois 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 2008 and 2009 totaled \$286,500, and \$581,000 respectively.

C. Termination Benefits

1. A teacher in the School Corporation who has at least five years of service in the School Corporation shall be eligible for severance pay upon leaving the School Corporation amounting to \$65 for each year of service in the School Corporation and \$65 for each sick leave day accumulated up to a maximum of 200 days. The severance pay shall be paid in two equal installments in January and June. During 2007-2008 and 2008-2009, no teachers were paid such severance pay.

SOUTHEAST DUBOIS COUNTY SCHOOL CORPORATION
NOTES TO FINANCIAL STATEMENTS
(Continued)

2. For teachers and administrators who signed up to retire under the old plan, the School Corporation pays early retirement benefits to teachers and administrators who retire from the School Corporation on or after attaining age 50 with at least 10 years served in the Southeast Dubois County School Corporation. Nine and eight retirees met these eligibility requirements in 2007-2008 and 2008-2009, respectively. Disbursements for those early retirement benefits are recognized on a pay-as-you-go basis. During 2007-2008 and 2008-2009, disbursements of \$122,737 and \$110,837, respectively, were recognized for these early retirement benefits.

3. The School Corporation provides the following early retirement benefits to teachers and administrators who did not retire under the old plan. Each teacher and administrator receives a percentage of their base salary paid into an individual 401(a) plan. The individual's on-going 401(a) plan account contributions will be vested at twenty percent per year of service with the School Corporation; however, the buy-out 401(a) contributions are vested at the completion of 10 years of service with the School Corporation and attainment of age 50. For 2007-08 and 2008-09, the School Corporation contributed 1% of the base salary for teachers and administrators with 20 years or more of service and .75% for teachers and administrators with less than 20 years of service into the on-going 401(a) plan accounts. If teachers and administrators retire after the attainment of age 50 with 10 years of service, they are eligible to receive an additional payment into the individuals 401(a) plan in a lump-sum amount equal to \$11,529 for each year between the age at retirement and the age that the individual would be eligible for Medicare, up to a maximum of ten years. The School Corporation also contributes into the 401(a) plan of retirees a lump-sum amount equal to \$70 for each day of accumulated sick leave. During 2007-2008 and 2008-2009, the School Corporation contributed \$286,946 for 92 teachers and administrators and \$69,679 for 91 teachers and administrators, respectively, into the 401(a) accounts.

D. Other Postemployment Benefits

Defined Contribution Healthcare Plan

Plan Description

Southeast Dubois County School Corporation Healthcare is a defined contribution healthcare plan administered by Security Benefits. The plan provides medical, dental, and vision coverage, as well as other medical expenses under Section 213 in the Internal Revenue Code to eligible retirees and their spouses. Indiana Code 5-10-08 assigns the authority to establish and amend benefit provisions to the School Corporation.

Funding Policy

The contribution requirements of plan members for the Southeast Dubois County School Corporation Healthcare Plan are established by the School Corporation's governing board. The required contribution by plan members is \$0. For the year ended June 30, 2009, the School Corporation contributed \$37,578 to the plan.

SOUTHEAST DUBOIS COUNTY SCHOOL CORPORATION
NOTES TO FINANCIAL STATEMENTS
(Continued)

E. Pension Plan

Cost-Sharing Multiple-Employer Defined Benefit Pension Plan

Teachers' Retirement Fund

Plan Description

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

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

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

Funding Policy

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

The School Corporation's contributions to the plan during the years ended June 30, 2008 and 2009, totaled \$142,392, and \$153,702 respectively.

SOUTHEAST DUBOIS 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 Pre-School	School Lunch	Textbook Rental	Levy Excess	Education License Plates
Receipts:						
Local sources	\$ 299,088	\$ 4,465	\$ 381,203	\$ 121,503	\$ -	\$ -
Intermediate sources	-	-	-	-	-	225
State sources	-	26,731	12,962	17,724	-	-
Federal sources	-	-	138,870	-	-	-
Interfund loans	150,000	-	-	-	-	-
Total receipts	449,088	31,196	533,035	139,227	-	225
Disbursements:						
Current:						
Instruction	-	33,189	-	-	-	-
Support services	595,001	-	7,177	121,559	-	-
Noninstructional services	-	-	484,309	-	-	-
Debt services	-	-	-	-	-	-
Nonprogrammed charges	-	10,369	-	-	-	-
Total disbursements	595,001	43,558	491,486	121,559	-	-
Excess (deficiency) of receipts over disbursements	(145,913)	(12,362)	41,549	17,668	-	225
Other financing sources (uses):						
Transfers in	-	-	-	-	65,079	56
Transfers out	(6,077)	(147)	-	-	(146,154)	-
Total other financing sources (uses)	(6,077)	(147)	-	-	(81,075)	56
Excess (deficiency) of receipts and other financing sources over disbursements and other financing uses	(151,990)	(12,509)	41,549	17,668	(81,075)	281
Cash and investments - beginning	164,319	13,731	146,841	80,678	81,075	3,943
Cash and investments - ending	\$ 12,329	\$ 1,222	\$ 188,390	\$ 98,346	\$ -	\$ 4,224
Cash and Investment Assets - Ending						
Cash and investments	\$ 12,329	\$ 1,222	\$ 188,390	\$ 98,346	\$ -	\$ 4,224
Restricted assets:						
Cash and investments	-	-	-	-	-	-
Total cash and investment assets - ending	\$ 12,329	\$ 1,222	\$ 188,390	\$ 98,346	\$ -	\$ 4,224
Cash and Investment Fund Balance - Ending						
Restricted for:						
Debt service	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Unrestricted	12,329	1,222	188,390	98,346	-	4,224
Total cash and investment fund balance - ending	\$ 12,329	\$ 1,222	\$ 188,390	\$ 98,346	\$ -	\$ 4,224

SOUTHEAST DUBOIS 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)

	At Risk Grant	QPR Suicide Prevention	Kindergarten Extended Day	Pre-School Parent Funded	High Ability Students	State Medicaid
Receipts:						
Local sources	\$ -	\$ -	\$ 466	\$ 32,396	\$ -	\$ -
Intermediate sources	-	-	-	-	-	-
State sources	-	-	-	-	31,730	134
Federal sources	-	-	-	-	-	-
Interfund loans	-	-	-	-	-	-
Total receipts	-	-	466	32,396	31,730	134
Disbursements:						
Current:						
Instruction	-	-	15,453	32,449	28,534	-
Support services	-	-	-	225	-	-
Noninstructional services	-	-	-	-	-	-
Debt services	-	-	-	-	-	-
Nonprogrammed charges	-	-	-	-	-	-
Total disbursements	-	-	15,453	32,674	28,534	-
Excess (deficiency) of receipts over disbursements	-	-	(14,987)	(278)	3,196	134
Other financing sources (uses):						
Transfers in	-	-	-	-	970	-
Transfers out	-	-	(331)	-	(970)	(117)
Total other financing sources (uses)	-	-	(331)	-	-	(117)
Excess (deficiency) of receipts and other financing sources over disbursements and other financing uses	-	-	(15,318)	(278)	3,196	17
Cash and investments - beginning	605	2,117	15,318	1,370	-	123
Cash and investments - ending	\$ 605	\$ 2,117	\$ -	\$ 1,092	\$ 3,196	\$ 140
Cash and Investment Assets - Ending						
Cash and investments	\$ 605	\$ 2,117	\$ -	\$ 1,092	\$ 3,196	\$ 140
Restricted assets:						
Cash and investments	-	-	-	-	-	-
Total cash and investment assets - ending	\$ 605	\$ 2,117	\$ -	\$ 1,092	\$ 3,196	\$ 140
Cash and Investment Fund Balance - Ending						
Restricted for:						
Debt service	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Unrestricted	605	2,117	-	1,092	3,196	140
Total cash and investment fund balance - ending	\$ 605	\$ 2,117	\$ -	\$ 1,092	\$ 3,196	\$ 140

SOUTHEAST DUBOIS 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)

	Non-English Speaking	School Technology	Technology Grants	Access Indiana	Jump Kids Jump	Title I 2006-07
Receipts:						
Local sources	\$ -	\$ 3,245	\$ -	\$ -	\$ -	\$ -
Intermediate sources	-	-	-	-	629	-
State sources	162	-	-	2,500	-	-
Federal sources	-	-	-	-	-	42,374
Interfund loans	-	-	-	-	-	-
Total receipts	<u>162</u>	<u>3,245</u>	<u>-</u>	<u>2,500</u>	<u>629</u>	<u>42,374</u>
Disbursements:						
Current:						
Instruction	162	-	-	-	-	33,503
Support services	-	18,586	73,138	-	-	-
Noninstructional services	-	258	-	-	-	537
Debt services	-	-	-	-	-	-
Nonprogrammed charges	-	-	-	-	-	-
Total disbursements	<u>162</u>	<u>18,844</u>	<u>73,138</u>	<u>-</u>	<u>-</u>	<u>34,040</u>
Excess (deficiency) of receipts over disbursements	<u>-</u>	<u>(15,599)</u>	<u>(73,138)</u>	<u>2,500</u>	<u>629</u>	<u>8,334</u>
Other financing sources (uses):						
Transfers in	-	-	-	-	-	1,693
Transfers out	-	-	-	-	-	-
Total other financing sources (uses)	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>1,693</u>
Excess (deficiency) of receipts and other financing sources over disbursements and other financing uses	<u>-</u>	<u>(15,599)</u>	<u>(73,138)</u>	<u>2,500</u>	<u>629</u>	<u>10,027</u>
Cash and investments - beginning	<u>-</u>	<u>21,820</u>	<u>73,138</u>	<u>-</u>	<u>-</u>	<u>(9,314)</u>
Cash and investments - ending	<u>\$ -</u>	<u>\$ 6,221</u>	<u>\$ -</u>	<u>\$ 2,500</u>	<u>\$ 629</u>	<u>\$ 713</u>
Cash and Investment Assets - Ending						
Cash and investments	\$ -	\$ 6,221	\$ -	\$ 2,500	\$ 629	\$ 713
Restricted assets:						
Cash and investments	-	-	-	-	-	-
Total cash and investment assets - ending	<u>\$ -</u>	<u>\$ 6,221</u>	<u>\$ -</u>	<u>\$ 2,500</u>	<u>\$ 629</u>	<u>\$ 713</u>
Cash and Investment Fund Balance - Ending						
Restricted for:						
Debt service	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Unrestricted	-	6,221	-	2,500	629	713
Total cash and investment fund balance - ending	<u>\$ -</u>	<u>\$ 6,221</u>	<u>\$ -</u>	<u>\$ 2,500</u>	<u>\$ 629</u>	<u>\$ 713</u>

SOUTHEAST DUBOIS 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)

	ECIA Title I	Title V Part A	Drug Free 2003-04	Drug Free Schools	Drug Free 2005-06	Federal Medicaid
Receipts:						
Local sources	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Intermediate sources	-	-	-	-	-	-
State sources	-	-	-	-	-	-
Federal sources	22,099	1,818	-	900	-	219
Interfund loans	-	-	-	-	-	-
Total receipts	22,099	1,818	-	900	-	219
Disbursements:						
Current:						
Instruction	22,881	-	-	-	-	-
Support services	-	3,711	1,126	-	1,400	2,769
Noninstructional services	15	-	-	-	-	-
Debt services	-	-	-	-	-	-
Nonprogrammed charges	-	-	-	-	-	-
Total disbursements	22,896	3,711	1,126	-	1,400	2,769
Excess (deficiency) of receipts over disbursements	(797)	(1,893)	(1,126)	900	(1,400)	(2,550)
Other financing sources (uses):						
Transfers in	2,490	-	-	-	-	-
Transfers out	(1,693)	-	-	-	-	-
Total other financing sources (uses)	797	-	-	-	-	-
Excess (deficiency) of receipts and other financing sources over disbursements and other financing uses	-	(1,893)	(1,126)	900	(1,400)	(2,550)
Cash and investments - beginning	-	1,893	2,654	-	1,400	5,440
Cash and investments - ending	\$ -	\$ -	\$ 1,528	\$ 900	\$ -	\$ 2,890
Cash and Investment Assets - Ending						
Cash and investments	\$ -	\$ -	\$ 1,528	\$ 900	\$ -	\$ 2,890
Restricted assets:						
Cash and investments	-	-	-	-	-	-
Total cash and investment assets - ending	\$ -	\$ -	\$ 1,528	\$ 900	\$ -	\$ 2,890
Cash and Investment Fund Balance - Ending						
Restricted for:						
Debt service	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Unrestricted	-	-	1,528	900	-	2,890
Total cash and investment fund balance - ending	\$ -	\$ -	\$ 1,528	\$ 900	\$ -	\$ 2,890

SOUTHEAST DUBOIS 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 A	Pension Debt Service	School Bus Replacement	Construction	Totals
Receipts:					
Local sources	\$ -	\$ 179,625	\$ 38,426	\$ -	\$ 1,060,417
Intermediate sources	-	-	-	-	854
State sources	-	-	-	-	91,943
Federal sources	34,105	-	-	-	240,385
Interfund loans	-	500	-	-	150,500
Total receipts	<u>34,105</u>	<u>180,125</u>	<u>38,426</u>	<u>-</u>	<u>1,544,099</u>
Disbursements:					
Current:					
Instruction	37,708	-	-	-	203,879
Support services	-	-	29,549	-	854,241
Noninstructional services	-	-	-	-	485,119
Debt services	-	361,554	-	-	361,554
Nonprogrammed charges	-	-	-	-	10,369
Total disbursements	<u>37,708</u>	<u>361,554</u>	<u>29,549</u>	<u>-</u>	<u>1,915,162</u>
Excess (deficiency) of receipts over disbursements	<u>(3,603)</u>	<u>(181,429)</u>	<u>8,877</u>	<u>-</u>	<u>(371,063)</u>
Other financing sources (uses):					
Transfers in	-	-	-	-	70,288
Transfers out	(2,490)	(3,663)	(782)	-	(162,424)
Total other financing sources (uses)	<u>(2,490)</u>	<u>(3,663)</u>	<u>(782)</u>	<u>-</u>	<u>(92,136)</u>
Excess (deficiency) of receipts and other financing sources over disbursements and other financing uses	(6,093)	(185,092)	8,095	-	(463,199)
Cash and investments - beginning	<u>12,522</u>	<u>188,292</u>	<u>54,770</u>	<u>25,526</u>	<u>888,261</u>
Cash and investments - ending	<u>\$ 6,429</u>	<u>\$ 3,200</u>	<u>\$ 62,865</u>	<u>\$ 25,526</u>	<u>\$ 425,062</u>
Cash and Investment Assets - Ending					
Cash and investments	\$ 6,429	\$ -	\$ 62,865	\$ 25,526	\$ 421,862
Restricted assets:					
Cash and investments	-	3,200	-	-	3,200
Total cash and investment assets - ending	<u>\$ 6,429</u>	<u>\$ 3,200</u>	<u>\$ 62,865</u>	<u>\$ 25,526</u>	<u>\$ 425,062</u>
Cash and Investment Fund Balance - Ending					
Restricted for:					
Debt service	\$ -	\$ 3,200	\$ -	\$ -	\$ 3,200
Unrestricted	6,429	-	62,865	25,526	421,862
Total cash and investment fund balance - ending	<u>\$ 6,429</u>	<u>\$ 3,200</u>	<u>\$ 62,865</u>	<u>\$ 25,526</u>	<u>\$ 425,062</u>

SOUTHEAST DUBOIS 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 Pre-School	School Lunch	Textbook Rental	Levy Excess	Education License Plates
Receipts:						
Local sources	\$ 703,992	\$ 8,684	\$ 382,084	\$ 108,994	\$ -	\$ -
Intermediate sources	-	-	-	-	-	338
State sources	-	29,144	12,722	25,784	-	-
Federal sources	-	-	145,445	-	-	-
Total receipts	<u>703,992</u>	<u>37,828</u>	<u>540,251</u>	<u>134,778</u>	<u>-</u>	<u>338</u>
Disbursements:						
Current:						
Instruction	-	38,578	-	-	-	-
Support services	524,579	-	4,468	112,257	-	-
Noninstructional services	-	-	508,470	-	-	-
Facilities acquisition and construction	-	-	-	-	-	-
Debt services	-	-	-	-	-	-
Interfund loans	150,000	-	-	-	-	-
Total disbursements	<u>674,579</u>	<u>38,578</u>	<u>512,938</u>	<u>112,257</u>	<u>-</u>	<u>-</u>
Excess (deficiency) of receipts over disbursements	<u>29,413</u>	<u>(750)</u>	<u>27,313</u>	<u>22,521</u>	<u>-</u>	<u>338</u>
Other financing sources (uses):						
Sale of capital assets	2,850	-	-	-	-	-
Transfers in	26,718	-	-	-	26,718	-
Transfers out	(2,603)	(39)	-	-	(26,718)	-
Total other financing sources (uses)	<u>26,965</u>	<u>(39)</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Excess (deficiency) of receipts and other financing sources over disbursements and other financing uses	<u>56,378</u>	<u>(789)</u>	<u>27,313</u>	<u>22,521</u>	<u>-</u>	<u>338</u>
Cash and investments - beginning	<u>12,329</u>	<u>1,222</u>	<u>188,390</u>	<u>98,346</u>	<u>-</u>	<u>4,224</u>
Cash and investments - ending	<u>\$ 68,707</u>	<u>\$ 433</u>	<u>\$ 215,703</u>	<u>\$ 120,867</u>	<u>\$ -</u>	<u>\$ 4,562</u>
<u>Cash and Investment Assets - Ending</u>						
Cash and investments	\$ 68,707	\$ 433	\$ 215,703	\$ 120,867	\$ -	\$ 4,562
Restricted assets:						
Cash and investments	-	-	-	-	-	-
Total cash and investment assets - ending	<u>\$ 68,707</u>	<u>\$ 433</u>	<u>\$ 215,703</u>	<u>\$ 120,867</u>	<u>\$ -</u>	<u>\$ 4,562</u>
<u>Cash and Investment Fund Balance - Ending</u>						
Restricted for:						
Debt service	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Unrestricted	68,707	433	215,703	120,867	-	4,562
Total cash and investment fund balance - ending	<u>\$ 68,707</u>	<u>\$ 433</u>	<u>\$ 215,703</u>	<u>\$ 120,867</u>	<u>\$ -</u>	<u>\$ 4,562</u>

SOUTHEAST DUBOIS 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)

	At Risk Grant	QPR Suicide Prevention	Pre-School Parent Funded	High Ability Students	State Medicaid	Non-English Speaking
Receipts:						
Local sources	\$ -	\$ -	\$ 37,640	\$ 981	\$ -	\$ -
Intermediate sources	-	-	-	-	-	-
State sources	-	-	-	-	1,521	300
Federal sources	-	-	-	-	-	-
Total receipts	-	-	37,640	981	1,521	300
Disbursements:						
Current:						
Instruction	-	-	38,023	4,177	-	300
Support services	-	-	30	-	-	-
Noninstructional services	-	-	-	-	-	-
Facilities acquisition and construction	-	-	-	-	-	-
Debt services	-	-	-	-	-	-
Interfund loans	-	-	-	-	-	-
Total disbursements	-	-	38,053	4,177	-	300
Excess (deficiency) of receipts over disbursements	-	-	(413)	(3,196)	1,521	-
Other financing sources (uses):						
Sale of capital assets	-	-	-	-	-	-
Transfers in	-	-	-	-	-	-
Transfers out	-	-	-	-	(138)	-
Total other financing sources (uses)	-	-	-	-	(138)	-
Excess (deficiency) of receipts and other financing sources over disbursements and other financing uses	-	-	(413)	(3,196)	1,383	-
Cash and investments - beginning	605	2,117	1,092	3,196	140	-
Cash and investments - ending	<u>\$ 605</u>	<u>\$ 2,117</u>	<u>\$ 679</u>	<u>\$ -</u>	<u>\$ 1,523</u>	<u>\$ -</u>
<u>Cash and Investment Assets - Ending</u>						
Cash and investments	\$ 605	\$ 2,117	\$ 679	\$ -	\$ 1,523	\$ -
Restricted assets:						
Cash and investments	-	-	-	-	-	-
Total cash and investment assets - ending	<u>\$ 605</u>	<u>\$ 2,117</u>	<u>\$ 679</u>	<u>\$ -</u>	<u>\$ 1,523</u>	<u>\$ -</u>
<u>Cash and Investment Fund Balance - Ending</u>						
Restricted for:						
Debt service	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Unrestricted	605	2,117	679	-	1,523	-
Total cash and investment fund balance - ending	<u>\$ 605</u>	<u>\$ 2,117</u>	<u>\$ 679</u>	<u>\$ -</u>	<u>\$ 1,523</u>	<u>\$ -</u>

SOUTHEAST DUBOIS 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)

	School Technology	Access Indiana	Jump Kids Jump	2nd Grade Laptop Program	Title I 2006-07	ECIA Title I
Receipts:						
Local sources	\$ 13,410	\$ -	\$ -	\$ -	\$ -	\$ -
Intermediate sources	-	-	-	-	-	-
State sources	-	-	-	12,870	-	-
Federal sources	-	-	-	-	-	46,885
Total receipts	13,410	-	-	12,870	-	46,885
Disbursements:						
Current:						
Instruction	-	-	629	-	713	43,305
Support services	8,309	2,500	-	12,870	-	-
Noninstructional services	528	-	-	-	-	-
Facilities acquisition and construction	-	-	-	-	-	-
Debt services	-	-	-	-	-	-
Interfund loans	-	-	-	-	-	-
Total disbursements	8,837	2,500	629	12,870	713	43,305
Excess (deficiency) of receipts over disbursements	4,573	(2,500)	(629)	-	(713)	3,580
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	4,573	(2,500)	(629)	-	(713)	3,580
Cash and investments - beginning	6,221	2,500	629	-	713	-
Cash and investments - ending	\$ 10,794	\$ -	\$ -	\$ -	\$ -	\$ 3,580
<u>Cash and Investment Assets - Ending</u>						
Cash and investments	\$ 10,794	\$ -	\$ -	\$ -	\$ -	\$ 3,580
Restricted assets:						
Cash and investments	-	-	-	-	-	-
Total cash and investment assets - ending	\$ 10,794	\$ -	\$ -	\$ -	\$ -	\$ 3,580
<u>Cash and Investment Fund Balance - Ending</u>						
Restricted for:						
Debt service	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Unrestricted	10,794	-	-	-	-	3,580
Total cash and investment fund balance - ending	\$ 10,794	\$ -	\$ -	\$ -	\$ -	\$ 3,580

SOUTHEAST DUBOIS 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 V Part A	Drug Free 2003-04	Drug Free Schools	Federal Medicaid	PLTW Teacher Training	PLTW Equipment and Instrumentation
Receipts:						
Local sources	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Intermediate sources	-	-	-	-	-	-
State sources	-	-	-	-	-	-
Federal sources	709	-	2,014	3,444	-	-
Total receipts	709	-	2,014	3,444	-	-
Disbursements:						
Current:						
Instruction	-	-	23	-	-	-
Support services	-	1,528	1,478	2,759	2,000	-
Noninstructional services	-	-	-	-	-	-
Facilities acquisition and construction	-	-	-	-	-	5,000
Debt services	-	-	-	-	-	-
Interfund loans	-	-	-	-	-	-
Total disbursements	-	1,528	1,501	2,759	2,000	5,000
Excess (deficiency) of receipts over disbursements	709	(1,528)	513	685	(2,000)	(5,000)
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	709	(1,528)	513	685	(2,000)	(5,000)
Cash and investments - beginning	-	1,528	900	2,890	-	-
Cash and investments - ending	\$ 709	\$ -	\$ 1,413	\$ 3,575	\$ (2,000)	\$ (5,000)
<u>Cash and Investment Assets - Ending</u>						
Cash and investments	\$ 709	\$ -	\$ 1,413	\$ 3,575	\$ (2,000)	\$ (5,000)
Restricted assets:						
Cash and investments	-	-	-	-	-	-
Total cash and investment assets - ending	\$ 709	\$ -	\$ 1,413	\$ 3,575	\$ (2,000)	\$ (5,000)
<u>Cash and Investment Fund Balance - Ending</u>						
Restricted for:						
Debt service	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Unrestricted	709	-	1,413	3,575	(2,000)	(5,000)
Total cash and investment fund balance - ending	\$ 709	\$ -	\$ 1,413	\$ 3,575	\$ (2,000)	\$ (5,000)

SOUTHEAST DUBOIS 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 II Part A	Pension Debt Service	School Bus Replacement	Construction	Totals
Receipts:					
Local sources	\$ -	\$ 439,586	\$ 139,798	\$ -	\$ 1,835,169
Intermediate sources	-	-	-	-	338
State sources	-	-	-	-	82,341
Federal sources	<u>13,200</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>211,697</u>
Total receipts	<u>13,200</u>	<u>439,586</u>	<u>139,798</u>	<u>-</u>	<u>2,129,545</u>
Disbursements:					
Current:					
Instruction	18,937	-	-	-	144,685
Support services	-	-	39,697	-	712,475
Noninstructional services	-	-	-	-	508,998
Facilities acquisition and construction	-	-	-	-	5,000
Debt services	-	361,256	-	-	361,256
Interfund loans	<u>-</u>	<u>500</u>	<u>-</u>	<u>-</u>	<u>150,500</u>
Total disbursements	<u>18,937</u>	<u>361,756</u>	<u>39,697</u>	<u>-</u>	<u>1,882,914</u>
Excess (deficiency) of receipts over disbursements	<u>(5,737)</u>	<u>77,830</u>	<u>100,101</u>	<u>-</u>	<u>246,631</u>
Other financing sources (uses):					
Sale of capital assets	-	-	-	-	2,850
Transfers in	-	-	-	-	53,436
Transfers out	<u>-</u>	<u>(1,594)</u>	<u>(50,381)</u>	<u>-</u>	<u>(81,473)</u>
Total other financing sources (uses)	<u>-</u>	<u>(1,594)</u>	<u>(50,381)</u>	<u>-</u>	<u>(25,187)</u>
Excess (deficiency) of receipts and other financing sources over disbursements and other financing uses	<u>(5,737)</u>	<u>76,236</u>	<u>49,720</u>	<u>-</u>	<u>221,444</u>
Cash and investments - beginning	<u>6,429</u>	<u>3,200</u>	<u>62,865</u>	<u>25,526</u>	<u>425,062</u>
Cash and investments - ending	<u>\$ 692</u>	<u>\$ 79,436</u>	<u>\$ 112,585</u>	<u>\$ 25,526</u>	<u>\$ 646,506</u>
<u>Cash and Investment Assets - Ending</u>					
Cash and investments	\$ 692	\$ -	\$ 112,585	\$ 25,526	\$ 567,070
Restricted assets:					
Cash and investments	<u>-</u>	<u>79,436</u>	<u>-</u>	<u>-</u>	<u>79,436</u>
Total cash and investment assets - ending	<u>\$ 692</u>	<u>\$ 79,436</u>	<u>\$ 112,585</u>	<u>\$ 25,526</u>	<u>\$ 646,506</u>
<u>Cash and Investment Fund Balance - Ending</u>					
Restricted for:					
Debt service	\$ -	\$ 79,436	\$ -	\$ -	\$ 79,436
Unrestricted	<u>692</u>	<u>-</u>	<u>112,585</u>	<u>25,526</u>	<u>567,070</u>
Total cash and investment fund balance - ending	<u>\$ 692</u>	<u>\$ 79,436</u>	<u>\$ 112,585</u>	<u>\$ 25,526</u>	<u>\$ 646,506</u>

SOUTHEAST DUBOIS 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

	<u>Southeast Endowment</u>	<u>Ferdinand Elementary</u>	<u>Forest Park Endowment</u>	<u>M.K. Ruhe</u>	<u>M.K. Ruhe Athletic</u>	<u>R. Voges</u>
Additions:						
Contributions:						
Other	\$ 15,025	\$ -	\$ -	\$ -	\$ -	\$ 400
Investment earnings:						
Interest	337	280	221	1,000	73	119
Dividends	-	-	-	341	-	-
Total investment earnings	<u>337</u>	<u>280</u>	<u>221</u>	<u>1,341</u>	<u>73</u>	<u>119</u>
Total additions	<u>15,362</u>	<u>280</u>	<u>221</u>	<u>1,341</u>	<u>73</u>	<u>519</u>
Deductions:						
Administrative and general	<u>23,746</u>	<u>-</u>	<u>-</u>	<u>1,824</u>	<u>57</u>	<u>250</u>
Excess (deficiency) of total additions over total deductions	(8,384)	280	221	(483)	16	269
Cash and investment fund balance - beginning	<u>19,057</u>	<u>8,556</u>	<u>6,743</u>	<u>31,545</u>	<u>3,474</u>	<u>3,248</u>
Cash and investments - June 30	<u>\$ 10,673</u>	<u>\$ 8,836</u>	<u>\$ 6,964</u>	<u>\$ 31,062</u>	<u>\$ 3,490</u>	<u>\$ 3,517</u>
Net assets:						
Cash and investments	<u>\$ 10,673</u>	<u>\$ 8,836</u>	<u>\$ 6,964</u>	<u>\$ 31,062</u>	<u>\$ 3,490</u>	<u>\$ 3,517</u>
Total net assets - cash and investment basis held in trust	<u>\$ 10,673</u>	<u>\$ 8,836</u>	<u>\$ 6,964</u>	<u>\$ 31,062</u>	<u>\$ 3,490</u>	<u>\$ 3,517</u>

SOUTHEAST DUBOIS 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
 (Continued)

	<u>Blessinger</u>	<u>C. Austin Scholarship</u>	<u>E.F. Buechler Scholarship</u>	<u>E.F. Buechler Athletic</u>	<u>E.F. Buechler Facility</u>	<u>Totals</u>
Additions:						
Contributions:						
Other	\$ -	\$ 100	\$ -	\$ 1,000	\$ -	\$ 16,525
Investment earnings:						
Interest	171	290	381	627	1,765	5,264
Dividends	-	-	-	-	-	341
Total investment earnings	<u>171</u>	<u>290</u>	<u>381</u>	<u>627</u>	<u>1,765</u>	<u>5,605</u>
Total additions	<u>171</u>	<u>390</u>	<u>381</u>	<u>1,627</u>	<u>1,765</u>	<u>22,130</u>
Deductions:						
Administrative and general	-	300	-	1,774	-	27,951
Excess (deficiency) of total additions over total deductions	171	90	381	(147)	1,765	(5,821)
Cash and investment fund balance - beginning	<u>2,135</u>	<u>5,961</u>	<u>9,336</u>	<u>14,963</u>	<u>42,285</u>	<u>147,303</u>
Cash and investments - June 30	<u>\$ 2,306</u>	<u>\$ 6,051</u>	<u>\$ 9,717</u>	<u>\$ 14,816</u>	<u>\$ 44,050</u>	<u>\$ 141,482</u>
Net assets:						
Cash and investments	<u>\$ 2,306</u>	<u>\$ 6,051</u>	<u>\$ 9,717</u>	<u>\$ 14,816</u>	<u>\$ 44,050</u>	<u>\$ 141,482</u>
Total net assets - cash and investment basis held in trust	<u>\$ 2,306</u>	<u>\$ 6,051</u>	<u>\$ 9,717</u>	<u>\$ 14,816</u>	<u>\$ 44,050</u>	<u>\$ 141,482</u>

SOUTHEAST DUBOIS 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>Southeast Endowment</u>	<u>Ferdinand Elementary</u>	<u>Forest Park Endowment</u>	<u>M.K. Ruhe</u>	<u>M.K. Ruhe Athletic</u>	<u>R. Voges</u>	<u>Blessinger</u>
Additions:							
Contributions:							
Other	\$ 9,990	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Investment earnings:							
Interest	929	769	606	371	237	178	57
Dividends	-	-	-	583	-	-	-
Total investment earnings	<u>929</u>	<u>769</u>	<u>606</u>	<u>954</u>	<u>237</u>	<u>178</u>	<u>57</u>
Total additions	<u>10,919</u>	<u>769</u>	<u>606</u>	<u>954</u>	<u>237</u>	<u>178</u>	<u>57</u>
Deductions:							
Administrative and general	<u>6,885</u>	<u>-</u>	<u>-</u>	<u>9,459</u>	<u>57</u>	<u>-</u>	<u>200</u>
Excess (deficiency) of total additions over total deductions	4,034	769	606	(8,505)	180	178	(143)
Cash and investment fund balance - beginning	<u>10,673</u>	<u>8,836</u>	<u>6,964</u>	<u>31,062</u>	<u>3,490</u>	<u>3,517</u>	<u>2,306</u>
Cash and investments - June 30	<u>\$ 14,707</u>	<u>\$ 9,605</u>	<u>\$ 7,570</u>	<u>\$ 22,557</u>	<u>\$ 3,670</u>	<u>\$ 3,695</u>	<u>\$ 2,163</u>
Net assets:							
Cash and investments	<u>\$ 14,707</u>	<u>\$ 9,605</u>	<u>\$ 7,570</u>	<u>\$ 22,557</u>	<u>\$ 3,670</u>	<u>\$ 3,695</u>	<u>\$ 2,163</u>
Total net assets - cash and investment basis held in trust	<u>\$ 14,707</u>	<u>\$ 9,605</u>	<u>\$ 7,570</u>	<u>\$ 22,557</u>	<u>\$ 3,670</u>	<u>\$ 3,695</u>	<u>\$ 2,163</u>

SOUTHEAST DUBOIS 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)

	<u>C. Austin Scholarship</u>	<u>E.F. Buechler Scholarship</u>	<u>E.F. Buechler Athletic</u>	<u>E.F. Buechler Facility</u>	<u>New Harmony Grant</u>	<u>PSC Scholarship</u>	<u>Totals</u>
Additions:							
Contributions:							
Other	\$ 100	\$ -	\$ -	\$ -	\$ 75	\$ 500	\$ 10,665
Investment earnings:							
Interest	214	508	995	2,553	-	-	7,417
Dividends	-	-	-	-	-	-	583
Total investment earnings	<u>214</u>	<u>508</u>	<u>995</u>	<u>2,553</u>	<u>-</u>	<u>-</u>	<u>8,000</u>
Total additions	<u>314</u>	<u>508</u>	<u>995</u>	<u>2,553</u>	<u>75</u>	<u>500</u>	<u>18,665</u>
Deductions:							
Administrative and general	<u>300</u>	<u>400</u>	<u>706</u>	<u>-</u>	<u>75</u>	<u>500</u>	<u>18,582</u>
Excess (deficiency) of total additions over total deductions	14	108	289	2,553	-	-	83
Cash and investment fund balance - beginning	<u>6,051</u>	<u>9,717</u>	<u>14,816</u>	<u>44,050</u>	<u>-</u>	<u>-</u>	<u>141,482</u>
Cash and investments - June 30	<u>\$ 6,065</u>	<u>\$ 9,825</u>	<u>\$ 15,105</u>	<u>\$ 46,603</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 141,565</u>
Net assets:							
Cash and investments	<u>\$ 6,065</u>	<u>\$ 9,825</u>	<u>\$ 15,105</u>	<u>\$ 46,603</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 141,565</u>
Total net assets - cash and investment basis held in trust	<u>\$ 6,065</u>	<u>\$ 9,825</u>	<u>\$ 15,105</u>	<u>\$ 46,603</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 141,565</u>

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

	Payroll Clearing	Cafeteria Clearing	ECA Wages	Elementary Projects	Fringe Benefit Clearing	Student Lunch Clearing	Totals
Additions:							
Agency fund additions	\$ 2,966,145	\$ 266,197	\$ 18,253	\$ 6,548	\$ 12,325	\$ 372,861	\$ 3,642,329
Deductions:							
Agency fund deductions	2,968,422	266,197	18,253	6,548	12,325	371,195	3,642,940
Excess (deficiency) of total additions over total deductions	(2,277)	-	-	-	-	1,666	(611)
Cash and investment fund balance - beginning	7,835	-	-	-	-	5,297	13,132
Cash and investment fund balance - ending	<u>\$ 5,558</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 6,963</u>	<u>\$ 12,521</u>

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

	Payroll Clearing	Cafeteria Clearing	ECA Wages	Elementary Projects	Fringe Benefit Clearing	Student Lunch Clearing	Totals
Additions:							
Agency fund additions	\$ 2,860,543	\$ 411,297	\$ 32,043	\$ 4,148	\$ 28,040	\$ 380,232	\$ 3,716,303
Deductions:							
Agency fund deductions	2,859,717	411,297	32,043	4,148	28,040	377,936	3,713,181
Excess of total additions over total deductions	826	-	-	-	-	2,296	3,122
Cash and investment fund balance - beginning	5,558	-	-	-	-	6,963	12,521
Cash and investment fund balance - ending	<u>\$ 6,384</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 9,259</u>	<u>\$ 15,643</u>

Southeast Dubois County School Corporation

432 E 15th St.

Ferdinand, Indiana 47532-9199

Telephone (812) 367-1653

Fax (812) 367-1075

Board Members:
Kent Uebelhor
Ernest Brames
Larry Hochgesang
Matt Eckert
Cecelia Hamilton

Robert K. Johnson
Superintendent
Tracy Troesch
Secretary-Treasurer
Richard D. Allen
Assistant Superintendent
Barb Welp
Secretary

SOUTHEAST DUBOIS SCHOOL CORPORATION SUPPLEMENTARY INFORMATION SCHEDULE OF CAPITAL ASSETS

For The Year Ended June 30, 2009

Capital assets are reported at actual or estimated historical cost based on appraisals or deflated current replacement cost. Contributed or donated assets are reported at estimated fair value at the time received.

<u>Primary Government</u>	<u>Ending Balance</u>
Governmental activities:	
Capital assets, not being depreciated:	
Land	\$ 1,467,857
Buildings	46,259,198
Improvements other than buildings	319,657
Machinery and equipment	626,365
Transportation equipment	<u>363,984</u>
Total governmental activities, capital assets not being depreciated	<u>\$ 49,037,061</u>

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SOUTHEAST DUBOIS COUNTY SCHOOL CORPORATION
SUPPLEMENTARY INFORMATION
SCHEDULE OF LONG-TERM DEBT
June 30, 2009

Description of Debt	Ending Principal Balance	Principal Due Within One Year
Governmental Activities:		
Capital leases:		
Jr./Sr. High Building	\$ 5,065,000	\$ 340,000
Cedar Crest Intermediate and Pine Ridge Elementary Buildings	9,515,000	135,000
Laser Printers	6,117	6,117
Loans payable:		
Common School Loan, Addition to Ferdinand Elementary Building	71,311	71,311
Indiana Bond Bank Loan, Forest Park Outside Facilities	440,000	45,000
Bonds payable:		
General obligation bonds:		
2004 General Obligation Pension Bonds, Retirement	<u>4,015,000</u>	<u>160,000</u>
Total governmental activities long-term debt	<u>\$ 19,112,428</u>	<u>\$ 757,428</u>

SOUTHEAST DUBOIS COUNTY SCHOOL CORPORATION
EXAMINATION RESULTS AND COMMENTS

APPROPRIATIONS

The records presented for examination indicated the following expenditures in excess of budgeted appropriations:

<u>Fund</u>	<u>Year</u>	<u>Excess Amount Expended</u>
Debt Service	2007	\$ 190,092
Pension Debt Service	2007	5,263

IC 6-1.1-18-4 states in part: ". . . the proper officers of a political subdivision shall appropriate funds in such a manner that the expenditures for a year do not exceed its budget for that year as finally determined under this article."

EXTRA-CURRICULAR DISBURSEMENTS (APPLIES TO FOREST PARK JR/SR HIGH SCHOOL)

The following items were noted from the information presented for examination:

- (1) Some disbursements lacked proper documentation.

Supporting documentation such as receipts, canceled checks, tickets, invoices, bills, contracts, and other public records must be available for audit to provide supporting information for the validity and accountability of monies disbursed. Payments without supporting documentation may be the personal obligation of the responsible official or employee. (Accounting and Uniform Compliance Guidelines Manual for Extra-Curricular Accounts, Chapter 7)

- (2) Sales tax was paid for some purchases.

Governmental funds generally are exempt from the payment of sales tax on qualifying purchases. Respective tax agencies should always be contacted concerning tax exemptions and payments. (Accounting and Uniform Compliance Guidelines Manual for Extra-Curricular Accounts, Chapter 7)

- (3) Gift cards were purchased.

Public funds may not be used to pay for personal items or for expenses which do not relate to the functions and purposes of the governmental unit. Any personal expenses paid by the governmental entity may be the personal obligation of the responsible official or employee. (Accounting and Uniform Compliance Guidelines Manual for Extra-Curricular Accounts, Chapter 7)

A similar comment appeared in the prior report.

SOUTHEAST DUBOIS COUNTY SCHOOL CORPORATION
EXAMINATION RESULTS AND COMMENTS
(Continued)

EXTRA-CURRICULAR ACCOUNTING SOFTWARE DEFICIENCIES

The financial records of the extra-curricular accounts (including school lunch and textbook rental) are being maintained using Harmony Software. The following deficiencies were noted.

- (1) The vendor has on-line access to the system continuously. The vendor can make changes/updates to the system without the school knowing what changes were made. Changes do not have to be authorized by the school nor is there a log maintained of what changes or updates have been made by the vendor.
- (2) Users are not required to change their password. Passwords have not been changed since implementation of the software.
- (3) Audit trails do not exist of all information entered into the system. Fund balances change without documentation of why the change was made. Some information entered by the Treasurer subsequently disappeared from the system and had to be recovered by the vendor. Purchase orders are not prenumbered by the system. The Treasurer has to manually number them upon use. The system allows for the same number to be used more than once and information can be edited on the purchase order at anytime within the school year. Some fees collected in the textbook rental program are not reported as receipts but are reported as adjustments.

Changes to the accounting system's computer programs must be adequately controlled. (Accounting and Uniform Compliance Guidelines Manual for Extra-Curricular Accounts, Chapter 8)

Passwords are confidential keywords associated with the user ID to provide verification of the user's identity. Each user must have a unique user ID and password which must not be shared. Passwords must meet the following criteria: passwords must be changed every 30 days; passwords must be a minimum of six (6) characters in length; passwords must be a combination of alphabetic and numeric characters; passwords may not be the same for a user ID as the last five (5) passwords used by this user ID; individuals must assign their own passwords; and passwords must be encrypted while stored on the computer. (Accounting and Uniform Compliance Guidelines Manual for Extra-Curricular Accounts, Chapter 8)

The computerized accounting system must maintain electronic audit trails sufficient to trace all transactions from original source of entry into the system, through all system processing, and to the results produced by the system. The audit trails must also maintain sufficient information to trace all transactions from the final results produced by the system, through all system processing, and to the original source of entry into the system. Audit trails must also identify the user that processed the transaction or updated the information. These audit trails must be protected from modification and deletion. (Accounting and Uniform Compliance Guidelines Manual for Extra-Curricular Accounts, Chapter 8)

A similar comment was included in the prior report.

SOUTHEAST DUBOIS COUNTY SCHOOL CORPORATION
EXIT CONFERENCE

The contents of this report were discussed on February 8, 2010, with Robert K. Johnson, Superintendent of Schools; Tracy A. Troesch, Treasurer; Richard D. Allen, Assistant Superintendent of Schools; and Kent Uebelhor, President of the School Board. The officials concurred with our findings.