

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

EXAMINATION REPORT
OF

WEST CENTRAL INDIANA EDUCATIONAL
SERVICE CENTER
PUTNAM 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	Debbi J. Christy	07-01-07 to 06-30-10
Executive Director	David C. Archer	07-01-07 to 06-30-10
Chairman of the Service Center Executive Board	Thomas Edington Carrie Milner Dan Sighting Bruce Bernhardt	07-01-07 to 01-31-08 02-01-08 to 06-30-08 07-01-08 to 06-30-09 07-01-09 to 06-30-10



STATE OF INDIANA
AN EQUAL OPPORTUNITY EMPLOYER

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INDEPENDENT ACCOUNTANT'S REPORT

TO: THE OFFICIALS OF THE WEST CENTRAL INDIANA EDUCATIONAL
SERVICE CENTER, PUTNAM COUNTY, INDIANA

We have examined the financial information presented herein of the West Central Indiana Educational Service Center (Educational Service Center), for the period of July 1, 2007 to June 30, 2009. The Educational Service Center's management is responsible for the financial information 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 information 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 information referred to above presents fairly, in all material respects, the financial information of the Educational Service Center 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 Supplementary Information, as listed in the Table of Contents, was presented for additional analysis and is not a required part of the basic financial information. The Supplementary Information has not been subjected to the examination procedures applied to the basic financial information and, accordingly, we express no opinion on the Supplementary Information.

STATE BOARD OF ACCOUNTS

January 20, 2010

WEST CENTRAL INDIANA EDUCATIONAL SERVICE CENTER
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	\$ 153,239	\$ -	\$ 156,000	\$ 2,761
Support services	1,399,234	72,710	-	(1,326,524)
Facilities acquisition and construction	<u>7,959</u>	<u>-</u>	<u>-</u>	<u>(7,959)</u>
Total governmental activities	<u>\$ 1,560,432</u>	<u>\$ 72,710</u>	<u>\$ 156,000</u>	<u>(1,331,722)</u>
General receipts:				
Other local sources				849,917
Grants and contributions not restricted to specific programs				669,250
Investment earnings				<u>7,945</u>
Total general receipts				<u>1,527,112</u>
Change in net assets				195,390
Net assets - beginning				<u>128,736</u>
Net assets - ending				<u>\$ 324,126</u>
<u>Assets</u>				
Cash and investments				<u>\$ 324,126</u>
<u>Net Assets</u>				
Unrestricted				<u>\$ 324,126</u>

The accompanying notes are an integral part of the financial information.

WEST CENTRAL INDIANA EDUCATIONAL SERVICE CENTER
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	\$ 212,311	\$ -	\$ 133,900	\$ (78,411)
Support services	1,492,036	66,570	-	(1,425,466)
Facilities acquisition and construction	<u>52,534</u>	<u>-</u>	<u>-</u>	<u>(52,534)</u>
Total governmental activities	<u>\$ 1,756,881</u>	<u>\$ 66,570</u>	<u>\$ 133,900</u>	<u>(1,556,411)</u>
General receipts:				
Other local sources				1,005,646
Grants and contributions not restricted to specific programs				648,370
Investment earnings				<u>5,234</u>
Total general receipts				<u>1,659,250</u>
Change in net assets				102,839
Net assets - beginning				<u>324,126</u>
Net assets - ending				<u>\$ 426,965</u>
<u>Assets</u>				
Cash and investments				<u>\$ 426,965</u>
<u>Net Assets</u>				
Unrestricted				<u>\$ 426,965</u>

The accompanying notes are an integral part of the financial information.

WEST CENTRAL INDIANA EDUCATIONAL SERVICE CENTER
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 Fund	Gifted and Talented Recognition Fund	Drug Education Fund	NCLB Consortium Improving Teacher Quality	Other	Totals
Receipts:						
Local sources	\$ 628,939	\$ 21,977	\$ 164,317	\$ 101,039	\$ 14,300	\$ 930,572
State sources	8,535	156,000	-	-	653,853	818,388
Federal sources	610	-	2,250	-	4,000	6,860
Total receipts	638,084	177,977	166,567	101,039	672,153	1,755,820
Disbursements:						
Current:						
Instruction	42,739	98,545	-	-	11,955	153,239
Support services	509,399	-	177,345	85,002	627,488	1,399,234
Facilities acquisition and construction	7,959	-	-	-	-	7,959
Total disbursements	560,097	98,545	177,345	85,002	639,443	1,560,432
Excess (deficiency) of receipts over disbursements	77,987	79,432	(10,778)	16,037	32,710	195,388
Other financing sources (uses):						
Transfers in	-	68,250	-	-	10,444	78,694
Transfers out	(10,444)	-	-	-	(68,250)	(78,694)
Total other financing sources (uses)	(10,444)	68,250	-	-	(57,806)	-
Excess (deficiency) of receipts and other financing sources over disbursements and other financing uses	67,543	147,682	(10,778)	16,037	(25,096)	195,388
Cash and investments - beginning	32,669	5,193	(36,803)	32,686	94,993	128,738
Cash and investments - ending	<u>\$ 100,212</u>	<u>\$ 152,875</u>	<u>\$ (47,581)</u>	<u>\$ 48,723</u>	<u>\$ 69,897</u>	<u>\$ 324,126</u>
<u>Cash and Investment Assets - Ending</u>						
Total cash and investment assets - ending	<u>\$ 100,212</u>	<u>\$ 152,875</u>	<u>\$ (47,581)</u>	<u>\$ 48,723</u>	<u>\$ 69,897</u>	<u>\$ 324,126</u>
<u>Cash and Investment Fund Balance - Ending</u>						
Total unrestricted cash and investment fund balance - ending	<u>\$ 100,212</u>	<u>\$ 152,875</u>	<u>\$ (47,581)</u>	<u>\$ 48,723</u>	<u>\$ 69,897</u>	<u>\$ 324,126</u>

The accompanying notes are an integral part of the financial information.

WEST CENTRAL INDIANA EDUCATIONAL SERVICE CENTER
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 Fund	Gifted and Talented Recognition Fund	Drug Education Fund	NCLB Consortium Improving Teacher Quality	Other	Totals
Receipts:						
Local sources	\$ 737,063	\$ 49,897	\$ 136,095	\$ 72,214	\$ 82,696	\$ 1,077,965
State sources	9,312	133,900	-	-	628,513	771,725
Federal sources	30	-	-	-	10,000	10,030
Total receipts	746,405	183,797	136,095	72,214	721,209	1,859,720
Disbursements:						
Current:						
Instruction	42,257	168,018	-	-	2,036	212,311
Support services	570,436	9,900	182,609	44,455	684,636	1,492,036
Facilities acquisition and construction	52,534	-	-	-	-	52,534
Total disbursements	665,227	177,918	182,609	44,455	686,672	1,756,881
Excess (deficiency) of receipts over disbursements	81,178	5,879	(46,514)	27,759	34,537	102,839
Other financing sources (uses):						
Transfers in	-	-	56,197	-	7,000	63,197
Transfers out	(56,197)	-	(7,000)	-	-	(63,197)
Total other financing sources (uses)	(56,197)	-	49,197	-	7,000	-
Excess (deficiency) of receipts and other financing sources over disbursements and other financing uses	24,981	5,879	2,683	27,759	41,537	102,839
Cash and investments - beginning	100,212	152,875	(47,581)	48,723	69,897	324,126
Cash and investments - ending	<u>\$ 125,193</u>	<u>\$ 158,754</u>	<u>\$ (44,898)</u>	<u>\$ 76,482</u>	<u>\$ 111,434</u>	<u>\$ 426,965</u>
Cash and Investment Assets - Ending						
Total cash and investment assets - ending	<u>\$ 125,193</u>	<u>\$ 158,754</u>	<u>\$ (44,898)</u>	<u>\$ 76,482</u>	<u>\$ 111,434</u>	<u>\$ 426,965</u>
Cash and Investment Fund Balance - Ending						
Total unrestricted cash and investment fund balance - ending	<u>\$ 125,193</u>	<u>\$ 158,754</u>	<u>\$ (44,898)</u>	<u>\$ 76,482</u>	<u>\$ 111,434</u>	<u>\$ 426,965</u>

The accompanying notes are an integral part of the financial information.

WEST CENTRAL INDIANA EDUCATIONAL SERVICE CENTER
 STATEMENT OF ADDITIONS, DEDUCTIONS, AND CHANGES IN CASH AND INVESTMENT BALANCES
 FIDUCIARY FUNDS
 For the Year Ended June 30, 2008

	Private-Purpose Trust Funds/ Parent Teacher Conference	Agency Funds
Cash and investment fund balance - beginning	<u>\$ 469</u>	
Cash and investment fund balance - ending	<u>\$ 469</u>	<u>\$ 13,909</u>
Net assets:		
Cash and investments	<u>\$ 469</u>	
Total net assets - cash and investment basis held in trust	<u><u>\$ 469</u></u>	

The accompanying notes are an integral part of the financial information.

WEST CENTRAL INDIANA EDUCATIONAL SERVICE CENTER
 STATEMENT OF ADDITIONS, DEDUCTIONS, AND CHANGES IN CASH AND INVESTMENT BALANCES
 FIDUCIARY FUNDS
 For the Year Ended June 30, 2009

	Private-Purpose Trust Funds/ Parent Teacher Conference	Agency Funds
Cash and investment fund balance - beginning	\$ <u>469</u>	
Cash and investment fund balance - ending	\$ <u>469</u>	\$ <u>7,151</u>
Net assets:		
Cash and investments	\$ <u>469</u>	
Total net assets - cash and investment basis held in trust	\$ <u><u>469</u></u>	

The accompanying notes are an integral part of the financial information.

WEST CENTRAL INDIANA EDUCATIONAL SERVICE CENTER
NOTES TO FINANCIAL INFORMATION

Note 1. Introduction

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

The accompanying financial schedules present the activities of the Educational Service Center (primary government). There are no significant component units which require inclusion.

Note 2. Fund Accounting

A. Government-Wide and Fund Financial Information

Government-Wide Financial Information

The Statement of Cash and Investments and the Statement of Cash Activities 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 Information

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.

The Education Service Center reports the following major governmental funds:

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

The gifted and talented recognition fund accounts for grants and distributions received from the state for the program.

The drug education fund accounts for receipts and disbursements of the drug education curriculum.

The NCLB consortium improving teacher quality fund accounts for distributions received locally for the fund.

Additionally, the Educational Service Center reports the following fund types:

The private-purpose trust fund reports a trust arrangement under which principal and income are used for sponsorship of parent-teacher conferences.

WEST CENTRAL INDIANA EDUCATIONAL SERVICE CENTER
NOTES TO FINANCIAL INFORMATION
(Continued)

Agency funds account for assets held by the Educational Service Center as an agent for other governments and serve as a control of accounts for certain cash transactions during the time they are a liability to the Educational Service Center.

B. 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 Educational Service Center 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.

Private-sector standards of accounting and financial reporting issued prior to December 1, 1989, generally are followed in the enterprise fund statements to the extent that those standards do not conflict with or contradict guidance of the Governmental Accounting Standards Board. Governments also have the option of following subsequent private-sector guidance for their enterprise funds, subject to this same limitation. The Educational Service Center has elected not to follow subsequent private-sector guidance.

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 Educational Service Center does not have any enterprise funds.

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

Note 3. Budgets

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

WEST CENTRAL INDIANA EDUCATIONAL SERVICE CENTER
 NOTES TO FINANCIAL INFORMATION
 (Continued)

On or before September 10, the fiscal officer of the Educational Service Center submits to the Executive 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 Executive Board to obtain taxpayer comments. No later than September 20th of each year, the Executive Board, through the passage of a resolution, adopts the budget for the next year. Copies of the budget resolution and the advertisement for funds for which property taxes are levied are sent to the Indiana Department of Local Government Finance. The budget becomes effective after the Educational Service Center receives notice from of the Indiana Department of Local Government Finance.

The Educational Service Center's management cannot transfer budgeted appropriations between object classifications of a budget without approval of the Executive Board. The Indiana Department of Local Government Finance must approve any revisions to the appropriations for any 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.

Note 4. 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.

State statute (IC 5-13-9) authorizes the Educational Service Center 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 5. Interfund Transfers

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

Transfer From	Transfer To	2008	2009
General Fund	Drug Education Fund	\$ -	\$ 56,197
	Risk Insurance Pool	10,444	-
Drug Education Fund	Putnam Co. Tobacco Grant	-	7,000
Gifted and Talented	Gifted and Talented Recognition	68,250	-
Totals		<u>\$ 78,694</u>	<u>\$ 63,197</u>

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

WEST CENTRAL INDIANA EDUCATIONAL SERVICE CENTER
NOTES TO FINANCIAL INFORMATION
(Continued)

Note 6. Pension Plans

Public Employees' Retirement Fund

Plan Description

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

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

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

Funding Policy and Annual Pension Cost

The contribution requirements of the plan members for PERF are established by the Board of Trustees of PERF.

Teacher's Retirement Fund

Plan Description

The Educational Service Center 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 Educational Service Center 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 Educational Service Center may elect to make the contributions on behalf of the member.

WEST CENTRAL INDIANA EDUCATIONAL SERVICE CENTER
NOTES TO FINANCIAL INFORMATION
(Continued)

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

Funding Policy and Annual Pension Cost

The Educational Service Center 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 Educational Service Center 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.

WEST CENTRAL INDIANA EDUCATIONAL SERVICE CENTER
 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

	General Emergency Fund	Risk Insurance Pool	Instructional Support Fund	Gifted and Talented Fund	School Technology Fund
Receipts:					
Local sources	\$ -	\$ -	\$ -	\$ 200	\$ -
State sources	-	-	652,167	-	-
Federal sources	-	-	-	-	-
Total receipts	<u>-</u>	<u>-</u>	<u>652,167</u>	<u>200</u>	<u>-</u>
Disbursements:					
Current:					
Instruction	-	-	-	11,955	-
Support services	-	10,444	596,467	-	-
Total disbursements	<u>-</u>	<u>10,444</u>	<u>596,467</u>	<u>11,955</u>	<u>-</u>
Excess (deficiency) of receipts over disbursements	<u>-</u>	<u>(10,444)</u>	<u>55,700</u>	<u>(11,755)</u>	<u>-</u>
Other financing sources (uses):					
Transfers in	-	10,444	-	-	-
Transfers out	-	-	-	(68,250)	-
Excess (deficiency) of receipts and other financing sources over disbursements and other financing uses	<u>-</u>	<u>-</u>	<u>55,700</u>	<u>(80,005)</u>	<u>-</u>
Cash and investments - beginning	<u>4,188</u>	<u>-</u>	<u>-</u>	<u>89,376</u>	<u>3,103</u>
Cash and investments - ending	<u>\$ 4,188</u>	<u>\$ -</u>	<u>\$ 55,700</u>	<u>\$ 9,371</u>	<u>\$ 3,103</u>
<u>Cash and Investment Assets - Ending</u>					
Total cash and investment assets - ending	<u>\$ 4,188</u>	<u>\$ -</u>	<u>\$ 55,700</u>	<u>\$ 9,371</u>	<u>\$ 3,103</u>
<u>Cash and Investment Fund Balance - Ending</u>					
Total unrestricted cash and investment fund balance - ending	<u>\$ 4,188</u>	<u>\$ -</u>	<u>\$ 55,700</u>	<u>\$ 9,371</u>	<u>\$ 3,103</u>

WEST CENTRAL INDIANA EDUCATIONAL SERVICE CENTER
 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)

	Technology Planning Grant	Putnam Co. Tobacco Grant	Safe and Drug Free Schools	Student Assistants Team Training	Totals
Receipts:					
Local sources	\$ -	\$ -	\$ 14,100	\$ -	\$ 14,300
State sources	1,686	-	-	-	653,853
Federal sources	-	4,000	-	-	4,000
Total receipts	<u>1,686</u>	<u>4,000</u>	<u>14,100</u>	<u>-</u>	<u>672,153</u>
Disbursements:					
Current:					
Instruction	-	-	-	-	11,955
Support services	-	1,990	18,573	14	627,488
Total disbursements	<u>-</u>	<u>1,990</u>	<u>18,573</u>	<u>14</u>	<u>639,443</u>
Excess (deficiency) of receipts over disbursements	<u>1,686</u>	<u>2,010</u>	<u>(4,473)</u>	<u>(14)</u>	<u>32,710</u>
Other financing sources (uses):					
Transfers in	-	-	-	-	10,444
Transfers out	-	-	-	-	(68,250)
Excess (deficiency) of receipts and other financing sources over disbursements and other financing uses	1,686	2,010	(4,473)	(14)	(25,096)
Cash and investments - beginning	-	2,469	(4,143)	-	94,993
Cash and investments - ending	<u>\$ 1,686</u>	<u>\$ 4,479</u>	<u>\$ (8,616)</u>	<u>\$ (14)</u>	<u>\$ 69,897</u>
<u>Cash and Investment Assets - Ending</u>					
Total cash and investment assets - ending	<u>\$ 1,686</u>	<u>\$ 4,479</u>	<u>\$ (8,616)</u>	<u>\$ (14)</u>	<u>\$ 69,897</u>
<u>Cash and Investment Fund Balance - Ending</u>					
Total unrestricted cash and investment fund balance - ending	<u>\$ 1,686</u>	<u>\$ 4,479</u>	<u>\$ (8,616)</u>	<u>\$ (14)</u>	<u>\$ 69,897</u>

WEST CENTRAL INDIANA EDUCATIONAL SERVICE CENTER
 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

	General Emergency Fund	Instructional Support Fund	Health and Wellness	Gifted and Talented Fund	School Technology Fund	Technology Planning Grant
Receipts:						
Local sources	\$ -	\$ -	\$ 515	\$ -	\$ 4,831	\$ -
State sources	-	628,513	-	-	-	-
Federal sources	-	-	-	-	-	-
Total receipts	<u>-</u>	<u>628,513</u>	<u>515</u>	<u>-</u>	<u>4,831</u>	<u>-</u>
Disbursements:						
Current:						
Instruction	-	-	-	2,036	-	-
Support services	-	625,074	515	753	-	1,686
Total disbursements	<u>-</u>	<u>625,074</u>	<u>515</u>	<u>2,789</u>	<u>-</u>	<u>1,686</u>
Excess (deficiency) of receipts over disbursements	<u>-</u>	<u>3,439</u>	<u>-</u>	<u>(2,789)</u>	<u>4,831</u>	<u>(1,686)</u>
Other financing sources:						
Transfers in	-	-	-	-	-	-
Excess (deficiency) of receipts and other financing sources over disbursements and other financing uses	-	3,439	-	(2,789)	4,831	(1,686)
Cash and investments - beginning	<u>4,188</u>	<u>55,700</u>	<u>-</u>	<u>9,371</u>	<u>3,103</u>	<u>1,686</u>
Cash and investments - ending	<u>\$ 4,188</u>	<u>\$ 59,139</u>	<u>\$ -</u>	<u>\$ 6,582</u>	<u>\$ 7,934</u>	<u>\$ -</u>
<u>Cash and Investment Assets - Ending</u>						
Total cash and investment assets - ending	<u>\$ 4,188</u>	<u>\$ 59,139</u>	<u>\$ -</u>	<u>\$ 6,582</u>	<u>\$ 7,934</u>	<u>\$ -</u>
<u>Cash and Investment Fund Balance - Ending</u>						
Total unrestricted cash and investment fund balance - ending	<u>\$ 4,188</u>	<u>\$ 59,139</u>	<u>\$ -</u>	<u>\$ 6,582</u>	<u>\$ 7,934</u>	<u>\$ -</u>

WEST CENTRAL INDIANA EDUCATIONAL SERVICE CENTER
 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)

	Putnam Co. Tobacco Grant	Safe and Drug Free Schools	Student Assistants Team Training	Title III Language Instruction	Totals
Receipts:					
Local sources	\$ -	\$ 18,011	\$ 14	\$ 59,325	\$ 82,696
State sources	-	-	-	-	628,513
Federal sources	-	10,000	-	-	10,000
Total receipts	-	28,011	14	59,325	721,209
Disbursements:					
Current:					
Instruction	-	-	-	-	2,036
Support services	4,580	18,981	-	33,047	684,636
Total disbursements	4,580	18,981	-	33,047	686,672
Excess (deficiency) of receipts over disbursements	(4,580)	9,030	14	26,278	34,537
Other financing sources:					
Transfers in	7,000	-	-	-	7,000
Excess (deficiency) of receipts and other financing sources over disbursements and other financing uses	2,420	9,030	14	26,278	41,537
Cash and investments - beginning	4,479	(8,616)	(14)	-	69,897
Cash and investments - ending	<u>\$ 6,899</u>	<u>\$ 414</u>	<u>\$ -</u>	<u>\$ 26,278</u>	<u>\$ 111,434</u>
<u>Cash and Investment Assets - Ending</u>					
Total cash and investment assets - ending	<u>\$ 6,899</u>	<u>\$ 414</u>	<u>\$ -</u>	<u>\$ 26,278</u>	<u>\$ 111,434</u>
<u>Cash and Investment Fund Balance - Ending</u>					
Total unrestricted cash and investment fund balance - ending	<u>\$ 6,899</u>	<u>\$ 414</u>	<u>\$ -</u>	<u>\$ 26,278</u>	<u>\$ 111,434</u>

WEST CENTRAL INDIANA EDUCATIONAL SERVICE CENTER
 COMBINING SCHEDULE OF ADDITIONS, DEDUCTIONS, AND CHANGES IN CASH AND INVESTMENT BALANCES
 AGENCY FUNDS
 For the Year Ended June 30, 2008

	<u>Federal Tax Clearing Fund</u>	<u>Certified Social Security</u>	<u>Indiana State Tax Withholdings</u>	<u>County Tax Clearing Fund</u>	<u>Voluntary TRF</u>	<u>PERF Clearing Fund</u>
Additions:						
Agency fund additions	<u>\$ 91,171</u>	<u>\$ 61,030</u>	<u>\$ 25,541</u>	<u>\$ 8,533</u>	<u>\$ 20,404</u>	<u>\$ 3,139</u>
Deductions:						
Agency fund deductions	<u>90,569</u>	<u>57,645</u>	<u>26,248</u>	<u>8,781</u>	<u>19,843</u>	<u>2,966</u>
Excess (deficiency) of total additions over total deductions	602	3,385	(707)	(248)	561	173
Cash and investment fund balance - beginning	<u>2,699</u>	<u>2,186</u>	<u>2,601</u>	<u>917</u>	<u>4,932</u>	<u>605</u>
Cash and investment fund balance - ending	<u>\$ 3,301</u>	<u>\$ 5,571</u>	<u>\$ 1,894</u>	<u>\$ 669</u>	<u>\$ 5,493</u>	<u>\$ 778</u>

WEST CENTRAL INDIANA EDUCATIONAL SERVICE CENTER
 COMBINING SCHEDULE OF ADDITIONS, DEDUCTIONS, AND CHANGES IN CASH AND INVESTMENT BALANCES
 AGENCY FUNDS
 For the Year Ended June 30, 2008
 (Continued)

	Life/Health Insurance	Annuity Clearing Fund	Child Support	IFCU Credit Union Clearing Fund	Totals
Additions:					
Agency fund additions	\$ 25,964	\$ 43,792	\$ 60	\$ 6,120	\$ 285,754
Deductions:					
Agency fund deductions	25,390	49,577	30	6,800	287,849
Excess (deficiency) of total additions over total deductions	574	(5,785)	30	(680)	(2,095)
Cash and investment fund balance - beginning	(240)	1,964	-	340	16,004
Cash and investment fund balance - ending	<u>\$ 334</u>	<u>\$ (3,821)</u>	<u>\$ 30</u>	<u>\$ (340)</u>	<u>\$ 13,909</u>

WEST CENTRAL INDIANA EDUCATIONAL SERVICE CENTER
 COMBINING SCHEDULE OF ADDITIONS, DEDUCTIONS, AND CHANGES IN CASH AND INVESTMENT BALANCES
 AGENCY FUNDS
 For the Year Ended June 30, 2009

	Federal Tax Clearing Fund	Certified Social Security	Indiana State Tax Withholdings	County Tax Clearing Fund	Voluntary TRF	PERF Clearing Fund
Additions:						
Agency fund additions	\$ 91,732	\$ 60,163	\$ 24,786	\$ 8,702	\$ 21,180	\$ 2,870
Deductions:						
Agency fund deductions	94,654	57,390	24,785	8,704	20,705	9,996
Excess (deficiency) of total additions over total deductions	(2,922)	2,773	1	(2)	475	(7,126)
Cash and investment fund balance - beginning	3,301	5,571	1,894	669	5,493	778
Cash and investment fund balance - ending	<u>\$ 379</u>	<u>\$ 8,344</u>	<u>\$ 1,895</u>	<u>\$ 667</u>	<u>\$ 5,968</u>	<u>\$ (6,348)</u>

WEST CENTRAL INDIANA EDUCATIONAL SERVICE CENTER
 COMBINING SCHEDULE OF ADDITIONS, DEDUCTIONS, AND CHANGES IN CASH AND INVESTMENT BALANCES
 AGENCY FUNDS
 For the Year Ended June 30, 2009
 (Continued)

	Life/Health Insurance	Annuity Clearing Fund	Child Support	IFCU Credit Union Clearing Fund	Totals
Additions:					
Agency fund additions	\$ 34,916	\$ 45,183	\$ -	\$ -	\$ 289,532
Deductions:					
Agency fund deductions	36,698	43,358	-	-	296,290
Excess (deficiency) of total additions over total deductions	(1,782)	1,825	-	-	(6,758)
Cash and investment fund balance - beginning	334	(3,821)	30	(340)	13,909
Cash and investment fund balance - ending	<u>\$ (1,448)</u>	<u>\$ (1,996)</u>	<u>\$ 30</u>	<u>\$ (340)</u>	<u>\$ 7,151</u>

WEST CENTRAL INDIANA EDUCATIONAL SERVICE CENTER
SUPPLEMENTARY INFORMATION
SCHEDULE OF CAPITAL ASSETS
June 30, 2009

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

<u>Primary Government</u>	<u>Ending Balance</u>
Governmental activities:	
Capital assets, not being depreciated:	
Machinery and equipment	<u>\$ 424,760</u>

WEST CENTRAL INDIANA EDUCATIONAL SERVICE CENTER
EXAMINATION RESULTS AND COMMENTS

OVERDRAWN FUND BALANCES

The Drug Education Fund, Safe and Drug Free Schools Fund, Students Assistants Team Fund, Annuity Clearing Fund, and IFCU Credit Union Clearing Fund were overdrawn in 2008, and the Drug Education Fund, PERF Clearing Fund, Life/Health Fund, IFCU Annuity Clearing Fund, and Credit Union Clearing Fund were overdrawn in 2009.

The fund balance of any fund may not be reduced below zero. Routinely overdrawn funds could be an indicator of serious financial problems which should be investigated by the governmental unit. (Accounting and Uniform Compliance Guidelines Manual for Cities and Towns, Chapter 7)

OUTSTANDING TEMPORARY LOAN

The West Central Indiana Educational Service Center has a temporary loan from the General Fund to the Drug Education Fund that has been outstanding since June 30, 1996. A similar comment was reported in Reports B09075, B13720, B18472, B22714, B26343, and B31652.

IC 36-1-8-4 concerning temporary loans states in part:

"(a) . . . (3) Except as provided in subsection (b), the prescribed period must end during the budget year of the year in which the transfer occurs. (4) The amount transferred must be returned to the other fund at the end of the prescribed period . . ."

"(b) If the fiscal body of a political subdivision determines that an emergency exists that requires an extension of the prescribed period of a transfer under this section, the prescribed period may be extended for not more than six (6) months beyond the budget year of the year in which the transfer occurs if the fiscal body does the following: (1) Passes an ordinance or a resolution that contains the following: (A) A statement that the fiscal body has determined that an emergency exists. (B) A brief description of the grounds for the emergency. (C) The date the loan will be repaid that is not more than six (6) months beyond the budget year in which the transfer occurs. (2) Immediately forwards the ordinance or resolution to the state board of accounts and the Department of Local Government Finance."

WEST CENTRAL INDIANA EDUCATIONAL SERVICE CENTER
EXIT CONFERENCE

The contents of this report were discussed on January 20, 2010, with David C. Archer, Executive Director; and Debbie J. Christy, Treasurer.