

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

AUDIT REPORT
OF
TRI-COUNTY SCHOOL CORPORATION
WHITE COUNTY, INDIANA
July 1, 2008 to June 30, 2010



FILED

01/21/2011

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SCHEDULE OF OFFICIALS

<u>Office</u>	<u>Official</u>	<u>Term</u>
Treasurer	Marsha Bell	07-01-08 to 06-30-11
Superintendent of Schools	Dr. Gilbert Crimmins	07-01-08 to 06-30-11
President of the School Board	Amy Manning Don Pampel	07-01-08 to 06-30-10 07-01-10 to 06-30-11



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

TO: THE OFFICIALS OF THE TRI-COUNTY SCHOOL CORPORATION, WHITE COUNTY, INDIANA

We have audited the accompanying financial statements of the governmental activities, each major fund, and the aggregate remaining fund information of the Tri-County 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 November 22, 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

November 22, 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 TRI-COUNTY SCHOOL CORPORATION, WHITE COUNTY, INDIANA

We have audited the financial statements of the governmental activities, each major fund, and the aggregate remaining fund information of the Tri-County 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 November 22, 2010, dated replete. 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.

Our consideration of the internal control over financial reporting was for the limited purpose described in the preceding paragraph and would not necessarily identify all deficiencies in internal control over financial reporting that might be significant deficiencies or material weaknesses. However, as discussed below, we identified certain deficiencies in internal control over financial reporting that we considered to be significant deficiencies.

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. We consider the deficiencies described in item 2010-1 of the accompanying Schedule of Findings and Questioned Costs to be significant deficiencies in internal control over financial reporting.

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.

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)

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. However, of the significant deficiencies described above, we consider item 2010-1 to be a material weakness.

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.

The School Corporation's response to the findings identified in our audit is described in the accompanying section of the report entitled Corrective Action Plan. We did not audit the School Corporation's response and, accordingly, we express no opinion on it.

This report is intended solely for the information and use of the School Corporation's management, the School Board of Trustees, 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

November 22, 2010

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

<u>Functions/Programs</u>	<u>Disbursements</u>	<u>Program Receipts</u>		<u>Totals</u>
		<u>Charges for Services</u>	<u>Operating Grants and Contributions</u>	<u>Net (Disbursement) Receipts and Changes in Net Assets</u>
Governmental activities:				
Instruction	\$ 4,110,087	\$ -	\$ 121,113	\$ (3,988,974)
Support services	3,499,167	190,943	156,937	(3,151,287)
Noninstructional services	335,328	-	-	(335,328)
Facilities acquisition and construction	537,875	-	-	(537,875)
Debt service	1,445,208	-	-	(1,445,208)
Nonprogrammed charges	69,692	-	-	(69,692)
Total governmental activities	<u>\$ 9,997,357</u>	<u>\$ 190,943</u>	<u>\$ 278,050</u>	<u>(9,528,364)</u>
General receipts:				
Property taxes				7,250,784
Other local sources				1,193,211
State aid				2,723,862
Grants and contributions not restricted to specific programs				681,638
Sale of property				321
Investment earnings				3,226
Other				19,759
Total general receipts				<u>11,872,801</u>
Change in net assets				2,344,437
Net assets - beginning				<u>(275,559)</u>
Net assets - ending				<u>\$ 2,068,878</u>
 <u>Assets</u>				
Cash and investments				\$ 2,594,374
Restricted assets:				
Cash and investments				<u>(525,496)</u>
Total assets				<u>\$ 2,068,878</u>
 <u>Net Assets</u>				
Restricted for:				
Debt service				\$ (525,496)
Unrestricted				<u>2,594,374</u>
Total net assets				<u>\$ 2,068,878</u>

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

TRI-COUNTY 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>	<u>Program Receipts</u>		<u>Totals</u>
		<u>Charges for Services</u>	<u>Operating Grants and Contributions</u>	<u>Net (Disbursement) Receipts and Changes in Net Assets</u>
Governmental activities:				
Instruction	\$ 4,039,219	\$ -	\$ 108,873	\$ (3,930,346)
Support services	3,354,059	184,461	194,540	(2,975,058)
Noninstructional services	341,863	-	-	(341,863)
Facilities acquisition and construction	1,532,292	-	-	(1,532,292)
Debt service	1,809,268	-	-	(1,809,268)
Nonprogrammed charges	74,320	-	-	(74,320)
Total governmental activities	<u>\$ 11,151,021</u>	<u>\$ 184,461</u>	<u>\$ 303,413</u>	<u>(10,663,147)</u>
General receipts:				
Property taxes				4,124,414
Other local sources				908,354
State aid				5,476,475
Bonds and loans				1,150,000
Grants and contributions not restricted to specific programs				482,009
Sale of property				698
Investment earnings				<u>9,269</u>
Total general receipts				<u>12,151,219</u>
Change in net assets				1,488,072
Net assets - beginning				<u>2,068,879</u>
Net assets - ending				<u>\$ 3,556,951</u>
<u>Assets</u>				
Cash and investments				\$ 3,230,527
Restricted assets:				
Cash and investments				<u>326,424</u>
Total assets				<u>\$ 3,556,951</u>
<u>Net Assets</u>				
Restricted for:				
Debt service				\$ 326,424
Unrestricted				<u>3,230,527</u>
Total net assets				<u>\$ 3,556,951</u>

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

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

	General	Transportation Operating	Rainy Day	Levy Excess	Fiscal Stabilization	Debt Service	Capital Projects	Other	Totals
Receipts:									
Local sources	\$ 4,407,394	\$ 650,075	\$ -	\$ -	\$ -	\$ 1,471,662	\$ 1,453,061	\$ 647,622	\$ 8,629,814
Intermediate sources	786	-	-	-	-	-	-	7,563	8,349
State sources	2,816,373	-	-	-	-	-	-	80,127	2,896,500
Federal sources	-	-	-	-	478,687	-	-	308,364	787,051
Other	84	4,281	-	-	-	-	15,363	31	19,759
Total receipts	7,224,637	654,356	-	-	478,687	1,471,662	1,468,424	1,043,707	12,341,473
Disbursements:									
Current:									
Instruction	3,947,655	-	-	-	-	-	-	162,432	4,110,087
Support services	1,972,400	479,233	-	-	-	-	909,648	137,886	3,499,167
Noninstructional services	21,725	-	-	-	-	-	-	313,603	335,328
Facilities acquisition and construction	-	-	-	-	-	-	537,875	-	537,875
Debt services	-	-	-	-	-	1,164,000	-	281,208	1,445,208
Nonprogrammed charges	36,692	-	-	-	-	-	-	33,000	69,692
Total disbursements	5,978,472	479,233	-	-	-	1,164,000	1,447,523	928,129	9,997,357
Excess of receipts over disbursements	1,246,165	175,123	-	-	478,687	307,662	20,901	115,578	2,344,116
Other financing sources (uses):									
Sale of capital assets	321	-	-	-	-	-	-	-	321
Transfers in	-	-	250,000	779,070	-	-	-	228	1,029,298
Transfers out	(415,704)	(159,334)	-	-	-	(184,191)	(133,439)	(136,630)	(1,029,298)
Total other financing sources (uses)	(415,383)	(159,334)	250,000	779,070	-	(184,191)	(133,439)	(136,402)	321
Excess (deficiency) of receipts and other financing sources over disbursements and other financing uses	830,782	15,789	250,000	779,070	478,687	123,471	(112,538)	(20,824)	2,344,437
Cash and investments - beginning	(1,148,183)	(97,420)	1,200,000	-	-	(507,822)	206,957	70,909	(275,559)
Cash and investments - ending	\$ (317,401)	\$ (81,631)	\$ 1,450,000	\$ 779,070	\$ 478,687	\$ (384,351)	\$ 94,419	\$ 50,085	\$ 2,068,878
<u>Cash and Investment Assets - Ending</u>									
Cash and investments	\$ (317,401)	\$ (81,631)	\$ 1,450,000	\$ 779,070	\$ 478,687	\$ -	\$ 94,419	\$ 191,230	\$ 2,594,374
Restricted assets:									
Cash and investments	-	-	-	-	-	(384,351)	-	(141,145)	(525,496)
Total cash and investment assets - ending	\$ (317,401)	\$ (81,631)	\$ 1,450,000	\$ 779,070	\$ 478,687	\$ (384,351)	\$ 94,419	\$ 50,085	\$ 2,068,878
<u>Cash and Investment Fund Balance - Ending</u>									
Restricted for:									
Debt service	\$ -	\$ -	\$ -	\$ -	\$ -	\$ (384,351)	\$ -	\$ (141,145)	\$ (525,496)
Unrestricted	(317,401)	(81,631)	1,450,000	779,070	478,687	-	94,419	191,230	2,594,374
Total cash and investment fund balance - ending	\$ (317,401)	\$ (81,631)	\$ 1,450,000	\$ 779,070	\$ 478,687	\$ (384,351)	\$ 94,419	\$ 50,085	\$ 2,068,878

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

TRI-COUNTY SCHOOL CORPORATION
STATEMENT OF ASSETS AND FUND BALANCES AND RECEIPTS,
DISBURSEMENTS, AND CHANGES IN FUND BALANCES - CASH AND INVESTMENT BASIS
GOVERNMENTAL FUNDS
For the Year Ended June 30, 2010

	General	Transportation Operating	Rainy Day	Levy Excess	Fiscal Stabilization	Debt Service	Capital Projects	Other	Totals
Receipts:									
Local sources	\$ 161,704	\$ 620,968	\$ -	\$ 23,228	\$ -	\$ 2,166,821	\$ 1,434,883	\$ 811,581	\$ 5,219,185
Intermediate sources	786	-	-	-	-	-	-	6,525	7,311
State sources	5,557,032	-	-	-	-	-	-	68,146	5,625,178
Federal sources	-	-	-	-	150,694	-	-	486,025	636,719
Total receipts	5,719,522	620,968	-	23,228	150,694	2,166,821	1,434,883	1,372,277	11,488,393
Disbursements:									
Current:									
Instruction	3,100,849	-	-	-	629,381	-	-	308,989	4,039,219
Support services	1,976,205	520,961	-	4,281	-	-	729,682	122,930	3,354,059
Noninstructional services	19,480	-	-	-	-	-	-	322,383	341,863
Facilities acquisition and construction	-	-	250,000	-	-	-	195,366	1,086,926	1,532,292
Debt services	-	-	-	-	-	1,526,500	-	282,768	1,809,268
Nonprogrammed Charges	74,317	-	-	-	-	-	-	-	74,317
Total disbursements	5,170,851	520,961	250,000	4,281	629,381	1,526,500	925,048	2,123,996	11,151,018
Excess (deficiency) of receipts over disbursements	548,671	100,007	(250,000)	18,947	(478,687)	640,321	509,835	(751,719)	337,375
Other financing sources (uses):									
Proceeds of long-term debt	-	-	-	-	-	-	-	1,150,000	1,150,000
Sale of capital assets	698	-	-	-	-	-	-	-	698
Transfers in	222,910	458,202	-	-	-	58,923	58,692	21,009	819,736
Transfers out	-	-	-	(774,789)	-	-	-	(44,947)	(819,736)
Total other financing sources (uses)	223,608	458,202	-	(774,789)	-	58,923	58,692	1,126,062	1,150,698
Excess (deficiency) of receipts and other financing sources over disbursements and other financing uses	772,279	558,209	(250,000)	(755,842)	(478,687)	699,244	568,527	374,343	1,488,073
Cash and investments - beginning	(317,401)	(81,631)	1,450,000	779,070	478,687	(384,351)	94,419	50,085	2,068,878
Cash and investments - ending	\$ 454,878	\$ 476,578	\$ 1,200,000	\$ 23,228	\$ -	\$ 314,893	\$ 662,946	\$ 424,428	\$ 3,556,951
Cash and Investment Assets - Ending									
Cash and investments	\$ 454,878	\$ 476,578	\$ 1,200,000	\$ 23,228	\$ -	\$ -	\$ 662,946	\$ 412,897	\$ 3,230,527
Restricted assets:									
Cash and investments	-	-	-	-	-	314,893	-	11,531	326,424
Total cash and investment assets - ending	\$ 454,878	\$ 476,578	\$ 1,200,000	\$ 23,228	\$ -	\$ 314,893	\$ 662,946	\$ 424,428	\$ 3,556,951
Cash and Investment Fund Balance - Ending									
Restricted for:									
Debt service	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 314,893	\$ -	\$ 11,531	\$ 326,424
Unrestricted	454,878	476,578	1,200,000	23,228	-	-	662,946	412,897	3,230,527
Total cash and investment fund balance - ending	\$ 454,878	\$ 476,578	\$ 1,200,000	\$ 23,228	\$ -	\$ 314,893	\$ 662,946	\$ 424,428	\$ 3,556,951

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

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

	<u>Pension Trust Funds</u>	<u>Private-Purpose Trust Funds</u>	<u>Agency Funds</u>
Additions:			
Contributions:			
Other	\$ 13,836,114	\$ 42,000	
Investment earnings:			
Interest	15,696	375	
Total additions	<u>13,851,810</u>	<u>42,375</u>	
Deductions:			
Benefits	14,634,823	-	
Administrative and general	<u>-</u>	<u>31,560</u>	
Total deductions	<u>14,634,823</u>	<u>31,560</u>	
Excess (deficiency) of total additions over total deductions	(783,013)	10,815	
Cash and investment fund balance - beginning	<u>835,748</u>	<u>22,553</u>	
Cash and investment fund balance - ending	<u>\$ 52,735</u>	<u>\$ 33,368</u>	<u>\$ 7,862</u>
Net assets:			
Cash and investments	<u>\$ 52,735</u>	<u>\$ 33,368</u>	<u>\$ 7,862</u>
Total net assets - cash and investment basis held in trust	<u>\$ 52,735</u>	<u>\$ 33,368</u>	<u>\$ 7,862</u>

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

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

	<u>Pension Trust Funds</u>	<u>Private-Purpose Trust Funds</u>	<u>Agency Funds</u>
Additions:			
Contributions:			
Other	\$ 2,158,000	\$ 291,751	
Investment earnings:			
Interest	22,985	238	
Total additions	<u>2,180,985</u>	<u>291,989</u>	
Deductions:			
Benefits	170,153	-	
Administrative and general	<u>-</u>	<u>137,692</u>	
Total deductions	<u>170,153</u>	<u>137,692</u>	
Excess of total additions over total deductions	2,010,832	154,297	
Cash and investment fund balance - beginning	<u>52,735</u>	<u>33,368</u>	
Cash and investment fund balance - ending	<u>\$ 2,063,567</u>	<u>\$ 187,665</u>	<u>\$ 10,464</u>
Net assets:			
Cash and investments	<u>\$ 2,063,567</u>	<u>\$ 187,665</u>	<u>\$ 10,464</u>
Total net assets - cash and investment basis held in trust	<u>\$ 2,063,567</u>	<u>\$ 187,665</u>	<u>\$ 10,464</u>

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

TRI-COUNTY SCHOOL CORPORATION
NOTES TO FINANCIAL STATEMENTS

I. Summary of Significant Accounting Policies

A. Reporting Entity

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

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

The School Corporations financial reporting entity is composed of the following:

Primary Government: Tri-County School Corporation

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

Joint Venture

The School Corporation is a participant in a joint venture to operate Indian Trails Career Cooperative which was created to enhance career education. The Indian Trails Career Cooperative's continued existence depends on continued funding by the School Corporation. Complete financial statements for the Indian Trails Career Cooperative can be obtained from Twin Lakes School Corporation, 565 S. Main St., Monticello, IN 47960.

The School Corporation is a participant in a joint venture to operate Cooperative School Services which was created to offer special educational services. The Cooperative School Service's continued existence depends on continued funding by the School Corporation. Complete financial statements for the Cooperative School Services can be obtained from West Central School Corporation, P.O. Box 578, Francesville, IN 47946.

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.

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,

TRI-COUNTY SCHOOL CORPORATION
NOTES TO FINANCIAL STATEMENTS
(Continued)

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 Transportation Operating Fund accounts for financial resources for the transportation of school children to and from school.

The Rainy Day Fund is used to account for funds in accordance with IC 36-1-8-5.1 and a locally adopted resolution.

The Levy Excess Fund is used to account for the property taxes received which exceeds 100% of the taxing unit's ad valorem property tax levy.

The Fiscal Stabilization Fund is used to account for federal monies received and disbursed under the American Recovery and Reinvestment Act of 2009.

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

The Capital Projects Fund accounts for planned construction, repair, replacement or remodeling of buildings; and the purchase, lease, upgrade, maintenance, or repair of computer equipment.

Additionally, the School Corporation reports the following fund types:

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

The private-purpose trust funds report trust arrangements under which principal and income benefit students who are awarded scholarships from the fund.

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

C. Measurement Focus and Basis of Accounting

The government-wide, governmental fund 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.

TRI-COUNTY SCHOOL CORPORATION
NOTES TO FINANCIAL STATEMENTS
(Continued)

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

If the School Corporation utilized the basis of accounting recognized as generally accepted, the fund financial statements for governmental funds would use the modified accrual basis of accounting. 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 become delinquent if not paid by May 10 and November 10, respectively.

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.

TRI-COUNTY SCHOOL CORPORATION
NOTES TO FINANCIAL STATEMENTS
(Continued)

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.

E. Receipts and Disbursements

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.

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.

TRI-COUNTY SCHOOL CORPORATION
NOTES TO FINANCIAL STATEMENTS
(Continued)

3. Interfund transfers – Flow of assets from one fund to another where repayment is not expected is reported as transfers in and out.
4. Interfund loans – Flow of assets from one fund to another where repayment is expected is reported as interfund loans.

Government-Wide Financial Statements

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

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

II. Stewardship, Compliance and Accountability

A. Budgetary Information

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

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

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

B. Cash Balance Deficits

At June 30, 2009 and June 30, 2010, the following funds reported deficits in cash, which are violations of the Uniform Compliance Guidelines as authorized by state statute:

TRI-COUNTY SCHOOL CORPORATION
NOTES TO FINANCIAL STATEMENTS
(Continued)

Fund	2009	2010
General	\$ 317,401	\$ -
Transportation Operating	81,631	-
Debt Service	384,351	-
Retirement/Severance Bond Debt	141,145	-
Tech Prep (Perkins)	-	16,556
Title I Stimulus	-	486

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. 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:

Transfer From	Transfer To	2009	2010
General Fund	Levy Excess Fund	\$ 415,704	\$ -
Levy Excess Fund	General Fund	-	183,230
Debt Service Fund	Levy Excess Fund	133,963	-
Capital Projects Fund	Levy Excess Fund	133,439	-
Transportation Operating Fund	Levy Excess Fund	59,334	-
Debt Service Fund	Rainy Day Fund	50,000	-
Transportation Operating Fund	Rainy Day Fund	100,000	-
Levy Excess Fund	Debt Service Fund	-	58,923
Levy Excess Fund	Capital Projects Fund	-	58,692
Levy Excess Fund	Transportation Operating Fund	-	458,202
Levy Excess Fund	Other Governmental Funds	-	13,195
Levy Excess Fund	Other Governmental Funds	-	2,547
Other Governmental Funds	General Fund	-	36,971
Other Governmental Funds	Levy Excess Fund	29,965	-
Other Governmental Funds	Levy Excess Fund	5,792	-
Other Governmental Funds	Levy Excess Fund	873	-
Other Governmental Funds	Rainy Day Fund	100,000	-
Debt Service Fund	Other Governmental Funds	228	-
Other Governmental Funds	General Fund	-	2,709
Other Governmental Funds	Other Governmental Funds	-	5,267
Totals		<u>\$ 1,029,298</u>	<u>\$ 819,736</u>

TRI-COUNTY SCHOOL CORPORATION
NOTES TO FINANCIAL STATEMENTS
(Continued)

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

IV. Other Information

A. Risk Management

The School Corporation is exposed to various risks of loss related to torts; theft of, damage to, and destruction of assets; errors and omissions; job related illnesses or injuries to employees; 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; medical benefits to employees, retirees, and dependents; and natural disasters are covered by commercial insurance from independent third parties.

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

Midwest Area School Employees' Insurance Trust

During 1986 the School Corporation joined with other governmental entities to form the Midwest Area School Employees' Insurance Trust, a public entity risk pool currently operating as a common risk management and insurance program for 17 member governmental entities. This risk pool was formed in 1986. The purpose of the risk pool is to provide a medium for the funding and administration of group insurance plans for the benefit of the members' employees. Employees of the School Corporation pay an annual premium to the risk pool for medical coverage. The risk pool is considered a self-sustaining risk pool that will provide coverage for its members for up to \$250,000 per insured event. The risk pool obtains independent coverage for insured events in excess of the \$250,000 to \$5,000,000 limit.

B. Holding Corporation

The School Corporation has entered into a capital lease with Tri-County School Building Corporation (the lessor). The lessor was organized as a not-for-profit corporation pursuant to state statute for the purpose of financing and constructing or reconstructing facilities for lease to the School Corporation. The lessor has been determined to be a related party of the School Corporation. Lease payments during the fiscal years ended 2009 and 2010 totaled \$1,164,000, and \$1,166,500 respectively.

C. Other Postemployment Benefits

Single-Employer Defined Benefit Healthcare Plan

Plan Description

Anthem Blue Cross Blue Shield is a single-employer defined benefit healthcare plan administered by Midwest Area School Employee's Insurance Trust. The plan provides medical insurance to eligible retirees and their spouses. Midwest Area School Employee's Insurance Trust assigns

TRI-COUNTY SCHOOL CORPORATION
NOTES TO FINANCIAL STATEMENTS
(Continued)

the authority to establish and amend benefit provisions to the participating schools. The risk pool 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:

Midwest Area School Employee's Insurance Trust
328 N. Market Street
Monon, IN 47959

Funding Policy

The contribution requirements of plan members for the year are established by the School Corporation's governing board. The required contribution is based on projected pay-as-you-go financing requirements. For the fiscal year ended June 30, 2009, the School Corporation contributed \$25,792, to the plan. Plan members receiving benefits contributed \$21,402, or approximately 45% of the total premiums, through their required contribution of \$409 per month for retiree-only coverage and \$618 for retiree and spouse coverage. For the fiscal year ended June 30, 2010, the School Corporation contributed \$46,842 to the plan. Plan members receiving benefits contributed \$32,359, or approximately 41% of the total premiums, through their required contribution of \$469 per month for retiree-only coverage and \$708 for retiree and spouse coverage.

D. Pension Plans

1. Agent Multiple-Employer Defined Benefit 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 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

TRI-COUNTY SCHOOL CORPORATION
NOTES TO FINANCIAL STATEMENTS
(Continued)

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 Unitttype during the period were \$229,714.

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

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 period were \$424,882.

TRI-COUNTY SCHOOL CORPORATION
 COMBINING SCHEDULE OF ASSETS AND FUND BALANCES AND RECEIPTS,
 DISBURSEMENTS, AND CHANGES IN FUND BALANCES - CASH AND INVESTMENT BASIS
 OTHER GOVERNMENTAL FUNDS
 For the Year Ended June 30, 2009

	Special Education Preschool	School Lunch	Textbook Rental	Educational License Plate	High Ability 07-08	High Ability 08-09
Receipts:						
Local sources	\$ 9,166	\$ 175,711	\$ 49,568	\$ -	\$ -	\$ -
Intermediate sources	-	-	-	263	-	-
State sources	28,058	5,214	18,252	-	-	28,603
Federal sources	-	133,471	-	-	-	-
Other	-	-	31	-	-	-
Total receipts	<u>37,224</u>	<u>314,396</u>	<u>67,851</u>	<u>263</u>	<u>-</u>	<u>28,603</u>
Disbursements:						
Current:						
Instruction	-	-	-	-	2,232	27,311
Support services	-	-	76,729	-	-	-
Noninstructional services	-	313,071	-	-	-	-
Debt services	-	-	-	-	-	-
Nonprogrammed charges	33,000	-	-	-	-	-
Total disbursements	<u>33,000</u>	<u>313,071</u>	<u>76,729</u>	<u>-</u>	<u>2,232</u>	<u>27,311</u>
Excess (deficiency) of receipts over disbursements	<u>4,224</u>	<u>1,325</u>	<u>(8,878)</u>	<u>263</u>	<u>(2,232)</u>	<u>1,292</u>
Other financing sources (uses):						
Transfers in	-	-	228	-	-	-
Transfers out	(873)	-	-	-	-	-
Total other financing sources (uses)	<u>(873)</u>	<u>-</u>	<u>228</u>	<u>-</u>	<u>-</u>	<u>-</u>
Excess (deficiency) of receipts and other financing sources over disbursements and other financing uses	3,351	1,325	(8,650)	263	(2,232)	1,292
Cash and investments - beginning	<u>17,121</u>	<u>30,925</u>	<u>40,468</u>	<u>3,150</u>	<u>2,232</u>	<u>-</u>
Cash and investments - ending	<u>\$ 20,472</u>	<u>\$ 32,250</u>	<u>\$ 31,818</u>	<u>\$ 3,413</u>	<u>\$ -</u>	<u>\$ 1,292</u>
Cash and Investment Assets - Ending						
Cash and investments	\$ 20,472	\$ 32,250	\$ 31,818	\$ 3,413	\$ -	\$ 1,292
Restricted assets:						
Cash and investments	-	-	-	-	-	-
Total cash and investment assets - ending	<u>\$ 20,472</u>	<u>\$ 32,250</u>	<u>\$ 31,818</u>	<u>\$ 3,413</u>	<u>\$ -</u>	<u>\$ 1,292</u>
Cash and Investment Fund Balance - Ending						
Restricted for:						
Debt service	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Unrestricted	<u>20,472</u>	<u>32,250</u>	<u>31,818</u>	<u>3,413</u>	<u>-</u>	<u>1,292</u>
Total cash and investment fund balance - ending	<u>\$ 20,472</u>	<u>\$ 32,250</u>	<u>\$ 31,818</u>	<u>\$ 3,413</u>	<u>\$ -</u>	<u>\$ 1,292</u>

TRI-COUNTY SCHOOL CORPORATION
 COMBINING SCHEDULE OF ASSETS AND FUND BALANCES AND RECEIPTS,
 DISBURSEMENTS, AND CHANGES IN FUND BALANCES - CASH AND INVESTMENT BASIS
 OTHER GOVERNMENTAL FUNDS
 For the Year Ended June 30, 2009
 (Continued)

	Drug Free Communities	Non-English Speaking Program	School Technology	Title I FY 2008	Title I FY 2009	Title V Part A Innovative Educational Programs FY 2006
Receipts:						
Local sources	\$ -	\$ -	\$ 13,033	\$ -	\$ -	\$ -
Intermediate sources	7,300	-	-	-	-	-
State sources	-	-	-	-	-	-
Federal sources	-	-	-	-	98,617	-
Other	-	-	-	-	-	-
Total receipts	7,300	-	13,033	-	98,617	-
Disbursements:						
Current:						
Instruction	-	-	-	3,698	88,770	-
Support services	5,341	-	16,872	-	-	1,256
Noninstructional services	-	-	-	363	-	-
Debt services	-	-	-	-	-	-
Nonprogrammed charges	-	-	-	-	-	-
Total disbursements	5,341	-	16,872	4,061	88,770	1,256
Excess (deficiency) of receipts over disbursements	1,959	-	(3,839)	(4,061)	9,847	(1,256)
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	1,959	-	(3,839)	(4,061)	9,847	(1,256)
Cash and investments - beginning	1,529	20	39,075	4,061	-	1,256
Cash and investments - ending	\$ 3,488	\$ 20	\$ 35,236	\$ -	\$ 9,847	\$ -
Cash and Investment Assets - Ending						
Cash and investments	\$ 3,488	\$ 20	\$ 35,236	\$ -	\$ 9,847	\$ -
Restricted assets:						
Cash and investments	-	-	-	-	-	-
Total cash and investment assets - ending	\$ 3,488	\$ 20	\$ 35,236	\$ -	\$ 9,847	\$ -
Cash and Investment Fund Balance - Ending						
Restricted for:						
Debt service	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Unrestricted	3,488	20	35,236	-	9,847	-
Total cash and investment fund balance - ending	\$ 3,488	\$ 20	\$ 35,236	\$ -	\$ 9,847	\$ -

TRI-COUNTY SCHOOL CORPORATION
 COMBINING SCHEDULE OF ASSETS AND FUND BALANCES AND RECEIPTS,
 DISBURSEMENTS, AND CHANGES IN FUND BALANCES - CASH AND INVESTMENT BASIS
 OTHER GOVERNMENTAL FUNDS
 For the Year Ended June 30, 2009
 (Continued)

	Title V Part A Innovative Educational Programs FY 2007	Drug Free Schools	Drug Free Title V Part A FY 2007	Medicaid Reimbursement	Alternative Power/Energy Grant	Alternative Energy Wired
Receipts:						
Local sources	\$ -	\$ -	\$ -	\$ -	\$ 28,753	\$ -
Intermediate sources	-	-	-	-	-	-
State sources	-	-	-	-	-	-
Federal sources	1,213	-	2,536	-	-	9,507
Other	-	-	-	-	-	-
Total receipts	1,213	-	2,536	-	28,753	9,507
Disbursements:						
Current:						
Instruction	-	478	-	-	-	4,983
Support services	-	40	2,139	244	-	4,524
Noninstructional services	-	100	69	-	-	-
Debt services	-	-	-	-	-	-
Nonprogrammed charges	-	-	-	-	-	-
Total disbursements	-	618	2,208	244	-	9,507
Excess (deficiency) of receipts over disbursements	1,213	(618)	328	(244)	28,753	-
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	1,213	(618)	328	(244)	28,753	-
Cash and investments - beginning	-	618	-	32,577	(28,753)	-
Cash and investments - ending	\$ 1,213	\$ -	\$ 328	\$ 32,333	\$ -	\$ -
<u>Cash and Investment Assets - Ending</u>						
Cash and investments	\$ 1,213	\$ -	\$ 328	\$ 32,333	\$ -	\$ -
Restricted assets:						
Cash and investments	-	-	-	-	-	-
Total cash and investment assets - ending	\$ 1,213	\$ -	\$ 328	\$ 32,333	\$ -	\$ -
<u>Cash and Investment Fund Balance - Ending</u>						
Restricted for:						
Debt service	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Unrestricted	1,213	-	328	32,333	-	-
Total cash and investment fund balance - ending	\$ 1,213	\$ -	\$ 328	\$ 32,333	\$ -	\$ -

TRI-COUNTY SCHOOL CORPORATION
 COMBINING SCHEDULE OF ASSETS AND FUND BALANCES AND RECEIPTS,
 DISBURSEMENTS, AND CHANGES IN FUND BALANCES - CASH AND INVESTMENT BASIS
 OTHER GOVERNMENTAL FUNDS
 For the Year Ended June 30, 2009
 (Continued)

	Project Lead the Way (WIRED)	Project Lead the Way (Perkins)	Title II Part A Improving Teacher Quality	Retirement/ Severance Bond Debt	School Bus Replacement	Totals
Receipts:						
Local sources	\$ -	\$ -	\$ -	\$ 310,339	\$ 61,052	\$ 647,622
Intermediate sources	-	-	-	-	-	7,563
State sources	-	-	-	-	-	80,127
Federal sources	14,960	20,000	28,060	-	-	308,364
Other	-	-	-	-	-	31
Total receipts	<u>14,960</u>	<u>20,000</u>	<u>28,060</u>	<u>310,339</u>	<u>61,052</u>	<u>1,043,707</u>
Disbursements:						
Current:						
Instruction	14,960	20,000	-	-	-	162,432
Support services	-	-	30,741	-	-	137,886
Noninstructional services	-	-	-	-	-	313,603
Debt services	-	-	-	281,208	-	281,208
Nonprogrammed charges	-	-	-	-	-	33,000
Total disbursements	<u>14,960</u>	<u>20,000</u>	<u>30,741</u>	<u>281,208</u>	<u>-</u>	<u>928,129</u>
Excess (deficiency) of receipts over disbursements	-	-	(2,681)	29,131	61,052	115,578
Other financing sources (uses):						
Transfers in	-	-	-	-	-	228
Transfers out	-	-	-	(29,965)	(105,792)	(136,630)
Total other financing sources (uses)	<u>-</u>	<u>-</u>	<u>-</u>	<u>(29,965)</u>	<u>(105,792)</u>	<u>(136,402)</u>
Excess (deficiency) of receipts and other financing sources over disbursements and other financing uses	-	-	(2,681)	(834)	(44,740)	(20,824)
Cash and investments - beginning	-	-	12,865	(140,311)	54,076	70,909
Cash and investments - ending	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 10,184</u>	<u>\$ (141,145)</u>	<u>\$ 9,336</u>	<u>\$ 50,085</u>
Cash and Investment Assets - Ending						
Cash and investments	\$ -	\$ -	\$ 10,184	\$ -	\$ 9,336	\$ 191,230
Restricted assets:						
Cash and investments	-	-	-	(141,145)	-	(141,145)
Total cash and investment assets - ending	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 10,184</u>	<u>\$ (141,145)</u>	<u>\$ 9,336</u>	<u>\$ 50,085</u>
Cash and Investment Fund Balance - Ending						
Restricted for:						
Debt service	\$ -	\$ -	\$ -	\$ (141,145)	\$ -	\$ (141,145)
Unrestricted	-	-	10,184	-	9,336	191,230
Total cash and investment fund balance - ending	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 10,184</u>	<u>\$ (141,145)</u>	<u>\$ 9,336</u>	<u>\$ 50,085</u>

TRI-COUNTY SCHOOL CORPORATION
 COMBINING SCHEDULE OF ASSETS AND FUND BALANCES AND RECEIPTS,
 DISBURSEMENTS, AND CHANGES IN FUND BALANCES - CASH AND INVESTMENT BASIS
 OTHER GOVERNMENTAL FUNDS
 For the Year Ended June 30, 2010

	Special Education Preschool	School Lunch	Textbook Rental	Educational License Plate	High Ability 07-08	High Ability 08-09	Drug Free Communities
Receipts:							
Local sources	\$ -	\$ 171,375	\$ 48,983	\$ -	\$ -	\$ -	\$ -
Intermediate sources	-	-	-	150	-	-	6,375
State sources	16,500	5,039	15,144	-	28,316	-	-
Federal sources	-	162,518	-	-	-	-	-
Total receipts	16,500	338,932	64,127	150	28,316	-	6,375
Disbursements:							
Current:							
Instruction	-	-	-	-	25,025	1,292	-
Support services	-	-	80,552	-	-	-	4,413
Noninstructional services	-	322,227	-	-	-	-	-
Facilities acquisition and construction	-	-	-	-	-	-	-
Debt services	-	-	-	-	-	-	-
Total disbursements	-	322,227	80,552	-	25,025	1,292	4,413
Excess (deficiency) of receipts over disbursements	16,500	16,705	(16,425)	150	3,291	(1,292)	1,962
Other financing sources (uses):							
Proceeds of long-term debt	-	-	-	-	-	-	-
Transfers in	-	-	-	-	-	-	-
Transfers out	(36,971)	-	-	-	-	-	-
Total other financing sources (uses)	(36,971)	-	-	-	-	-	-
Excess (deficiency) of receipts and other financing sources over disbursements and other financing uses	(20,471)	16,705	(16,425)	150	3,291	(1,292)	1,962
Cash and investments - beginning	20,472	32,250	31,818	3,413	-	1,292	3,488
Cash and investments - ending	\$ 1	\$ 48,955	\$ 15,393	\$ 3,563	\$ 3,291	\$ -	\$ 5,450
Cash and Investment Assets - Ending							
Cash and investments	\$ 1	\$ 48,955	\$ 15,393	\$ 3,563	\$ 3,291	\$ -	\$ 5,450
Restricted assets:							
Cash and investments	-	-	-	-	-	-	-
Total cash and investment assets - ending	\$ 1	\$ 48,955	\$ 15,393	\$ 3,563	\$ 3,291	\$ -	\$ 5,450
Cash and Investment Fund Balance - Ending							
Restricted for:							
Debt service	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Unrestricted	1	48,955	15,393	3,563	3,291	-	5,450
Total cash and investment fund balance - ending	\$ 1	\$ 48,955	\$ 15,393	\$ 3,563	\$ 3,291	\$ -	\$ 5,450

TRI-COUNTY SCHOOL CORPORATION
 COMBINING SCHEDULE OF ASSETS AND FUND BALANCES AND RECEIPTS,
 DISBURSEMENTS, AND CHANGES IN FUND BALANCES - CASH AND INVESTMENT BASIS
 OTHER GOVERNMENTAL FUNDS
 For the Year Ended June 30, 2010
 (Continued)

	Medicaid Reimbursement	Non-English Speaking Program	School Technology	PTRC Excess Holding	Title I FY 2009	Title I FY 2010	Title V Part A Innovative Educational Programs FY 2007
Receipts:							
Local sources	\$ -	\$ -	\$ 8,694	\$ 57,267	\$ -	\$ -	\$ -
Intermediate sources	-	-	-	-	-	-	-
State sources	3,147	-	-	-	-	-	-
Federal sources	-	-	-	-	-	100,074	473
Total receipts	3,147	-	8,694	57,267	-	100,074	473
Disbursements:							
Current:							
Instruction	-	-	-	-	4,580	94,960	1,686
Support services	-	-	660	-	-	-	-
Noninstructional services	-	-	-	-	-	-	-
Facilities acquisition and construction	-	-	-	-	-	-	-
Debt services	-	-	-	-	-	-	-
Total disbursements	-	-	660	-	4,580	94,960	1,686
Excess (deficiency) of receipts over disbursements	3,147	-	8,034	57,267	(4,580)	5,114	(1,213)
Other financing sources (uses):							
Proceeds of long-term debt	-	-	-	-	-	-	-
Transfers in	-	-	-	-	-	5,267	-
Transfers out	(2,709)	-	-	-	(5,267)	-	-
Total other financing sources (uses)	(2,709)	-	-	-	(5,267)	5,267	-
Excess (deficiency) of receipts and other financing sources over disbursements and other financing uses	438	-	8,034	57,267	(9,847)	10,381	(1,213)
Cash and investments - beginning	-	20	35,236	-	9,847	-	1,213
Cash and investments - ending	\$ 438	\$ 20	\$ 43,270	\$ 57,267	\$ -	\$ 10,381	\$ -
Cash and Investment Assets - Ending							
Cash and investments	\$ 438	\$ 20	\$ 43,270	\$ 57,267	\$ -	\$ 10,381	\$ -
Restricted assets:							
Cash and investments	-	-	-	-	-	-	-
Total cash and investment assets - ending	\$ 438	\$ 20	\$ 43,270	\$ 57,267	\$ -	\$ 10,381	\$ -
Cash and Investment Fund Balance - Ending							
Restricted for:							
Debt service	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Unrestricted	438	20	43,270	57,267	-	10,381	-
Total cash and investment fund balance - ending	\$ 438	\$ 20	\$ 43,270	\$ 57,267	\$ -	\$ 10,381	\$ -

TRI-COUNTY SCHOOL CORPORATION
 COMBINING SCHEDULE OF ASSETS AND FUND BALANCES AND RECEIPTS,
 DISBURSEMENTS, AND CHANGES IN FUND BALANCES - CASH AND INVESTMENT BASIS
 OTHER GOVERNMENTAL FUNDS
 For the Year Ended June 30, 2010
 (Continued)

	Drug Free Title V Part A FY 2007	Drug Free Title V Part A FY 2008	Medicaid Reimbursement	Tech Prep (Perkins)	Title II Part A Improving Teacher Quality SY 2009	Title II Part A Improving Teacher Quality SY 2008
Receipts:						
Local sources	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Intermediate sources	-	-	-	-	-	-
State sources	-	-	-	-	-	-
Federal sources	-	1,897	8,692	3,167	6,716	29,499
Total receipts	-	1,897	8,692	3,167	6,716	29,499
Disbursements:						
Current:						
Instruction	172	-	-	19,723	-	-
Support services	-	1,600	800	-	12,140	17,452
Noninstructional services	156	-	-	-	-	-
Facilities acquisition and construction	-	-	-	-	-	-
Debt services	-	-	-	-	-	-
Total disbursements	328	1,600	800	19,723	12,140	17,452
Excess (deficiency) of receipts over disbursements	(328)	297	7,892	(16,556)	(5,424)	12,047
Other financing sources (uses):						
Proceeds of long-term debt	-	-	-	-	-	-
Transfers in	-	-	-	-	-	-
Transfers out	-	-	-	-	-	-
Total other financing sources (uses)	-	-	-	-	-	-
Excess (deficiency) of receipts and other financing sources over disbursements and other financing uses	(328)	297	7,892	(16,556)	(5,424)	12,047
Cash and investments - beginning	328	-	32,333	-	10,184	-
Cash and investments - ending	\$ -	\$ 297	\$ 40,225	\$ (16,556)	\$ 4,760	\$ 12,047
Cash and Investment Assets - Ending						
Cash and investments	\$ -	\$ 297	\$ 40,225	\$ (16,556)	\$ 4,760	\$ 12,047
Restricted assets:						
Cash and investments	-	-	-	-	-	-
Total cash and investment assets - ending	\$ -	\$ 297	\$ 40,225	\$ (16,556)	\$ 4,760	\$ 12,047
Cash and Investment Fund Balance - Ending						
Restricted for:						
Debt service	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Unrestricted	-	297	40,225	(16,556)	4,760	12,047
Total cash and investment fund balance - ending	\$ -	\$ 297	\$ 40,225	\$ (16,556)	\$ 4,760	\$ 12,047

TRI-COUNTY SCHOOL CORPORATION
 COMBINING SCHEDULE OF ASSETS AND FUND BALANCES AND RECEIPTS,
 DISBURSEMENTS, AND CHANGES IN FUND BALANCES - CASH AND INVESTMENT BASIS
 OTHER GOVERNMENTAL FUNDS
 For the Year Ended June 30, 2010
 (Continued)

	Title I Stimulus	Special Education Stimulus	Retirement/ Severance Bond Debt	School Bus Replacement	Construction	Totals
Receipts:						
Local sources	\$ -	\$ -	\$ 422,249	\$ 102,641	\$ 372	\$ 811,581
Intermediate sources	-	-	-	-	-	6,525
State sources	-	-	-	-	-	68,146
Federal sources	26,596	146,393	-	-	-	486,025
Total receipts	<u>26,596</u>	<u>146,393</u>	<u>422,249</u>	<u>102,641</u>	<u>372</u>	<u>1,372,277</u>
Disbursements:						
Current:						
Instruction	21,769	139,782	-	-	-	308,989
Support services	5,313	-	-	-	-	122,930
Noninstructional services	-	-	-	-	-	322,383
Facilities acquisition and construction	-	-	-	-	1,086,926	1,086,926
Debt services	-	-	282,768	-	-	282,768
Total disbursements	<u>27,082</u>	<u>139,782</u>	<u>282,768</u>	<u>-</u>	<u>1,086,926</u>	<u>2,123,996</u>
Excess (deficiency) of receipts over disbursements	(486)	6,611	139,481	102,641	(1,086,554)	(751,719)
Other financing sources (uses):						
Proceeds of long-term debt	-	-	-	-	1,150,000	1,150,000
Transfers in	-	-	13,195	2,547	-	21,009
Transfers out	-	-	-	-	-	(44,947)
Total other financing sources (uses)	<u>-</u>	<u>-</u>	<u>13,195</u>	<u>2,547</u>	<u>1,150,000</u>	<u>1,126,062</u>
Excess (deficiency) of receipts and other financing sources over disbursements and other financing uses	(486)	6,611	152,676	105,188	63,446	374,343
Cash and investments - beginning	-	-	(141,145)	9,336	-	50,085
Cash and investments - ending	<u>\$ (486)</u>	<u>\$ 6,611</u>	<u>\$ 11,531</u>	<u>\$ 114,524</u>	<u>\$ 63,446</u>	<u>\$ 424,428</u>
Cash and Investment Assets - Ending						
Cash and investments	\$ (486)	\$ 6,611	\$ -	\$ 114,524	\$ 63,446	\$ 412,897
Restricted assets:						
Cash and investments	-	-	11,531	-	-	11,531
Total cash and investment assets - ending	<u>\$ (486)</u>	<u>\$ 6,611</u>	<u>\$ 11,531</u>	<u>\$ 114,524</u>	<u>\$ 63,446</u>	<u>\$ 424,428</u>
Cash and Investment Fund Balance - Ending						
Restricted for:						
Debt service	\$ -	\$ -	\$ 11,531	\$ -	\$ -	\$ 11,531
Unrestricted	(486)	6,611	-	114,524	63,446	412,897
Total cash and investment fund balance - ending	<u>\$ (486)</u>	<u>\$ 6,611</u>	<u>\$ 11,531</u>	<u>\$ 114,524</u>	<u>\$ 63,446</u>	<u>\$ 424,428</u>

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

	Ruth Richart Scholarship	White County Health Department Grant	Pampel Educational Grant 08/09	REMC Grant	TC Foundation Grant	Totals
Additions:						
Contributions:						
Other	\$ -	\$ 2,000	\$ 20,000	\$ 2,500	\$ 17,500	\$ 42,000
Investment earnings:						
Interest	375	-	-	-	-	375
Total additions	375	2,000	20,000	2,500	17,500	42,375
Deductions:						
Administrative and general	500	1,460	19,106	-	10,494	31,560
Excess (deficiency) of total additions over total deductions	(125)	540	894	2,500	7,006	10,815
Cash and investment fund balance - beginning	22,553	-	-	-	-	22,553
Cash and investments - June 30	<u>\$ 22,428</u>	<u>\$ 540</u>	<u>\$ 894</u>	<u>\$ 2,500</u>	<u>\$ 7,006</u>	<u>\$ 33,368</u>
Net assets:						
Cash and investments	\$ 22,428	\$ 540	\$ 894	\$ 2,500	\$ 7,006	\$ 33,368
Total net assets - cash and investment basis held in trust	<u>\$ 22,428</u>	<u>\$ 540</u>	<u>\$ 894</u>	<u>\$ 2,500</u>	<u>\$ 7,006</u>	<u>\$ 33,368</u>

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

	Ruth Richart Scholarship	White County Health Department Grant	Pampel Educational Grant 08/09	Pampel Educational Grant 09/10	REMC Grant	TC Foundation Grant
Additions:						
Contributions:						
Other	\$ -	\$ 2,000	\$ -	\$ 13,250	\$ -	\$ 20,211
Investment earnings:						
Interest	172	-	-	-	-	-
Total additions	172	2,000	-	13,250	-	20,211
Deductions:						
Administrative and general	1,500	540	894	11,168	2,500	19,090
Excess (deficiency) of total additions over total deductions	(1,328)	1,460	(894)	2,082	(2,500)	1,121
Cash and investment fund balance - beginning	22,428	540	894	-	2,500	7,006
Cash and investments - June 30	<u>\$ 21,100</u>	<u>\$ 2,000</u>	<u>\$ -</u>	<u>\$ 2,082</u>	<u>\$ -</u>	<u>\$ 8,127</u>
Net assets:						
Cash and investments	<u>\$ 21,100</u>	<u>\$ 2,000</u>	<u>\$ -</u>	<u>\$ 2,082</u>	<u>\$ -</u>	<u>\$ 8,127</u>
Total net assets - cash and investment basis held in trust	<u>\$ 21,100</u>	<u>\$ 2,000</u>	<u>\$ -</u>	<u>\$ 2,082</u>	<u>\$ -</u>	<u>\$ 8,127</u>

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

	Wind Farm Academic Programs	Wind Farm Employee Enhancement	Wind Farm TC Educational Foundation	SIA Foundation Grant	Totals
Additions:					
Contributions:					
Other	\$ 76,500	\$ 76,500	\$ 102,000	\$ 1,290	\$ 291,751
Investment earnings:					
Interest	33	33	-	-	238
Total additions	76,533	76,533	102,000	1,290	291,989
Deductions:					
Administrative and general	-	-	102,000	-	137,692
Excess (deficiency) of total additions over total deductions	76,533	76,533	-	1,290	154,297
Cash and investment fund balance - beginning	-	-	-	-	33,368
Cash and investments - June 30	<u>\$ 76,533</u>	<u>\$ 76,533</u>	<u>\$ -</u>	<u>\$ 1,290</u>	<u>\$ 187,665</u>
Net assets:					
Cash and investments	\$ 76,533	\$ 76,533	\$ -	\$ 1,290	\$ 187,665
Total net assets - cash and investment basis held in trust	<u>\$ 76,533</u>	<u>\$ 76,533</u>	<u>\$ -</u>	<u>\$ 1,290</u>	<u>\$ 187,665</u>

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

	<u>Federal Tax</u>	<u>Teaching Social Security</u>	<u>Non-Teaching Social Security</u>	<u>State Tax</u>	<u>County Tax</u>	<u>PERF</u>
Additions:						
Agency fund additions	\$ 430,841	\$ 236,895	\$ 75,599	\$ 145,244	\$ 86,701	\$ 32,485
Deductions:						
Agency fund deductions	<u>430,841</u>	<u>236,895</u>	<u>75,599</u>	<u>145,244</u>	<u>86,701</u>	<u>32,485</u>
Excess (deficiency) of total additions over total deductions	-	-	-	-	-	-
Cash and investment fund balance - beginning	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Cash and investment fund balance - ending	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>

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

	Health Insurance	Health Insurance Section 125	Dental Insurance	Dental Insurance Section 125	AFLAC	AFLAC Section 125
Additions:						
Agency fund additions	\$ 25,285	\$ 257,725	\$ 1,266	\$ 25,432	\$ 2,889	\$ 43,748
Deductions:						
Agency fund deductions	<u>27,961</u>	<u>258,532</u>	<u>1,250</u>	<u>25,402</u>	<u>2,889</u>	<u>43,748</u>
Excess (deficiency) of total additions over total deductions	(2,676)	(807)	16	30	-	-
Cash and investment fund balance - beginning	<u>1,394</u>	<u>5,460</u>	<u>400</u>	<u>1,168</u>	<u>-</u>	<u>-</u>
Cash and investment fund balance - ending	<u>\$ (1,282)</u>	<u>\$ 4,653</u>	<u>\$ 416</u>	<u>\$ 1,198</u>	<u>\$ -</u>	<u>\$ -</u>

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

	Life Insurance	Pre-Paid Legal Service	American United Life TSA	Equitable Life Assurance TSA	Horace Mann Life TSA	Waddle & Reed TSA
Additions: Agency fund additions	\$ 1,025	\$ 794	\$ 7,900	\$ 1,716	\$ 36,969	\$ 1,100
Deductions: Agency fund deductions	<u>1,028</u>	<u>794</u>	<u>7,900</u>	<u>1,716</u>	<u>36,969</u>	<u>1,100</u>
Excess (deficiency) of total additions over total deductions	(3)	-	-	-	-	-
Cash and investment fund balance - beginning	<u>63</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Cash and investment fund balance - ending	<u>\$ 60</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>

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

	Western Reserve Life TSA	TIAA CREE TSA	TSA Standard	457B TIAA-CREE	Rith Standard	Garnishment
Additions:						
Agency fund additions	\$ 2,500	\$ 45,504	\$ 42,987	\$ 4,375	\$ 38,416	\$ 4,815
Deductions:						
Agency fund deductions	<u>2,500</u>	<u>45,504</u>	<u>42,987</u>	<u>4,375</u>	<u>38,416</u>	<u>4,815</u>
Excess (deficiency) of total additions over total deductions	-	-	-	-	-	-
Cash and investment fund balance - beginning	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Cash and investment fund balance - ending	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>

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

	Child Support ISETS	ISTA Dues	Medical Reimbursement Section 125	Pre-Paid Food	Totals
Additions:					
Agency fund additions	\$ 2,635	\$ 21,699	\$ 15,320	\$ 3,095	\$ 1,594,960
Deductions:					
Agency fund deductions	<u>2,635</u>	<u>21,699</u>	<u>15,320</u>	<u>278</u>	<u>1,595,583</u>
Excess (deficiency) of total additions over total deductions	-	-	-	2,817	(623)
Cash and investment fund balance - beginning	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>8,485</u>
Cash and investment fund balance - ending	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 2,817</u>	<u>\$ 7,862</u>

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

	Federal Tax	Teaching Social Security	Non-Teaching Social Security	State Tax	County Tax	PERF
Additions: Agency fund additions	\$ 377,118	\$ 253,210	\$ 80,460	\$ 144,593	\$ 82,626	\$ 34,997
Deductions: Agency fund deductions	377,118	253,210	80,460	144,593	82,626	34,997
Excess (deficiency) of total additions over total deductions	-	-	-	-	-	-
Cash and investment fund balance - beginning	-	-	-	-	-	-
Cash and investment fund balance - ending	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -

TRI-COUNTY SCHOOL CORPORATION
 COMBINING SCHEDULE OF ADDITIONS, DEDUCTIONS, AND CHANGES IN CASH AND INVESTMENT BALANCES
 AGENCY FUNDS
 For the Year Ended June 30, 2010
 (Continued)

	Health Insurance	Health Insurance Section 125	Dental Insurance	Dental Insurance Section 125	AFLAC	AFLAC Section 125
Additions: Agency fund additions	\$ 34,856	\$ 259,997	\$ 1,498	\$ 24,569	\$ 1,094	\$ 44,651
Deductions: Agency fund deductions	34,002	258,602	1,290	24,719	1,094	44,651
Excess (deficiency) of total additions over total deductions	854	1,395	208	(150)	-	-
Cash and investment fund balance - beginning	(1,282)	4,653	416	1,198	-	-
Cash and investment fund balance - ending	<u>\$ (428)</u>	<u>\$ 6,048</u>	<u>\$ 624</u>	<u>\$ 1,048</u>	<u>\$ -</u>	<u>\$ -</u>

TRI-COUNTY SCHOOL CORPORATION
 COMBINING SCHEDULE OF ADDITIONS, DEDUCTIONS, AND CHANGES IN CASH AND INVESTMENT BALANCES
 AGENCY FUNDS
 For the Year Ended June 30, 2010
 (Continued)

	Life Insurance	LTD Insurance	Pre-Paid Legal Service	TSA Standard	457B TIAA-CREE	Rith Standard
Additions:						
Agency fund additions	\$ 916	\$ 20	\$ 622	\$ 81,945	\$ 5,000	\$ 67,463
Deductions:						
Agency fund deductions	925	20	622	81,945	5,000	67,463
Excess (deficiency) of total additions over total deductions	(9)	-	-	-	-	-
Cash and investment fund balance - beginning	60	-	-	-	-	-
Cash and investment fund balance - ending	<u>\$ 51</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>

TRI-COUNTY SCHOOL CORPORATION
 COMBINING SCHEDULE OF ADDITIONS, DEDUCTIONS, AND CHANGES IN CASH AND INVESTMENT BALANCES
 AGENCY FUNDS
 For the Year Ended June 30, 2010
 (Continued)

	<u>Garnishment</u>	<u>ISTA Dues</u>	<u>Medical Reimbursement Section 125</u>	<u>Pre-Paid Food</u>	<u>Totals</u>
Additions:					
Agency fund additions	\$ 4,981	\$ 24,485	\$ 15,665	\$ 374	\$ 1,541,140
Deductions:					
Agency fund deductions	4,981	24,485	15,665	70	1,538,538
Excess (deficiency) of total additions over total deductions	-	-	-	304	2,602
Cash and investment fund balance - beginning	-	-	-	2,817	7,862
Cash and investment fund balance - ending	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 3,121</u>	<u>\$ 10,464</u>

TRI-COUNTY SCHOOL CORPORATION
 SUPPLEMENTARY INFORMATION
 SCHEDULE OF CAPITAL ASSETS
 For The Year Ended 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.

General infrastructure assets (those reported by governmental activities) are included regardless of their acquisition date or amount. The government was able to estimate the historical cost for the initial reporting of these assets through backtrending (i.e., estimating the current replacement cost of the infrastructure to be capitalized and using an appropriate price-level index to deflate the cost to the acquisition year or estimated acquisition year). As the government constructs or acquires additional capital assets each period, including infrastructure assets, they are reported at historical cost.

General infrastructure assets have been reported.

<u>Primary Government</u>	<u>Ending Balance</u>
Governmental activities:	
Capital assets, not being depreciated:	
Land	\$ 104,300
Buildings	33,616,301
Machinery and equipment	<u>815,056</u>
 Total governmental activities, capital assets not being depreciated	 <u>\$ 34,535,657</u>

TRI-COUNTY SCHOOL CORPORATION
 SUPPLEMENTARY INFORMATION
 SCHEDULE OF LONG-TERM DEBT
 June 30, 2010

The School Corporation has entered into the following debt:

Description of Debt	Ending Principal Balance	Principal and Interest Due Within One Year
Governmental activities:		
Capital leases:		
Building lease - 2001 Issue	\$ 2,945,000	\$ 194,000
Building lease - 2008 Refunding	4,340,000	386,500
Bonds payable:		
General obligation bonds:		
Pension debt bonds	<u>1,655,000</u>	<u>281,208</u>
Total governmental activities debt	<u>\$ 8,940,000</u>	<u>\$ 861,708</u>

TRI-COUNTY SCHOOL CORPORATION
AUDIT RESULTS AND COMMENTS

OVERDRAWN FUND BALANCES

The General Fund, Transportation Operating Fund, Debt Service Fund, and Retirement/Severance Bond Debt Fund were overdrawn in 2009 and the Tech Prep (Perkins) Fund and Title I Stimulus Fund were overdrawn in 2010.

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

SEGREGATION OF DUTIES - INTERNAL CONTROLS
OVER FINANCIAL TRANSACTIONS AND REPORTING

Control activities were not selected and developed at various levels of the School Corporation to reduce risks to achievement of financial reporting objectives. The School Corporation has not separated incompatible activities related to all areas of the financial statements. The failure to establish these controls could enable material misstatements or irregularities to undetected.

Governmental units should have internal controls in effect which provide reasonable assurance regarding the reliability of financial information and records, effectiveness and efficiency of operations, proper execution of management's objectives, and compliance with laws and regulations. Among other things, segregation of duties, safeguarding controls over cash and all other assets and all forms of information processing are necessary for proper internal control. (Accounting and Uniform Compliance Guidelines Manual for Indiana Public School Corporations, Chapter 9)

SUPPLEMENTAL AUDIT OF
FEDERAL AWARDS



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 TRI-COUNTY SCHOOL CORPORATION, WHITE COUNTY, INDIANA

Compliance

We have audited the compliance of the Tri-County 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.

In our opinion, the School Corporation complied, in all material respects, with the requirements referred to above that are applicable to each of its other major federal programs for the years ended June 30, 2009 and 2010.

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)

Our consideration of internal control over compliance was for the limited purpose described in the preceding paragraph and would not necessarily identify all deficiencies in the entity's internal control that might be significant deficiencies or material weaknesses as defined below. However, as discussed below, we identified certain deficiencies in internal control over compliance that we consider to be significant deficiencies.

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. We consider the deficiencies in internal control over compliance described in item 2010-2, 2010-3, and 2010-4 of the accompanying Schedule of Findings and Questioned Costs to be significant deficiencies.

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. We did not consider any of the deficiencies described in the accompanying Schedule of Findings and Questioned Costs to be material weaknesses.

The School Corporation's response to the findings identified in our audit is described in the accompanying Corrective Action Plan. We did not audit the School Corporation's response and, accordingly, we express no opinion on it.

This report is intended solely for the information and use of the School Corporation's management, the School Board of Trustees, 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

November 22, 2010

TRI-COUNTY 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 06-30-09	Total Federal Awards Expended 06-30-10
U. S. DEPARTMENT OF AGRICULTURE				
Pass-Through Indiana Department of Education Child Nutrition Cluster School Breakfast Program	10.553		\$ 21,413	\$ 31,112
National School Lunch Program	10.555		129,714	152,557
Total for cluster			<u>151,127</u>	<u>183,669</u>
U. S. DEPARTMENT OF LABOR				
Pass-Through Purdue University H-IB Job Training Grants	17.268		24,467	-
U.S. DEPARTMENT OF EDUCATION				
Pass-Through Indiana Department of Education Title 1, Part A Cluster Title 1 Grants to Local Educational Agencies	84.010			
		FY 8535-07	4,061	-
		FY 8535-08	88,770	9,847
		FY 8535-09	-	94,960
Total for program			<u>92,831</u>	<u>104,807</u>
ARRA - Title 1 Grants to Local Educational Agencies, Recovery Act	84.389	SY 2009-2010	-	27,082
Total for cluster			<u>92,831</u>	<u>131,889</u>
Safe and Drug-Free Schools and Communities - State Grants	84.186			
		8535-06	618	-
		8535-07	2,208	-
		8535-08	-	328
		8535-09	-	1,600
Total for program			<u>2,826</u>	<u>1,928</u>
State Grants for Innovative Programs	84.298			
		8535-07	1,256	-
		8535-08	-	1,686
Total for program			<u>1,256</u>	<u>1,686</u>
Improving Teacher Quality State Grants	84.367			
		8535-06	12,865	-
		8535-07	17,876	10,184
		8535-08	-	17,452
		8535-09	-	1,956
Total for program			<u>30,741</u>	<u>29,592</u>
State Fiscal Stabilization Fund Cluster ARRA - State Fiscal Stabilization Fund - Education State Grants, Recovery Act	84.394		-	629,382
Total for federal grantor agency			<u>127,654</u>	<u>794,477</u>
Pass-Through Indiana Department of Workforce Development Tech-Prep Education	84.243			
		SY 08-09	20,000	-
		SY 09-10	-	19,723
Total for program			<u>20,000</u>	<u>19,723</u>
Pass-Through West Central School Corporation Special Education Cluster ARRA - Special Education-Grants to States (IDEA, Part B), Recovery Act IDEA Recovery Funds for Services to Students with Disabilities	84.391		-	139,782
Total federal awards expended			<u>\$ 323,248</u>	<u>\$ 1,137,651</u>

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

TRI-COUNTY 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 Tri-County 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 School Corporations with populations under 5,000 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 fiscal 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	\$ 17,656	\$ 21,151

TRI-COUNTY 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?	yes
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?	yes
Significant deficiencies identified that are not considered to be material weaknesses?	yes

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? yes

Identification of Major Programs:

CFDA Number	Name of Federal Program or Cluster
	Title I, Part A Cluster
	Special Education 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? no

Section II – Financial Statement Findings

FINDING 2010-1, INTERNAL CONTROLS OVER FINANCIAL TRANSACTIONS AND REPORTING

Control activities were not selected and developed at various levels of the School Corporation to reduce risks to achievement of financial reporting objectives. The School Corporation has not separated incompatible activities related to all areas of the financial statements. The failure to establish these controls could enable material misstatements or irregularities to undetected.

Governmental units should have internal controls in effect which provide reasonable assurance regarding the reliability of financial information and records, effectiveness and efficiency of operations, proper execution of management's objectives, and compliance with laws and regulations. Among other

TRI-COUNTY SCHOOL CORPORATION
SCHEDULE OF FINDINGS AND QUESTIONED COSTS
(Continued)

things, segregation of duties, safeguarding controls over cash and all other assets and all forms of information processing are necessary for proper internal control. (Accounting and Uniform Compliance Guidelines Manual for Indiana Public School Corporations, Chapter 9)

Section III – Federal Award Findings and Questioned Costs

Finding 2010-2 INTERNAL CONTROLS OVER FINANCIAL TRANSACTIONS AND REPORTING

Federal Agency: U.S. Department of Education
Pass-through: Indiana Department of Education
Federal Program: Title I, Part A Cluster
CFDA Number: 84.010

The financial records for federal funds received as a part of the Title I, Part A Cluster program are maintained in the School Corporation Business Office. Currently, due to the limited personnel in the School Corporation Business Office the School Corporation has not separated incompatible activities related to all areas of the financial statements. The failure to establish these controls could enable material misstatements to go undetected.

Circular A133 Subpart C section .300 states in part: "The auditee shall: . . . (b) Maintain internal control over Federal programs that provides reasonable assurance that the auditee is managing Federal awards in compliance with laws, regulations, and the provisions of contracts or grant agreements that could have a material effect on each of its Federal programs."

We recommended the School Corporation develop internal control procedures to properly segregate accounting activities in the School Corporation Business Office.

Finding 2010-3 INTERNAL CONTROLS OVER FINANCIAL TRANSACTIONS AND REPORTING

Federal Agency: U.S. Department of Education
Pass-through: Indiana Department of Education
Federal Program: Special Education Cluster
CFDA Number: 84.391

The financial records for federal funds received as a part of the Special Education - Grants to States (IDEA Part B), Recovery Act program are maintained in the School Corporation Business Office. Currently, due to the limited personnel in the School Corporation Business Office the School Corporation has not separated incompatible activities related to all areas of the financial statements. The failure to establish these controls could enable material misstatements to go undetected.

Circular A133 Subpart C section .300 states in part: "The auditee shall: . . . (b) Maintain internal control over Federal programs that provides reasonable assurance that the auditee is managing Federal awards in compliance with laws, regulations, and the provisions of contracts or grant agreements that could have a material effect on each of its Federal programs."

We recommended the School Corporation develop internal control procedures to properly segregate accounting activities in the School Corporation Business Office.

TRI-COUNTY SCHOOL CORPORATION
SCHEDULE OF FINDINGS AND QUESTIONED COSTS
(Continued)

Finding 2010-4 INTERNAL CONTROLS OVER FINANCIAL TRANSACTIONS AND REPORTING

Federal Agency: U.S. Department of Education
Pass-through: Indiana Department of Education
Federal Program: State Fiscal Stabilization Fund Cluster
CFDA Number: 84.394

The financial records for federal funds received as a part of the State Fiscal Stabilization Fund – Education State Grants, Recovery Act program are maintained in the School Corporation Business Office. Currently, due to the limited personnel in the School Corporation Business Office the School Corporation has not separated incompatible activities related to all areas of the financial statements. The failure to establish these controls could enable material misstatements to go undetected.

Circular A133 Subpart C section .300 states in part: "The auditee shall: . . . (b) Maintain internal control over Federal programs that provides reasonable assurance that the auditee is managing Federal awards in compliance with laws, regulations, and the provisions of contracts or grant agreements that could have a material effect on each of its Federal programs."

We recommended the School Corporation develop internal control procedures to properly segregate accounting activities in the School Corporation Business Office.

TRI-COUNTY SCHOOL CORPORATION
SUMMARY SCHEDULE OF PRIOR AUDIT FINDINGS

No matters are reportable.

TRI-COUNTY SCHOOL CORPORATION

105 N 2ND STREET
WOLCOTT, INDIANA 47995

DR. GILBERT L. CRIMMINS
SUPERINTENDENT

Phone: (219) 279-2418
Fax: (219) 279-2242
Email: tccorp@trico.k12.in.us

Corrective Action Plan 2008-2010

December 14, 2010

State Board of Accounts
302 West Washington Street
Room E418
Indianapolis, IN 46204-2765

Audit Contact: Marsha Bell, Treasurer
Phone: (219) 279-2418
Expected Completion Date: December 2011

Finding 2010-1, INTERNAL CONTROLS OVER FINANCIAL TRANSACTIONS AND REPORTING

The Management of Tri-County School Corporation has reviewed the Financial Statement Findings related to their audit for the years 2008-2010 and offers the following corrective action:

1. Lack of Segregation of Duties – Tri-County School Corporation will review their office procedures and attempt to institute duties that would involve, at least on a sample basis, reviews of the work being performed by each of the office employees. However, Tri-County School Corporation is a very small school corporation and management has determined that the cost associated with employing the additional staff necessary to properly segregate the duties in the business office would outweigh the benefits of a stronger internal control structure. Management acknowledges and assumes the risks inherent with the current design of their business office.

Finding No. 2010-2 INTERNAL CONTROLS OVER FINANCIAL TRANSACTIONS AND REPORTING

The Management of Tri-County School Corporation has reviewed the Financial Statement Findings related to their audit for the years 2008-2010 and offers the following corrective action:

1. Lack of Segregation of Duties – Tri-County School Corporation will review their office procedures and attempt to institute duties that would involve, at least on a sample basis, reviews of the work being performed by each of the office employees. However, Tri-County School Corporation is a very small school corporation and management has determined that the cost associated with employing the additional staff necessary to properly segregate the duties in the business office would outweigh the benefits of a stronger internal control structure. Management acknowledges and assumes the risks inherent with the current design of their business office.

Finding 2010-3, INTERNAL CONTROLS OVER FINANCIAL TRANSACTIONS AND REPORTING

The Management of Tri-County School Corporation has reviewed the Financial Statement Findings related to their audit for the years 2008-2010 and offers the following corrective action:

1. Lack of Segregation of Duties – Tri-County School Corporation will review their office procedures and attempt to institute duties that would involve, at least on a sample basis, reviews of the work being performed by each of the office employees. However, Tri-County School Corporation is a very small school corporation and management has determined that the cost associated with employing the additional staff necessary to properly segregate the duties in the business office would outweigh the benefits of a stronger internal control structure. Management acknowledges and assumes the risks inherent with the current design of their business office.

Finding 2010-4, INTERNAL CONTROLS OVER FINANCIAL TRANSACTIONS AND REPORTING

The Management of Tri-County School Corporation has reviewed the Financial Statement Findings related to their audit for the years 2008-2010 and offers the following corrective action:

1. Lack of Segregation of Duties – Tri-County School Corporation will review their office procedures and attempt to institute duties that would involve, at least on a sample basis, reviews of the work being performed by each of the office employees. However, Tri-County School Corporation is a very small school corporation and management has determined that the cost associated with employing the additional staff necessary to properly segregate the duties in the business office would outweigh the benefits of a stronger internal control structure. Management acknowledges and assumes the risks inherent with the current design of their business office.



Dr. Gilbert Crimmins
Superintendent



Marsha Bell
Treasurer

TRI-COUNTY SCHOOL CORPORATION
EXIT CONFERENCE

The contents of this report were discussed on December 14, 2010, with Marsha Bell, Treasurer; Dr. Gilbert Crimmins, Superintendent of Schools; and Don Pampel, President of the School Board.