

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

EXAMINATION REPORT
OF
CAMPAGNA ACADEMY CHARTER SCHOOL
LAKE 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>
Chief Financial Officer	Scott Stevens	07-01-07 to 06-30-10
Chief Executive Officer	Bruce Hillman	07-01-07 to 06-30-10
Chairperson of the School Advisory Council	Kris Prohl Kathryn Malone	07-01-07 to 06-30-08 07-01-08 to 06-30-10



STATE OF INDIANA
AN EQUAL OPPORTUNITY EMPLOYER

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INDEPENDENT ACCOUNTANT'S REPORT

TO: THE OFFICIALS OF CAMPAGNA ACADEMY CHARTER SCHOOL, LAKE COUNTY, INDIANA

We have examined the financial statement presented herein of Campagna Academy Charter School (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

January 19, 2010

CAMPAGNA ACADEMY CHARTER SCHOOL
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	\$ 628,957	\$ -	\$ 12,304	\$ (616,653)
Support services	351,210	327	18,722	(332,161)
Noninstructional services	38,398	-	-	(38,398)
Facilities acquisition and construction	63,622	-	-	(63,622)
Debt service	85,682	-	-	(85,682)
Total governmental activities	\$ 1,167,869	\$ 327	\$ 31,026	(1,136,516)
General receipts:				
Property taxes				301,063
Other local sources				3,841
State aid				671,602
Grants and contributions not restricted to specific programs				133,912
Investment earnings				8,834
Other				199
Total general receipts				1,119,451
Change in net assets				(17,065)
Net assets - beginning				208,352
Net assets - ending				\$ 191,287
<u>Assets</u>				
Cash and investments				\$ 191,287
<u>Net Assets</u>				
Unrestricted				\$ 191,287

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

CAMPAGNA ACADEMY CHARTER SCHOOL
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> Operating Grants and Contributions	<u>Net</u> <u>(Disbursement)</u> <u>Receipts and</u> <u>Changes in</u> <u>Net Assets</u>
			<u>Totals</u>
Governmental activities:			
Instruction	\$ 667,605	\$ 13,743	\$ (653,862)
Support services	372,755	27,456	(345,299)
Noninstructional services	56,850	-	(56,850)
Facilities acquisition and construction	51,085	-	(51,085)
Debt service	71,886	-	(71,886)
	<u>\$ 1,220,181</u>	<u>\$ 41,199</u>	<u>(1,178,982)</u>
General receipts:			
Property taxes			286,414
Other local sources			24,783
State aid			791,482
Grants and contributions not restricted to specific programs			274,878
Investment earnings			1,528
Other			313
			<u>1,379,398</u>
Total general receipts			<u>1,379,398</u>
Change in net assets			200,416
Net assets - beginning			<u>191,287</u>
Net assets - ending			<u>\$ 391,703</u>
<u>Assets</u>			
Cash and investments			<u>\$ 391,703</u>
<u>Net Assets</u>			
Unrestricted			<u>\$ 391,703</u>

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

CAMPAGNA ACADEMY CHARTER SCHOOL
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

	<u>General</u>	<u>Other</u>	<u>Totals</u>
Receipts:			
Local sources	\$ 311,066	\$ 2,886	\$ 313,952
Intermediate sources	113	-	113
State sources	683,905	36,395	720,300
Federal sources	-	116,240	116,240
Other	<u>199</u>	<u>-</u>	<u>199</u>
 Total receipts	 <u>995,283</u>	 <u>155,521</u>	 <u>1,150,804</u>
Disbursements:			
Current:			
Instruction	529,293	99,664	628,957
Support services	340,507	10,703	351,210
Noninstructional services	10,000	28,398	38,398
Facilities acquisition and construction	63,622	-	63,622
Debt services	<u>85,682</u>	<u>-</u>	<u>85,682</u>
 Total disbursements	 <u>1,029,104</u>	 <u>138,765</u>	 <u>1,167,869</u>
 Excess (deficiency) of receipts over disbursements	 <u>(33,821)</u>	 <u>16,756</u>	 <u>(17,065)</u>
Other financing sources (uses):			
Transfers in	-	11,719	11,719
Transfers out	<u>(10)</u>	<u>(11,709)</u>	<u>(11,719)</u>
 Total other financing sources (uses)	 <u>(10)</u>	 <u>10</u>	 <u>-</u>
 Excess (deficiency) of receipts and other financing sources over disbursements and other financing uses	 <u>(33,831)</u>	 <u>16,766</u>	 <u>(17,065)</u>
 Cash and investments - beginning	 <u>181,729</u>	 <u>26,623</u>	 <u>208,352</u>
 Cash and investments - ending	 <u>\$ 147,898</u>	 <u>\$ 43,389</u>	 <u>\$ 191,287</u>
 <u>Cash and Investment Assets - Ending</u>			
Cash and investments	<u>\$ 147,898</u>	<u>\$ 43,389</u>	<u>\$ 191,287</u>
 <u>Cash and Investment Fund Balance - Ending</u>			
Unrestricted	<u>\$ 147,898</u>	<u>\$ 43,389</u>	<u>\$ 191,287</u>

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

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

	General	Fiscal Stabilization Education (Stimulus)	Other	Totals
Receipts:				
Local sources	\$ 311,287	\$ -	\$ 1,250	\$ 312,537
Intermediate sources	188	-	-	188
State sources	805,225	-	70,375	875,600
Federal sources	-	87,824	144,135	231,959
Other	313	-	-	313
	<u>1,117,013</u>	<u>87,824</u>	<u>215,760</u>	<u>1,420,597</u>
Disbursements:				
Current:				
Instruction	526,445	-	141,160	667,605
Support services	353,216	-	19,539	372,755
Noninstructional services	8,121	-	48,729	56,850
Facilities acquisition and construction	51,085	-	-	51,085
Debt services	71,886	-	-	71,886
	<u>1,010,753</u>	<u>-</u>	<u>209,428</u>	<u>1,220,181</u>
Excess (deficiency) of receipts over disbursements	<u>106,260</u>	<u>87,824</u>	<u>6,332</u>	<u>200,416</u>
Other financing sources (uses):				
Transfers in	4,252	-	17,335	21,587
Transfers out	-	-	(21,587)	(21,587)
	<u>4,252</u>	<u>-</u>	<u>(4,252)</u>	<u>-</u>
Excess (deficiency) of receipts and other financing sources over disbursements and other financing uses	110,512	87,824	2,080	200,416
Cash and investments - beginning	<u>147,898</u>	<u>-</u>	<u>43,389</u>	<u>191,287</u>
Cash and investments - ending	<u>\$ 258,410</u>	<u>\$ 87,824</u>	<u>\$ 45,469</u>	<u>\$ 391,703</u>
<u>Cash and Investment Assets - Ending</u>				
Cash and investments	<u>\$ 258,410</u>	<u>\$ 87,824</u>	<u>\$ 45,469</u>	<u>\$ 391,703</u>
<u>Cash and Investment Fund Balance - Ending</u>				
Unrestricted	<u>\$ 258,410</u>	<u>\$ 87,824</u>	<u>\$ 45,469</u>	<u>\$ 391,703</u>

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

CAMPAGNA ACADEMY CHARTER SCHOOL
STATEMENT OF ADDITIONS, DEDUCTIONS, AND CHANGES IN CASH AND INVESTMENT BALANCES
FIDUCIARY FUNDS
For the Year Ended June 30, 2009

	<u>Agency Funds</u>
Cash and investment fund balance - ending	<u>\$ 10,415</u>

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

CAMPAGNA ACADEMY CHARTER SCHOOL
NOTES TO FINANCIAL INFORMATION

Note 1. Introduction

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.

Note 2. Fund Accounting

A. 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. They include all funds of the reporting entity except for fiduciary funds. Governmental activities generally are financed through taxes, intergovernmental revenues, and other nonexchange revenues.

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, liabilities, 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 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:

Agency funds account for assets held by the School Corporation as an agent for other governmental entities and insurance agencies.

CAMPAGNA ACADEMY CHARTER SCHOOL
NOTES TO FINANCIAL INFORMATION
(Continued)

B. 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. 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.

Note 3. Budgets

Charter schools are not required to adopt a calendar year operating budget.

Note 4. Property Taxes

Property taxes levied are collected by the County Treasurer and are distributed to the School Corporation in June and December. State statute (IC 6-1.1-17-16) requires the Indiana Department of Local Government Finance to establish property tax rates and levies by February 15. These rates were based upon the preceding year's March 1 (lien date) assessed valuations adjusted for various tax credits. Taxable property is assessed at 100% of the true tax value (determined in accordance with rules and regulations adopted by the Indiana Department of Local Government Finance). Taxes may be paid in two equal installments which become delinquent if not paid by May 10 and November 10, respectively.

Note 5. Deposits and Investments

Deposits, made in accordance with Indiana Code 5-13, with financial institutions in the State of Indiana at year end were entirely insured by the Federal Depository Insurance Corporation or by the Indiana Public Deposit Insurance Fund. This includes any deposit accounts issued or offered by a qualifying financial institution.

CAMPAGNA ACADEMY CHARTER SCHOOL
 NOTES TO FINANCIAL INFORMATION
 (Continued)

State statute (IC 5-13-9) authorizes the School Corporation to invest in securities including, but not limited to, federal government securities, repurchase agreements, and certain money market mutual funds. Certain other statutory restrictions apply to all investments made by local governmental units.

Note 6. Interfund Transfers

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

<u>Transfer From</u>	<u>Transfer To</u>	<u>2008</u>	<u>2009</u>
General Fund	Other governmental fund	\$ 10	\$ -
Other governmental fund	General Fund	-	4,252
Other governmental fund	Other governmental fund	<u>11,709</u>	<u>17,335</u>
Totals		<u>\$ 11,719</u>	<u>\$ 21,587</u>

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

Note 7. Pension Plan

Cost-Sharing Multiple-Employer Defined Benefit Pension Plan

Teacher's Retirement Fund

Plan Description

The School Corporation contributes to the Indiana Teacher's 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 members' 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:

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

CAMPAGNA ACADEMY CHARTER SCHOOL
NOTES TO FINANCIAL INFORMATION
(Continued)

Funding Policy and Annual Pension Cost

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.

Note 8. Subsequent Event

On July 31, 2009, the Treasurer of the State allowed the Charter School to defer the two common school loan payments due from July 1, 2009 through January 1, 2010, for two years at a 1% interest rate. The principal amount that was deferred on the two common school loans was \$17,756.83 and \$34,942.66, respectively.

CAMPAGNA ACADEMY CHARTER SCHOOL
 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

	School Lunch	Textbook Rental	Alternative Education	Title I 06-07	Title I 07-08	Title I School Improvement
Receipts:						
Local sources	\$ 247	\$ 2,639	\$ -	\$ -	\$ -	\$ -
State sources	-	2,803	33,592	-	-	-
Federal sources	15,919	-	-	6,800	47,120	33,000
Total receipts	16,166	5,442	33,592	6,800	47,120	33,000
Disbursements:						
Current:						
Instruction	-	1,566	33,592	9,540	41,576	12,265
Support services	-	-	-	2,057	8,646	-
Noninstructional services	20,000	-	-	-	-	8,398
Total disbursements	20,000	1,566	33,592	11,597	50,222	20,663
Excess (deficiency) of receipts over disbursements	(3,834)	3,876	-	(4,797)	(3,102)	12,337
Other financing sources (uses):						
Transfers in	-	-	-	-	11,719	-
Transfers out	-	-	-	(11,709)	-	-
Total other financing sources (uses)	-	-	-	(11,709)	11,719	-
Excess (deficiency) of receipts and other financing sources over disbursements and other financing uses	(3,834)	3,876	-	(16,506)	8,617	12,337
Cash and investments - beginning	6,784	(1,142)	-	16,506	-	-
Cash and investments - ending	\$ 2,950	\$ 2,734	\$ -	\$ -	\$ 8,617	\$ 12,337
Cash and Investment Assets - Ending						
Cash and investments	\$ 2,950	\$ 2,734	\$ -	\$ -	\$ 8,617	\$ 12,337
Total cash and investment assets - ending	\$ 2,950	\$ 2,734	\$ -	\$ -	\$ 8,617	\$ 12,337
Cash and Investment Fund Balance - Ending						
Unrestricted	\$ 2,950	\$ 2,734	\$ -	\$ -	\$ 8,617	\$ 12,337
Total cash and investment fund balance - ending	\$ 2,950	\$ 2,734	\$ -	\$ -	\$ 8,617	\$ 12,337

CAMPAGNA ACADEMY CHARTER SCHOOL
 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 Part A	Drug Free Schools	Improving Teacher Quality	Tech Lit Challenge	ESEA Title V 02-03	Totals
Receipts:						
Local sources	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 2,886
State sources	-	-	-	-	-	36,395
Federal sources	164	738	12,499	-	-	116,240
Total receipts	164	738	12,499	-	-	155,521
Disbursements:						
Current:						
Instruction	164	738	-	223	-	99,664
Support services	-	-	-	-	-	10,703
Noninstructional services	-	-	-	-	-	28,398
Total disbursements	164	738	-	223	-	138,765
Excess (deficiency) of receipts over disbursements	-	-	12,499	(223)	-	16,756
Other financing sources (uses):						
Transfers in	-	-	-	-	-	11,719
Transfers out	-	-	-	-	-	(11,709)
Total other financing sources (uses)	-	-	-	-	-	10
Excess (deficiency) of receipts and other financing sources over disbursements and other financing uses	-	-	12,499	(223)	-	16,766
Cash and investments - beginning	-	-	-	223	4,252	26,623
Cash and investments - ending	\$ -	\$ -	\$ 12,499	\$ -	\$ 4,252	\$ 43,389
Cash and Investment Assets - Ending						
Cash and investments	\$ -	\$ -	\$ 12,499	\$ -	\$ 4,252	\$ 43,389
Total cash and investment assets - ending	\$ -	\$ -	\$ 12,499	\$ -	\$ 4,252	\$ 43,389
Cash and Investment Fund Balance - Ending						
Unrestricted	\$ -	\$ -	\$ 12,499	\$ -	\$ 4,252	\$ 43,389
Total cash and investment fund balance - ending	\$ -	\$ -	\$ 12,499	\$ -	\$ 4,252	\$ 43,389

CAMPAGNA ACADEMY CHARTER SCHOOL
 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

	School Lunch	Textbook Rental	Alternative Education	Title I 07-08	Title I School Improvement
Receipts:					
Local sources	\$ -	\$ 1,250	\$ -	\$ -	\$ -
State sources	-	1,580	68,795	-	-
Federal sources	25,876	-	-	-	7,000
Total receipts	25,876	2,830	68,795	-	7,000
Disbursements:					
Current:					
Instruction	-	5,564	59,729	5,531	7,874
Support services	-	-	9,066	340	-
Noninstructional services	20,479	-	-	-	4,997
Facilities acquisition and construction	-	-	-	-	-
Total disbursements	20,479	5,564	68,795	5,871	12,871
Excess (deficiency) of receipts over disbursements	5,397	(2,734)	-	(5,871)	(5,871)
Other financing sources (uses):					
Transfers in	-	-	-	-	-
Transfers out	-	-	-	(2,746)	(6,466)
Total other financing sources (uses)	-	-	-	(2,746)	(6,466)
Excess (deficiency) of receipts and other financing sources over disbursements and other financing uses	5,397	(2,734)	-	(8,617)	(12,337)
Cash and investments - beginning	2,950	2,734	-	8,617	12,337
Cash and investments - ending	<u>\$ 8,347</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>
Cash and Investment Assets - Ending					
Cash and investments	\$ 8,347	\$ -	\$ -	\$ -	\$ -
Total cash and investment assets - ending	<u>\$ 8,347</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>
Cash and Investment Fund Balance - Ending					
Unrestricted	\$ 8,347	\$ -	\$ -	\$ -	\$ -
Total cash and investment fund balance - ending	<u>\$ 8,347</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>

CAMPAGNA ACADEMY CHARTER SCHOOL
 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 08-09	School Improvement 08-09	Improving Teacher Quality	ESEA Title V 02-03	Totals
Receipts:					
Local sources	\$ -	\$ -	\$ -	\$ -	\$ 1,250
State sources	-	-	-	-	70,375
Federal sources	44,170	50,000	17,089	-	144,135
Total receipts	44,170	50,000	17,089	-	215,760
Disbursements:					
Current:					
Instruction	26,348	24,407	11,707	-	141,160
Support services	6,654	2,687	792	-	19,539
Noninstructional services	9,991	13,262	-	-	48,729
Facilities acquisition and construction	-	-	-	-	-
Total disbursements	42,993	40,356	12,499	-	209,428
Excess (deficiency) of receipts over disbursements	1,177	9,644	4,590	-	6,332
Other financing sources (uses):					
Transfers in	10,869	6,466	-	-	17,335
Transfers out	-	-	(8,123)	(4,252)	(21,587)
Total other financing sources (uses)	10,869	6,466	(8,123)	(4,252)	(4,252)
Excess (deficiency) of receipts and other financing sources over disbursements and other financing uses	12,046	16,110	(3,533)	(4,252)	2,080
Cash and investments - beginning	-	-	12,499	4,252	43,389
Cash and investments - ending	<u>\$ 12,046</u>	<u>\$ 16,110</u>	<u>\$ 8,966</u>	<u>-</u>	<u>\$ 45,469</u>
Cash and Investment Assets - Ending					
Cash and investments	<u>\$ 12,046</u>	<u>\$ 16,110</u>	<u>\$ 8,966</u>	<u>-</u>	<u>\$ 45,469</u>
Total cash and investment assets - ending	<u>\$ 12,046</u>	<u>\$ 16,110</u>	<u>\$ 8,966</u>	<u>\$ -</u>	<u>\$ 45,469</u>
Cash and Investment Fund Balance - Ending					
Unrestricted	<u>\$ 12,046</u>	<u>\$ 16,110</u>	<u>\$ 8,966</u>	<u>\$ -</u>	<u>\$ 45,469</u>
Total cash and investment fund balance - ending	<u>\$ 12,046</u>	<u>\$ 16,110</u>	<u>\$ 8,966</u>	<u>\$ -</u>	<u>\$ 45,469</u>

CAMPAGNA ACADEMY CHARTER SCHOOL
 COMBINING SCHEDULE OF ADDITIONS, DEDUCTIONS, AND CHANGES IN CASH AND INVESTMENT BALANCES
 AGENCY FUNDS
 For the Year Ended June 30, 2009

	TERF Payables	Payroll Liabilities	Totals
Additions:			
Agency fund additions	\$ 2,346	\$ 8,069	\$ 10,415
Deductions:	-	-	-
Excess (deficiency) of total additions over total deductions	2,346	8,069	10,415
Cash and investment fund balance - beginning	-	-	-
Cash and investment fund balance - ending	\$ 2,346	\$ 8,069	\$ 10,415

CAMPAGNA ACADEMY CHARTER SCHOOL
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:	
Machinery and equipment	<u>\$ 50,775</u>

CAMPAGNA ACADEMY CHARTER SCHOOL
 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:		
Common school fund loan	\$ 52,699	\$ -
Loan from Campagna, Inc.	<u>200,000</u>	<u>-</u>
 Total	 <u>\$ 252,699</u>	 <u>\$ -</u>

CAMPAGNA ACADEMY CHARTER SCHOOL
EXAMINATION RESULT AND COMMENT

SCHOOL LUNCH CLAIMS

Claims for reimbursement are submitted by the School Corporation staff to the Indiana Department of Education for the National School Lunch Program. The reimbursement received for the claims submitted is based upon the number and type of meals served. The total and type of meal claimed did not agree to the School's Corporation supporting documentation in the prior examination and the number of meals served according to the School documentation exceeded the number claimed. The number claimed in the current examination, again did not agree to the supporting documentation; however, the meals served were lower than the number claimed.

Political subdivisions are required to comply with all grant agreements, rules, regulations, bulletins, directives, letters, letter rulings and filing requirements concerning reports and other procedural matters of federal and state agencies, including opinions of the Attorney General of the State of Indiana, and court decisions. Governmental units should file accurate reports required by federal and state agencies. Noncompliance may require corrective action. (Accounting and Uniform Compliance Guidelines Manual for Indiana Public School Corporations, Chapter 9)

School Officials should contact the Indiana Department of Education, to determine possible steps to be taken to correct any overpayment/underpayment applicable to the School Corporation because of incorrect reporting. (Accounting and Uniform Compliance Guidelines Manual for Indiana Public School Corporations, Chapter 8)

CAMPAGNA ACADEMY CHARTER SCHOOL
EXIT CONFERENCE

The contents of this report were discussed on January 19, 2010, with Scott Stevens, Chief Financial Officer; Margaret Pruzin, Staff Accountant; Kathryn Malone, Chairperson of the School Advisory Council; and Jim Wieser, Chairman, Investment Committee. The official response has been made a part of this report and may be found on page 22.

01/26/10

302 West Washington Street, Room E418
Indianapolis, IN 46204

Below is our response to the Campagna Academy Charter School Audit for School Years ending June 30th, 2008 and 2009

Free and Reduced Meals

During the 2007-2008 and 2008-2009 school year, Campagna Academy had turnover involving several key staff members that oversee the free and reduced meal process which lead to some inconsistencies in the collection of data. We are in the process of hiring a Director to oversee the Kitchen Supervisor in handling this responsibility more closely. For the next three months an internal audit will review the counts, and documentation for the CND-1 report. Thereafter a review will be completed on a quarterly basis. The school treasurer will be responsible for the audit procedures and will document findings on each review as well as revise the process and procedures as necessary. In addition we intend to look into some other computerized options for collecting the data in the future.

Sincerely,



Scott Stevens
CFO, Campagna Academy