

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

AUDIT REPORT

OF

WHITKO COMMUNITY SCHOOL CORPORATION

KOSCIUSKO COUNTY, INDIANA

July 1, 2008 to June 30, 2010



FILED

01/11/2011

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SCHEDULE OF OFFICIALS

<u>Office</u>	<u>Official</u>	<u>Term</u>
Treasurer	Thomas S. McFarland	07-01-08 to 6-30-11
Superintendent of Schools	Steven R. Clason	07-01-08 to 6-30-13
President of the School Board	Deborah A. Collier Roger Boggs Terry Eberly	07-01-08 to 6-30-09 07-01-09 to 6-30-10 07-01-10 to 6-30-11



STATE OF INDIANA
AN EQUAL OPPORTUNITY EMPLOYER

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

TO: THE OFFICIALS OF THE WHITKO COMMUNITY SCHOOL
CORPORATION, KOSCIUSKO COUNTY, INDIANA

We have audited the accompanying financial statements of the governmental activities, each major fund, and the aggregate remaining fund information of the Whitko Community School Corporation (School Corporation), as of and for the years ended June 30, 2009 and 2010, which collectively comprise the School Corporation's basic financial statements as listed in the Table of Contents. These financial statements are the responsibility of the School Corporation's management. Our responsibility is to express opinions on these financial statements based on our audit.

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

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

In our opinion, the financial statements referred to above present fairly, in all material respects, the respective cash and investment balances of the governmental activities, each major fund, and the aggregate remaining fund information of the School Corporation as of June 30, 2009 and 2010, and the respective cash receipts and cash disbursements during the years then ended on the basis of accounting described in Note I.

In accordance with Government Auditing Standards, we have also issued a report dated December 8, 2010, on our consideration of the School Corporation's internal control over financial reporting and our tests of its compliance with certain provisions of laws, regulations, contracts, grant agreements, and other matters. The purpose of that report is to describe the scope of our testing of internal control over financial reporting and compliance and the results of that testing and not to provide an opinion on the internal control over financial reporting or on compliance. That report is an integral part of an audit performed in accordance with Government Auditing Standards and should be considered in assessing the results of our audit.

INDEPENDENT AUDITOR'S REPORT ON FINANCIAL STATEMENTS
AND SUPPLEMENTARY SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS
(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 accompanying Schedule of Expenditures of Federal Awards is presented for purposes of additional analysis as required by the U.S. Office of Management and Budget Circular A-133, Audits of States, Local Governments, and Non-Profit Organizations, and is not a required part of the basic financial statements. Such information has been subjected to the auditing procedures applied in the audit of the basic financial statements and, in our opinion, is fairly stated, in all material respects, in relation to the basic financial statements taken as a whole.

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

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

STATE BOARD OF ACCOUNTS

December 8, 2010



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

TO: THE OFFICIALS OF THE WHITKO COMMUNITY SCHOOL
CORPORATION, KOSCIUSKO COUNTY, INDIANA

We have audited the financial statements of the governmental activities, each major fund, and the aggregate remaining fund information of the Whitko Community School Corporation (School Corporation), as of and for the years ended June 30, 2009 and 2010, which collectively comprise the School Corporation's basic financial statements and have issued our report thereon dated December 8, 2010. We conducted our audit in accordance with auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in Government Auditing Standards, issued by the Comptroller General of the United States.

Internal Control Over Financial Reporting

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

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

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

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

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

Compliance and Other Matters

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

This report is intended solely for the information and use of the School Corporation's management, the School Board, and federal awarding agencies and pass-through entities and is not intended to be and should not be used by anyone other than these specified parties. In accordance with Indiana Code 5-11-5-1, this report is a part of the public records of the State Board of Accounts and of the office examined.

STATE BOARD OF ACCOUNTS

December 8, 2010

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

<u>Functions/Programs</u>	<u>Disbursements</u>	<u>Program Receipts</u>		<u>Net (Disbursement) Receipts and Changes in Net Assets</u>
		<u>Charges for Services</u>	<u>Operating Grants and Contributions</u>	<u>Totals</u>
Governmental activities:				
Instruction	\$ 8,562,505	\$ -	\$ 198,218	\$ (8,364,287)
Support services	5,900,638	555,289	408,475	(4,936,874)
Noninstructional services	882,800	-	-	(882,800)
Facilities acquisition and construction	1,143,597	-	-	(1,143,597)
Debt service	5,453,485	-	-	(5,453,485)
Nonprogrammed charges	140,079	-	-	(140,079)
	<u>\$ 22,083,104</u>	<u>\$ 555,289</u>	<u>\$ 606,693</u>	<u>(20,921,122)</u>
Total governmental activities				
General receipts:				
Property taxes				9,682,633
Other local sources				1,506,241
State aid				8,452,118
Bonds and loans				929,061
Grants and contributions not restricted to specific programs				1,920,574
Sale of property				65
Investment earnings				14,481
Other				15,371
				<u>22,520,544</u>
Total general receipts				<u>22,520,544</u>
Change in net assets				1,599,422
Net assets - beginning				<u>2,894,614</u>
Net assets - ending				<u>\$ 4,494,036</u>
<u>Assets</u>				
Cash and investments				\$ 2,606,751
Restricted assets:				
Cash and investments				<u>1,887,285</u>
Total assets				<u>\$ 4,494,036</u>
<u>Net Assets</u>				
Restricted for:				
Debt service				\$ 1,338,233
Other purposes				549,052
Unrestricted				
				<u>2,606,751</u>
Total net assets				<u>\$ 4,494,036</u>

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

WHITKO COMMUNITY SCHOOL CORPORATION
STATEMENT OF ACTIVITIES AND NET ASSETS - CASH AND INVESTMENT BASIS
For the Year Ended June 30, 2010

<u>Functions/Programs</u>	<u>Disbursements</u>	Program Receipts		<u>Net (Disbursement) Receipts and Changes in Net Assets</u>
		Charges for Services	Operating Grants and Contributions	<u>Totals</u>
Governmental activities:				
Instruction	\$ 8,610,533	\$ -	\$ 156,082	\$ (8,454,451)
Support services	6,159,400	538,126	586,283	(5,034,991)
Noninstructional services	887,340	-	-	(887,340)
Facilities acquisition and construction	997,846	-	-	(997,846)
Debt service	3,535,268	-	-	(3,535,268)
Nonprogrammed charges	98,637	-	-	(98,637)
Total governmental activities	\$ 20,289,024	\$ 538,126	\$ 742,365	(19,008,533)
General receipts:				
Property taxes				5,711,952
Other local sources				885,392
State aid				10,539,016
Bonds and loans				510,822
Grants and contributions not restricted to specific programs				1,837,933
Investment earnings				9,499
Other				14,346
Total general receipts				19,508,960
Change in net assets				500,427
Net assets - beginning				4,494,036
Net assets - ending				\$ 4,994,463
<u>Assets</u>				
Cash and investments				\$ 2,429,036
Restricted assets:				
Cash and investments				2,565,427
Total assets				\$ 4,994,463
<u>Net Assets</u>				
Restricted for:				
Debt service				\$ 2,025,598
Other purposes				539,829
Unrestricted				2,429,036
Total net assets				\$ 4,994,463

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

WHITKO 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	Debt Service	Capital Projects	Other	Totals
Receipts:					
Local sources	\$ 3,517,744	\$ 3,347,652	\$ 2,501,756	\$ 2,390,511	\$ 11,757,663
Intermediate sources	269	-	-	712	981
State sources	8,616,514	-	-	180,709	8,797,223
Federal sources	-	-	-	2,182,162	2,182,162
Temporary loans	-	-	674,199	254,862	929,061
Other	-	4,048	-	11,323	15,371
Total receipts	12,134,527	3,351,700	3,175,955	5,020,279	23,682,461
Disbursements:					
Current:					
Instruction	7,341,875	-	-	1,220,630	8,562,505
Support services	3,263,208	-	813,034	1,824,396	5,900,638
Noninstructional services	196,232	-	-	686,568	882,800
Facilities acquisition and construction	-	-	1,110,950	32,647	1,143,597
Debt services	1,152,813	2,842,010	738,375	720,287	5,453,485
Nonprogrammed charges	43,378	-	-	33,660	77,038
Total disbursements	11,997,506	2,842,010	2,662,359	4,518,188	22,020,063
Excess of receipts over disbursements	137,021	509,690	513,596	502,091	1,662,398
Other financing sources (uses):					
Sale of capital assets	65	-	-	-	65
Transfers in	4,655	-	-	30,972	35,627
Transfers out	-	-	-	(35,627)	(35,627)
Total other financing sources (uses)	4,720	-	-	(4,655)	65
Excess of receipts and other financing sources over disbursements and other financing uses	141,741	509,690	513,596	497,436	1,662,463
Cash and investments - beginning	261,055	736,049	473,868	811,549	2,282,521
Cash and investments - ending	\$ 402,796	\$ 1,245,739	\$ 987,464	\$ 1,308,985	3,944,984
Amounts reported for governmental activities in the Statement of Activities and Net Assets - Cash and Investment Basis are different because:					
Internal service funds are used by management to charge the costs of certain services to individual funds. The operating receipts and operating disbursements of the internal service funds are included in governmental activities in the Statement of Activities and Net Assets - Cash and Investment Basis.					
					549,052
Net assets of governmental activities					\$ 4,494,036
<u>Cash and Investment Assets - Ending</u>					
Cash and investments	\$ 402,796	\$ -	\$ 987,464	\$ 1,216,491	\$ 2,606,751
Restricted assets:					
Cash and investments	-	1,245,739	-	92,494	1,338,233
Total cash and investment assets - ending	\$ 402,796	\$ 1,245,739	\$ 987,464	\$ 1,308,985	\$ 3,944,984
<u>Cash and Investment Fund Balance - Ending</u>					
Restricted for:					
Debt service	\$ -	\$ 1,245,739	\$ -	\$ 92,494	\$ 1,338,233
Unrestricted	402,796	-	987,464	1,216,491	2,606,751
Total cash and investment fund balance - ending	\$ 402,796	\$ 1,245,739	\$ 987,464	\$ 1,308,985	\$ 3,944,984

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

WHITKO 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, 2010

	General	Debt Service	Capital Projects	Other	Totals
Receipts:					
Local sources	\$ 111,094	\$ 2,988,879	\$ 1,999,432	\$ 2,043,323	\$ 7,142,728
Intermediate sources	1,942	-	-	300	2,242
State sources	10,661,497	-	-	408,341	11,069,838
Federal sources	-	-	-	2,049,476	2,049,476
Temporary loans	-	-	295,345	215,477	510,822
Other	-	-	-	14,346	14,346
Total receipts	10,774,533	2,988,879	2,294,777	4,731,263	20,789,452
Disbursements:					
Current:					
Instruction	7,517,208	-	-	1,093,325	8,610,533
Support services	3,325,234	-	725,861	2,108,305	6,159,400
Noninstructional services	208,988	-	-	678,352	887,340
Facilities acquisition and construction	28,754	-	962,178	6,914	997,846
Debt services	-	2,480,780	668,672	385,816	3,535,268
Nonprogrammed charges	68,015	-	-	21,400	89,415
Total disbursements	11,148,199	2,480,780	2,356,711	4,294,112	20,279,802
Excess (deficiency) of receipts over disbursements	(373,666)	508,099	(61,934)	437,151	509,650
Other financing sources (uses):					
Transfers in	39,714	-	-	162,533	202,247
Transfers out	-	-	-	(202,247)	(202,247)
Total other financing sources (uses)	39,714	-	-	(39,714)	-
Excess (deficiency) of receipts and other financing sources over disbursements and other financing uses	(333,952)	508,099	(61,934)	397,437	509,650
Cash and investments - beginning	402,796	1,245,739	987,464	1,308,985	3,944,984
Cash and investments - ending	\$ 68,844	\$ 1,753,838	\$ 925,530	\$ 1,706,422	4,454,634
Amounts reported for governmental activities in the Statement of Activities and Net Assets - Cash and Investment Basis are different because:					
Internal service funds are used by management to charge the costs of certain services to individual funds. The operating receipts and operating disbursements of the internal service funds are included in governmental activities in the Statement of Activities and Net Assets - Cash and Investment Basis.					
					539,829
Net assets of governmental activities					<u>\$ 4,994,463</u>
Cash and Investment Assets - Ending					
Cash and investments	\$ 68,844	\$ -	\$ 925,530	\$ 1,434,662	\$ 2,429,036
Restricted assets:					
Cash and investments	-	1,753,838	-	271,760	2,025,598
Total cash and investment assets - ending	\$ 68,844	\$ 1,753,838	\$ 925,530	\$ 1,706,422	\$ 4,454,634
Cash and Investment Fund Balance - Ending					
Restricted for:					
Debt service	\$ -	\$ 1,753,838	\$ -	\$ 271,760	\$ 2,025,598
Unrestricted	68,844	-	925,530	1,434,662	2,429,036
Total cash and investment fund balance - ending	\$ 68,844	\$ 1,753,838	\$ 925,530	\$ 1,706,422	\$ 4,454,634

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

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

	Internal Service Fund
Operating receipts:	
Charges for services	\$ 2,443,917
Operating disbursements:	
Insurance claims and expense	2,506,958
Change in net assets	(63,041)
Cash and investment fund balance - beginning	612,093
Cash and investment fund balance - ending	\$ 549,052
<u>Cash and Investment Assets - Ending</u>	
Restricted assets:	
Cash and investments	\$ 549,052
<u>Cash and Investment Fund Balance - Ending</u>	
Restricted for:	
Other purposes	\$ 549,052

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

WHITKO COMMUNITY SCHOOL CORPORATION
STATEMENT OF ASSETS AND FUND BALANCES AND RECEIPTS, DISBURSEMENTS,
AND CHANGES IN FUND BALANCES - CASH AND INVESTMENT BASIS
PROPRIETARY FUND
For the Year Ended June 30, 2010

	Internal Service Fund
Operating receipts:	
Charges for services	\$ 2,250,282
Operating disbursements:	
Insurance claims and expense	2,259,505
Change in net assets	(9,223)
Cash and investment fund balance - beginning	549,052
Cash and investment fund balance - ending	\$ 539,829
<u>Cash and Investment Assets - Ending</u>	
Restricted assets:	
Cash and investments	\$ 539,829
<u>Cash and Investment Fund Balance - Ending</u>	
Restricted for:	
Other purposes	\$ 539,829

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

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

	<u>Pension Trust Fund</u>	<u>Private-Purpose Trust Funds</u>	<u>Agency Funds</u>
Additions:			
Contributions:			
Other	\$ 25,553	\$ 43,675	
Investment earnings:			
Interest	<u>9,058</u>	<u>-</u>	
Total additions	<u>34,611</u>	<u>43,675</u>	
Deductions:			
Benefits	1,427,981	-	
Administrative and general	<u>-</u>	<u>89,328</u>	
Total deductions	<u>1,427,981</u>	<u>89,328</u>	
Deficiency of total additions over total deductions	(1,393,370)	(45,653)	
Cash and investment fund balance - beginning	<u>1,637,315</u>	<u>122,975</u>	
Cash and investment fund balance - ending	<u>\$ 243,945</u>	<u>\$ 77,322</u>	<u>\$ 91,544</u>
Net assets - cash and investment basis held in trust			
Cash and investments	<u>\$ 243,945</u>	<u>\$ 77,322</u>	

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

WHITKO COMMUNITY SCHOOL CORPORATION
STATEMENT OF ADDITIONS, DEDUCTIONS, AND CHANGES IN CASH AND INVESTMENT BALANCES
FIDUCIARY FUNDS
For the Year Ended June 30, 2010

	Pension Trust Fund	Private-Purpose Trust Funds	Agency Funds
Additions:			
Contributions:			
Other	\$ -	\$ 66,099	
Investment earnings:			
Interest	556	-	
Total additions	556	66,099	
Deductions:			
Benefits	41,441	-	
Administrative and general	-	114,464	
Total deductions	41,441	114,464	
Deficiency of total additions over total deductions	(40,885)	(48,365)	
Cash and investment fund balance - beginning	243,945	77,322	
Cash and investment fund balance - ending	\$ 203,060	\$ 28,957	\$ 106,328
Net assets - cash and investment basis held in trust			
Cash and investments	\$ 203,060	\$ 28,957	

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

WHITKO 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.

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

Primary Government: Whitko Community School Corporation

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

Joint Venture

The School Corporation is a participant in a joint venture to operate North Central Indiana Special Education Cooperative (NCI) which was created to implement jointly operated services for the education of students with disabilities. The NCI's continued existence depends on continued funding by the School Corporation. Complete financial statements for the NCI can be obtained from its administrative office at One Administration Drive, Warsaw, IN 46581.

The School Corporation is a participant in a joint venture to operate Warsaw Area Career Center (WACC) which was created to provide vocational education. The WACC's continued existence depends on continued funding by the School Corporation. The School Corporation is obligated by contract to remit an amount annually based on a formula per student to supplement the WACC. Complete financial statements for the WACC can be obtained from its administrative office at 1 Tiger Lane, Warsaw, IN 46580.

The School Corporation is a participant in a joint venture to operate Youth Improvement Center (YIC) which was created to provide alternative education. The YIC's continued existence depends on continued funding by the School Corporation. The School Corporation is obligated by contract to remit \$2,132 annually to supplement the YIC. Complete financial statements for the YIC can be obtained from its administrative office at 201 West Market Street, Columbia City, IN 46725.

The School Corporation is a participant in a joint venture to operate the Northern Indiana Education Services Center (NIESC) which was created to provide various education services. The NIESC's continued existence depends on continued funding by the School Corporation. The School Corporation is obligated by contract to remit an amount annually based on a formula per student to supplement the NIESC. Complete financial statements for the NIESC can be obtained from 56535 Magnetic Drive, Mishawaka, Indiana 46545.

WHITKO COMMUNITY SCHOOL CORPORATION
NOTES TO FINANCIAL STATEMENTS
(Continued)

B. Government-Wide and Fund Financial Statements

Government-Wide Financial Statements

The Statement of Activities and Net Assets – Cash and Investment Basis displays information about the reporting government as a whole. It includes all funds of the reporting entity except for fiduciary funds. The statement distinguishes between governmental and business-type activities. Governmental activities generally are financed through taxes, intergovernmental revenues, and other nonexchange revenues. Business-type activities are financed in whole or in part by fees charged to external parties for goods or services. The School Corporation has not established any business-type activities.

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 temporary loans.

The capital projects fund accounts for planned construction, repair, replacement, or remodeling; the purchase, lease, upgrade, maintenance, or repair of computer equipment; services of computer maintenance employees; utility services; and property or casualty insurance.

Additionally, the School Corporation reports the following fund types:

The internal service fund accounts for the receipts and disbursements of the self-insurance fund, which is medical and dental insurance coverage for all employees.

The pension trust fund accounts for the activities of the retirement/severance bond fund, which accumulates resources for pension benefit payments.

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

The agency funds account for assets held by the School Corporation as an agent for federal and state revenue agencies and serve as control of accounts for cash transactions during the time they are a liability to the School Corporation.

WHITKO COMMUNITY SCHOOL CORPORATION
NOTES TO FINANCIAL STATEMENTS
(Continued)

C. Measurement Focus and Basis of Accounting

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

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

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

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

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

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

D. Assets and Cash and Investment Balances

1. Restricted Assets

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

2. Cash and Investments

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

3. Property Taxes

Normally, property taxes levied are collected by the County Treasurer and are distributed to the School Corporation in June and in December. State statute (IC 6-1.1-17-16) requires the Indiana Department of Local Government Finance to establish property tax rates and levies by February 15. 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 may

WHITKO COMMUNITY SCHOOL CORPORATION
NOTES TO FINANCIAL STATEMENTS
(Continued)

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.

4. Capital Assets

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

5. Long-Term Debt

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

6. Equity Classification

Government-Wide Statements

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

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

Fund Financial Statements

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

E. Receipts and Disbursements

1. Program Receipts

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

2. Operating Receipts and Disbursements

Operating receipts and disbursements for proprietary funds 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

WHITKO COMMUNITY SCHOOL CORPORATION
NOTES TO FINANCIAL STATEMENTS
(Continued)

F. Internal and Interfund Activities

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

Fund Financial Statements

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

Government-Wide Financial Statements

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

Internal activities – Amounts reported as interfund transfers in the fund financial statements are eliminated in the government-wide Statement of Activities and Net Assets – Cash and Investment Basis. The effects of interfund loans and services between funds, if any, are not eliminated in the government-wide Statement of Activities and Net Assets – Cash and Investment Basis.

II. Stewardship, Compliance and Accountability

Budgetary Information

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

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

WHITKO COMMUNITY SCHOOL CORPORATION
 NOTES TO FINANCIAL STATEMENTS
 (Continued)

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.

III. Detailed Notes on All Funds

A. 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. IC 5-13-8-1 allows a political subdivision of the State of Indiana to deposit public funds in a financial institution only if the financial institution is a depository eligible to receive state funds and has a principal office or branch that qualifies to receive public funds of the political subdivision. The School Corporation does not have a deposit policy for custodial credit risk. At December 31, 2010, the School Corporation had deposit balances in the amount of \$5,332,808.

The bank balances were insured by the Federal Deposit Insurance Corporation or the Public Deposit Insurance Fund, which covers all public funds held in approved depositories.

B. Interfund Transfers

Interfund transfers for the years ended June 30, 2009 and 2010, were as follows:

<u>Transfer From</u>	<u>Transfer To</u>	<u>2009</u>	<u>2010</u>
Other Governmental Funds	General Fund	\$ 4,655	\$ 39,714
Other Governmental Funds	Other Governmental Funds	<u>30,972</u>	<u>162,533</u>
Totals		<u>\$ 35,627</u>	<u>\$ 202,247</u>

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

C. Tax Anticipation Warrants

The School Corporation issues tax anticipation warrants for cash flow purposes in advance of property tax collections and/or state tuition support distributions, depositing the proceeds in the appropriate fund. Short-term debt activity for the years ended June 30, 2009, and June 30, 2010, was as follows:

WHITKO COMMUNITY SCHOOL CORPORATION
NOTES TO FINANCIAL STATEMENTS
(Continued)

<u>Fiscal Year 2008-2009</u>	<u>Beginning Balance</u>	<u>Issued/ Draws</u>	<u>Redeemed Repayments</u>	<u>Ending Balance</u>
General	\$ 1,152,813	\$ -	\$ 1,152,813	\$ -
Capital Projects	732,848	674,199	738,375	668,672
Other Governmental	847,088	254,862	720,287	381,663
	<u> </u>	<u> </u>	<u> </u>	<u> </u>
Totals	<u>\$ 2,732,749</u>	<u>\$ 929,061</u>	<u>\$ 2,611,475</u>	<u>\$ 1,050,335</u>
 <u>Fiscal Year 2009-2010</u>				
Capital Projects	\$ 668,672	\$ 295,345	\$ 668,672	\$ 295,345
Other Governmental	381,663	215,477	381,663	215,477
	<u> </u>	<u> </u>	<u> </u>	<u> </u>
Totals	<u>\$ 1,050,335</u>	<u>\$ 510,822</u>	<u>\$ 1,050,335</u>	<u>\$ 510,822</u>

IV. Other Information

A. Risk Management

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

The risks of torts; theft of, damage to, and destruction of assets; errors and omissions; job related illnesses or injuries to employees; and natural disasters are covered by commercial insurance from independent third parties.

The School Corporation has chosen to establish a risk financing fund for risks associated with medical benefits to employees, retirees, and dependents. The risk financing fund is accounted for in the self-insurance fund, an internal service fund, where assets are set aside for claim settlements. The School Corporation purchases commercial insurance for claims in excess of coverage provided by the fund. Amounts are paid into the self insurance fund by all funds with payrolls.

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

B. Holding Corporations

The School Corporation has entered into capital leases with Whitko Middle School Building Corporation, with Whitko Community School Corporation Remodeling Building Corporation, and with Whitko High School Building Corporation (the lessors). The lessors were organized as not-for-profit corporations pursuant to state statute for the purpose of financing and constructing or reconstructing facilities for lease to the School Corporation. The lessors have been determined to be related parties of the School Corporation. Lease payments during the years ended June 30, 2009 and 2010, totaled \$2,439,151 and \$2,467,638, respectively.

WHITKO COMMUNITY SCHOOL CORPORATION
NOTES TO FINANCIAL STATEMENTS
(Continued)

C. Termination Benefits

The 2010 Early Retirement Incentive was offered to certified staff who submitted an irrevocable notice of retirement by May 1, 2010, must be at the top of the salary schedule and meet the rule of 80. These qualifying individuals received \$18,000 paid in three equal installments on January 1, 2011, July 1, 2011, and January 1, 2012. Five individuals will receive this benefit.

D. Other Postemployment Benefits

Single-Employer Defined Benefit Healthcare Plan

Plan Description

Whitko Community School's Self Insurance Plan is a single-employer defined benefit healthcare plan administered by Universal Medical Resources (UMR). The plan provides medical, dental, and vision to eligible retirees and their spouses. Indiana Code 5-10-8 assigns the authority to establish and amend benefit provisions to the School Corporation. The Whitko Community School's Self-Insurance Plan issues a publicly available financial report that includes financial statements and required supplementary information for the plan as a whole and for the participants. That report may be obtained by contacting the plan administrator:

UMR
PO Box 80771
Wausau, WI 54402
800-436-3200

Funding Policy

The contribution requirements of plan members for the Whitko Community School's Self-Insurance Plan are established by the School Corporation's governing board. The required contribution is based on projected pay-as-you-go financing requirements. Eligible retirees and their spouses pay 100% of the estimated premiums, which are paid into the School Corporation's self-insurance fund. The self-insurance fund pays the healthcare costs of the retirees and their spouses and those total costs are not known. Plan members contribute \$585 per month for retiree-only coverage and \$1,024 for retiree and spouse coverage.

E. Pension Plans

1. Agent Multiple-Employer Pension Plan

Public Employees' Retirement Fund

Plan Description

The School Corporation contributes to the Indiana Public Employees' Retirement Fund (PERF), a defined benefit pension plan. PERF is an agent multiple-employer public employee retirement system, which provides retirement benefits to plan members and beneficiaries. All full-time employees are eligible to participate in the defined benefit plan. State statutes (IC 5-10.2 and 5-10.3) govern, through the PERF Board, most requirements of the system and give the School Corporation authority to contribute to the plan. The PERF retirement benefit consists of the pension provided by employer contributions plus an

WHITKO COMMUNITY SCHOOL CORPORATION
NOTES TO FINANCIAL STATEMENTS
(Continued)

annuity provided by the member's annuity savings account. The annuity savings account consists of member's contributions, set by state statute at 3% of compensation, plus the interest credited to the member's account. The employer may elect to make the contributions on behalf of the member.

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

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

Funding Policy

The contribution requirements of plan members for PERF are established by the Board of Trustees of PERF. The total contributions made to PERF by the School Corporation during the periods ending June 30, 2010, and June 30, 2009, were \$81,791 and 83,234, respectively.

2. Cost-Sharing Multiple-Employer Defined Benefit Pension Plan

Teachers' Retirement Fund

Plan Description

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

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

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

WHITKO COMMUNITY SCHOOL CORPORATION
NOTES TO FINANCIAL STATEMENTS
(Continued)

Funding Policy

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

The School Corporation's contributions to the plan during the periods ending June 30, 2010, and June 30, 2009, were \$237,404 and 224,223, respectively.

WHITKO 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

	Transportation Operating	Special Education Preschool	Rainy Day	Lunch	Textbook	Education Plate	Alternative Education Grant
Receipts:							
Local sources	\$ 1,068,817	\$ 9,212	\$ -	\$ 490,930	\$ 305,946	\$ -	\$ -
Intermediate sources	-	-	-	-	-	712	-
State sources	-	43,922	-	10,179	63,445	-	-
Federal sources	-	-	-	334,725	-	-	-
Temporary loans	254,862	-	-	-	-	-	-
Other	56	-	-	11,267	-	-	-
Total receipts	1,323,735	53,134	-	847,101	369,391	712	-
Disbursements:							
Current:							
Instruction	-	66,653	-	-	-	-	-
Support services	760,093	-	-	6,562	350,440	-	-
Noninstructional services	-	-	-	679,903	-	-	-
Facilities acquisition and construction	-	-	-	11,008	-	-	-
Debt services	473,312	-	-	-	-	-	-
Nonprogrammed charges	-	-	-	18,922	-	-	-
Total disbursements	1,233,405	66,653	-	716,395	350,440	-	-
Excess (deficiency) of receipts over disbursements	90,330	(13,519)	-	130,706	18,951	712	-
Other financing sources (uses):							
Transfers in	-	-	-	30,972	-	-	-
Transfers out	-	-	-	(30,972)	-	-	(2,953)
Total other financing sources (uses)	-	-	-	-	-	-	(2,953)
Excess (deficiency) of receipts and other financing sources over disbursements and other financing uses	90,330	(13,519)	-	130,706	18,951	712	(2,953)
Cash and investments - beginning	35,679	44,032	20,134	115,965	334,263	2,494	2,953
Cash and investments - ending	\$ 126,009	\$ 30,513	\$ 20,134	\$ 246,671	\$ 353,214	\$ 3,206	\$ -
Cash and Investment Assets - Ending							
Cash and investments	\$ 126,009	\$ 30,513	\$ 20,134	\$ 246,671	\$ 353,214	\$ 3,206	\$ -
Restricted assets:							
Cash and investments	-	-	-	-	-	-	-
Total cash and investment assets - ending	\$ 126,009	\$ 30,513	\$ 20,134	\$ 246,671	\$ 353,214	\$ 3,206	\$ -
Cash and Investment Fund Balance - Ending							
Restricted for:							
Debt service	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Unrestricted	126,009	30,513	20,134	246,671	353,214	3,206	-
Total cash and investment fund balance - ending	\$ 126,009	\$ 30,513	\$ 20,134	\$ 246,671	\$ 353,214	\$ 3,206	\$ -

WHITKO 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)

	Early Intervention	Educate Indiana	Afternoons Rock	DEKKO-A-OK	Mini Grant Region 9 ESC	Gifted and Talented FY 07/08	Gifted and Talented
Receipts:							
Local sources	\$ -	\$ -	\$ 11,700	\$ -	\$ -	\$ -	\$ -
Intermediate sources	-	-	-	-	-	-	-
State sources	23,960	-	-	-	-	-	33,948
Federal sources	-	-	-	-	-	-	-
Temporary loans	-	-	-	-	-	-	-
Other	-	-	-	-	-	-	-
Total receipts	23,960	-	11,700	-	-	-	33,948
Disbursements:							
Current:							
Instruction	17,337	-	6,667	-	-	11,485	18,846
Support services	-	-	-	-	-	-	-
Noninstructional services	-	-	-	-	-	-	-
Facilities acquisition and construction	-	-	-	-	-	-	-
Debt services	-	-	-	-	-	-	-
Nonprogrammed charges	-	-	-	-	-	-	-
Total disbursements	17,337	-	6,667	-	-	11,485	18,846
Excess (deficiency) of receipts over disbursements	6,623	-	5,033	-	-	(11,485)	15,102
Other financing sources (uses):							
Transfers in	-	-	-	-	-	-	-
Transfers out	-	(12)	-	(843)	(124)	-	-
Total other financing sources (uses)	-	(12)	-	(843)	(124)	-	-
Excess (deficiency) of receipts and other financing sources over disbursements and other financing uses	6,623	(12)	5,033	(843)	(124)	(11,485)	15,102
Cash and investments - beginning	6,645	12	1,718	843	124	11,485	-
Cash and investments - ending	\$ 13,268	\$ -	\$ 6,751	\$ -	\$ -	\$ -	\$ 15,102
Cash and Investment Assets - Ending							
Cash and investments	\$ 13,268	\$ -	\$ 6,751	\$ -	\$ -	\$ -	\$ 15,102
Restricted assets:							
Cash and investments	-	-	-	-	-	-	-
Total cash and investment assets - ending	\$ 13,268	\$ -	\$ 6,751	\$ -	\$ -	\$ -	\$ 15,102
Cash and Investment Fund Balance - Ending							
Restricted for:							
Debt service	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Unrestricted	13,268	-	6,751	-	-	-	15,102
Total cash and investment fund balance - ending	\$ 13,268	\$ -	\$ 6,751	\$ -	\$ -	\$ -	\$ 15,102

WHITKO 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	School Technology	Buddy System Program-PES	Technology Plan Grant	Walmart Grant	KOS 21ST Century	Title I FY 08/09
Receipts:							
Local sources	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 5,017	\$ -
Intermediate sources	-	-	-	-	-	-	-
State sources	-	5,255	-	-	-	-	-
Federal sources	-	-	-	-	-	-	301,268
Temporary loans	-	-	-	-	-	-	-
Other	-	-	-	-	-	-	-
Total receipts	-	5,255	-	-	-	5,017	301,268
Disbursements:							
Current:							
Instruction	-	-	-	2,177	-	-	226,150
Support services	-	-	-	-	-	4,934	94,520
Noninstructional services	-	-	-	-	-	-	-
Facilities acquisition and construction	-	-	-	12,548	-	-	-
Debt services	-	-	-	-	-	-	-
Nonprogrammed charges	-	-	-	-	-	-	-
Total disbursements	-	-	-	14,725	-	4,934	320,670
Excess (deficiency) of receipts over disbursements	-	5,255	-	(14,725)	-	83	(19,402)
Other financing sources (uses):							
Transfers in	-	-	-	-	-	-	-
Transfers out	(265)	-	(410)	-	(48)	-	-
Total other financing sources (uses)	(265)	-	(410)	-	(48)	-	-
Excess (deficiency) of receipts and other financing sources over disbursements and other financing uses	(265)	5,255	(410)	(14,725)	(48)	83	(19,402)
Cash and investments - beginning	265	-	410	13,261	48	3,644	-
Cash and investments - ending	\$ -	\$ 5,255	\$ -	\$ (1,464)	\$ -	\$ 3,727	\$ (19,402)
Cash and Investment Assets - Ending							
Cash and investments	\$ -	\$ 5,255	\$ -	\$ (1,464)	\$ -	\$ 3,727	\$ (19,402)
Restricted assets:							
Cash and investments	-	-	-	-	-	-	-
Total cash and investment assets - ending	\$ -	\$ 5,255	\$ -	\$ (1,464)	\$ -	\$ 3,727	\$ (19,402)
Cash and Investment Fund Balance - Ending							
Restricted for:							
Debt service	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Unrestricted	-	5,255	-	(1,464)	-	3,727	(19,402)
Total cash and investment fund balance - ending	\$ -	\$ 5,255	\$ -	\$ (1,464)	\$ -	\$ 3,727	\$ (19,402)

WHITKO 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 I FY 07/08	Title I Delinquent FY 08/09	Title I Delinquent FY 07/08	Title I School Improvement	Title V	Special Services Federal FY 07/08	Special Services Carry Over FY 08/09
Receipts:							
Local sources	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Intermediate sources	-	-	-	-	-	-	-
State sources	-	-	-	-	-	-	-
Federal sources	-	46,778	-	37,500	2,908	21,767	8,236
Temporary loans	-	-	-	-	-	-	-
Other	-	-	-	-	-	-	-
Total receipts	-	46,778	-	37,500	2,908	21,767	8,236
Disbursements:							
Current:							
Instruction	-	40,941	10,428	1,496	-	4,258	-
Support services	-	-	-	636	-	57,381	8,236
Noninstructional services	-	-	-	-	-	-	-
Facilities acquisition and construction	-	-	-	-	-	-	-
Debt services	-	-	-	-	-	-	-
Nonprogrammed charges	826	-	5,057	-	-	-	-
Total disbursements	826	40,941	15,485	2,132	-	61,639	8,236
Excess (deficiency) of receipts over disbursements	(826)	5,837	(15,485)	35,368	2,908	(39,872)	-
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	(826)	5,837	(15,485)	35,368	2,908	(39,872)	-
Cash and investments - beginning	826	-	15,485	-	(2,908)	39,872	-
Cash and investments - ending	\$ -	\$ 5,837	\$ -	\$ 35,368	\$ -	\$ -	\$ -
Cash and Investment Assets - Ending							
Cash and investments	\$ -	\$ 5,837	\$ -	\$ 35,368	\$ -	\$ -	\$ -
Restricted assets:							
Cash and investments	-	-	-	-	-	-	-
Total cash and investment assets - ending	\$ -	\$ 5,837	\$ -	\$ 35,368	\$ -	\$ -	\$ -
Cash and Investment Fund Balance - Ending							
Restricted for:							
Debt service	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Unrestricted	-	5,837	-	35,368	-	-	-
Total cash and investment fund balance - ending	\$ -	\$ 5,837	\$ -	\$ 35,368	\$ -	\$ -	\$ -

WHITKO 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)

	Special Services Carry Over FY 07/08	Special Services Federal FY 08/09	Special Services Preschool FY 08/09	Special Services Preschool FY 06/07	Special Services Preschool FY 07/08	Special Services Preschool Carry Over FY 08/09	Drug Free FY 07/08
Receipts:							
Local sources	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Intermediate sources	-	-	-	-	-	-	-
State sources	-	-	-	-	-	-	-
Federal sources	-	392,972	7,473	-	2,273	7,151	2,651
Temporary loans	-	-	-	-	-	-	-
Other	-	-	-	-	-	-	-
Total receipts	-	392,972	7,473	-	2,273	7,151	2,651
Disbursements:							
Current:							
Instruction	-	41,595	329	2,893	235	2,752	-
Support services	3,713	298,873	-	2,301	-	4,399	2,651
Noninstructional services	-	-	-	-	-	-	-
Facilities acquisition and construction	-	-	-	-	-	-	-
Debt services	-	-	-	-	-	-	-
Nonprogrammed charges	-	-	-	1,704	7,151	-	-
Total disbursements	3,713	340,468	329	6,898	7,386	7,151	2,651
Excess (deficiency) of receipts over disbursements	(3,713)	52,504	7,144	(6,898)	(5,113)	-	-
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	(3,713)	52,504	7,144	(6,898)	(5,113)	-	-
Cash and investments - beginning	3,713	-	-	6,898	5,113	-	-
Cash and investments - ending	\$ -	\$ 52,504	\$ 7,144	\$ -	\$ -	\$ -	\$ -
Cash and Investment Assets - Ending							
Cash and investments	\$ -	\$ 52,504	\$ 7,144	\$ -	\$ -	\$ -	\$ -
Restricted assets:							
Cash and investments	-	-	-	-	-	-	-
Total cash and investment assets - ending	\$ -	\$ 52,504	\$ 7,144	\$ -	\$ -	\$ -	\$ -
Cash and Investment Fund Balance - Ending							
Restricted for:							
Debt service	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Unrestricted	-	52,504	7,144	-	-	-	-
Total cash and investment fund balance - ending	\$ -	\$ 52,504	\$ 7,144	\$ -	\$ -	\$ -	\$ -

WHITKO 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)

	Drug Free Titel IV-A	Drug Free Prj 5031	Title IV	Medicaid Reimbursement	Non English Speaking Program	Title II Part A Elementary	Title II FY 08/09
Receipts:							
Local sources	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Intermediate sources	-	-	-	-	-	-	-
State sources	-	-	-	-	-	-	-
Federal sources	3,975	-	1,166	-	1,799	-	55,995
Temporary loans	-	-	-	-	-	-	-
Other	-	-	-	-	-	-	-
Total receipts	3,975	-	1,166	-	1,799	-	55,995
Disbursements:							
Current:							
Instruction	-	-	-	-	1,791	62,826	46
Support services	2,416	1,432	-	-	-	4,446	2,000
Noninstructional services	-	-	-	-	-	-	-
Facilities acquisition and construction	-	-	-	-	-	-	-
Debt services	-	-	-	-	-	-	-
Nonprogrammed charges	-	-	-	-	-	-	-
Total disbursements	2,416	1,432	-	-	1,791	67,272	2,046
Excess (deficiency) of receipts over disbursements	1,559	(1,432)	1,166	-	8	(67,272)	53,949
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	1,559	(1,432)	1,166	-	8	(67,272)	53,949
Cash and investments - beginning	-	1,432	-	157	-	66,358	-
Cash and investments - ending	\$ 1,559	\$ -	\$ 1,166	\$ 157	\$ 8	\$ (914)	\$ 53,949
Cash and Investment Assets - Ending							
Cash and investments	\$ 1,559	\$ -	\$ 1,166	\$ 157	\$ 8	\$ (914)	\$ 53,949
Restricted assets:							
Cash and investments	-	-	-	-	-	-	-
Total cash and investment assets - ending	\$ 1,559	\$ -	\$ 1,166	\$ 157	\$ 8	\$ (914)	\$ 53,949
Cash and Investment Fund Balance - Ending							
Restricted for:							
Debt service	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Unrestricted	1,559	-	1,166	157	8	(914)	53,949
Total cash and investment fund balance - ending	\$ 1,559	\$ -	\$ 1,166	\$ 157	\$ 8	\$ (914)	\$ 53,949

WHITKO 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)

	ESL-English Proficiency	Fiscal Stabilization	Title I Stimulus	School Pension Debt	Transportation Bus Replacement	Construction	Totals
Receipts:							
Local sources	\$ -	\$ -	\$ -	\$ 177,657	\$ 321,180	\$ 52	\$ 2,390,511
Intermediate sources	-	-	-	-	-	-	712
State sources	-	-	-	-	-	-	180,709
Federal sources	1,050	926,703	25,772	-	-	-	2,182,162
Temporary loans	-	-	-	-	-	-	254,862
Other	-	-	-	-	-	-	11,323
Total receipts	1,050	926,703	25,772	177,657	321,180	52	5,020,279
Disbursements:							
Current:							
Instruction	1,050	700,675	-	-	-	-	1,220,630
Support services	-	219,363	-	-	-	-	1,824,396
Noninstructional services	-	6,665	-	-	-	-	686,568
Facilities acquisition and construction	-	-	-	-	-	9,091	32,647
Debt services	-	-	-	95,269	151,706	-	720,287
Nonprogrammed charges	-	-	-	-	-	-	33,660
Total disbursements	1,050	926,703	-	95,269	151,706	9,091	4,518,188
Excess (deficiency) of receipts over disbursements	-	-	25,772	82,388	169,474	(9,039)	502,091
Other financing sources (uses):							
Transfers in	-	-	-	-	-	-	30,972
Transfers out	-	-	-	-	-	-	(35,627)
Total other financing sources (uses)	-	-	-	-	-	-	(4,655)
Excess (deficiency) of receipts and other financing sources over disbursements and other financing uses	-	-	25,772	82,388	169,474	(9,039)	497,436
Cash and investments - beginning	-	-	-	10,106	(19,571)	90,093	811,549
Cash and investments - ending	\$ -	\$ -	\$ 25,772	\$ 92,494	\$ 149,903	\$ 81,054	\$ 1,308,985
Cash and Investment Assets - Ending							
Cash and investments	\$ -	\$ -	\$ 25,772	\$ -	\$ 149,903	\$ 81,054	\$ 1,216,491
Restricted assets:							
Cash and investments	-	-	-	92,494	-	-	92,494
Total cash and investment assets - ending	\$ -	\$ -	\$ 25,772	\$ 92,494	\$ 149,903	\$ 81,054	\$ 1,308,985
Cash and Investment Fund Balance - Ending							
Restricted for:							
Debt service	\$ -	\$ -	\$ -	\$ 92,494	\$ -	\$ -	\$ 92,494
Unrestricted	-	-	25,772	-	149,903	81,054	1,216,491
Total cash and investment fund balance - ending	\$ -	\$ -	\$ 25,772	\$ 92,494	\$ 149,903	\$ 81,054	\$ 1,308,985

WHITKO 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, 2010

	Transportation Operating	Special Education Preschool	Rainy Day	Lunch	Textbook	Levy Excess	Education Plate
Receipts:							
Local sources	\$ 978,425	\$ -	\$ -	\$ 455,446	\$ 93,270	\$ 28,512	\$ -
Intermediate sources	-	-	-	-	-	-	300
State sources	-	33,000	-	9,682	228,237	-	-
Federal sources	-	-	-	348,252	-	-	-
Temporary loans	215,477	-	-	-	-	-	-
Other	3,069	-	-	11,277	-	-	-
Total receipts	1,196,971	33,000	-	824,657	321,507	28,512	300
Disbursements:							
Current:							
Instruction	-	23,799	-	-	-	-	-
Support services	827,243	-	-	9,089	324,810	-	-
Noninstructional services	-	-	-	678,352	-	-	-
Facilities acquisition and construction	-	-	-	6,360	-	-	-
Debt services	127,431	-	-	-	-	-	-
Nonprogrammed charges	-	-	-	21,400	-	-	-
Total disbursements	954,674	23,799	-	715,201	324,810	-	-
Excess (deficiency) of receipts over disbursements	242,297	9,201	-	109,456	(3,303)	28,512	300
Other financing sources (uses):							
Transfers in	-	-	-	102,710	-	-	-
Transfers out	-	(39,714)	-	(102,710)	-	-	-
Total other financing sources (uses)	-	(39,714)	-	-	-	-	-
Excess (deficiency) of receipts and other financing sources over disbursements and other financing uses	242,297	(30,513)	-	109,456	(3,303)	28,512	300
Cash and investments - beginning	126,009	30,513	20,134	246,671	353,214	-	3,206
Cash and investments - ending	\$ 368,306	\$ -	\$ 20,134	\$ 356,127	\$ 349,911	\$ 28,512	\$ 3,506
Cash and Investment Assets - Ending							
Cash and investments	\$ 368,306	\$ -	\$ 20,134	\$ 356,127	\$ 349,911	\$ 28,512	\$ 3,506
Restricted assets:							
Cash and investments	-	-	-	-	-	-	-
Total cash and investment assets - ending	\$ 368,306	\$ -	\$ 20,134	\$ 356,127	\$ 349,911	\$ 28,512	\$ 3,506
Cash and Investment Fund Balance - Ending							
Restricted for:							
Debt service	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Other purposes	-	-	-	-	-	-	-
Unrestricted	368,306	-	20,134	356,127	349,911	28,512	3,506
Total cash and investment fund balance - ending	\$ 368,306	\$ -	\$ 20,134	\$ 356,127	\$ 349,911	\$ 28,512	\$ 3,506

WHITKO 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, 2010
 (Continued)

	Early Intervention	Early Intervention FY 08/10	Afternoons Rock	Gifted and Talented FY 08/09	Gifted and Talented FY 09/10	School Technology	Technology Plan Grant
Receipts:							
Local sources	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Intermediate sources	-	-	-	-	-	-	-
State sources	-	8,000	-	-	33,713	17,642	-
Federal sources	-	-	-	-	-	-	-
Temporary loans	-	-	-	-	-	-	-
Other	-	-	-	-	-	-	-
Total receipts	<u>-</u>	<u>8,000</u>	<u>-</u>	<u>-</u>	<u>33,713</u>	<u>17,642</u>	<u>-</u>
Disbursements:							
Current:							
Instruction	13,268	8,000	10,161	15,102	22,102	-	18,743
Support services	-	-	-	-	-	11,203	-
Noninstructional services	-	-	-	-	-	-	-
Facilities acquisition and construction	-	-	-	-	-	-	554
Debt services	-	-	-	-	-	-	-
Nonprogrammed charges	-	-	-	-	-	-	-
Total disbursements	<u>13,268</u>	<u>8,000</u>	<u>10,161</u>	<u>15,102</u>	<u>22,102</u>	<u>11,203</u>	<u>19,297</u>
Excess (deficiency) of receipts over disbursements	<u>(13,268)</u>	<u>-</u>	<u>(10,161)</u>	<u>(15,102)</u>	<u>11,611</u>	<u>6,439</u>	<u>(19,297)</u>
Other financing sources (uses):							
Transfers in	-	-	-	-	-	-	-
Transfers out	-	-	-	-	-	-	-
Total other financing sources (uses)	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Excess (deficiency) of receipts and other financing sources over disbursements and other financing uses	<u>(13,268)</u>	<u>-</u>	<u>(10,161)</u>	<u>(15,102)</u>	<u>11,611</u>	<u>6,439</u>	<u>(19,297)</u>
Cash and investments - beginning	<u>13,268</u>	<u>-</u>	<u>6,751</u>	<u>15,102</u>	<u>-</u>	<u>5,255</u>	<u>(1,464)</u>
Cash and investments - ending	<u>\$ -</u>	<u>\$ -</u>	<u>\$ (3,410)</u>	<u>\$ -</u>	<u>\$ 11,611</u>	<u>\$ 11,694</u>	<u>\$ (20,761)</u>
Cash and Investment Assets - Ending							
Cash and investments	\$ -	\$ -	\$ (3,410)	\$ -	\$ 11,611	\$ 11,694	\$ (20,761)
Restricted assets:							
Cash and investments	-	-	-	-	-	-	-
Total cash and investment assets - ending	<u>\$ -</u>	<u>\$ -</u>	<u>\$ (3,410)</u>	<u>\$ -</u>	<u>\$ 11,611</u>	<u>\$ 11,694</u>	<u>\$ (20,761)</u>
Cash and Investment Fund Balance - Ending							
Restricted for:							
Debt service	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Other purposes	-	-	-	-	-	-	-
Unrestricted	-	-	(3,410)	-	11,611	11,694	(20,761)
Total cash and investment fund balance - ending	<u>\$ -</u>	<u>\$ -</u>	<u>\$ (3,410)</u>	<u>\$ -</u>	<u>\$ 11,611</u>	<u>\$ 11,694</u>	<u>\$ (20,761)</u>

WHITKO 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, 2010
 (Continued)

	Excess PTRC Distribution	KOS 21ST Century	Title I FY 08/09	Title I FY 09/10	Title I Delinquent FY 08/09	Title I Delinquent FY 09/10	Title I School Improvement
Receipts:							
Local sources	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Intermediate sources	-	-	-	-	-	-	-
State sources	78,067	-	-	-	-	-	-
Federal sources	-	-	27,000	271,543	-	40,116	12,500
Temporary loans	-	-	-	-	-	-	-
Other	-	-	-	-	-	-	-
Total receipts	78,067	-	27,000	271,543	-	40,116	12,500
Disbursements:							
Current:							
Instruction	-	-	4,683	192,778	4,748	33,644	31,249
Support services	-	3,727	2,915	57,280	-	-	16,619
Noninstructional services	-	-	-	-	-	-	-
Facilities acquisition and construction	-	-	-	-	-	-	-
Debt services	-	-	-	-	-	-	-
Nonprogrammed charges	-	-	-	-	-	-	-
Total disbursements	-	3,727	7,598	250,058	4,748	33,644	47,868
Excess (deficiency) of receipts over disbursements	78,067	(3,727)	19,402	21,485	(4,748)	6,472	(35,368)
Other financing sources (uses):							
Transfers in	-	-	-	-	-	1,089	-
Transfers out	-	-	-	-	(1,089)	-	-
Total other financing sources (uses)	-	-	-	-	(1,089)	1,089	-
Excess (deficiency) of receipts and other financing sources over disbursements and other financing uses	78,067	(3,727)	19,402	21,485	(5,837)	7,561	(35,368)
Cash and investments - beginning	-	3,727	(19,402)	-	5,837	-	35,368
Cash and investments - ending	\$ 78,067	\$ -	\$ -	\$ 21,485	\$ -	\$ 7,561	\$ -
Cash and Investment Assets - Ending							
Cash and investments	\$ 78,067	\$ -	\$ -	\$ 21,485	\$ -	\$ 7,561	\$ -
Restricted assets:							
Cash and investments	-	-	-	-	-	-	-
Total cash and investment assets - ending	\$ 78,067	\$ -	\$ -	\$ 21,485	\$ -	\$ 7,561	\$ -
Cash and Investment Fund Balance - Ending							
Restricted for:							
Debt service	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Other purposes	-	-	-	-	-	-	-
Unrestricted	78,067	-	-	21,485	-	7,561	-
Total cash and investment fund balance - ending	\$ 78,067	\$ -	\$ -	\$ 21,485	\$ -	\$ 7,561	\$ -

WHITKO 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, 2010
 (Continued)

	Title V	Special Education Federal FY 08/09	Special Education Federal FY 09/10	Special Education Carry Over FY 09/10	Special Education Preschool FY 08/09	Special Education Preschool FY 09/10	Special Education Preschool Carry Over FY 09/10
Receipts:							
Local sources	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Intermediate sources	-	-	-	-	-	-	-
State sources	-	-	-	-	-	-	-
Federal sources	1,134	-	421,618	-	-	8,851	-
Temporary loans	-	-	-	-	-	-	-
Other	-	-	-	-	-	-	-
Total receipts	1,134	-	421,618	-	-	8,851	-
Disbursements:							
Current:							
Instruction	-	-	49,682	612	-	3,077	1,985
Support services	1,134	-	331,475	51,876	-	-	2,478
Noninstructional services	-	-	-	-	-	-	-
Facilities acquisition and construction	-	-	-	-	-	-	-
Debt services	-	-	-	-	-	-	-
Nonprogrammed charges	-	-	-	-	-	-	-
Total disbursements	1,134	-	381,157	52,488	-	3,077	4,463
Excess (deficiency) of receipts over disbursements	-	-	40,461	(52,488)	-	5,774	(4,463)
Other financing sources (uses):							
Transfers in	-	-	-	52,504	-	-	7,144
Transfers out	-	(52,504)	-	-	(7,144)	-	-
Total other financing sources (uses)	-	(52,504)	-	52,504	(7,144)	-	7,144
Excess (deficiency) of receipts and other financing sources over disbursements and other financing uses	-	(52,504)	40,461	16	(7,144)	5,774	2,681
Cash and investments - beginning	-	52,504	-	-	7,144	-	-
Cash and investments - ending	\$ -	\$ -	\$ 40,461	\$ 16	\$ -	\$ 5,774	\$ 2,681
Cash and Investment Assets - Ending							
Cash and investments	\$ -	\$ -	\$ 40,461	\$ 16	\$ -	\$ 5,774	\$ 2,681
Restricted assets:							
Cash and investments	-	-	-	-	-	-	-
Total cash and investment assets - ending	\$ -	\$ -	\$ 40,461	\$ 16	\$ -	\$ 5,774	\$ 2,681
Cash and Investment Fund Balance - Ending							
Restricted for:							
Debt service	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Other purposes	-	-	-	-	-	-	-
Unrestricted	-	-	40,461	16	-	5,774	2,681
Total cash and investment fund balance - ending	\$ -	\$ -	\$ 40,461	\$ 16	\$ -	\$ 5,774	\$ 2,681

WHITKO 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, 2010
 (Continued)

	Drug Free Titel IV-A	Title IV	Medicaid Reimbursement	Non English Speaking Program	Title II Part A Elementary	Title II FY 07/08
Receipts:						
Local sources	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Intermediate sources	-	-	-	-	-	-
State sources	-	-	-	-	-	-
Federal sources	-	4,664	-	613	-	250
Temporary loans	-	-	-	-	-	-
Other	-	-	-	-	-	-
Total receipts	-	4,664	-	613	-	250
Disbursements:						
Current:						
Instruction	-	-	-	1,810	-	(664)
Support services	1,559	4,941	-	-	-	-
Noninstructional services	-	-	-	-	-	-
Facilities acquisition and construction	-	-	-	-	-	-
Debt services	-	-	-	-	-	-
Nonprogrammed charges	-	-	-	-	-	-
Total disbursements	1,559	4,941	-	1,810	-	(664)
Excess (deficiency) of receipts over disbursements	(1,559)	(277)	-	(1,197)	-	914
Other financing sources (uses):						
Transfers in	-	-	-	-	-	(914)
Transfers out	-	-	-	-	914	-
Total other financing sources (uses)	-	-	-	-	914	(914)
Excess (deficiency) of receipts and other financing sources over disbursements and other financing uses	(1,559)	(277)	-	(1,197)	914	-
Cash and investments - beginning	1,559	1,166	157	8	(914)	-
Cash and investments - ending	\$ -	\$ 889	\$ 157	\$ (1,189)	\$ -	\$ -
Cash and Investment Assets - Ending						
Cash and investments	\$ -	\$ 889	\$ 157	\$ (1,189)	\$ -	\$ -
Restricted assets:						
Cash and investments	-	-	-	-	-	-
Total cash and investment assets - ending	\$ -	\$ 889	\$ 157	\$ (1,189)	\$ -	\$ -
Cash and Investment Fund Balance - Ending						
Restricted for:						
Debt service	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Other purposes	-	-	-	-	-	-
Unrestricted	-	889	157	(1,189)	-	-
Total cash and investment fund balance - ending	\$ -	\$ 889	\$ 157	\$ (1,189)	\$ -	\$ -

WHITKO 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, 2010
 (Continued)

	Title II FY 08/09	Title II FY 09/10	ESL-English Proficiency	Fiscal Stabilization	Title I Stimulus	Special Education Stimulus
Receipts:						
Local sources	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Intermediate sources	-	-	-	-	-	-
State sources	-	-	-	-	-	-
Federal sources	27,997	84,738	1,560	378,419	103,160	278,601
Temporary loans	-	-	-	-	-	-
Other	-	-	-	-	-	-
Total receipts	27,997	84,738	1,560	378,419	103,160	278,601
Disbursements:						
Current:						
Instruction	52,589	50,994	2,580	299,920	41,709	200,728
Support services	1,256	364	-	78,499	76,732	147,249
Noninstructional services	-	-	-	-	-	-
Facilities acquisition and construction	-	-	-	-	-	-
Debt services	-	-	-	-	-	-
Nonprogrammed charges	-	-	-	-	-	-
Total disbursements	53,845	51,358	2,580	378,419	118,441	347,977
Excess (deficiency) of receipts over disbursements	(25,848)	33,380	(1,020)	-	(15,281)	(69,376)
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	(25,848)	33,380	(1,020)	-	(15,281)	(69,376)
Cash and investments - beginning	53,949	-	-	-	25,772	-
Cash and investments - ending	\$ 28,101	\$ 33,380	\$ (1,020)	\$ -	\$ 10,491	\$ (69,376)
Cash and Investment Assets - Ending						
Cash and investments	\$ 28,101	\$ 33,380	\$ (1,020)	\$ -	\$ 10,491	\$ (69,376)
Restricted assets:						
Cash and investments	-	-	-	-	-	-
Total cash and investment assets - ending	\$ 28,101	\$ 33,380	\$ (1,020)	\$ -	\$ 10,491	\$ (69,376)
Cash and Investment Fund Balance - Ending						
Restricted for:						
Debt service	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Other purposes	-	-	-	-	-	-
Unrestricted	28,101	33,380	(1,020)	-	10,491	(69,376)
Total cash and investment fund balance - ending	\$ 28,101	\$ 33,380	\$ (1,020)	\$ -	\$ 10,491	\$ (69,376)

WHITKO 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, 2010
 (Continued)

	Special Education Preschool Stimulus	Title I Part D Stimulus	School Pension Debt	Transportation Bus Replacement	Construction	Totals
Receipts:						
Local sources	\$ -	\$ -	\$ 437,651	\$ 50,019	\$ -	\$ 2,043,323
Intermediate sources	-	-	-	-	-	300
State sources	-	-	-	-	-	408,341
Federal sources	7,640	30,820	-	-	-	2,049,476
Temporary loans	-	-	-	-	-	215,477
Other	-	-	-	-	-	14,346
Total receipts	7,640	30,820	437,651	50,019	-	4,731,263
Disbursements:						
Current:						
Instruction	10,026	-	-	-	-	1,093,325
Support services	189	5,353	-	152,314	-	2,108,305
Noninstructional services	-	-	-	-	-	678,352
Facilities acquisition and construction	-	-	-	-	-	6,914
Debt services	-	-	258,385	-	-	385,816
Nonprogrammed charges	-	-	-	-	-	21,400
Total disbursements	10,215	5,353	258,385	152,314	-	4,294,112
Excess (deficiency) of receipts over disbursements	(2,575)	25,467	179,266	(102,295)	-	437,151
Other financing sources (uses):						
Transfers in	-	-	-	-	-	162,533
Transfers out	-	-	-	-	-	(202,247)
Total other financing sources (uses)	-	-	-	-	-	(39,714)
Excess (deficiency) of receipts and other financing sources over disbursements and other financing uses	(2,575)	25,467	179,266	(102,295)	-	397,437
Cash and investments - beginning	-	-	92,494	149,903	81,054	1,308,985
Cash and investments - ending	<u>\$ (2,575)</u>	<u>\$ 25,467</u>	<u>\$ 271,760</u>	<u>\$ 47,608</u>	<u>\$ 81,054</u>	<u>\$ 1,706,422</u>
Cash and Investment Assets - Ending						
Cash and investments	\$ (2,575)	\$ 25,467	\$ -	\$ 47,608	\$ 81,054	\$ 1,434,662
Restricted assets:						
Cash and investments	-	-	271,760	-	-	271,760
Total cash and investment assets - ending	<u>\$ (2,575)</u>	<u>\$ 25,467</u>	<u>\$ 271,760</u>	<u>\$ 47,608</u>	<u>\$ 81,054</u>	<u>\$ 1,706,422</u>
Cash and Investment Fund Balance - Ending						
Restricted for:						
Debt service	\$ -	\$ -	\$ 271,760	\$ -	\$ -	\$ 271,760
Other purposes	-	-	-	-	-	-
Unrestricted	(2,575)	25,467	-	47,608	81,054	1,434,662
Total cash and investment fund balance - ending	<u>\$ (2,575)</u>	<u>\$ 25,467</u>	<u>\$ 271,760</u>	<u>\$ 47,608</u>	<u>\$ 81,054</u>	<u>\$ 1,706,422</u>

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

	<u>Log Cabin Donations</u>	<u>Donations for SWES Coats</u>	<u>Summer Arts-WHS</u>	<u>Tobacco Free Grant</u>	<u>INSAI Grant SWES</u>	<u>EMT Donations</u>
Additions:						
Contributions:						
Other	\$ -	\$ -	\$ 800	\$ -	\$ -	\$ 1,000
	<u> </u>	<u> </u>	<u> </u>	<u> </u>	<u> </u>	<u> </u>
Deductions:						
Administrative and general	36	113	-	-	-	1,146
	<u> </u>	<u> </u>	<u> </u>	<u> </u>	<u> </u>	<u> </u>
Excess (deficiency) of total additions over total deductions	(36)	(113)	800	-	-	(146)
Cash and investment fund balance - beginning	2,875	300	-	4,802	165	393
	<u> </u>	<u> </u>	<u> </u>	<u> </u>	<u> </u>	<u> </u>
Cash and investments - June 30	<u>\$ 2,839</u>	<u>\$ 187</u>	<u>\$ 800</u>	<u>\$ 4,802</u>	<u>\$ 165</u>	<u>\$ 247</u>
	<u> </u>	<u> </u>	<u> </u>	<u> </u>	<u> </u>	<u> </u>
Net assets - cash and investment basis held in trust:						
Cash and investments	<u>\$ 2,839</u>	<u>\$ 187</u>	<u>\$ 800</u>	<u>\$ 4,802</u>	<u>\$ 165</u>	<u>\$ 247</u>
	<u> </u>	<u> </u>	<u> </u>	<u> </u>	<u> </u>	<u> </u>

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

	<u>Health Program</u>	<u>Industrial Tech Grant</u>	<u>Preschool</u>	<u>DEKKO All Write Program</u>	<u>Donald Love Scholarship</u>	<u>Driver Ed</u>
Additions:						
Contributions:						
Other	\$ -	\$ -	\$ 11,549	\$ 180	\$ -	\$ 25,875
Deductions:						
Administrative and general	-	326	34,390	180	99	36,380
Excess (deficiency) of total additions over total deductions	-	(326)	(22,841)	-	(99)	(10,505)
Cash and investment fund balance - beginning	2,663	326	50,061	1,012	2,706	27,917
Cash and investments - June 30	<u>\$ 2,663</u>	<u>\$ -</u>	<u>\$ 27,220</u>	<u>\$ 1,012</u>	<u>\$ 2,607</u>	<u>\$ 17,412</u>
Net assets - cash and investment basis held in trust:						
Cash and investments	<u>\$ 2,663</u>	<u>\$ -</u>	<u>\$ 27,220</u>	<u>\$ 1,012</u>	<u>\$ 2,607</u>	<u>\$ 17,412</u>

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

	<u>LYALL Grants</u>	<u>Outdoor Lab</u>	<u>DEKKO Grant Technology</u>	<u>HANDS Foundation Grant</u>	<u>DEKKO Grant</u>	<u>Totals</u>
Additions:						
Contributions:						
Other	\$ -	\$ -	\$ -	\$ 4,271	\$ -	\$ 43,675
Deductions:						
Administrative and general	796	165	-	2,500	13,197	89,328
Excess (deficiency) of total additions over total deductions	(796)	(165)	-	1,771	(13,197)	(45,653)
Cash and investment fund balance - beginning	796	165	6,410	2,483	19,901	122,975
Cash and investments - June 30	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 6,410</u>	<u>\$ 4,254</u>	<u>\$ 6,704</u>	<u>\$ 77,322</u>
Net assets - cash and investment basis held in trust:						
Cash and investments	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 6,410</u>	<u>\$ 4,254</u>	<u>\$ 6,704</u>	<u>\$ 77,322</u>

WHITKO COMMUNITY SCHOOL CORPORATION
 COMBINING SCHEDULE OF ADDITIONS, DEDUCTIONS, AND CHANGES IN CASH AND INVESTMENT BALANCES
 PRIVATE-PURPOSE TRUST FUNDS
 For the Year Ended June 30, 2010

	<u>Log Cabin Donations</u>	<u>Donations for SWES Coats</u>	<u>Summer Arts-WHS</u>	<u>Tobacco Free Grant</u>	<u>INSAI Grant SWES</u>	<u>EMT Donations</u>
Additions:						
Contributions:						
Other	\$ -	\$ -	\$ 1,200	\$ -	\$ 1	\$ 300
Deductions:						
Administrative and general	-	-	800	1,008	-	244
Excess (deficiency) of total additions over total deductions	-	-	400	(1,008)	1	56
Cash and investment fund balance - beginning	<u>2,839</u>	<u>187</u>	<u>800</u>	<u>4,802</u>	<u>165</u>	<u>247</u>
Cash and investments - June 30	<u>\$ 2,839</u>	<u>\$ 187</u>	<u>\$ 1,200</u>	<u>\$ 3,794</u>	<u>\$ 166</u>	<u>\$ 303</u>
Net assets - cash and investment basis held in trust:						
Cash and investments	<u>\$ 2,839</u>	<u>\$ 187</u>	<u>\$ 1,200</u>	<u>\$ 3,794</u>	<u>\$ 166</u>	<u>\$ 303</u>

WHITKO COMMUNITY SCHOOL CORPORATION
 COMBINING SCHEDULE OF ADDITIONS, DEDUCTIONS, AND CHANGES IN CASH AND INVESTMENT BALANCES
 PRIVATE-PURPOSE TRUST FUNDS
 For the Year Ended June 30, 2010
 (Continued)

	Health Program	Eye Care Donation For Students	REMC Donations	Preschool	DEKKO All Write Program	Donald Love Scholarship
Additions:						
Contributions:						
Other	\$ 1,600	\$ 468	\$ 1,000	\$ 31,913	\$ -	\$ -
Deductions:						
Administrative and general	1,701	120	1,000	45,785	-	100
Excess (deficiency) of total additions over total deductions	(101)	348	-	(13,872)	-	(100)
Cash and investment fund balance - beginning	2,663	-	-	27,220	1,012	2,607
Cash and investments - June 30	<u>\$ 2,562</u>	<u>\$ 348</u>	<u>\$ -</u>	<u>\$ 13,348</u>	<u>\$ 1,012</u>	<u>\$ 2,507</u>
Net assets - cash and investment basis held in trust:						
Cash and investments	<u>\$ 2,562</u>	<u>\$ 348</u>	<u>\$ -</u>	<u>\$ 13,348</u>	<u>\$ 1,012</u>	<u>\$ 2,507</u>

WHITKO COMMUNITY SCHOOL CORPORATION
 COMBINING SCHEDULE OF ADDITIONS, DEDUCTIONS, AND CHANGES IN CASH AND INVESTMENT BALANCES
 PRIVATE-PURPOSE TRUST FUNDS
 For the Year Ended June 30, 2010
 (Continued)

	<u>Driver Ed</u>	<u>DEKKO Grant Technology</u>	<u>HANDS Foundation Grant</u>	<u>DEKKO Grant</u>	<u>Totals</u>
Additions:					
Contributions:					
Other	\$ 19,000	\$ -	\$ 5,617	\$ 5,000	\$ 66,099
Deductions:					
Administrative and general	<u>26,523</u>	<u>1,559</u>	<u>28,062</u>	<u>7,562</u>	<u>114,464</u>
Excess (deficiency) of total additions over total deductions	(7,523)	(1,559)	(22,445)	(2,562)	(48,365)
Cash and investment fund balance - beginning	<u>17,412</u>	<u>6,410</u>	<u>4,254</u>	<u>6,704</u>	<u>77,322</u>
Cash and investments - June 30	<u>\$ 9,889</u>	<u>\$ 4,851</u>	<u>\$ (18,191)</u>	<u>\$ 4,142</u>	<u>\$ 28,957</u>
Net assets - cash and investment basis held in trust:					
Cash and investments	<u>\$ 9,889</u>	<u>\$ 4,851</u>	<u>\$ (18,191)</u>	<u>\$ 4,142</u>	<u>\$ 28,957</u>

WHITKO 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>Payroll Deductions</u>	<u>Prepaid Food</u>	<u>Totals</u>
Additions:			
Agency fund additions	\$ 2,141,484	\$ 473,590	\$ 2,615,074
Deductions:			
Agency fund deductions	<u>2,143,421</u>	<u>475,343</u>	<u>2,618,764</u>
Deficiency of total additions over total deductions	(1,937)	(1,753)	(3,690)
Cash and investment fund balance - beginning	<u>88,649</u>	<u>6,585</u>	<u>95,234</u>
Cash and investment fund balance - ending	<u>\$ 86,712</u>	<u>\$ 4,832</u>	<u>\$ 91,544</u>

WHITKO COMMUNITY SCHOOL CORPORATION
 COMBINING SCHEDULE OF ADDITIONS, DEDUCTIONS, AND CHANGES IN CASH AND INVESTMENT BALANCES
 AGENCY FUNDS
 For the Year Ended June 30, 2010

	Payroll Deductions	Prepaid Food	Totals
Additions:			
Agency fund additions	\$ 2,209,644	\$ 443,656	\$ 2,653,300
Deductions:			
Agency fund deductions	2,194,855	443,661	2,638,516
Excess (deficiency) of total additions over total deductions	14,789	(5)	14,784
Cash and investment fund balance - beginning	86,712	4,832	91,544
Cash and investment fund balance - ending	\$ 101,501	\$ 4,827	\$ 106,328

WHITKO COMMUNITY SCHOOL CORPORATION
 SUPPLEMENTARY INFORMATION
 SCHEDULE OF CAPITAL ASSETS
 June 30, 2010

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

<u>Primary Government</u>	<u>Ending Balance</u>
Governmental activities:	
Capital assets, not being depreciated:	
Land	\$ 142,800
Infrastructure	552,987
Buildings	35,830,460
Improvements other than buildings	951,058
Machinery and equipment	<u>3,175,710</u>
Total governmental activities, capital assets not being depreciated	<u>\$ 40,653,015</u>

WHITKO COMMUNITY SCHOOL CORPORATION
SCHEDULE OF LONG-TERM DEBT
June 30, 2010

Description of Debt	Ending Principal Balance	Principal and Interest Due Within One Year
Governmental activities:		
Capital leases:		
Whitko Middle School	\$ 2,700,000	\$ 1,147,600
Remodeling Lease	895,000	582,319
Whitko High School Additions and Renovations	15,835,000	850,700
Bonds payable:		
General obligation bonds:		
Teacher Pension Bonds	<u>1,660,000</u>	<u>467,632</u>
Total governmental activities debt	<u>\$ 21,090,000</u>	<u>\$ 3,048,250</u>

WHITKO COMMUNITY SCHOOL CORPORATION
AUDIT RESULT AND COMMENT

REPAYMENTS AND REFUNDS - TEXTBOOK FEES

Records presented for audit indicate students were incorrectly charged for their social studies' textbook fee for the 2009-2010 and 2010-2011 school years. Through a clerical error, the fees charged were actually the fees that should have been charged to the next grade level. Full-day kindergarten students were charged \$10.90 for their social studies textbook, but the correct fee was \$5.91 which amounted to \$4.99 overcharged. Second graders were overcharged \$1.66, third graders were overcharged \$2.57, and fourth graders were overcharged \$1.35. Fifth graders were undercharged \$3.04.

Persons, companies or governmental units that have overpaid amounts to a governmental unit are entitled to a repayment or refund by check or warrant. (Accounting and Uniform Compliance Guidelines Manual for Indiana Public School Corporations, Chapter 9)

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SUPPLEMENTAL AUDIT OF
FEDERAL AWARDS



STATE OF INDIANA
AN EQUAL OPPORTUNITY EMPLOYER

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

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

INDEPENDENT AUDITOR'S REPORT ON COMPLIANCE WITH REQUIREMENTS
APPLICABLE TO EACH MAJOR PROGRAM AND INTERNAL CONTROL OVER
COMPLIANCE IN ACCORDANCE WITH OMB CIRCULAR A-133

TO: THE OFFICIALS OF THE WHITKO COMMUNITY SCHOOL
CORPORATION, KOSCIUSKO COUNTY, INDIANA

Compliance

We have audited the compliance of the Whitko Community School Corporation (School Corporation) with the types of compliance requirements described in the U.S. Office of Management and Budget (OMB) Circular A-133 Compliance Supplement that are applicable to each of its major federal programs for the years ended June 30, 2009 and 2010. The School Corporation's major federal programs are identified in the Summary of Auditor's Results section of the accompanying Schedule of Findings and Questioned Costs. Compliance with the requirements of laws, regulations, contracts and grants applicable to each of its major federal programs is the responsibility of the School Corporation's management. Our responsibility is to express an opinion on the School Corporation's compliance based on our audit.

We conducted our audit of compliance in accordance with auditing standards generally accepted in the United States of America; the standards applicable to financial audits contained in Government Auditing Standards, issued by the Comptroller General of the United States; and OMB Circular A-133, Audits of States, Local Governments, and Non-Profit Organizations. Those standards and OMB Circular A-133 require that we plan and perform the audit to obtain reasonable assurance about whether noncompliance with the types of compliance requirements referred to above that could have a direct and material effect on a major federal program occurred. An audit includes examining, on a test basis, evidence about the School Corporation's compliance with those requirements and performing such other procedures as we considered necessary in the circumstances. We believe that our audit provides a reasonable basis for our opinion. Our audit does not provide a legal determination of the School Corporation's compliance with those requirements.

Internal Control Over Compliance

The management of the School Corporation is responsible for establishing and maintaining effective internal control over compliance with requirements of laws, regulations, contracts and grants applicable to federal programs. In planning and performing our audit, we considered the School Corporation's internal control over compliance with requirements that could have a direct and material effect on a major federal program in order to determine our auditing procedures for the purpose of expressing our opinion on compliance, but not for the purpose of expressing an opinion on the effectiveness of internal control over compliance. Accordingly, we do not express an opinion on the effectiveness of the School Corporation's internal control over compliance.

INDEPENDENT AUDITOR'S REPORT ON COMPLIANCE WITH REQUIREMENTS
APPLICABLE TO EACH MAJOR PROGRAM AND INTERNAL CONTROL OVER
COMPLIANCE IN ACCORDANCE WITH OMB CIRCULAR A-133
(Continued)

A control deficiency in a School Corporation's internal control over compliance exists when the design or operation of a control does not allow management or employees, in the normal course of performing their assigned functions, to prevent or detect noncompliance with a type of compliance requirement of a federal program on a timely basis. A significant deficiency is a control deficiency, or combination of control deficiencies, that adversely affects the entity's ability to administer a federal program such that there is more than a remote likelihood that noncompliance with a type of compliance requirement of a federal program that is more than inconsequential will not be prevented or detected by the entity's internal control.

A material weakness is a significant deficiency, or combination of significant deficiencies, that results in more than a remote likelihood that material noncompliance with a type of compliance requirement of a federal program will not be prevented or detected by the entity's internal control.

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

This report is intended solely for the information and use of the School Corporation's management, the School Board, and federal awarding agencies and pass-through entities and is not intended to be and should not be used by anyone other than these specified parties. In accordance with Indiana Code 5-11-5-1, this report is a part of the public records of the State Board of Accounts and of the office examined.

STATE BOARD OF ACCOUNTS

December 8, 2010

WHITKO COMMUNITY SCHOOL CORPORATION
SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS
For The Years Ended June 30, 2009 and 2010

Federal Grantor Agency/Pass-Through Entity Cluster Title/Program Title/Project Title	Federal CFDA Number	Pass-Through Entity (or Other) Identifying Number	Total Federal Awards Expended 6-30-09	Total Federal Awards Expended 6-30-10
<u>U.S. DEPARTMENT OF AGRICULTURE</u>				
Pass-Through Indiana Department of Education Child Nutrition Cluster				
School Breakfast Program	10.553	4455	\$ 45,468	\$ 47,990
National School Lunch Program	10.555	4455	<u>335,041</u>	<u>347,491</u>
Total for federal grantor agency			<u>380,509</u>	<u>395,481</u>
<u>U.S. DEPARTMENT OF EDUCATION</u>				
Pass-Through Warsaw Community Schools Special Education Cluster				
Special Education - Grants to States	84.027			
		14209-045-PN01	340,468	52,504
		14210-045-PN01	-	381,157
		14208-045-PN01	61,639	-
		14208-045-PY02	3,713	-
		14210-045-PN01	-	52,504
		14209-045-PY02	<u>8,236</u>	<u>-</u>
Total for Program			<u>414,056</u>	<u>486,165</u>
Special Education - Preschool Grants	84.173			
		45709-045-PN01	329	7,144
		45710-045-PN01	-	3,077
		45708-045-PY02	5,195	-
		45710-045-PN01	-	4,463
		45708-045-PN01	235	-
		45709-045-PY02	<u>7,151</u>	<u>-</u>
Total for program			<u>12,910</u>	<u>14,684</u>
ARRA - Special Education - Grants to States, Recovery Act	84.391			
		33310-045-SN01	-	<u>347,977</u>
ARRA - Special Education - Preschool Grants, Recovery Act	84.392			
		44410-045-SN01	-	<u>10,215</u>
Total For Special Education Cluster			<u>426,966</u>	<u>859,041</u>
Pass-Through Indiana Department of Education Title I, Part A Cluster				
Title I Grants to Local Educational Agencies	84.010			
		09-4455	320,670	7,598
		10-4455	-	250,058
		FY2008	10,428	-
		FY2009	40,941	5,837
		FY2010	-	33,645
		FY2009 S.I.	<u>2,132</u>	<u>47,868</u>
Total for program			<u>374,171</u>	<u>345,006</u>
ARRA - Title I Grants to Local Educational Agencies, Recovery Act	84.389			
		10-4455	-	5,353
		10-4455 Part D	-	<u>118,440</u>
Total for program			<u>-</u>	<u>123,793</u>
Total for Title I Cluster			<u>374,171</u>	<u>468,799</u>

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

WHITKO COMMUNITY SCHOOL CORPORATION
 SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS
 For The Years Ended June 30, 2009 and 2010
 (Continued)

Federal Grantor Agency/Pass-Through Entity Cluster Title/Program Title/Project Title	Federal CFDA Number	Pass-Through Entity (or Other) Identifying Number	Total Federal Awards Expended 6-30-09	Total Federal Awards Expended 6-30-10
<u>U.S. DEPARTMENT OF EDUCATION (continued)</u>				
Pass-Through Warsaw Community Schools:				
Career and Technical Education - Basic Grants to States	84.048	09-4700	5,000	-
Pass-Through Indiana Department of Education				
Safe and Drug-Free Schools and Communities - State Grants	84.186	07-4455 08-4455	6,500 -	1,559 4,941
Total for program			6,500	6,500
State Grants for Innovative Programs	84.298	07-4455	-	1,134
English Language Acquisition Grants	84.365	FY 2008	1,050	2,580
Improving Teacher Quality State Grants	84.367	FY 2008 FY 2009 FY 2010	66,588 2,046 -	- 53,885 51,358
Total for program			68,634	105,243
State Fiscal Stabilization Fund Cluster				
ARRA - State Fiscal Stabilization Fund (SFSF) - Education State Grants, Recovery Act	84.394	10-4455	926,703	378,419
Total for federal grantor agency			1,809,024	1,821,716
<u>U.S. DEPARTMENT OF HEALTH AND HUMAN SERVICES</u>				
Pass-Through Geminus Corporation				
Block Grants for Prevention and Treatment of Substance Abuse	93.959	FY 2009	6,667	10,160
Total federal awards expended			\$ 2,196,200	\$ 2,227,357

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

WHITKO COMMUNITY SCHOOL CORPORATION
NOTES TO SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS

I. Basis of Presentation

The accompanying Schedule of Expenditures of Federal Awards includes the federal grant activity of the Whitko Community School Corporation (School Corporation) and is presented in accordance with the cash and investment basis of accounting used in the preparation of the financial statements. Accordingly, the amount of federal awards expended is based on when the disbursement related to the award occurs except when the federal award is received on a reimbursement basis. In these instances the federal awards are considered expended when the reimbursement is received.

Circular A-133 requires an annual audit of nonfederal entities expending a total amount of federal awards equal to or in excess of \$500,000 in any fiscal year unless by constitution or statute a less frequent audit is required. In accordance with the Indiana Code (IC 5-11-1 et seq.), audits of schools shall be conducted biennially. Such audits shall include both years within the biennial period.

II. Noncash Assistance

The School Corporation expended the following amount of noncash assistance for the years ending June 30, 2009 and 2010. This noncash assistance is also included in the federal expenditures presented in the schedule.

Program Title	Federal CFDA Number	2009	2010
National School Lunch Program	10.555	\$ 45,784	\$ 47,229

WHITKO COMMUNITY SCHOOL CORPORATION
SCHEDULE OF FINDINGS AND QUESTIONED COSTS

Section I – Summary of Auditor's Results

Financial Statements:

Type of auditor's report issued: Unqualified

Internal control over financial reporting:

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

Noncompliance material to financial statements noted? no

Federal Awards:

Internal control over major programs:

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

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

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

Name of Federal Program or Cluster

Special Education Cluster
Title I, Part A Cluster
State Fiscal Stabilization Fund Cluster

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

Auditee qualified as low-risk auditee? yes

Section II – Financial Statement Findings

No matters are reportable.

Section III – Federal Award Findings and Questioned Costs

No matters are reportable.

WHITKO COMMUNITY SCHOOL CORPORATION
SUMMARY SCHEDULE OF PRIOR AUDIT FINDINGS

No matters are reportable.

WHITKO COMMUNITY SCHOOL CORPORATION
EXIT CONFERENCE

The contents of this report were discussed on December 8, 2010, with Thomas S. McFarland, Treasurer; Steven R. Clason, Superintendent of Schools; and Terry Eberly, President of the School Board. The officials concurred with our audit finding.