

B37068

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

AUDIT REPORT

OF

EMINENCE COMMUNITY SCHOOL CORPORATION

MORGAN COUNTY, INDIANA

July 1, 2007 to June 30, 2009



FILED
05/28/2010

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SCHEDULE OF OFFICIALS

<u>Office</u>	<u>Official</u>	<u>Term</u>
Treasurer	Melisa M. Bundy Karen Saucerman	07-01-07 to 05-30-08 06-01-08 to 06-30-10
Superintendent of Schools	Dr. Susan D. Philips Dr. Larry Moore	07-01-07 to 06-30-08 07-01-08 to 06-30-10
President of the School Board	Kathy Decker	07-01-07 to 06-30-10



STATE OF INDIANA
AN EQUAL OPPORTUNITY EMPLOYER

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INDEPENDENT AUDITOR'S REPORT

TO: THE OFFICIALS OF THE EMINENCE COMMUNITY
SCHOOL CORPORATION, MORGAN COUNTY, INDIANA

We have audited the accompanying financial statements of the governmental activities each major fund, and the aggregate remaining fund information of the Eminence Community School Corporation (School Corporation), as of and for the years ended June 30, 2008 and 2009, which collectively comprise the School Corporation's basic financial statements as listed in the Table of Contents. These financial statements are the responsibility of the School Corporation's management. Our responsibility is to express opinions on these financial statements based on our audit.

We conducted our audit in accordance with auditing standards generally accepted in the United States of America. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free of material misstatement. An audit includes examining, on a test basis, evidence supporting the amounts and disclosures in the financial statements. An audit also includes assessing the accounting principles used and significant estimates made by management, as well as evaluating the overall financial statement presentation. We believe that our audit provides a reasonable basis for our opinions.

As discussed in Note I, the School Corporation prepares its financial statements on the prescribed basis of accounting that demonstrates compliance with the cash and investment basis and budget laws of the State of Indiana, which is a comprehensive basis of accounting other than accounting principles generally accepted in the United States of America.

In our opinion, the financial statements referred to above present fairly, in all material respects, the respective cash and investment balances of the governmental activities, each major fund, and the aggregate remaining fund information of the School Corporation as of June 30, 2008 and 2009, and the respective cash receipts and cash disbursements during the years then ended on the basis of accounting described in Note I.

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

INDEPENDENT AUDITOR'S REPORT
(Continued)

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

STATE BOARD OF ACCOUNTS

February 17, 2010

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

<u>Functions/Programs</u>	<u>Disbursements</u>	Program Receipts		<u>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	\$ 2,196,848	\$ -	\$ 56,205	\$ (2,140,643)
Support services	1,472,398	130,225	74,675	(1,267,498)
Noninstructional services	235,480	-	-	(235,480)
Facilities acquisition and construction	196,812	-	-	(196,812)
Debt service	1,263,249	-	-	(1,263,249)
Nonprogrammed charges	171,017	-	-	(171,017)
Total governmental activities	<u>\$ 5,535,804</u>	<u>\$ 130,225</u>	<u>\$ 130,880</u>	<u>(5,274,699)</u>
General receipts:				
Property taxes				2,020,119
Other local sources				535,237
State aid				1,948,439
Bonds and loans				700,000
Grants and contributions not restricted to specific programs				51,395
Sale of property				534
Investment earnings				39,382
Other				1,335,129
Total general receipts				<u>6,630,235</u>
Change in net assets				1,355,536
Net assets - beginning				<u>953,667</u>
Net assets - ending				<u>\$ 2,309,203</u>
<u>Assets</u>				
Cash and investments				\$ 2,331,754
Restricted assets:				
Cash and investments				<u>(22,551)</u>
Total assets				<u>\$ 2,309,203</u>
<u>Net Assets</u>				
Restricted for:				
Debt service				\$ (22,551)
Unrestricted				<u>2,331,754</u>
Total net assets				<u>\$ 2,309,203</u>

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

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

Functions/Programs	Disbursements	Program Receipts		Net (Disbursement) Receipts and Changes in Net Assets
		Charges for Services	Operating Grants and Contributions	Totals
Governmental activities:				
Instruction	\$ 2,218,093	\$ -	\$ 48,707	\$ (2,169,386)
Support services	1,781,908	132,536	85,784	(1,563,588)
Noninstructional services	231,093	-	-	(231,093)
Facilities acquisition and construction	1,724,547	-	-	(1,724,547)
Debt service	1,268,762	-	-	(1,268,762)
Nonprogrammed charges	296,935	-	-	(296,935)
Total governmental activities	\$ 7,521,338	\$ 132,536	\$ 134,491	(7,254,311)
General receipts:				
Property taxes				3,097,219
Other local sources				621,607
State aid				2,365,991
Grants and contributions not restricted to specific programs				367,764
Investment earnings				24,568
Other				3,000
Total general receipts				6,480,149
Change in net assets				(774,162)
Net assets - beginning				2,309,204
Net assets - ending				\$ 1,535,042
<u>Assets</u>				
Cash and investments				\$ 1,249,949
Restricted assets:				
Cash and investments				285,093
Total assets				\$ 1,535,042
<u>Net Assets</u>				
Restricted for:				
Debt service				\$ 285,093
Unrestricted				1,249,949
Total net assets				\$ 1,535,042

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

EMINENCE COMMUNITY 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	Transportation Operating	Fiscal. Stabilization - Education	Debt Service	Capital Projects	CF-HVAC Project '08	Other	Totals
Receipts:								
Local sources	\$ 1,189,388	\$ 384,232	\$ -	\$ 472,810	\$ 328,395	\$ -	\$ 349,932	\$ 2,724,757
Intermediate sources	130	-	-	-	-	-	75	205
State sources	1,956,878	-	-	-	-	-	65,397	2,022,275
Federal sources	-	-	-	-	-	-	113,773	113,773
Temporary loans	700,000	-	-	-	-	-	-	700,000
Other	2,425	618	-	-	-	-	-	3,043
Total receipts	3,848,821	384,850	-	472,810	328,395	-	529,177	5,564,053
Disbursements:								
Current:								
Instruction	2,142,946	-	-	-	-	-	53,902	2,196,848
Support services	802,358	378,021	-	-	147,998	-	144,021	1,472,398
Noninstructional services	46,957	-	-	-	-	-	188,523	235,480
Facilities acquisition and construction	-	-	-	-	184,382	-	12,430	196,812
Debt services	700,000	-	-	494,923	-	-	68,326	1,263,249
Nonprogrammed charges	165,946	-	-	-	-	-	5,071	171,017
Total disbursements	3,858,207	378,021	-	494,923	332,380	-	472,273	5,535,804
Excess (deficiency) of receipts over disbursements	(9,386)	6,829	-	(22,113)	(3,985)	-	56,904	28,249
Other financing sources (uses):								
Proceeds of long-term debt	-	-	-	-	-	1,326,753	-	1,326,753
Sale of capital assets	-	534	-	-	-	-	-	534
Total other financing sources (uses)	-	534	-	-	-	1,326,753	-	1,327,287
Excess (deficiency) of receipts and other financing sources over disbursements and other financing uses	(9,386)	7,363	-	(22,113)	(3,985)	1,326,753	56,904	1,355,536
Cash and investments - beginning	563,884	(1,897)	-	31,885	276,495	-	83,300	953,667
Cash and investments - ending	\$ 554,498	\$ 5,466	\$ -	\$ 9,772	\$ 272,510	\$ 1,326,753	\$ 140,204	\$ 2,309,203
Cash and Investment Assets - Ending								
Cash and investments	\$ 554,498	\$ 5,466	\$ -	\$ -	\$ 272,510	\$ 1,326,753	\$ 172,527	\$ 2,331,754
Restricted assets:								
Cash and investments	-	-	-	9,772	-	-	(32,323)	(22,551)
Total cash and investment assets - ending	\$ 554,498	\$ 5,466	\$ -	\$ 9,772	\$ 272,510	\$ 1,326,753	\$ 140,204	\$ 2,309,203
Cash and Investment Fund Balance - Ending								
Restricted for:								
Debt service	\$ -	\$ -	\$ -	\$ 9,772	\$ -	\$ -	\$ (32,323)	\$ (22,551)
Unrestricted	554,498	5,466	-	-	272,510	1,326,753	172,527	2,331,754
Total cash and investment fund balance - ending	\$ 554,498	\$ 5,466	\$ -	\$ 9,772	\$ 272,510	\$ 1,326,753	\$ 140,204	\$ 2,309,203

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

EMINENCE COMMUNITY 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	Transportation Operating	Fiscal. Stabilization - Education	Debt Service	Capital Projects	CF-HVAC Project '08	Other	Totals
Receipts:								
Local sources	\$ 1,318,214	\$ 599,904	\$ -	\$ 769,912	\$ 701,455	\$ -	\$ 484,789	\$ 3,874,274
Intermediate sources	1,617	-	-	-	-	-	38	1,655
State sources	2,387,324	-	-	-	-	-	75,539	2,462,863
Federal sources	-	-	279,146	-	-	-	126,238	405,384
Other	189	843	-	-	-	1,968	-	3,000
Total receipts	3,707,344	600,747	279,146	769,912	701,455	1,968	686,604	6,747,176
Disbursements:								
Current:								
Instruction	2,038,350	-	59,469	-	-	-	120,274	2,218,093
Support services	933,754	435,211	28,585	-	168,202	-	216,156	1,781,908
Noninstructional services	31,568	-	537	-	-	-	198,988	231,093
Facilities acquisition and construction	-	-	-	-	366,510	1,325,840	32,197	1,724,547
Debt services	700,000	-	-	502,460	-	-	66,302	1,268,762
Nonprogrammed charges	293,327	-	-	-	-	-	3,608	296,935
Total disbursements	3,996,999	435,211	88,591	502,460	534,712	1,325,840	637,525	7,521,338
Excess (deficiency) of receipts over disbursements	(289,655)	165,536	190,555	267,452	166,743	(1,323,872)	49,079	(774,162)
Other financing sources (uses):								
Transfers in	-	-	-	-	-	-	845	845
Transfers out	(537)	-	-	-	-	-	(308)	(845)
Total other financing sources (uses)	(537)	-	-	-	-	-	537	-
Excess (deficiency) of receipts and other financing sources over disbursements and other financing uses	(290,192)	165,536	190,555	267,452	166,743	(1,323,872)	49,616	(774,162)
Cash and investments - beginning	554,499	5,466	-	9,772	272,510	1,326,753	140,204	2,309,204
Cash and investments - ending	<u>\$ 264,307</u>	<u>\$ 171,002</u>	<u>\$ 190,555</u>	<u>\$ 277,224</u>	<u>\$ 439,253</u>	<u>\$ 2,881</u>	<u>\$ 189,820</u>	<u>\$ 1,535,042</u>
Cash and Investment Assets - Ending								
Cash and investments	\$ 264,307	\$ 171,002	\$ 190,555	\$ -	\$ 439,253	\$ 2,881	\$ 181,951	\$ 1,249,949
Restricted assets:								
Cash and investments	-	-	-	277,224	-	-	7,869	285,093
Total cash and investment assets - ending	<u>\$ 264,307</u>	<u>\$ 171,002</u>	<u>\$ 190,555</u>	<u>\$ 277,224</u>	<u>\$ 439,253</u>	<u>\$ 2,881</u>	<u>\$ 189,820</u>	<u>\$ 1,535,042</u>
Cash and Investment Fund Balance - Ending								
Restricted for:								
Debt service	\$ -	\$ -	\$ -	\$ 277,224	\$ -	\$ -	\$ 7,869	\$ 285,093
Unrestricted	264,307	171,002	190,555	-	439,253	2,881	181,951	1,249,949
Total cash and investment fund balance - ending	<u>\$ 264,307</u>	<u>\$ 171,002</u>	<u>\$ 190,555</u>	<u>\$ 277,224</u>	<u>\$ 439,253</u>	<u>\$ 2,881</u>	<u>\$ 189,820</u>	<u>\$ 1,535,042</u>

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

EMINENCE COMMUNITY 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	Agency Funds
Deductions:		
Benefits	\$ 16,625	
Total deductions	16,625	
Excess (deficiency) of total additions over total deductions	(16,625)	
Cash and investment fund balance - beginning	69,523	
Cash and investment fund balance - ending	\$ 52,898	\$ 73,083
Net assets:		
Cash and investments	\$ 52,898	
Total net assets - cash and investment basis held in trust	\$ 52,898	

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

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

	Pension Trust Funds	Agency Funds
Deductions:		
Benefits	\$ 17,200	
Total deductions	17,200	
Excess (deficiency) of total additions over total deductions	(17,200)	
Cash and investment fund balance - beginning	52,898	
Cash and investment fund balance - ending	\$ 35,698	\$ 58,089
Net assets:		
Cash and investments	\$ 35,698	
Total net assets - cash and investment basis held in trust	\$ 35,698	

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

EMINENCE COMMUNITY SCHOOL CORPORATION
NOTES TO FINANCIAL STATEMENTS

I. Summary of Significant Accounting Policies

A. Reporting Entity

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

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

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

Jointly Governed Organization

The School Corporation, in conjunction with Cloverdale Community School Corporation, Greencastle Community School Corporation, North Putnam Community School Corporation, Mill Creek Community School Corporation, and South Putnam Community School Corporation in a joint venture to operate the Old National Trail Special Education Cooperative which was created to provide instruction for handicapped children. The Old National Trail Special Education Cooperative's continued existence depends on continued funding by the School Corporation. Complete financial statements for the Old National Trail Special Education Cooperative can be obtained from the North Putnam Community School Corporation, 300 North Washington Street, Bainbridge, Indiana 46105, the administrative and fiscal agent for the joint venture.

The School Corporation, in conjunction with Cloverdale Community School Corporation, Greencastle Community School Corporation, North Putnam Community School Corporation, Spencer-Owen Community School Corporation and South Putnam Community School Corporation in a joint venture to operate the Area 30 Career Center which was created to provide vocational instruction to students. The School Corporation is obligated by contract to annual remit an amount depending upon the number of its participating students to supplement the Area 30 career Center. The Area 30 Career Center's continued existence depends on continued funding by the School Corporation. Complete financial statements for the Area 30 Career Center can be obtained from the Area 30 Career Center, Calvert Way Suite A, Greencastle Indiana 46135, the administrative and fiscal agent for the joint venture.

B. Government-Wide and Fund Financial Statements

Government-Wide Financial Statements

The Statement of Activities and Net Assets – Cash and Investment Basis displays information about the reporting government as a whole. It includes all funds of the reporting entity except for fiduciary funds. The statement distinguishes between governmental and business-type activities. Governmental activities generally are financed through taxes, intergovernmental revenues, and other nonexchange revenues. Business-type activities are financed in whole or in part by fees charged to external parties for goods or services. The School Corporation has no business-type activities.

EMINENCE COMMUNITY SCHOOL CORPORATION
NOTES TO FINANCIAL STATEMENTS
(Continued)

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 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 capital projects fund accounts for planned construction, repair, replacement or remodeling; and the purchase, lease, upgrade, maintenance, or repair of computer equipment.

The transportation operating fund accounts for financial resources for the transportation of school children to and from school.

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.

The CF-HVAC project '08 fund is used to account for receipts and disbursements concerning the emergency savings construction contract.

Additionally, the School Corporation reports the following fund types:

The pension trust funds account for the activities of the pension trust fund, which accumulates resources for pension benefit payments.

Agency funds account for assets held by the School Corporation as an agent for payroll withholdings and serve as control of accounts for certain cash transactions during the time they are a liability to the School Corporation.

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.

EMINENCE COMMUNITY SCHOOL CORPORATION
NOTES TO FINANCIAL STATEMENTS
(Continued)

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

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

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

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

D. Assets and Cash and Investment Balances

1. Cash and Investments

Investments are stated at cost. Any changes in fair value of the investments are reported as interest receipts in the year of the sale of the investment. The school corporation has no investments.

2. Property Taxes

Property taxes levied are collected by the County Treasurer and are distributed to the School Corporation in June and in December. State statute (IC 6-1.1-17-16) requires the Indiana Department of Local Government Finance to establish property tax rates and levies by February 15. These rates were based upon the preceding year's March 1 (lien date) assessed valuations adjusted for various tax credits. Taxable property is assessed at 100% of the true tax value (determined in accordance with rules and regulations adopted by the Indiana Department of Local Government Finance). Taxes may be paid in two equal installments which become delinquent if not paid 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 June 30 of the year collected.

3. Capital Assets

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

4. Long-Term Debt

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

EMINENCE COMMUNITY SCHOOL CORPORATION
NOTES TO FINANCIAL STATEMENTS
(Continued)

5. Equity Classification

Government-Wide Statements

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

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

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

Fund Financial Statements

Governmental fund equity is classified as fund balance.

E. Receipts and Disbursements

1. 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.

2. Operating Receipts and Disbursements

Operating receipts and disbursements for proprietary funds and the similar discretely presented component unit result from providing services and producing and delivering goods and/or services. They also include all receipts and disbursements not related to capital and related financing, noncapital financing, or investing activities.

F. Internal and Interfund Balances and Activities

In the process of aggregating the financial information for the government-wide Statement of Activities and Net Assets – Cash and Investment Basis, some amounts reported as interfund activity and balances in the fund financial statements have been eliminated or reclassified.

Fund Financial Statements

1. Interfund services – Sales or purchases of goods and services between funds are reported as receipts and disbursements.

EMINENCE COMMUNITY SCHOOL CORPORATION
NOTES TO FINANCIAL STATEMENTS
(Continued)

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.

Government-Wide Financial Statements

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

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

II. Stewardship, Compliance and Accountability

A. Budgetary Information

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

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

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

EMINENCE COMMUNITY 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	2008
Preschool Special Ed	\$ 3,319
Debt Service	3,287
Transportation	7,382
Total	\$ 13,988

These disbursements were funded by available fund balances.

C. Cash and Investment Balance Deficits

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

Fund	2008	2009
Textbook Rental	\$ 51,860	\$ 88,019
Rural Education Achievement Program	354	-
Kendrick Consumer Grant	97	97
ECA Purchase	1,346	735
Drug Free Title IV	48	-
Project Lead the Way	1,125	-
Project Lead the Way (08-09)	-	6,835
Retirement Debt Service	32,323	-

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

III. Detailed Notes on All Funds

A. Deposits and Investments

1. Deposits

Custodial credit risk is the risk that in the event of a bank failure, the government's deposits may not be returned to it. Indiana Code 5-13-8-1 allows a political subdivision of the State of Indiana to deposit public funds in a financial institution only if the financial institution is a depository eligible to receive state funds and has a principal office or branch that qualifies to receive public funds of the political subdivision. The 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 \$1,534,611.

EMINENCE COMMUNITY SCHOOL CORPORATION
NOTES TO FINANCIAL STATEMENTS
(Continued)

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.

2. Investments

As of June 30, 2009, the School Corporation had no investments.

B. Interfund Transfers

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

Transfer From	Transfer To	2009
General Fund	Other governmental funds	\$ 537
Other governmental funds	Other governmental funds	308
Total		\$ 845

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

IV. Other Information

A. Risk Management

The School Corporation is exposed to various risks of loss related to torts; theft of, damage to, and destruction of assets; errors and omissions; job related illnesses or injuries to employees; and natural disasters.

The risks of torts; theft of, damage to, and destruction of assets; errors and omissions; job related illnesses or injuries to employees; and natural disasters are covered by commercial insurance from independent third parties. Settled claims from these risks have not exceeded commercial insurance coverage for the past three years. There were no significant reductions in insurance by major category of risk.

B. Holding Corporation(s)

The School Corporation has entered into a capital lease with the Eminence Community 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, 2009, and June 30, 2008, were \$485,000, and \$488,000, respectively.

EMINENCE COMMUNITY SCHOOL CORPORATION
NOTES TO FINANCIAL STATEMENTS
(Continued)

C. Postemployment Benefits

In addition to the pension benefits described below, the School Corporation provides post-employment health care benefits as authorized by Indiana Code 5-10-8, to all employees who retire from the School Corporation on or after attaining age 55 with at least 15 years of service. Currently, two retirees meet these eligibility requirements. The School Corporation and retirees provide 85%, and 15%, respectively, of the single premium and 65% and 35%, respectively, of the family premium of these postemployment benefits. Disbursements for those postemployment benefits are recognized on a pay-as-you-go basis. Disbursements for postemployment benefits cannot be reasonably determined.

These funds are held in reserve to pay health insurance premiums of qualified retirees for a limited time, in accordance with various government regulations.

D. 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 and Annual Pension Costs

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

EMINENCE COMMUNITY SCHOOL CORPORATION
 COMBINING SCHEDULE OF ASSETS AND FUND BALANCES AND RECEIPTS,
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 OTHER GOVERNMENTAL FUNDS
 For the Year Ended June 30, 2008

	Preschool Education	School Lunch	Textbook Rental	Education License Plates	Safe School Haven Grant	Donation Fund	Rural Education Achievement Program (REAP)
Receipts:							
Local sources	\$ 2,764	\$ 130,818	\$ 63,644	\$ -	\$ -	\$ -	\$ -
Intermediate sources	-	-	-	75	-	-	-
State sources	4,516	3,229	14,526	-	1,110	-	-
Federal sources	-	56,921	-	-	-	-	28,855
Total receipts	<u>7,280</u>	<u>190,968</u>	<u>78,170</u>	<u>75</u>	<u>1,110</u>	<u>-</u>	<u>28,855</u>
Disbursements:							
Current:							
Instruction	2,400	-	-	-	-	-	516
Support services	-	1,684	72,886	-	-	-	16,013
Noninstructional services	-	188,523	-	-	-	-	-
Facilities acquisition and construction	-	-	-	-	-	-	9,313
Debt services	-	-	-	-	-	-	-
Nonprogrammed charges	5,071	-	-	-	-	-	-
Total disbursements	<u>7,471</u>	<u>190,207</u>	<u>72,886</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>25,842</u>
Excess (deficiency) of receipts over disbursements	<u>(191)</u>	<u>761</u>	<u>5,284</u>	<u>75</u>	<u>1,110</u>	<u>-</u>	<u>3,013</u>
Excess (deficiency) of receipts and other financing sources over disbursements and other financing uses	(191)	761	5,284	75	1,110	-	3,013
Cash and investments - beginning	<u>78,117</u>	<u>47,552</u>	<u>(57,144)</u>	<u>2,537</u>	<u>-</u>	<u>1,345</u>	<u>(3,367)</u>
Cash and investments - ending	<u>\$ 77,926</u>	<u>\$ 48,313</u>	<u>\$ (51,860)</u>	<u>\$ 2,612</u>	<u>\$ 1,110</u>	<u>\$ 1,345</u>	<u>\$ (354)</u>
<u>Cash and Investment Assets - Ending</u>							
Cash and investments	\$ 77,926	\$ 48,313	\$ (51,860)	\$ 2,612	\$ 1,110	\$ 1,345	\$ (354)
Restricted assets:							
Cash and investments	-	-	-	-	-	-	-
Total cash and investment assets - ending	<u>\$ 77,926</u>	<u>\$ 48,313</u>	<u>\$ (51,860)</u>	<u>\$ 2,612</u>	<u>\$ 1,110</u>	<u>\$ 1,345</u>	<u>\$ (354)</u>
<u>Cash and Investment Fund Balance - Ending</u>							
Restricted for:							
Debt service	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Unrestricted	<u>77,926</u>	<u>48,313</u>	<u>(51,860)</u>	<u>2,612</u>	<u>1,110</u>	<u>1,345</u>	<u>(354)</u>
Total cash and investment fund balance - ending	<u>\$ 77,926</u>	<u>\$ 48,313</u>	<u>\$ (51,860)</u>	<u>\$ 2,612</u>	<u>\$ 1,110</u>	<u>\$ 1,345</u>	<u>\$ (354)</u>

EMINENCE COMMUNITY 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)

	Kendrick Grant Sensory Room	Professional Development (07-08)	Professional Development Grant	Nurse Fund	Kendrick Consumer	Kendrick AED Project
Receipts:						
Local sources	\$ -	\$ -	\$ -	\$ 315	\$ -	\$ -
Intermediate sources	-	-	-	-	-	-
State sources	1,453	9,641	-	-	1,447	1,500
Federal sources	-	-	-	-	-	-
Total receipts	<u>1,453</u>	<u>9,641</u>	<u>-</u>	<u>315</u>	<u>1,447</u>	<u>1,500</u>
Disbursements:						
Current:						
Instruction	-	6,892	3,172	-	1,544	695
Support services	1,145	-	-	292	-	-
Noninstructional services	-	-	-	-	-	-
Facilities acquisition and construction	-	-	-	-	-	-
Debt services	-	-	-	-	-	-
Nonprogrammed charges	-	-	-	-	-	-
Total disbursements	<u>1,145</u>	<u>6,892</u>	<u>3,172</u>	<u>292</u>	<u>1,544</u>	<u>695</u>
Excess (deficiency) of receipts over disbursements	<u>308</u>	<u>2,749</u>	<u>(3,172)</u>	<u>23</u>	<u>(97)</u>	<u>805</u>
Excess (deficiency) of receipts and other financing sources over disbursements and other financing uses	308	2,749	(3,172)	23	(97)	805
Cash and investments - beginning	-	-	3,172	-	-	-
Cash and investments - ending	<u>\$ 308</u>	<u>\$ 2,749</u>	<u>\$ -</u>	<u>\$ 23</u>	<u>\$ (97)</u>	<u>\$ 805</u>
<u>Cash and Investment Assets - Ending</u>						
Cash and investments	\$ 308	\$ 2,749	\$ -	\$ 23	\$ (97)	\$ 805
Restricted assets:						
Cash and investments	-	-	-	-	-	-
Total cash and investment assets - ending	<u>\$ 308</u>	<u>\$ 2,749</u>	<u>\$ -</u>	<u>\$ 23</u>	<u>\$ (97)</u>	<u>\$ 805</u>
<u>Cash and Investment Fund Balance - Ending</u>						
Restricted for:						
Debt service	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Unrestricted	<u>308</u>	<u>2,749</u>	<u>-</u>	<u>23</u>	<u>(97)</u>	<u>805</u>
Total cash and investment fund balance - ending	<u>\$ 308</u>	<u>\$ 2,749</u>	<u>\$ -</u>	<u>\$ 23</u>	<u>\$ (97)</u>	<u>\$ 805</u>

EMINENCE COMMUNITY 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)

	Green School Project	02/03 Gifted and Talented Grant	GIT Grant (07-08)	Driver's Education	ECA Purchase Fund	Non-English Speaking Program
Receipts:						
Local sources	\$ 42	\$ -	\$ -	\$ 4,246	\$ 1,448	\$ -
Intermediate sources	-	-	-	-	-	-
State sources	-	-	27,375	-	-	-
Federal sources	-	-	-	-	-	-
Total receipts	<u>42</u>	<u>-</u>	<u>27,375</u>	<u>4,246</u>	<u>1,448</u>	<u>-</u>
Disbursements:						
Current:						
Instruction	-	210	17,756	17	1,297	-
Support services	148	-	-	1,197	-	-
Noninstructional services	-	-	-	-	-	-
Facilities acquisition and construction	-	-	-	-	-	-
Debt services	-	-	-	-	-	-
Nonprogrammed charges	-	-	-	-	-	-
Total disbursements	<u>148</u>	<u>210</u>	<u>17,756</u>	<u>1,214</u>	<u>1,297</u>	<u>-</u>
Excess (deficiency) of receipts over disbursements	<u>(106)</u>	<u>(210)</u>	<u>9,619</u>	<u>3,032</u>	<u>151</u>	<u>-</u>
Excess (deficiency) of receipts and other financing sources over disbursements and other financing uses	(106)	(210)	9,619	3,032	151	-
Cash and investments - beginning	<u>130</u>	<u>210</u>	<u>-</u>	<u>4,300</u>	<u>(1,497)</u>	<u>62</u>
Cash and investments - ending	<u>\$ 24</u>	<u>\$ -</u>	<u>\$ 9,619</u>	<u>\$ 7,332</u>	<u>\$ (1,346)</u>	<u>\$ 62</u>
<u>Cash and Investment Assets - Ending</u>						
Cash and investments	\$ 24	\$ -	\$ 9,619	\$ 7,332	\$ (1,346)	\$ 62
Restricted assets:						
Cash and investments	-	-	-	-	-	-
Total cash and investment assets - ending	<u>\$ 24</u>	<u>\$ -</u>	<u>\$ 9,619</u>	<u>\$ 7,332</u>	<u>\$ (1,346)</u>	<u>\$ 62</u>
<u>Cash and Investment Fund Balance - Ending</u>						
Restricted for:						
Debt service	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Unrestricted	<u>24</u>	<u>-</u>	<u>9,619</u>	<u>7,332</u>	<u>(1,346)</u>	<u>62</u>
Total cash and investment fund balance - ending	<u>\$ 24</u>	<u>\$ -</u>	<u>\$ 9,619</u>	<u>\$ 7,332</u>	<u>\$ (1,346)</u>	<u>\$ 62</u>

EMINENCE COMMUNITY SCHOOL CORPORATION
 COMBINING SCHEDULE OF ASSETS AND FUND BALANCES AND RECEIPTS,
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 OTHER GOVERNMENTAL FUNDS
 For the Year Ended June 30, 2008
 (Continued)

	Indiana Youth Tobacco Survey	Primetime Grant High School	Title V Part A	Title Service Grant	Drug Free Title IV	HMCI Foundation Grant
Receipts:						
Local sources	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Intermediate sources	-	-	-	-	-	-
State sources	-	-	-	-	-	600
Federal sources	-	-	852	-	-	-
Total receipts	-	-	852	-	-	600
Disbursements:						
Current:						
Instruction	-	-	-	-	-	-
Support services	-	-	825	-	206	714
Noninstructional services	-	-	-	-	-	-
Facilities acquisition and construction	-	-	-	-	-	-
Debt services	-	-	-	-	-	-
Nonprogrammed charges	-	-	-	-	-	-
Total disbursements	-	-	825	-	206	714
Excess (deficiency) of receipts over disbursements	-	-	27	-	(206)	(114)
Excess (deficiency) of receipts and other financing sources over disbursements and other financing uses	-	-	27	-	(206)	(114)
Cash and investments - beginning	1,000	1,750	825	52	158	1,450
Cash and investments - ending	<u>\$ 1,000</u>	<u>\$ 1,750</u>	<u>\$ 852</u>	<u>\$ 52</u>	<u>\$ (48)</u>	<u>\$ 1,336</u>
<u>Cash and Investment Assets - Ending</u>						
Cash and investments	\$ 1,000	\$ 1,750	\$ 852	\$ 52	\$ (48)	\$ 1,336
Restricted assets:						
Cash and investments	-	-	-	-	-	-
Total cash and investment assets - ending	<u>\$ 1,000</u>	<u>\$ 1,750</u>	<u>\$ 852</u>	<u>\$ 52</u>	<u>\$ (48)</u>	<u>\$ 1,336</u>
<u>Cash and Investment Fund Balance - Ending</u>						
Restricted for:						
Debt service	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Unrestricted	1,000	1,750	852	52	(48)	1,336
Total cash and investment fund balance - ending	<u>\$ 1,000</u>	<u>\$ 1,750</u>	<u>\$ 852</u>	<u>\$ 52</u>	<u>\$ (48)</u>	<u>\$ 1,336</u>

EMINENCE COMMUNITY 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)

	Project Lead The Way	Improving Teacher Quality	Retirement Debt Service	School Bus Replacement	Construction Fund	Totals
Receipts:						
Local sources	\$ 2,000	\$ -	\$ 68,475	\$ 27,302	\$ 48,878	\$ 349,932
Intermediate sources	-	-	-	-	-	75
State sources	-	-	-	-	-	65,397
Federal sources	<u>16,083</u>	<u>11,062</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>113,773</u>
Total receipts	<u>18,083</u>	<u>11,062</u>	<u>68,475</u>	<u>27,302</u>	<u>48,878</u>	<u>529,177</u>
Disbursements:						
Current:						
Instruction	19,403	-	-	-	-	53,902
Support services	-	9,047	-	-	39,864	144,021
Noninstructional services	-	-	-	-	-	188,523
Facilities acquisition and construction	-	-	-	-	3,117	12,430
Debt services	-	-	68,326	-	-	68,326
Nonprogrammed charges	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>5,071</u>
Total disbursements	<u>19,403</u>	<u>9,047</u>	<u>68,326</u>	<u>-</u>	<u>42,981</u>	<u>472,273</u>
Excess (deficiency) of receipts over disbursements	<u>(1,320)</u>	<u>2,015</u>	<u>149</u>	<u>27,302</u>	<u>5,897</u>	<u>56,904</u>
Excess (deficiency) of receipts and other financing sources over disbursements and other financing uses	(1,320)	2,015	149	27,302	5,897	56,904
Cash and investments - beginning	<u>195</u>	<u>3,757</u>	<u>(32,472)</u>	<u>35,097</u>	<u>(3,929)</u>	<u>83,300</u>
Cash and investments - ending	<u>\$ (1,125)</u>	<u>\$ 5,772</u>	<u>\$ (32,323)</u>	<u>\$ 62,399</u>	<u>\$ 1,968</u>	<u>\$ 140,204</u>
<u>Cash and Investment Assets - Ending</u>						
Cash and investments	\$ (1,125)	\$ 5,772	\$ -	\$ 62,399	\$ 1,968	\$ 172,527
Restricted assets:						
Cash and investments	<u>-</u>	<u>-</u>	<u>(32,323)</u>	<u>-</u>	<u>-</u>	<u>(32,323)</u>
Total cash and investment assets - ending	<u>\$ (1,125)</u>	<u>\$ 5,772</u>	<u>\$ (32,323)</u>	<u>\$ 62,399</u>	<u>\$ 1,968</u>	<u>\$ 140,204</u>
<u>Cash and Investment Fund Balance - Ending</u>						
Restricted for:						
Debt service	\$ -	\$ -	\$ (32,323)	\$ -	\$ -	\$ (32,323)
Unrestricted	<u>(1,125)</u>	<u>5,772</u>	<u>-</u>	<u>62,399</u>	<u>1,968</u>	<u>172,527</u>
Total cash and investment fund balance - ending	<u>\$ (1,125)</u>	<u>\$ 5,772</u>	<u>\$ (32,323)</u>	<u>\$ 62,399</u>	<u>\$ 1,968</u>	<u>\$ 140,204</u>

EMINENCE COMMUNITY 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

	Preschool Education	School Lunch	Textbook Rental	Education License Plates	Safe School Haven Grant	Donation Fund	Rural Education Achievement Program (REAP)
Receipts:							
Local sources	\$ 2,664	\$ 132,103	\$ 72,459	\$ -	\$ -	\$ 40,000	\$ -
Intermediate sources	-	-	-	38	-	-	-
State sources	5,852	3,087	-	-	-	-	-
Federal sources	-	62,707	-	-	-	-	15,783
Total receipts	8,516	197,897	72,459	38	-	40,000	15,783
Disbursements:							
Current:							
Instruction	1,072	-	-	-	-	-	-
Support services	-	3,516	108,618	-	-	-	15,429
Noninstructional services	-	197,878	-	-	1,110	-	-
Facilities acquisition and construction	-	-	-	-	-	25,752	-
Debt services	-	-	-	-	-	-	-
Nonprogrammed charges	3,608	-	-	-	-	-	-
Total disbursements	4,680	201,394	108,618	-	1,110	25,752	15,429
Excess (deficiency) of receipts over disbursements	3,836	(3,497)	(36,159)	38	(1,110)	14,248	354
Other financing sources (uses):							
Transfers in	-	-	-	-	-	-	-
Transfers out	-	-	-	-	-	-	-
Total other financing sources (uses)	-	-	-	-	-	-	-
Excess (deficiency) of receipts and other financing sources over disbursements and other financing uses	3,836	(3,497)	(36,159)	38	(1,110)	14,248	354
Cash and investments - beginning	77,926	48,312	(51,860)	2,612	1,110	1,345	(354)
Cash and investments - ending	\$ 81,762	\$ 44,815	\$ (88,019)	\$ 2,650	\$ -	\$ 15,593	\$ -
Cash and Investment Assets - Ending							
Cash and investments	\$ 81,762	\$ 44,815	\$ (88,019)	\$ 2,650	\$ -	\$ 15,593	\$ -
Restricted assets:							
Cash and investments	-	-	-	-	-	-	-
Total cash and investment assets - ending	\$ 81,762	\$ 44,815	\$ (88,019)	\$ 2,650	\$ -	\$ 15,593	\$ -
Cash and Investment Fund Balance - Ending							
Restricted for:							
Debt service	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Unrestricted	81,762	44,815	(88,019)	2,650	-	15,593	-
Total cash and investment fund balance - ending	\$ 81,762	\$ 44,815	\$ (88,019)	\$ 2,650	\$ -	\$ 15,593	\$ -

EMINENCE COMMUNITY 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)

	Kendricks Grant	Kendricks Grant- Athletic	Kendrick Grant Sensory Room	Professional Development (07-08)	Nurse Fund	Kendricks Consumer
Receipts:						
Local sources	\$ -	\$ -	\$ -	\$ -	\$ 320	\$ -
Intermediate sources	-	-	-	-	-	-
State sources	3,255	800	-	-	-	-
Federal sources	-	-	-	-	-	-
Total receipts	3,255	800	-	-	320	-
Disbursements:						
Current:						
Instruction	2,645	614	-	2,661	-	-
Support services	-	-	-	-	288	-
Noninstructional services	-	-	-	-	-	-
Facilities acquisition and construction	-	-	-	-	-	-
Debt services	-	-	-	-	-	-
Nonprogrammed charges	-	-	-	-	-	-
Total disbursements	2,645	614	-	2,661	288	-
Excess (deficiency) of receipts over disbursements	610	186	-	(2,661)	32	-
Other financing sources (uses):						
Transfers in	-	-	-	-	-	-
Transfers out	-	-	(308)	-	-	-
Total other financing sources (uses)	-	-	(308)	-	-	-
Excess (deficiency) of receipts and other financing sources over disbursements and other financing uses	610	186	(308)	(2,661)	32	-
Cash and investments - beginning	-	-	308	2,749	23	(97)
Cash and investments - ending	\$ 610	\$ 186	\$ -	\$ 88	\$ 55	\$ (97)
<u>Cash and Investment Assets - Ending</u>						
Cash and investments	\$ 610	\$ 186	\$ -	\$ 88	\$ 55	\$ (97)
Restricted assets:						
Cash and investments	-	-	-	-	-	-
Total cash and investment assets - ending	\$ 610	\$ 186	\$ -	\$ 88	\$ 55	\$ (97)
<u>Cash and Investment Fund Balance - Ending</u>						
Restricted for:						
Debt service	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Unrestricted	610	186	-	88	55	(97)
Total cash and investment fund balance - ending	\$ 610	\$ 186	\$ -	\$ 88	\$ 55	\$ (97)

EMINENCE COMMUNITY 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)

	Kendrick Nurse Grant	Kendricks AED Project	Green School Project	GIT Grant (07-08)	Driver's Education	ECA Purchase Fund
Receipts:						
Local sources	\$ -	\$ -	\$ 132	\$ -	\$ 4,175	\$ 794
Intermediate sources	-	-	-	-	-	-
State sources	-	-	-	27,375	-	-
Federal sources	-	-	-	-	-	-
Total receipts	-	-	132	27,375	4,175	794
Disbursements:						
Current:						
Instruction	-	805	-	35,760	8,794	183
Support services	-	-	-	-	1,310	-
Noninstructional services	-	-	-	-	-	-
Facilities acquisition and construction	-	-	-	-	-	-
Debt services	-	-	-	-	-	-
Nonprogrammed charges	-	-	-	-	-	-
Total disbursements	-	805	-	35,760	10,104	183
Excess (deficiency) of receipts over disbursements	-	(805)	132	(8,385)	(5,929)	611
Other financing sources (uses):						
Transfers in	308	-	-	-	-	-
Transfers out	-	-	-	-	-	-
Total other financing sources (uses)	308	-	-	-	-	-
Excess (deficiency) of receipts and other financing sources over disbursements and other financing uses	308	(805)	132	(8,385)	(5,929)	611
Cash and investments - beginning	-	805	25	9,619	7,332	(1,346)
Cash and investments - ending	<u>\$ 308</u>	<u>\$ -</u>	<u>\$ 157</u>	<u>\$ 1,234</u>	<u>\$ 1,403</u>	<u>\$ (735)</u>
<u>Cash and Investment Assets - Ending</u>						
Cash and investments	\$ 308	\$ -	\$ 157	\$ 1,234	\$ 1,403	\$ (735)
Restricted assets:						
Cash and investments	-	-	-	-	-	-
Total cash and investment assets - ending	<u>\$ 308</u>	<u>\$ -</u>	<u>\$ 157</u>	<u>\$ 1,234</u>	<u>\$ 1,403</u>	<u>\$ (735)</u>
<u>Cash and Investment Fund Balance - Ending</u>						
Restricted for:						
Debt service	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Unrestricted	308	-	157	1,234	1,403	(735)
Total cash and investment fund balance - ending	<u>\$ 308</u>	<u>\$ -</u>	<u>\$ 157</u>	<u>\$ 1,234</u>	<u>\$ 1,403</u>	<u>\$ (735)</u>

EMINENCE COMMUNITY 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)

	Non-English Speaking Program	Indiana Youth Tobacco Survey	Principles of Leadership Elementary	Primetime Grant High School	Title I	Title V Part A
Receipts:						
Local sources	\$ -	\$ 500	\$ -	\$ 1,000	\$ -	\$ -
Intermediate sources	-	-	-	-	-	-
State sources	-	-	-	-	19,990	-
Federal sources	-	-	-	-	30,743	787
Total receipts	-	500	-	1,000	50,733	787
Disbursements:						
Current:						
Instruction	-	490	461	1,000	44,047	-
Support services	-	-	-	-	-	852
Noninstructional services	-	-	-	-	-	-
Facilities acquisition and construction	-	-	-	-	-	-
Debt services	-	-	-	-	-	-
Nonprogrammed charges	-	-	-	-	-	-
Total disbursements	-	490	461	1,000	44,047	852
Excess (deficiency) of receipts over disbursements	-	10	(461)	-	6,686	(65)
Other financing sources (uses):						
Transfers in	-	-	537	-	-	-
Transfers out	-	-	-	-	-	-
Total other financing sources (uses)	-	-	537	-	-	-
Excess (deficiency) of receipts and other financing sources over disbursements and other financing uses	-	10	76	-	6,686	(65)
Cash and investments - beginning	62	1,000	-	1,750	-	852
Cash and investments - ending	<u>\$ 62</u>	<u>\$ 1,010</u>	<u>\$ 76</u>	<u>\$ 1,750</u>	<u>\$ 6,686</u>	<u>\$ 787</u>
<u>Cash and Investment Assets - Ending</u>						
Cash and investments	\$ 62	\$ 1,010	\$ 76	\$ 1,750	\$ 6,686	\$ 787
Restricted assets:						
Cash and investments	-	-	-	-	-	-
Total cash and investment assets - ending	<u>\$ 62</u>	<u>\$ 1,010</u>	<u>\$ 76</u>	<u>\$ 1,750</u>	<u>\$ 6,686</u>	<u>\$ 787</u>
<u>Cash and Investment Fund Balance - Ending</u>						
Restricted for:						
Debt service	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Unrestricted	62	1,010	76	1,750	6,686	787
Total cash and investment fund balance - ending	<u>\$ 62</u>	<u>\$ 1,010</u>	<u>\$ 76</u>	<u>\$ 1,750</u>	<u>\$ 6,686</u>	<u>\$ 787</u>

EMINENCE COMMUNITY 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 C, Laptop	Title Service Grant	Drug Free Title IV	Drug Free Title IV (08-09)	HMCI Foundation Grant	Project Lead The Way
Receipts:						
Local sources	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Intermediate sources	-	-	-	-	-	-
State sources	15,180	-	-	-	-	-
Federal sources	-	-	823	1,298	-	-
Total receipts	15,180	-	823	1,298	-	-
Disbursements:						
Current:						
Instruction	15,145	-	-	-	-	(1,125)
Support services	-	-	775	250	-	-
Noninstructional services	-	-	-	-	-	-
Facilities acquisition and construction	-	-	-	-	-	-
Debt services	-	-	-	-	-	-
Nonprogrammed charges	-	-	-	-	-	-
Total disbursements	15,145	-	775	250	-	(1,125)
Excess (deficiency) of receipts over disbursements	35	-	48	1,048	-	1,125
Other financing sources (uses):						
Transfers in	-	-	-	-	-	-
Transfers out	-	-	-	-	-	-
Total other financing sources (uses)	-	-	-	-	-	-
Excess (deficiency) of receipts and other financing sources over disbursements and other financing uses	35	-	48	1,048	-	1,125
Cash and investments - beginning	-	52	(48)	-	1,336	(1,125)
Cash and investments - ending	<u>\$ 35</u>	<u>\$ 52</u>	<u>\$ -</u>	<u>\$ 1,048</u>	<u>\$ 1,336</u>	<u>\$ -</u>
<u>Cash and Investment Assets - Ending</u>						
Cash and investments	\$ 35	\$ 52	\$ -	\$ 1,048	\$ 1,336	\$ -
Restricted assets:						
Cash and investments	-	-	-	-	-	-
Total cash and investment assets - ending	<u>\$ 35</u>	<u>\$ 52</u>	<u>\$ -</u>	<u>\$ 1,048</u>	<u>\$ 1,336</u>	<u>\$ -</u>
<u>Cash and Investment Fund Balance - Ending</u>						
Restricted for:						
Debt service	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Unrestricted	35	52	-	1,048	1,336	-
Total cash and investment fund balance - ending	<u>\$ 35</u>	<u>\$ 52</u>	<u>\$ -</u>	<u>\$ 1,048</u>	<u>\$ 1,336</u>	<u>\$ -</u>

EMINENCE COMMUNITY 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)

	Project Lead the Way (08-09)	Improving Teacher Quality	Retirement Debt Service	School Bus Replacement	Construction Fund	Totals
Receipts:						
Local sources	\$ -	\$ -	\$ 106,494	\$ 119,376	\$ 4,772	\$ 484,789
Intermediate sources	-	-	-	-	-	38
State sources	-	-	-	-	-	75,539
Federal sources	-	14,097	-	-	-	126,238
Total receipts	-	14,097	106,494	119,376	4,772	686,604
Disbursements:						
Current:						
Instruction	6,835	887	-	-	-	120,274
Support services	-	1,120	-	83,703	295	216,156
Noninstructional services	-	-	-	-	-	198,988
Facilities acquisition and construction	-	-	-	-	6,445	32,197
Debt services	-	-	66,302	-	-	66,302
Nonprogrammed charges	-	-	-	-	-	3,608
Total disbursements	6,835	2,007	66,302	83,703	6,740	637,525
Excess (deficiency) of receipts over disbursements	(6,835)	12,090	40,192	35,673	(1,968)	49,079
Other financing sources (uses):						
Transfers in	-	-	-	-	-	845
Transfers out	-	-	-	-	-	(308)
Total other financing sources (uses)	-	-	-	-	-	537
Excess (deficiency) of receipts and other financing sources over disbursements and other financing uses	(6,835)	12,090	40,192	35,673	(1,968)	49,616
Cash and investments - beginning	-	5,772	(32,323)	62,399	1,968	140,204
Cash and investments - ending	<u>\$ (6,835)</u>	<u>\$ 17,862</u>	<u>\$ 7,869</u>	<u>\$ 98,072</u>	<u>\$ -</u>	<u>\$ 189,820</u>
<u>Cash and Investment Assets - Ending</u>						
Cash and investments	\$ (6,835)	\$ 17,862	\$ -	\$ 98,072	\$ -	\$ 181,951
Restricted assets:						
Cash and investments	-	-	7,869	-	-	7,869
Total cash and investment assets - ending	<u>\$ (6,835)</u>	<u>\$ 17,862</u>	<u>\$ 7,869</u>	<u>\$ 98,072</u>	<u>\$ -</u>	<u>\$ 189,820</u>
<u>Cash and Investment Fund Balance - Ending</u>						
Restricted for:						
Debt service	\$ -	\$ -	\$ 7,869	\$ -	\$ -	\$ 7,869
Unrestricted	(6,835)	17,862	-	98,072	-	181,951
Total cash and investment fund balance - ending	<u>\$ (6,835)</u>	<u>\$ 17,862</u>	<u>\$ 7,869</u>	<u>\$ 98,072</u>	<u>\$ -</u>	<u>\$ 189,820</u>

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

	<u>Federal Withholding</u>	<u>FICA</u>	<u>State Withholding</u>	<u>County Withholding</u>	<u>Teacher's Retirement</u>	<u>Group Insurance</u>
Additions:						
Agency fund additions	\$ 208,915	\$ 170,898	\$ 74,370	\$ 35,768	\$ 51,407	\$ 196,069
Deductions:						
Agency fund deductions	<u>208,738</u>	<u>170,772</u>	<u>73,050</u>	<u>34,167</u>	<u>50,519</u>	<u>196,916</u>
Excess (deficiency) of total additions over total deductions	177	126	1,320	1,601	888	(847)
Cash and investment fund balance - beginning	<u>(177)</u>	<u>(126)</u>	<u>5,256</u>	<u>1,850</u>	<u>11,709</u>	<u>39,144</u>
Cash and investment fund balance - ending	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 6,576</u>	<u>\$ 3,451</u>	<u>\$ 12,597</u>	<u>\$ 38,297</u>

EMINENCE COMMUNITY SCHOOL CORPORATION
 COMBINING SCHEDULE OF ADDITIONS, DEDUCTIONS, AND CHANGES IN CASH AND INVESTMENT BALANCES
 AGENCY FUNDS
 For the Year Ended June 30, 2008
 (Continued)

	<u>Annuities</u>	<u>Garnishments</u>	<u>Dues</u>	<u>Fringe Benefits</u>	<u>Totals</u>
Additions:					
Agency fund additions	\$ 127,829	\$ 1,223	\$ 17,089	\$ 2,380	\$ 885,948
Deductions:					
Agency fund deductions	126,868	1,223	17,008	-	879,261
Excess (deficiency) of total additions over total deductions	961	-	81	2,380	6,687
Cash and investment fund balance - beginning	8,458	-	444	(162)	66,396
Cash and investment fund balance - ending	<u>\$ 9,419</u>	<u>\$ -</u>	<u>\$ 525</u>	<u>\$ 2,218</u>	<u>\$ 73,083</u>

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

	<u>Federal Withholding</u>	<u>FICA</u>	<u>State Withholding</u>	<u>County Withholding</u>	<u>Teacher's Retirement</u>	<u>Group Insurance</u>
Additions:						
Agency fund additions	<u>\$ 220,590</u>	<u>\$ 178,748</u>	<u>\$ 78,325</u>	<u>\$ 44,099</u>	<u>\$ 52,645</u>	<u>\$ 179,216</u>
Deductions:						
Agency fund deductions	<u>220,590</u>	<u>178,748</u>	<u>78,234</u>	<u>43,731</u>	<u>47,987</u>	<u>199,309</u>
Excess (deficiency) of total additions over total deductions	-	-	91	368	4,658	(20,093)
Cash and investment fund balance - beginning	<u>-</u>	<u>-</u>	<u>6,576</u>	<u>3,451</u>	<u>12,597</u>	<u>38,297</u>
Cash and investment fund balance - ending	<u><u>\$ -</u></u>	<u><u>\$ -</u></u>	<u><u>\$ 6,667</u></u>	<u><u>\$ 3,819</u></u>	<u><u>\$ 17,255</u></u>	<u><u>\$ 18,204</u></u>

EMINENCE COMMUNITY SCHOOL CORPORATION
 COMBINING SCHEDULE OF ADDITIONS, DEDUCTIONS, AND CHANGES IN CASH AND INVESTMENT BALANCES
 AGENCY FUNDS
 For the Year Ended June 30, 2009
 (Continued)

	<u>Annuities</u>	<u>Garnishments</u>	<u>Dues</u>	<u>Fringe Benefits</u>	<u>Totals</u>
Additions:					
Agency fund additions	<u>\$ 112,212</u>	<u>\$ 3,650</u>	<u>\$ 18,595</u>	<u>\$ 8</u>	<u>\$ 888,088</u>
Deductions:					
Agency fund deductions	<u>111,564</u>	<u>3,325</u>	<u>19,594</u>	<u>-</u>	<u>903,082</u>
Excess (deficiency) of total additions over total deductions	648	325	(999)	8	(14,994)
Cash and investment fund balance - beginning	<u>9,419</u>	<u>-</u>	<u>525</u>	<u>2,218</u>	<u>73,083</u>
Cash and investment fund balance - ending	<u>\$ 10,067</u>	<u>\$ 325</u>	<u>\$ (474)</u>	<u>\$ 2,226</u>	<u>\$ 58,089</u>

EMINENCE COMMUNITY 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>Ending Balance</u>
Governmental activities:	
Capital assets, not being depreciated:	
Land	\$ 62,386
Buildings	6,018,527
Machinery and equipment	<u>500,985</u>
Total governmental activities, capital assets not being depreciated	<u>\$ 6,581,898</u>

EMINENCE COMMUNITY SCHOOL CORPORATION
 SUPPLEMENTARY INFORMATION
 SCHEDULE OF LONG-TERM DEBT
 June 30, 2009

The School Corporation has entered into the following debt:

Description of Debt	Ending Principal Balance	Principal and Interest Due Within One Year
Capital leases:		
School building	\$ 5,420,000	\$ 484,500
Energy conservation equipment	1,353,209	196,441
Bonds payable:		
General obligation bonds:		
Pension bonds	<u>310,000</u>	<u>64,357</u>
Total debt	<u>\$ 7,083,209</u>	<u>\$ 745,298</u>

EMINENCE COMMUNITY SCHOOL CORPORATION
AUDIT RESULTS AND COMMENTS

APPROPRIATIONS

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

Fund	Years	Excess Amount Expended
Pre-Sch Spec Ed	2008	\$ 3,319
Debt Service	2008	3,286.55
Transportation	2008	7,382.28

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."

COMPUTER GENERATED FORMS NOT APPROVED

The School Corporation began using a computer generated receipt form in lieu of the prescribed textbook rental receipt form TBR-2 during the 2008-2009 school year, which has not been approved by the State Board of Accounts.

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

PRESCRIBED FORM NOT IN USE

Prescribed Form Certified Report of Names, Addresses, Duties and Compensation of Public Employees (General Form 100R) was not in use.

The form will be used to list the name, address, duties and compensation of each officer and employee of the school corporation during the month of January. After the form is prepared it should be mailed before January 31 each year to the State Board of Accounts . . . (Accounting and Uniform Compliance Guidelines Manual for Indiana Public School Corporations, Chapter 2)

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

PRESCRIBED FORMS

The computer generated textbook rental receipt forms (TBR-2) are not prenumbered by the computer system, which does not allow adequate accountability of the textbook rental receipts.

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

EMINENCE COMMUNITY SCHOOL CORPORATION
 AUDIT RESULTS AND COMMENTS
 (Continued)

LIST OF EMPLOYEES NOT FILED WITH COUNTY TREASURER

Officials or employees of the School Corporation had money due from the School Corporation, but a list of such employees was not certified to the County Treasurer.

IC 6-1.1-22-14(a) states in part:

"On or before June 1 and December 1 of each year . . . the disbursing officer of each political subdivision . . . shall certify the names and addresses of each person who has money due the person from the political subdivision to the treasurer of each county in which the political subdivision is located."

OVERDRAWN FUND BALANCES

The following funds were overdrawn as of June 30, 2008 and June 30, 2009, respectively:

	2008	2009
Textbook Rental	\$ 51,860	\$ 88,020
Rural Education Achievement Program	354	-
Kendrick Consumer	97	97
ECA Purchase	1,346	734
Drug Free Title IV	48	-
Project Lead the Way	1,124	-
Project Lead the Way (08-09)	-	6,835
Retirement Debt Service	62,323	-

The balance of any fund may not be reduced below zero. Routinely overdrawn funds could be an indicator of serious financial problems which should be investigated by the governmental unit. (Accounting and Uniform Compliance Guidelines Manual for Indiana Public School Corporations, Chapter 9)

ERRORS ON CLAIMS

The fiscal officer [school treasurer] did not certify on the claims before payment that the invoices or bills supporting the claims were true and correct.

IC 5-11-10-1.6 states in part:

"(b) As used in this section, 'claim' means a bill or an invoice submitted to a governmental entity for goods or services."

"(c) The fiscal officer of a governmental entity may not draw a warrant or check for payment of a claim unless:

- (1) there is a fully itemized invoice or bill for the claim;
- (2) the invoice or bill is approved by the officer or person receiving the goods and services;

EMINENCE COMMUNITY SCHOOL CORPORATION
AUDIT RESULTS AND COMMENTS
(Continued)

- (3) the invoice or bill is filed with the governmental entity's fiscal officer;
- (4) the fiscal officer audits and certifies before payment that the invoice or bill is true and correct; and
- (5) payment of the claim is allowed by the governmental entity's legislative body or the board or official having jurisdiction over allowance of payment of the claim."

OFFICIAL BOND

The following official bonds were not filed in the Office of the County Recorder:

Molly Finney
Susan Shupe

IC 5-4-1-5.1(b) states in part:

"Every elected or appointed officer, official, deputy, or employee of a political subdivision . . . shall file the bond in the office of the county recorder . . ."

EMINENCE COMMUNITY SCHOOL CORPORATION
EXIT CONFERENCE

The contents of this report were discussed on February 17, 2010, with Dr. Larry Moore, Superintendent of Schools; and Karen Saucerman, Treasurer. The officials concurred with our audit findings.