

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

AUDIT REPORT  
OF

SOUTH VERMILLION COMMUNITY  
SCHOOL CORPORATION  
VERMILLION COUNTY, INDIANA

July 1, 2008 to June 30, 2010



**FILED**  
02/03/2011



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SCHEDULE OF OFFICIALS

<u>Office</u>	<u>Official</u>	<u>Term</u>
Business Manager	Cindy Guinn	01-01-08 to 12-31-10
Superintendent of Schools	David A. Chapman	07-01-08 to 06-30-13
President of the School Board	John Paul Roehm Susan Goodman Edward Shew	01-01-08 to 12-31-08 01-01-09 to 12-31-09 01-01-10 to 12-31-10



**STATE OF INDIANA**  
AN EQUAL OPPORTUNITY EMPLOYER

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

TO: THE OFFICIALS OF THE SOUTH VERMILLION COMMUNITY  
SCHOOL CORPORATION, VERMILLION COUNTY, INDIANA

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

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

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

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

In accordance with Government Auditing Standards, we have also issued a report dated November 29, 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 Schedule of Funding Progress is not a required part of the basic financial statements but is supplementary information required by accounting principles generally accepted in the United States of America. We have applied certain limited procedures, which consisted principally of inquiries of management, regarding the methods of measurement and presentation of the required supplementary information. However, we did not audit the information and express no opinion on it.

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

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 29, 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 SOUTH VERMILLION COMMUNITY  
SCHOOL CORPORATION, VERMILLION COUNTY, INDIANA

We have audited the financial statements of the governmental activities, each major fund, and the aggregate remaining fund information of the South Vermillion Community School Corporation (School Corporation), as of and for the years ended June 30, 2009 and 2010, which collectively comprise the School Corporation's basic financial statements and have issued our report thereon dated November 29, 2010. We conducted our audit in accordance with auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in Government Auditing Standards, issued by the Comptroller General of the United States.

Internal Control Over Financial Reporting

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

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

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

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

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

Compliance and Other Matters

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

This report is intended solely for the information and use of the School Corporation's management, 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 29, 2010

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

<u>Functions/Programs</u>	<u>Disbursements</u>	Program Receipts		<u>Net (Disbursement) Receipts and Changes in Net Assets</u>
		<u>Charges for Services</u>	<u>Operating Grants and Contributions</u>	<u>Totals</u>
Governmental activities:				
Instruction	\$ 8,806,174	\$ -	\$ 297,618	\$ (8,508,556)
Support services	6,450,297	862,600	1,548,674	(4,039,023)
Noninstructional services	1,628,366	-	-	(1,628,366)
Facilities acquisition and construction	1,566,876	-	-	(1,566,876)
Debt service	6,143,950	-	-	(6,143,950)
Nonprogrammed charges	436,634	-	-	(436,634)
<b>Total governmental activities</b>	<b><u>\$ 25,032,297</u></b>	<b><u>\$ 862,600</u></b>	<b><u>\$ 1,846,292</u></b>	<b><u>(22,323,405)</u></b>
General receipts:				
Property taxes				7,738,020
Other local sources				1,965,834
State aid				9,691,217
Bonds and loans				1,889,317
Grants and contributions not restricted to specific programs				548,353
Sale of property				200
Investment earnings				34,359
Other				18,277
<b>Total general receipts</b>				<b><u>21,885,577</u></b>
Change in net assets				(437,828)
Net assets - beginning				<u>2,459,780</u>
Net assets - ending				<b><u>\$ 2,021,952</u></b>
<u>Assets</u>				
Cash and investments				\$ 2,021,038
Restricted assets:				
Cash and investments				<u>914</u>
<b>Total assets</b>				<b><u>\$ 2,021,952</u></b>
<u>Net Assets</u>				
Restricted for:				
Debt service				\$ 914
Unrestricted				<u>2,021,038</u>
<b>Total net assets</b>				<b><u>\$ 2,021,952</u></b>

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

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

<u>Functions/Programs</u>	<u>Disbursements</u>	Program Receipts		<u>Net (Disbursement) Receipts and Changes in Net Assets</u>
		<u>Charges for Services</u>	<u>Operating Grants and Contributions</u>	<u>Totals</u>
Governmental activities:				
Instruction	\$ 9,550,241	\$ -	\$ 362,281	\$ (9,187,960)
Support services	5,908,754	991,272	1,145,362	(3,772,120)
Noninstructional services	1,609,979	-	-	(1,609,979)
Facilities acquisition and construction	1,641,576	-	-	(1,641,576)
Debt service	3,826,155	-	-	(3,826,155)
Nonprogrammed charges	230,094	-	-	(230,094)
<b>Total governmental activities</b>	<b><u>\$ 22,766,799</u></b>	<b><u>\$ 991,272</u></b>	<b><u>\$ 1,507,643</u></b>	<b><u>(20,267,884)</u></b>
General receipts:				
Property taxes				6,914,125
Other local sources				1,820,234
State aid				11,970,706
Bonds and loans				1,393,335
Grants and contributions not restricted to specific programs				502,061
Sale of property				60
Investment earnings				8,514
Other				13,185
<b>Total general receipts</b>				<b><u>22,622,220</u></b>
Change in net assets				2,354,336
Net assets - beginning				<u>2,021,952</u>
Net assets - ending				<b><u>\$ 4,376,288</u></b>
<u>Assets</u>				
Cash and investments				\$ 3,437,623
Restricted assets:				
Cash and investments				<u>938,665</u>
<b>Total assets</b>				<b><u>\$ 4,376,288</u></b>
<u>Net Assets</u>				
Restricted for:				
Debt service				\$ 938,665
Unrestricted				<u>3,437,623</u>
<b>Total net assets</b>				<b><u>\$ 4,376,288</u></b>

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

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

	General	Transportation Operating	School Lunch	PVETI 08-09	ARRA Fiscal Stabilization	Debt Service	Capital Projects	Other	Totals
<b>Receipts:</b>									
Local sources	\$ 3,447,071	\$ 802,565	\$ 516,161	\$ 780,505	\$ -	\$ 1,822,733	\$ 2,166,772	\$ 554,145	\$ 10,089,952
Intermediate sources	-	-	-	-	-	-	-	196,614	196,614
State sources	9,321,583	-	20,539	-	-	-	-	349,095	9,691,217
Federal sources	-	-	862,600	-	996,329	-	-	849,963	2,708,892
Temporary loans	714,630	169,029	-	-	-	-	1,005,658	-	1,889,317
Interfund loans	365,000	-	-	-	-	165,000	220,000	-	750,000
Other	16,271	1,612	-	394	-	-	-	-	18,277
<b>Total receipts</b>	<b>13,864,555</b>	<b>973,206</b>	<b>1,399,300</b>	<b>780,899</b>	<b>996,329</b>	<b>1,987,733</b>	<b>3,392,430</b>	<b>1,949,817</b>	<b>25,344,269</b>
<b>Disbursements:</b>									
<b>Current:</b>									
Instruction	7,433,124	-	-	368,572	377,807	-	-	626,671	8,806,174
Support services	3,386,576	788,507	-	148,329	129,685	-	942,070	1,055,130	6,450,297
Noninstructional services	217,312	-	1,389,428	-	8,135	-	-	13,491	1,628,366
Facilities acquisition and construction	-	-	-	-	-	-	1,292,736	274,140	1,566,876
Debt services	3,194,879	169,029	-	-	-	1,774,384	1,005,658	-	6,143,950
Nonprogrammed charges	428,520	-	-	881	-	-	-	7,233	436,634
Interfund loans	125,000	-	-	-	-	215,000	160,000	250,000	750,000
<b>Total disbursements</b>	<b>14,785,411</b>	<b>957,536</b>	<b>1,389,428</b>	<b>517,782</b>	<b>515,627</b>	<b>1,989,384</b>	<b>3,400,464</b>	<b>2,226,665</b>	<b>25,782,297</b>
Excess (deficiency) of receipts over disbursements	(920,856)	15,670	9,872	263,117	480,702	(1,651)	(8,034)	(276,848)	(438,028)
<b>Other financing sources (uses):</b>									
Sale of capital assets	200	-	-	-	-	-	-	-	200
Transfers in	1,771	-	-	69,732	-	-	-	25,168	96,671
Transfers out	-	-	-	-	-	-	-	(96,671)	(96,671)
<b>Total other financing sources (uses)</b>	<b>1,971</b>	<b>-</b>	<b>-</b>	<b>69,732</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>(71,503)</b>	<b>200</b>
Excess (deficiency) of receipts and other financing sources over disbursements and other financing uses	(918,885)	15,670	9,872	332,849	480,702	(1,651)	(8,034)	(348,351)	(437,828)
Cash and investments - beginning	920,002	154,790	342,096	-	-	2,565	192,807	847,520	2,459,780
Cash and investments - ending	\$ 1,117	\$ 170,460	\$ 351,968	\$ 332,849	\$ 480,702	\$ 914	\$ 184,773	\$ 499,169	\$ 2,021,952
<b>Cash and Investment Assets - Ending</b>									
Cash and investments	\$ 1,117	\$ 170,460	\$ 351,968	\$ 332,849	\$ 480,702	\$ -	\$ 184,773	\$ 499,169	\$ 2,021,038
Restricted assets:									
Cash and investments	-	-	-	-	-	914	-	-	914
<b>Total cash and investment assets - ending</b>	<b>\$ 1,117</b>	<b>\$ 170,460</b>	<b>\$ 351,968</b>	<b>\$ 332,849</b>	<b>\$ 480,702</b>	<b>\$ 914</b>	<b>\$ 184,773</b>	<b>\$ 499,169</b>	<b>\$ 2,021,952</b>
<b>Cash and Investment Fund Balance - Ending</b>									
Restricted for:									
Debt service	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 914	\$ -	\$ -	\$ 914
Unrestricted	1,117	170,460	351,968	332,849	480,702	-	184,773	499,169	2,021,038
<b>Total cash and investment fund balance - ending</b>	<b>\$ 1,117</b>	<b>\$ 170,460</b>	<b>\$ 351,968</b>	<b>\$ 332,849</b>	<b>\$ 480,702</b>	<b>\$ 914</b>	<b>\$ 184,773</b>	<b>\$ 499,169</b>	<b>\$ 2,021,952</b>

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

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

	General	Transportation Operating	School Lunch	PVETI 08-09	ARRA Fiscal Stabilization	Debt Service	Capital Projects	Other	Totals
<b>Receipts:</b>									
Local sources	\$ 344,843	\$ 1,244,025	\$ 442,112	\$ -	\$ -	\$ 2,704,434	\$ 3,298,738	\$ 1,062,174	\$ 9,096,326
Intermediate sources	-	-	-	-	-	-	-	148,608	148,608
State sources	11,638,047	-	20,269	-	-	-	-	312,390	11,970,706
Federal sources	-	-	991,272	-	409,473	-	-	1,098,170	2,498,915
Temporary loans	-	-	-	-	-	-	1,393,335	-	1,393,335
Interfund loans	-	-	-	-	-	120,000	35,000	250,000	405,000
Other	12,267	398	-	520	-	-	-	-	13,185
<b>Total receipts</b>	<b>11,995,157</b>	<b>1,244,423</b>	<b>1,453,653</b>	<b>520</b>	<b>409,473</b>	<b>2,824,434</b>	<b>4,727,073</b>	<b>2,871,342</b>	<b>25,526,075</b>
<b>Disbursements:</b>									
<b>Current:</b>									
Instruction	6,995,080	-	-	241,713	709,277	-	-	1,604,171	9,550,241
Support services	3,069,720	785,961	-	36,288	164,252	-	930,265	922,268	5,908,754
Noninstructional services	193,022	-	1,377,994	-	16,646	-	-	22,317	1,609,979
Facilities acquisition and construction	-	-	-	-	-	-	1,568,438	73,138	1,641,576
Debt services	714,630	-	-	-	-	1,718,190	1,393,335	-	3,826,155
Nonprogrammed charges	227,804	-	-	165	-	-	-	2,125	230,094
Interfund loans	240,000	-	-	-	-	165,000	-	-	405,000
<b>Total disbursements</b>	<b>11,440,256</b>	<b>785,961</b>	<b>1,377,994</b>	<b>278,166</b>	<b>890,175</b>	<b>1,883,190</b>	<b>3,892,038</b>	<b>2,624,019</b>	<b>23,171,799</b>
Excess (deficiency) of receipts over disbursements	554,901	458,462	75,659	(277,646)	(480,702)	941,244	835,035	247,323	2,354,276
<b>Other financing sources (uses):</b>									
Sale of capital assets	60	-	-	-	-	-	-	-	60
Transfers in	52,932	-	-	-	-	-	3,493	193,109	249,534
Transfers out	-	-	-	(55,203)	-	(3,493)	-	(190,838)	(249,534)
<b>Total other financing sources (uses)</b>	<b>52,992</b>	<b>-</b>	<b>-</b>	<b>(55,203)</b>	<b>-</b>	<b>(3,493)</b>	<b>3,493</b>	<b>2,271</b>	<b>60</b>
Excess (deficiency) of receipts and other financing sources over disbursements and other financing uses	607,893	458,462	75,659	(332,849)	(480,702)	937,751	838,528	249,594	2,354,336
Cash and investments - beginning	1,117	170,460	351,968	332,849	480,702	914	184,773	499,169	2,021,952
Cash and investments - ending	\$ 609,010	\$ 628,922	\$ 427,627	\$ -	\$ -	\$ 938,665	\$ 1,023,301	\$ 748,763	\$ 4,376,288
<b>Cash and Investment Assets - Ending</b>									
Cash and investments	\$ 609,010	\$ 628,922	\$ 427,627	\$ -	\$ -	\$ -	\$ 1,023,301	\$ 748,763	\$ 3,437,623
Restricted assets:									
Cash and investments	-	-	-	-	-	938,665	-	-	938,665
<b>Total cash and investment assets - ending</b>	<b>\$ 609,010</b>	<b>\$ 628,922</b>	<b>\$ 427,627</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ 938,665</b>	<b>\$ 1,023,301</b>	<b>\$ 748,763</b>	<b>\$ 4,376,288</b>
<b>Cash and Investment Fund Balance - Ending</b>									
Restricted for:									
Debt service	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 938,665	\$ -	\$ -	\$ 938,665
Unrestricted	609,010	628,922	427,627	-	-	-	1,023,301	748,763	3,437,623
<b>Total cash and investment fund balance - ending</b>	<b>\$ 609,010</b>	<b>\$ 628,922</b>	<b>\$ 427,627</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ 938,665</b>	<b>\$ 1,023,301</b>	<b>\$ 748,763</b>	<b>\$ 4,376,288</b>

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

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

	<u>Agency Funds</u>
Cash and investment fund balance - ending	<u>\$ 14,005</u>

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

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

	<u>Agency Funds</u>
Cash and investment fund balance - ending	<u>\$ 7,610</u>

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

SOUTH VERMILLION COMMUNITY SCHOOL CORPORATION  
NOTES TO FINANCIAL STATEMENTS

I. Summary of Significant Accounting Policies

A. Reporting Entity

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

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

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

Primary Government: South Vermillion Community School Corporation

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

Joint Venture

The School Corporation is a participant in a joint venture to operate Covered Bridge Special Education District which was created to provide instruction for handicapped children. The School Corporation is obligated for its share of the debts of the Covered Bridge Special Education District. Complete financial statements for the Covered Bridge Special Education District can be obtained from the Covered Bridge Special Education District's administrative office at 1320 Walnut Street, Terre Haute, IN 47807.

The School Corporation is a participant in a joint venture to operate the Parke-Vermillion Education and Training Interlocal which was created to provide vocational instruction for handicapped and regular education students. The School Corporation is obligated for its share of the debts of the Parke-Vermillion Education and Training Interlocal. Complete financial statements for the Parke-Vermillion Education and Training Interlocal can be obtained from the South Vermillion Community School Corporation office, 800 West Wildcat Drive, Clinton, IN 47842.

The School Corporation is a participant in the Wabash Valley/West Central Indiana Insurance Trust, a joint venture to provide a common and unified program of group health insurance. The Trustees of the plan shall determine the rate of contributions to be required from each participant covered by the plan. The School Corporation is obligated for the debts of the joint venture. Complete financial statements for the Wabash Valley/West Central Indiana Insurance Trust can be obtained from the Logansport Community School Corporation office, 2829 George Street, Logansport, IN 46947.

The School Corporation is a participant in a joint venture to operate the Vermillion County Opportunity School which was created to provide at-risk students in grades six through twelve an alternative for success through educational programs, services, and activities. The Opportunity School's continued existence depends on continued funding by the School Corporation. Complete financial statements for the Vermillion County Opportunity School can be obtained from South Vermillion Community School Corporation, P.O. Box 387, Clinton, IN 47842.

SOUTH VERMILLION COMMUNITY SCHOOL CORPORATION  
NOTES TO FINANCIAL STATEMENTS  
(Continued)

Related Organizations

The School Corporation's officials are also responsible for appointing the voting majority of the boards of other organizations, but the School Corporation's accountability for these organizations does not extend beyond making the appointments. The School Corporation appoints the voting majority of the Clinton-Clinton Township Public Library and Newport-Vermillion County Public Library.

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 non-exchange revenues. Business-type activities are financed in whole or in part by fees charged to external parties for goods or services. However, there are no business-type activities to report at this time.

Fund Financial Statements

Fund financial statements of the reporting entity are organized into funds, each of which is considered to be a separate accounting entity. Each fund is accounted for by providing a separate set of self-balancing accounts that constitutes its assets, fund equity, receipts, and disbursements. Separate financial statements are provided for governmental funds, proprietary funds, and fiduciary funds, even though the latter are excluded from the government-wide financial statements. Major individual governmental funds and major individual enterprise funds are reported as separate columns in the fund financial statements. However, at this time, the School Corporation has not established any enterprise funds.

The School Corporation reports the following major governmental funds:

The General Fund is the primary operating fund. It accounts for all financial resources of the general government, except those required to be accounted for in another fund.

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

The School Lunch Fund accounts for receipts and disbursements related to the food service program.

The PVETI 08-09 Fund accounts for financial resources of the Parke-Vermillion County Education and Training Interlocal, which provides programs and services for vocational education.

The ARRA Fiscal Stabilization Fund accounts for Stimulus funds awarded by the Federal government to support and restore funding for elementary, secondary, and postsecondary education and, as applicable, early childhood education programs and services in States and local educational agencies.

SOUTH VERMILLION COMMUNITY SCHOOL CORPORATION  
NOTES TO FINANCIAL STATEMENTS  
(Continued)

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:

Agency funds account for assets held by the School Corporation as an agent for various state and federal agencies, insurance companies and benefit providers and serve as a 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.

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

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

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

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

D. Assets and Cash and Investment Balances

1. Cash and Investments

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

2. 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

SOUTH VERMILLION COMMUNITY SCHOOL CORPORATION  
NOTES TO FINANCIAL STATEMENTS  
(Continued)

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.

3. Capital Assets

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

4. Long-Term Debt

Long-term debt arising from cash basis transactions of governmental 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.

5. Equity Classification

Government-Wide Statements

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

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

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.

SOUTH VERMILLION COMMUNITY SCHOOL CORPORATION  
 NOTES TO FINANCIAL STATEMENTS  
 (Continued)

Fund Financial Statements

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

II. Stewardship, Compliance and Accountability

A. Budgetary Information

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

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

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. Disbursements in Excess of Appropriations

For the year ended December 31, 2008, disbursements exceeded budgeted appropriations in the following funds by the amounts below:

Fund	2008
General	\$ <u>157,610</u>

SOUTH VERMILLION COMMUNITY SCHOOL CORPORATION  
NOTES TO FINANCIAL STATEMENTS  
(Continued)

These disbursements were funded by greater than anticipated receipts.

C. Cash Balance Deficits

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

Fund	June 30, 2009	June 30, 2010
Adult Education	\$ 12,496	\$ 5,323
GED Test Scholarship	-	2,167
Middle School Recycling Grant	500	-
Title I School Improvements 09-10	-	33,196
ICJI - ASAP Program	-	11,303
Perkins 08-09 Additional	517	-
Tech Prep - Law	-	4,989
PLTW 08-09	23,303	-
PLTW 09-10	-	21,899
Special Education, Part B - Stimulus	-	161

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

III. Detailed Notes on All Funds

A. Deposits and Investments

Deposits

Custodial credit risk is the risk that in the event of a bank failure, the government's deposits may not be returned to it. IC 5-13-8-1 allows a political subdivision of the State of Indiana to deposit public funds in a financial institution only if the financial institution is a depository eligible to receive state funds and has a principal office or branch that qualifies to receive public funds of the political subdivision. The School Corporation does not have a deposit policy for custodial credit risk. At June 30, 2010, the School Corporation had deposit balances in the amount of \$4,468,832.

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.

SOUTH VERMILLION COMMUNITY SCHOOL CORPORATION  
NOTES TO FINANCIAL STATEMENTS  
(Continued)

B. Interfund Transfers

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

Transfer From	Transfer To	2008-2009	2009-2010
Debt Service Fund	Capital Projects Fund	\$ -	\$ 3,493
Other Governmental Funds	General Fund	1,771	52,932
Other Governmental Funds	PVETI 08-09 Fund	69,732	-
Other Governmental Funds	Other Governmental Funds	25,168	137,906
PVETI 08-09 Fund	Other Governmental Funds	-	55,203
		<u>          </u>	<u>          </u>
Totals		<u>\$ 96,671</u>	<u>\$ 249,534</u>

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

Interfund loans were made and repaid during the audit period.

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 (excluding postemployment benefits); and natural disasters.

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

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

During 1992, the School Corporation joined with other governmental entities to form the Wabash Valley/West Central Indiana Insurance Trust, a public entity risk pool currently operating as a common risk management and insurance program for 19 member governmental entities. The purpose of the risk pool is to provide a medium for the funding and administration of medical benefits to employees and dependents. The School Corporation pays an annual premium to the risk pool for its medical benefits to employees' coverage. The risk pool is considered a self-sustaining risk pool that will provide coverage for its members.

SOUTH VERMILLION COMMUNITY SCHOOL CORPORATION  
NOTES TO FINANCIAL STATEMENTS  
(Continued)

B. Holding Corporations

The School Corporation has entered into a capital lease with South Vermillion Middle School Holding 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 2008-09 and 2009-10 totaled \$1,024,182 and \$1,029,270 respectively.

The School Corporation has entered into a capital lease with South Vermillion School Building Corporation (the lessor). The lessor was organized as a 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 2008-09 and 2009-10 totaled \$669,000, and \$668,500 respectively.

C. Other Postemployment Benefits

In addition to the pension benefits described below, the School Corporation provides postemployment medical insurance benefits, as authorized by Indiana Code 5-10-8, to all professional employees who retire from the School Corporation on or after attaining a rule of 85 when age is combined with years of service. Currently, 30 retirees meet these eligibility requirements. The School Corporation provides \$4,000 a year towards medical expenses for the 30 retirees, until the retirees become eligible for Medicare coverage. Disbursements for those postemployment benefits are recognized on a pay-as-you-go basis. During the two year period ended June 30, 2010, disbursements of \$100,000 were recognized for postemployment benefits.

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:

SOUTH VERMILLION COMMUNITY SCHOOL CORPORATION  
NOTES TO FINANCIAL STATEMENTS  
(Continued)

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

Funding Policy

The contribution requirements of plan members for PERF are established by the Board of Trustees of PERF. The total contributions made to PERF by the School Corporation during the period were \$246,218.

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 \$545,589.

SOUTH VERMILLION COMMUNITY SCHOOL CORPORATION  
 REQUIRED SUPPLEMENTARY INFORMATION  
 SCHEDULE OF FUNDING PROGRESS

Public Employees' Retirement Fund

Actuarial Valuation Date	Actuarial Value of Assets (a)	Actuarial Accrued Liability (AAL) (b)	Unfunded AAL (a-b)	Funded Ratio (a/b)	Covered Payroll (c)	Unfunded AAL as a Percentage of Covered Payroll ((a-b)/c)
07-01-07	\$ 1,780,544	\$ 1,940,718	\$ (160,174)	92%	\$ 1,872,634	(9%)
07-01-08	2,041,483	2,110,615	(69,132)	97%	1,836,098	(4%)
07-01-09	2,122,250	2,341,587	(219,337)	91%	1,963,836	(11%)

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

	Special Education Preschool	Textbook Rental	Levy Excess	PVETI 07-08	Education License Plates	Alternative Education	ISU Professional Development 07-08
<b>Receipts:</b>							
Local sources	\$ 8,288	\$ 184,435	\$ -	\$ -	\$ -	\$ -	\$ -
Intermediate sources	-	-	-	-	938	-	-
State sources	69,390	96,757	-	-	-	6,011	8,800
Federal sources	-	-	-	-	-	-	-
<b>Total receipts</b>	<b>77,678</b>	<b>281,192</b>	<b>-</b>	<b>-</b>	<b>938</b>	<b>6,011</b>	<b>8,800</b>
<b>Disbursements:</b>							
<b>Current:</b>							
Instruction	70,125	-	-	112,692	1,088	-	-
Support services	-	269,472	-	39,680	-	-	3,674
Noninstructional services	-	-	-	-	-	-	-
Facilities acquisition and construction	-	-	-	-	-	-	-
Nonprogrammed charges	-	-	-	-	-	-	-
Interfund loans	-	-	-	-	-	-	-
<b>Total disbursements</b>	<b>70,125</b>	<b>269,472</b>	<b>-</b>	<b>152,372</b>	<b>1,088</b>	<b>-</b>	<b>3,674</b>
Excess (deficiency) of receipts over disbursements	7,553	11,720	-	(152,372)	(150)	6,011	5,126
<b>Other financing sources (uses):</b>							
Transfers in	-	-	-	-	-	-	-
Transfers out	-	-	(1,771)	(69,732)	-	-	-
<b>Total other financing sources (uses)</b>	<b>-</b>	<b>-</b>	<b>(1,771)</b>	<b>(69,732)</b>	<b>-</b>	<b>-</b>	<b>-</b>
Excess (deficiency) of receipts and other financing sources over disbursements and other financing uses	7,553	11,720	(1,771)	(222,104)	(150)	6,011	5,126
Cash and investments - beginning	45,379	141,580	1,771	222,104	263	-	7,305
Cash and investments - ending	<u>\$ 52,932</u>	<u>\$ 153,300</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 113</u>	<u>\$ 6,011</u>	<u>\$ 12,431</u>
<b><u>Cash and Investment Assets - Ending</u></b>							
Cash and investments	<u>\$ 52,932</u>	<u>\$ 153,300</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 113</u>	<u>\$ 6,011</u>	<u>\$ 12,431</u>
<b><u>Cash and Investment Fund Balance - Ending</u></b>							
Unrestricted	<u>\$ 52,932</u>	<u>\$ 153,300</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 113</u>	<u>\$ 6,011</u>	<u>\$ 12,431</u>
<b>Total cash and investment fund balance - ending</b>	<b><u>\$ 52,932</u></b>	<b><u>\$ 153,300</u></b>	<b><u>\$ -</u></b>	<b><u>\$ -</u></b>	<b><u>\$ 113</u></b>	<b><u>\$ 6,011</u></b>	<b><u>\$ 12,431</u></b>

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

	ISU Professional Development 04-08	Adult Education	GED Test Scholarship	Giacoletto Foundation Award	Gifted and Talented 07-08	High Ability 08-09
<b>Receipts:</b>						
Local sources	\$ -	\$ -	\$ 3,384	\$ 5,000	\$ -	\$ -
Intermediate sources	-	-	-	-	-	-
State sources	-	40,737	-	-	-	34,146
Federal sources	-	-	-	-	-	-
<b>Total receipts</b>	<b>-</b>	<b>40,737</b>	<b>3,384</b>	<b>5,000</b>	<b>-</b>	<b>34,146</b>
<b>Disbursements:</b>						
<b>Current:</b>						
Instruction	-	43,154	1,830	-	12,190	-
Support services	6,987	-	-	-	-	31,274
Noninstructional services	-	-	-	-	-	-
Facilities acquisition and construction	-	-	-	-	-	-
Nonprogrammed charges	-	-	-	5,668	-	-
Interfund loans	-	-	-	-	-	-
<b>Total disbursements</b>	<b>6,987</b>	<b>43,154</b>	<b>1,830</b>	<b>5,668</b>	<b>12,190</b>	<b>31,274</b>
Excess (deficiency) of receipts over disbursements	(6,987)	(2,417)	1,554	(668)	(12,190)	2,872
<b>Other financing sources (uses):</b>						
Transfers in	-	-	-	-	-	-
Transfers out	-	-	-	-	-	-
<b>Total other financing sources (uses)</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>
Excess (deficiency) of receipts and other financing sources over disbursements and other financing uses	(6,987)	(2,417)	1,554	(668)	(12,190)	2,872
Cash and investments - beginning	6,987	(10,079)	30	8,700	12,190	-
Cash and investments - ending	\$ -	\$ (12,496)	\$ 1,584	\$ 8,032	\$ -	\$ 2,872
<b>Cash and Investment Assets - Ending</b>						
Cash and investments	\$ -	\$ (12,496)	\$ 1,584	\$ 8,032	\$ -	\$ 2,872
<b>Cash and Investment Fund Balance - Ending</b>						
Unrestricted	\$ -	\$ (12,496)	\$ 1,584	\$ 8,032	\$ -	\$ 2,872
<b>Total cash and investment fund balance - ending</b>	<b>\$ -</b>	<b>\$ (12,496)</b>	<b>\$ 1,584</b>	<b>\$ 8,032</b>	<b>\$ -</b>	<b>\$ 2,872</b>

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

	Non-English Speaking Program	School Technology	Technology Plan Grant	IN Access Grant	Middle School Recycling Grant	Wellness Program
<b>Receipts:</b>						
Local sources	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 5,375
Intermediate sources	-	69,030	-	-	-	-
State sources	1,199	-	86,363	2,500	500	-
Federal sources	-	-	-	-	-	-
<b>Total receipts</b>	<b>1,199</b>	<b>69,030</b>	<b>86,363</b>	<b>2,500</b>	<b>500</b>	<b>5,375</b>
<b>Disbursements:</b>						
<b>Current:</b>						
Instruction	-	-	-	-	-	-
Support services	-	-	-	-	-	3,529
Noninstructional services	-	-	-	-	1,000	-
Facilities acquisition and construction	-	86,863	55,447	-	-	-
Nonprogrammed charges	-	-	-	-	-	-
Interfund loans	-	-	-	-	-	-
<b>Total disbursements</b>	<b>-</b>	<b>86,863</b>	<b>55,447</b>	<b>-</b>	<b>1,000</b>	<b>3,529</b>
<b>Excess (deficiency) of receipts over disbursements</b>	<b>1,199</b>	<b>(17,833)</b>	<b>30,916</b>	<b>2,500</b>	<b>(500)</b>	<b>1,846</b>
<b>Other financing sources (uses):</b>						
Transfers in	-	-	-	-	-	-
Transfers out	-	-	-	-	-	-
<b>Total other financing sources (uses)</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>
<b>Excess (deficiency) of receipts and other financing sources over disbursements and other financing uses</b>	<b>1,199</b>	<b>(17,833)</b>	<b>30,916</b>	<b>2,500</b>	<b>(500)</b>	<b>1,846</b>
Cash and investments - beginning	-	61,925	-	-	-	-
<b>Cash and investments - ending</b>	<b>\$ 1,199</b>	<b>\$ 44,092</b>	<b>\$ 30,916</b>	<b>\$ 2,500</b>	<b>\$ (500)</b>	<b>\$ 1,846</b>
<b>Cash and Investment Assets - Ending</b>						
Cash and investments	\$ 1,199	\$ 44,092	\$ 30,916	\$ 2,500	\$ (500)	\$ 1,846
<b>Cash and Investment Fund Balance - Ending</b>						
Unrestricted	\$ 1,199	\$ 44,092	\$ 30,916	\$ 2,500	\$ (500)	\$ 1,846
<b>Total cash and investment fund balance - ending</b>	<b>\$ 1,199</b>	<b>\$ 44,092</b>	<b>\$ 30,916</b>	<b>\$ 2,500</b>	<b>\$ (500)</b>	<b>\$ 1,846</b>

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

	Wilson Education Center 08-09	Wilson Education Center 09-10	Title I 08-09	Title I 07-08	Title I School Improvements 07-08	Title I School Improvements 08-09
<b>Receipts:</b>						
Local sources	\$ 2,599	\$ -	\$ -	\$ -	\$ -	\$ -
Intermediate sources	126,646	-	-	-	-	-
State sources	-	-	-	-	-	-
Federal sources	-	-	265,387	23,700	-	84,099
<b>Total receipts</b>	<b>129,245</b>	<b>-</b>	<b>265,387</b>	<b>23,700</b>	<b>-</b>	<b>84,099</b>
<b>Disbursements:</b>						
<b>Current:</b>						
Instruction	16,151	15,097	151,714	43,594	-	7,813
Support services	62,368	7,705	83,847	4,307	-	28,052
Noninstructional services	-	-	-	-	12,491	-
Facilities acquisition and construction	-	-	-	-	-	-
Nonprogrammed charges	-	-	-	-	-	-
Interfund loans	-	-	-	-	-	-
<b>Total disbursements</b>	<b>78,519</b>	<b>22,802</b>	<b>235,561</b>	<b>47,901</b>	<b>12,491</b>	<b>35,865</b>
<b>Excess (deficiency) of receipts over disbursements</b>	<b>50,726</b>	<b>(22,802)</b>	<b>29,826</b>	<b>(24,201)</b>	<b>(12,491)</b>	<b>48,234</b>
<b>Other financing sources (uses):</b>						
Transfers in	5,354	-	19,814	-	-	-
Transfers out	-	(5,354)	-	(19,814)	-	-
<b>Total other financing sources (uses)</b>	<b>5,354</b>	<b>(5,354)</b>	<b>19,814</b>	<b>(19,814)</b>	<b>-</b>	<b>-</b>
<b>Excess (deficiency) of receipts and other financing sources over disbursements and other financing uses</b>	<b>56,080</b>	<b>(28,156)</b>	<b>49,640</b>	<b>(44,015)</b>	<b>(12,491)</b>	<b>48,234</b>
Cash and investments - beginning	-	28,156	-	44,015	12,491	-
<b>Cash and investments - ending</b>	<b>\$ 56,080</b>	<b>\$ -</b>	<b>\$ 49,640</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ 48,234</b>
<b>Cash and Investment Assets - Ending</b>						
Cash and investments	\$ 56,080	\$ -	\$ 49,640	\$ -	\$ -	\$ 48,234
<b>Cash and Investment Fund Balance - Ending</b>						
Unrestricted	\$ 56,080	\$ -	\$ 49,640	\$ -	\$ -	\$ 48,234
<b>Total cash and investment fund balance - ending</b>	<b>\$ 56,080</b>	<b>\$ -</b>	<b>\$ 49,640</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ 48,234</b>

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

	Title V, Part A 07-08	Even Start 06-07	Adult Composition 07-08	Adult Composition 08-09	Title V Drug-Free 08-09	Title V Drug-Free 07-08
<b>Receipts:</b>						
Local sources	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Intermediate sources	-	-	-	-	-	-
State sources	-	-	-	-	2,692	-
Federal sources	-	-	-	31,185	-	-
<b>Total receipts</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>31,185</b>	<b>2,692</b>	<b>-</b>
<b>Disbursements:</b>						
<b>Current:</b>						
Instruction	-	2,470	3,358	6,800	-	-
Support services	2,014	175	6,986	20,390	1,346	2,990
Noninstructional services	-	-	-	-	-	-
Facilities acquisition and construction	-	-	-	-	-	-
Nonprogrammed charges	-	1,375	-	-	-	-
Interfund loans	-	-	-	-	-	-
<b>Total disbursements</b>	<b>2,014</b>	<b>4,020</b>	<b>10,344</b>	<b>27,190</b>	<b>1,346</b>	<b>2,990</b>
Excess (deficiency) of receipts over disbursements	(2,014)	(4,020)	(10,344)	3,995	1,346	(2,990)
<b>Other financing sources (uses):</b>						
Transfers in	-	-	-	-	-	-
Transfers out	-	-	-	-	-	-
<b>Total other financing sources (uses)</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>
Excess (deficiency) of receipts and other financing sources over disbursements and other financing uses	(2,014)	(4,020)	(10,344)	3,995	1,346	(2,990)
Cash and investments - beginning	3,233	4,020	10,344	-	-	5,101
Cash and investments - ending	\$ 1,219	\$ -	\$ -	\$ 3,995	\$ 1,346	\$ 2,111
<b>Cash and Investment Assets - Ending</b>						
Cash and investments	\$ 1,219	\$ -	\$ -	\$ 3,995	\$ 1,346	\$ 2,111
<b>Cash and Investment Fund Balance - Ending</b>						
Unrestricted	\$ 1,219	\$ -	\$ -	\$ 3,995	\$ 1,346	\$ 2,111
<b>Total cash and investment fund balance - ending</b>	<b>\$ 1,219</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ 3,995</b>	<b>\$ 1,346</b>	<b>\$ 2,111</b>

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

	Perkins 07-08	Perkins 06-07	Perkins 08-09	Perkins 08-09 Additional	Tech Prep Career Majors 07-08	PLTW 08-09
<b>Receipts:</b>						
Local sources	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Intermediate sources	-	-	-	-	-	-
State sources	-	-	-	-	-	-
Federal sources	3	-	69,237	-	80,000	24,166
<b>Total receipts</b>	<b>3</b>	<b>-</b>	<b>69,237</b>	<b>-</b>	<b>80,000</b>	<b>24,166</b>
<b>Disbursements:</b>						
<b>Current:</b>						
Instruction	31,196	-	48,993	517	-	-
Support services	-	-	4,061	-	41,400	47,469
Noninstructional services	-	-	-	-	-	-
Facilities acquisition and construction	-	-	-	-	-	-
Nonprogrammed charges	-	190	-	-	-	-
Interfund loans	-	-	-	-	-	-
<b>Total disbursements</b>	<b>31,196</b>	<b>190</b>	<b>53,054</b>	<b>517</b>	<b>41,400</b>	<b>47,469</b>
Excess (deficiency) of receipts over disbursements	(31,193)	(190)	16,183	(517)	38,600	(23,303)
<b>Other financing sources (uses):</b>						
Transfers in	-	-	-	-	-	-
Transfers out	-	-	-	-	-	-
<b>Total other financing sources (uses)</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>
Excess (deficiency) of receipts and other financing sources over disbursements and other financing uses	(31,193)	(190)	16,183	(517)	38,600	(23,303)
Cash and investments - beginning	31,193	190	-	-	(38,600)	-
Cash and investments - ending	\$ -	\$ -	\$ 16,183	\$ (517)	\$ -	\$ (23,303)
<b>Cash and Investment Assets - Ending</b>						
Cash and investments	\$ -	\$ -	\$ 16,183	\$ (517)	\$ -	\$ (23,303)
<b>Cash and Investment Fund Balance - Ending</b>						
Unrestricted	\$ -	\$ -	\$ 16,183	\$ (517)	\$ -	\$ (23,303)
<b>Total cash and investment fund balance - ending</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ 16,183</b>	<b>\$ (517)</b>	<b>\$ -</b>	<b>\$ (23,303)</b>

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

	Medicaid Reimbursement	Title II Class Reduction 07-08	Title II Class Reduction 08-09	Title II D, Education Through Technology	School Bus Replacement	Totals
<b>Receipts:</b>						
Local sources	\$ -	\$ -	\$ -	\$ -	\$ 345,064	\$ 554,145
Intermediate sources	-	-	-	-	-	196,614
State sources	-	-	-	-	-	349,095
Federal sources	48,035	33,712	30,000	160,439	-	849,963
<b>Total receipts</b>	<b>48,035</b>	<b>33,712</b>	<b>30,000</b>	<b>160,439</b>	<b>345,064</b>	<b>1,949,817</b>
<b>Disbursements:</b>						
<b>Current:</b>						
Instruction	-	41,118	16,771	-	-	626,671
Support services	34,794	-	-	24,879	327,731	1,055,130
Noninstructional services	-	-	-	-	-	13,491
Facilities acquisition and construction	-	-	-	131,830	-	274,140
Nonprogrammed charges	-	-	-	-	-	7,233
Interfund loans	-	-	-	-	250,000	250,000
<b>Total disbursements</b>	<b>34,794</b>	<b>41,118</b>	<b>16,771</b>	<b>156,709</b>	<b>577,731</b>	<b>2,226,665</b>
Excess (deficiency) of receipts over disbursements	13,241	(7,406)	13,229	3,730	(232,667)	(276,848)
<b>Other financing sources (uses):</b>						
Transfers in	-	-	-	-	-	25,168
Transfers out	-	-	-	-	-	(96,671)
<b>Total other financing sources (uses)</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>(71,503)</b>
Excess (deficiency) of receipts and other financing sources over disbursements and other financing uses	13,241	(7,406)	13,229	3,730	(232,667)	(348,351)
Cash and investments - beginning	9,119	7,406	-	-	232,697	847,520
Cash and investments - ending	\$ 22,360	\$ -	\$ 13,229	\$ 3,730	\$ 30	\$ 499,169
<b>Cash and Investment Assets - Ending</b>						
Cash and investments	\$ 22,360	\$ -	\$ 13,229	\$ 3,730	\$ 30	\$ 499,169
<b>Cash and Investment Fund Balance - Ending</b>						
Unrestricted	\$ 22,360	\$ -	\$ 13,229	\$ 3,730	\$ 30	\$ 499,169
<b>Total cash and investment fund balance - ending</b>	<b>\$ 22,360</b>	<b>\$ -</b>	<b>\$ 13,229</b>	<b>\$ 3,730</b>	<b>\$ 30</b>	<b>\$ 499,169</b>

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

	Special Education Preschool	Textbook Rental	PVETI 09-10	Education License Plates	Alternative Education	ISU Professional Development 07-08	Adult Education
<b>Receipts:</b>							
Local sources	\$ -	\$ 111,977	\$ 783,739	\$ -	\$ -	\$ -	\$ -
Intermediate sources	-	-	-	525	-	-	-
State sources	-	77,121	-	-	4,605	1,800	44,840
Federal sources	-	-	-	-	-	-	-
Interfund loans	-	-	-	-	-	-	-
<b>Total receipts</b>	<b>-</b>	<b>189,098</b>	<b>783,739</b>	<b>525</b>	<b>4,605</b>	<b>1,800</b>	<b>44,840</b>
<b>Disbursements:</b>							
<b>Current:</b>							
Instruction	38,500	-	555,646	375	10,616	-	37,667
Support services	-	171,362	151,996	-	-	10,756	-
Noninstructional services	-	-	-	-	-	-	-
Facilities acquisition and construction	-	-	-	-	-	-	-
Nonprogrammed charges	-	-	125	-	-	-	-
<b>Total disbursements</b>	<b>38,500</b>	<b>171,362</b>	<b>707,767</b>	<b>375</b>	<b>10,616</b>	<b>10,756</b>	<b>37,667</b>
Excess (deficiency) of receipts over disbursements	(38,500)	17,736	75,972	150	(6,011)	(8,956)	7,173
<b>Other financing sources (uses):</b>							
Transfers in	-	-	55,203	-	-	-	-
Transfers out	(14,432)	-	-	-	-	-	-
<b>Total other financing sources (uses)</b>	<b>(14,432)</b>	<b>-</b>	<b>55,203</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>
Excess (deficiency) of receipts and other financing sources over disbursements and other financing uses	(52,932)	17,736	131,175	150	(6,011)	(8,956)	7,173
Cash and investments - beginning	52,932	153,300	-	113	6,011	12,431	(12,496)
Cash and investments - ending	\$ -	\$ 171,036	\$ 131,175	\$ 263	\$ -	\$ 3,475	\$ (5,323)
<b>Cash and Investment Assets - Ending</b>							
Cash and investments	\$ -	\$ 171,036	\$ 131,175	\$ 263	\$ -	\$ 3,475	\$ (5,323)
<b>Cash and Investment Fund Balance - Ending</b>							
Unrestricted	\$ -	\$ 171,036	\$ 131,175	\$ 263	\$ -	\$ 3,475	\$ (5,323)
<b>Total cash and investment fund balance - ending</b>	<b>\$ -</b>	<b>\$ 171,036</b>	<b>\$ 131,175</b>	<b>\$ 263</b>	<b>\$ -</b>	<b>\$ 3,475</b>	<b>\$ (5,323)</b>

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

	GED Test Scholarship	Giacoletto Foundation Award	Early Intervention Grant	High Ability 09-10	High Ability 08-09	Non-English Speaking Program	School Technology
<b>Receipts:</b>							
Local sources	\$ 23,230	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Intermediate sources	-	-	-	-	-	-	65,371
State sources	-	-	100,500	33,863	-	153	-
Federal sources	-	-	-	-	-	-	-
Interfund loans	-	-	-	-	-	-	-
<b>Total receipts</b>	<b>23,230</b>	<b>-</b>	<b>100,500</b>	<b>33,863</b>	<b>-</b>	<b>153</b>	<b>65,371</b>
<b>Disbursements:</b>							
<b>Current:</b>							
Instruction	26,981	-	77,472	31,566	-	1,199	-
Support services	-	-	-	-	2,872	-	-
Noninstructional services	-	-	-	-	-	-	-
Facilities acquisition and construction	-	-	-	-	-	-	44,055
Nonprogrammed charges	-	2,000	-	-	-	-	-
<b>Total disbursements</b>	<b>26,981</b>	<b>2,000</b>	<b>77,472</b>	<b>31,566</b>	<b>2,872</b>	<b>1,199</b>	<b>44,055</b>
<b>Excess (deficiency) of receipts over disbursements</b>	<b>(3,751)</b>	<b>(2,000)</b>	<b>23,028</b>	<b>2,297</b>	<b>(2,872)</b>	<b>(1,046)</b>	<b>21,316</b>
<b>Other financing sources (uses):</b>							
Transfers in	-	-	-	-	-	-	-
Transfers out	-	-	-	-	-	-	-
<b>Total other financing sources (uses)</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>
<b>Excess (deficiency) of receipts and other financing sources over disbursements and other financing uses</b>	<b>(3,751)</b>	<b>(2,000)</b>	<b>23,028</b>	<b>2,297</b>	<b>(2,872)</b>	<b>(1,046)</b>	<b>21,316</b>
Cash and investments - beginning	1,584	8,032	-	-	2,872	1,199	44,092
Cash and investments - ending	<u>\$ (2,167)</u>	<u>\$ 6,032</u>	<u>\$ 23,028</u>	<u>\$ 2,297</u>	<u>\$ -</u>	<u>\$ 153</u>	<u>\$ 65,408</u>
<b><u>Cash and Investment Assets - Ending</u></b>							
Cash and investments	<u>\$ (2,167)</u>	<u>\$ 6,032</u>	<u>\$ 23,028</u>	<u>\$ 2,297</u>	<u>\$ -</u>	<u>\$ 153</u>	<u>\$ 65,408</u>
<b><u>Cash and Investment Fund Balance - Ending</u></b>							
Unrestricted	<u>\$ (2,167)</u>	<u>\$ 6,032</u>	<u>\$ 23,028</u>	<u>\$ 2,297</u>	<u>\$ -</u>	<u>\$ 153</u>	<u>\$ 65,408</u>
<b>Total cash and investment fund balance - ending</b>	<b><u>\$ (2,167)</u></b>	<b><u>\$ 6,032</u></b>	<b><u>\$ 23,028</u></b>	<b><u>\$ 2,297</u></b>	<b><u>\$ -</u></b>	<b><u>\$ 153</u></b>	<b><u>\$ 65,408</u></b>

SOUTH VERMILLION COMMUNITY SCHOOL CORPORATION  
 COMBINING SCHEDULE OF ASSETS AND FUND BALANCES AND RECEIPTS,  
 DISBURSEMENTS, AND CHANGES IN FUND BALANCES - CASH AND INVESTMENT BASIS  
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 For the Year Ended June 30, 2010  
 (Continued)

	Technology Plan Grant	IN Access Grant	Middle School Recycling Grant	Alternative Suspension	Wellness Program	Wilson Education Center 08-09	Wilson Education Center 09-10
<b>Receipts:</b>							
Local sources	\$ -	\$ -	\$ -	\$ -	\$ 2,990	\$ 64	\$ 2,061
Intermediate sources	-	-	-	-	-	-	82,712
State sources	-	-	1,000	45,816	-	-	-
Federal sources	-	-	-	-	-	-	-
Interfund loans	-	-	-	-	-	-	-
<b>Total receipts</b>	<b>-</b>	<b>-</b>	<b>1,000</b>	<b>45,816</b>	<b>2,990</b>	<b>64</b>	<b>84,773</b>
<b>Disbursements:</b>							
<b>Current:</b>							
Instruction	-	-	-	20,992	-	3,197	18,035
Support services	-	-	-	-	1,665	5,659	62,521
Noninstructional services	-	-	500	-	-	-	-
Facilities acquisition and construction	29,083	-	-	-	-	-	-
Nonprogrammed charges	-	-	-	-	-	-	-
<b>Total disbursements</b>	<b>29,083</b>	<b>-</b>	<b>500</b>	<b>20,992</b>	<b>1,665</b>	<b>8,856</b>	<b>80,556</b>
<b>Excess (deficiency) of receipts over disbursements</b>	<b>(29,083)</b>	<b>-</b>	<b>500</b>	<b>24,824</b>	<b>1,325</b>	<b>(8,792)</b>	<b>4,217</b>
<b>Other financing sources (uses):</b>							
Transfers in	-	-	-	-	-	-	47,288
Transfers out	-	-	-	-	-	(47,288)	-
<b>Total other financing sources (uses)</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>(47,288)</b>	<b>47,288</b>
<b>Excess (deficiency) of receipts and other financing sources over disbursements and other financing uses</b>	<b>(29,083)</b>	<b>-</b>	<b>500</b>	<b>24,824</b>	<b>1,325</b>	<b>(56,080)</b>	<b>51,505</b>
Cash and investments - beginning	30,916	2,500	(500)	-	1,846	56,080	-
Cash and investments - ending	\$ 1,833	\$ 2,500	\$ -	\$ 24,824	\$ 3,171	\$ -	\$ 51,505
<b>Cash and Investment Assets - Ending</b>							
Cash and investments	\$ 1,833	\$ 2,500	\$ -	\$ 24,824	\$ 3,171	\$ -	\$ 51,505
<b>Cash and Investment Fund Balance - Ending</b>							
Unrestricted	\$ 1,833	\$ 2,500	\$ -	\$ 24,824	\$ 3,171	\$ -	\$ 51,505
<b>Total cash and investment fund balance - ending</b>	<b>\$ 1,833</b>	<b>\$ 2,500</b>	<b>\$ -</b>	<b>\$ 24,824</b>	<b>\$ 3,171</b>	<b>\$ -</b>	<b>\$ 51,505</b>

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

	Title I 08-09	Title I 09-10	Title I School Improvements 08-09	Title I School Improvements 09-10	Title V, Part A 07-08	Adult Composition 09-10	Adult Composition 08-09
<b>Receipts:</b>							
Local sources	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Intermediate sources	-	-	-	-	-	-	-
State sources	-	-	-	-	-	-	-
Federal sources	25,700	301,215	20,000	97,766	1,322	33,010	-
Interfund loans	-	-	-	-	-	-	-
<b>Total receipts</b>	<b>25,700</b>	<b>301,215</b>	<b>20,000</b>	<b>97,766</b>	<b>1,322</b>	<b>33,010</b>	<b>-</b>
<b>Disbursements:</b>							
<b>Current:</b>							
Instruction	31,151	191,466	4,776	167,646	-	8,002	2,237
Support services	16,189	71,948	840	25,934	2,541	22,426	1,758
Noninstructional services	-	317	-	-	-	-	-
Facilities acquisition and construction	-	-	-	-	-	-	-
Nonprogrammed charges	-	-	-	-	-	-	-
<b>Total disbursements</b>	<b>47,340</b>	<b>263,731</b>	<b>5,616</b>	<b>193,580</b>	<b>2,541</b>	<b>30,428</b>	<b>3,995</b>
<b>Excess (deficiency) of receipts over disbursements</b>	<b>(21,640)</b>	<b>37,484</b>	<b>14,384</b>	<b>(95,814)</b>	<b>(1,219)</b>	<b>2,582</b>	<b>(3,995)</b>
<b>Other financing sources (uses):</b>							
Transfers in	-	28,000	-	62,618	-	-	-
Transfers out	(28,000)	(38,500)	(62,618)	-	-	-	-
<b>Total other financing sources (uses)</b>	<b>(28,000)</b>	<b>(10,500)</b>	<b>(62,618)</b>	<b>62,618</b>	<b>-</b>	<b>-</b>	<b>-</b>
<b>Excess (deficiency) of receipts and other financing sources over disbursements and other financing uses</b>	<b>(49,640)</b>	<b>26,984</b>	<b>(48,234)</b>	<b>(33,196)</b>	<b>(1,219)</b>	<b>2,582</b>	<b>(3,995)</b>
<b>Cash and investments - beginning</b>	<b>49,640</b>	<b>-</b>	<b>48,234</b>	<b>-</b>	<b>1,219</b>	<b>-</b>	<b>3,995</b>
<b>Cash and investments - ending</b>	<b>\$ -</b>	<b>\$ 26,984</b>	<b>\$ -</b>	<b>\$ (33,196)</b>	<b>\$ -</b>	<b>\$ 2,582</b>	<b>\$ -</b>
<b>Cash and Investment Assets - Ending</b>							
<b>Cash and investments</b>	<b>\$ -</b>	<b>\$ 26,984</b>	<b>\$ -</b>	<b>\$ (33,196)</b>	<b>\$ -</b>	<b>\$ 2,582</b>	<b>\$ -</b>
<b>Cash and Investment Fund Balance - Ending</b>							
<b>Unrestricted</b>	<b>\$ -</b>	<b>\$ 26,984</b>	<b>\$ -</b>	<b>\$ (33,196)</b>	<b>\$ -</b>	<b>\$ 2,582</b>	<b>\$ -</b>
<b>Total cash and investment fund balance - ending</b>	<b>\$ -</b>	<b>\$ 26,984</b>	<b>\$ -</b>	<b>\$ (33,196)</b>	<b>\$ -</b>	<b>\$ 2,582</b>	<b>\$ -</b>

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

	Title V <u>Drug-Free 08-09</u>	Title V <u>Drug-Free 07-08</u>	Title V <u>Drug-Free 09-10</u>	ICJI - <u>ASAP Program</u>	Perkins <u>09-10</u>	Perkins <u>08-09</u>	Perkins <u>08-09</u> Additional
<b>Receipts:</b>							
Local sources	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Intermediate sources	-	-	-	-	-	-	-
State sources	2,692	-	-	-	-	-	-
Federal sources	-	-	6,978	-	60,951	20,306	20,000
Interfund loans	-	-	-	-	-	-	-
<b>Total receipts</b>	<u>2,692</u>	<u>-</u>	<u>6,978</u>	<u>-</u>	<u>60,951</u>	<u>20,306</u>	<u>20,000</u>
<b>Disbursements:</b>							
<b>Current:</b>							
Instruction	-	-	-	11,303	51,355	36,489	17,283
Support services	4,038	2,111	2,510	-	3,000	-	2,200
Noninstructional services	-	-	-	-	-	-	-
Facilities acquisition and construction	-	-	-	-	-	-	-
Nonprogrammed charges	-	-	-	-	-	-	-
<b>Total disbursements</b>	<u>4,038</u>	<u>2,111</u>	<u>2,510</u>	<u>11,303</u>	<u>54,355</u>	<u>36,489</u>	<u>19,483</u>
<b>Excess (deficiency) of receipts over disbursements</b>	<u>(1,346)</u>	<u>(2,111)</u>	<u>4,468</u>	<u>(11,303)</u>	<u>6,596</u>	<u>(16,183)</u>	<u>517</u>
<b>Other financing sources (uses):</b>							
Transfers in	-	-	-	-	-	-	-
Transfers out	-	-	-	-	-	-	-
<b>Total other financing sources (uses)</b>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
<b>Excess (deficiency) of receipts and other financing sources over disbursements and other financing uses</b>	<u>(1,346)</u>	<u>(2,111)</u>	<u>4,468</u>	<u>(11,303)</u>	<u>6,596</u>	<u>(16,183)</u>	<u>517</u>
<b>Cash and investments - beginning</b>	<u>1,346</u>	<u>2,111</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>16,183</u>	<u>(517)</u>
<b>Cash and investments - ending</b>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 4,468</u>	<u>\$ (11,303)</u>	<u>\$ 6,596</u>	<u>\$ -</u>	<u>\$ -</u>
<b><u>Cash and Investment Assets - Ending</u></b>							
<b>Cash and investments</b>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 4,468</u>	<u>\$ (11,303)</u>	<u>\$ 6,596</u>	<u>\$ -</u>	<u>\$ -</u>
<b><u>Cash and Investment Fund Balance - Ending</u></b>							
<b>Unrestricted</b>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 4,468</u>	<u>\$ (11,303)</u>	<u>\$ 6,596</u>	<u>\$ -</u>	<u>\$ -</u>
<b>Total cash and investment fund balance - ending</b>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 4,468</u>	<u>\$ (11,303)</u>	<u>\$ 6,596</u>	<u>\$ -</u>	<u>\$ -</u>

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

	Tech Prep - Law	PLTW 08-09	PLTW 09-10	Medicaid Reimbursement	Title II Class Reduction 09-10	Title II Class Reduction 08-09
<b>Receipts:</b>						
Local sources	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Intermediate sources	-	-	-	-	-	-
State sources	-	-	-	-	-	-
Federal sources	17,510	54,005	49,382	37,067	29,071	56,642
Interfund loans	-	-	-	-	-	-
<b>Total receipts</b>	<b>17,510</b>	<b>54,005</b>	<b>49,382</b>	<b>37,067</b>	<b>29,071</b>	<b>56,642</b>
<b>Disbursements:</b>						
<b>Current:</b>						
Instruction	-	-	-	-	20,186	67,343
Support services	22,499	30,702	71,281	45,733	-	2,528
Noninstructional services	-	-	-	-	-	-
Facilities acquisition and construction	-	-	-	-	-	-
Nonprogrammed charges	-	-	-	-	-	-
<b>Total disbursements</b>	<b>22,499</b>	<b>30,702</b>	<b>71,281</b>	<b>45,733</b>	<b>20,186</b>	<b>69,871</b>
Excess (deficiency) of receipts over disbursements	(4,989)	23,303	(21,899)	(8,666)	8,885	(13,229)
<b>Other financing sources (uses):</b>						
Transfers in	-	-	-	-	-	-
Transfers out	-	-	-	-	-	-
<b>Total other financing sources (uses)</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>
Excess (deficiency) of receipts and other financing sources over disbursements and other financing uses	(4,989)	23,303	(21,899)	(8,666)	8,885	(13,229)
Cash and investments - beginning	-	(23,303)	-	22,360	-	13,229
Cash and investments - ending	<u>\$ (4,989)</u>	<u>\$ -</u>	<u>\$ (21,899)</u>	<u>\$ 13,694</u>	<u>\$ 8,885</u>	<u>\$ -</u>
<b>Cash and Investment Assets - Ending</b>						
Cash and investments	<u>\$ (4,989)</u>	<u>\$ -</u>	<u>\$ (21,899)</u>	<u>\$ 13,694</u>	<u>\$ 8,885</u>	<u>\$ -</u>
<b>Cash and Investment Fund Balance - Ending</b>						
Unrestricted	<u>\$ (4,989)</u>	<u>\$ -</u>	<u>\$ (21,899)</u>	<u>\$ 13,694</u>	<u>\$ 8,885</u>	<u>\$ -</u>
<b>Total cash and investment fund balance - ending</b>	<u><b>\$ (4,989)</b></u>	<u><b>\$ -</b></u>	<u><b>\$ (21,899)</b></u>	<u><b>\$ 13,694</b></u>	<u><b>\$ 8,885</b></u>	<u><b>\$ -</b></u>

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

	Title II D, Education Through Technology	Title I - Stimulus	Special Education, Part B - Stimulus	School Lunch Equipment - Stimulus	School Bus Replacement	Totals
<b>Receipts:</b>						
Local sources	\$ -	\$ -	\$ -	\$ -	\$ 138,113	\$ 1,062,174
Intermediate sources	-	-	-	-	-	148,608
State sources	-	-	-	-	-	312,390
Federal sources	26,450	126,772	92,523	21,500	-	1,098,170
Interfund loans	-	-	-	-	250,000	250,000
<b>Total receipts</b>	<b>26,450</b>	<b>126,772</b>	<b>92,523</b>	<b>21,500</b>	<b>388,113</b>	<b>2,871,342</b>
<b>Disbursements:</b>						
<b>Current:</b>						
Instruction	-	80,004	92,684	-	-	1,604,171
Support services	16,031	12,222	-	-	158,946	922,268
Noninstructional services	-	-	-	21,500	-	22,317
Facilities acquisition and construction	-	-	-	-	-	73,138
Nonprogrammed charges	-	-	-	-	-	2,125
<b>Total disbursements</b>	<b>16,031</b>	<b>92,226</b>	<b>92,684</b>	<b>21,500</b>	<b>158,946</b>	<b>2,624,019</b>
Excess (deficiency) of receipts over disbursements	10,419	34,546	(161)	-	229,167	247,323
<b>Other financing sources (uses):</b>						
Transfers in	-	-	-	-	-	193,109
Transfers out	-	-	-	-	-	(190,838)
<b>Total other financing sources (uses)</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>2,271</b>
Excess (deficiency) of receipts and other financing sources over disbursements and other financing uses	10,419	34,546	(161)	-	229,167	249,594
Cash and investments - beginning	3,730	-	-	-	30	499,169
<b>Cash and investments - ending</b>	<b>\$ 14,149</b>	<b>\$ 34,546</b>	<b>\$ (161)</b>	<b>\$ -</b>	<b>\$ 229,197</b>	<b>\$ 748,763</b>
<b>Cash and Investment Assets - Ending</b>						
Cash and investments	\$ 14,149	\$ 34,546	\$ (161)	\$ -	\$ 229,197	\$ 748,763
<b>Cash and Investment Fund Balance - Ending</b>						
Unrestricted	\$ 14,149	\$ 34,546	\$ (161)	\$ -	\$ 229,197	\$ 748,763
<b>Total cash and investment fund balance - ending</b>	<b>\$ 14,149</b>	<b>\$ 34,546</b>	<b>\$ (161)</b>	<b>\$ -</b>	<b>\$ 229,197</b>	<b>\$ 748,763</b>

SOUTH VERMILLION COMMUNITY 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.

<u>Primary Government</u>	<u>Ending Balance</u>
Governmental activities:	
Capital assets, not being depreciated:	
Land	\$ 739,500
Buildings	73,294,831
Improvements other than buildings	3,394,034
Machinery and equipment	<u>7,685,976</u>
 Total governmental activities, capital assets not being depreciated	 <u>\$ 85,114,341</u>

SOUTH VERMILLION COMMUNITY 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:		
Middle School Lease Rental	\$ 5,460,000	\$ 1,036,670
Van Duyn/Ernie Pyle Lease Rental	<u>6,010,000</u>	<u>669,000</u>
Total governmental activities debt	<u>\$ 11,470,000</u>	<u>\$ 1,705,670</u>

SOUTH VERMILLION COMMUNITY SCHOOL CORPORATION  
AUDIT RESULTS AND COMMENTS

APPROPRIATIONS

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

<u>Fund</u>	<u>Year</u>	<u>Excess Amount Expended</u>
General	2008	<u>\$ 157,610</u>

IC 6-1.1-18-4 states in part: ". . . the proper officers of a political subdivision shall appropriate funds in such a manner that the expenditures for a year do not exceed its budget for that year as finally determined under this article."

OVERDRAWN CASH BALANCES

The cash balances of the Adult Education Fund, Middle School Recycling Grant Fund, Perkins 08-09 Additional Fund, and PLTW 08-09 Fund were overdrawn as of June 30, 2009.

The cash balances of the Adult Education Fund, GED Test Scholarship Fund, Title I School Improvements 09-10 Fund, ICJI-ASAP Program Fund, Tech Prep - Law Fund, PLTW 09-10 Fund, and Special Education, Part B-Stimulus Fund were overdrawn as of June 30, 2010.

The cash 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)

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SUPPLEMENTAL AUDIT OF  
FEDERAL AWARDS



**STATE OF INDIANA**  
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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 SOUTH VERMILLION COMMUNITY  
SCHOOL CORPORATION, VERMILLION COUNTY, INDIANA

Compliance

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

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

In our opinion, the School Corporation complied in all material respects with the requirements referred to above that are applicable to each of its 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

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)

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.

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

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

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

This report is intended solely for the information and use of the School Corporation's management, 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 29, 2010

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

Federal Grantor Agency/Pass-Through Entity Cluster Title/Program Title/Project Title	Federal CFDA Number	Pass-Through Entity (or Other) Identifying Number	Total Federal Awards Expended 06-30-09	Total Federal Awards Expended 06-30-10
<u>U.S. DEPARTMENT OF AGRICULTURE</u>				
Pass-Through Indiana Department of Education Child Nutrition Cluster School Breakfast Program	10.553			
		FY 08-09	\$ 117,841	\$ -
		FY 09-10	-	143,660
Total for program			<u>117,841</u>	<u>143,660</u>
National School Lunch Program	10.555			
		FY 08-09	423,945	-
		FY 09-10	-	508,279
Total for program			<u>423,945</u>	<u>508,279</u>
Summer Food Service Program for Children	10.559			
		FY 08-09	13,277	-
		FY 09-10	-	9,560
Total for program			<u>13,277</u>	<u>9,560</u>
Total for cluster			<u>555,063</u>	<u>661,499</u>
ARRA - Child Nutrition Discretionary Grants Limited Availability	10.579			
		FY 09-10	-	21,500
Total for federal grantor agency			<u>555,063</u>	<u>682,999</u>
<u>U.S. DEPARTMENT OF JUSTICE</u>				
Pass-Through Vermillion County Juvenile Justice and Delinquency Prevention - Allocation To States	16.540			
		09-JF-031	-	11,303
Total for federal grantor agency			<u>-</u>	<u>11,303</u>
<u>U.S. DEPARTMENT OF EDUCATION</u>				
Pass-Through Indiana Department of Education Title I, Part A Cluster Title I Grants To Local Educational Agencies	84.010			
		07-8020	47,901	-
		08-8020	235,561	75,340
		09-8020	-	263,731
Total for program			<u>283,462</u>	<u>339,071</u>
ARRA - Title I Grants To Local Educational Agencies, Recovery Act	84.389			
			-	92,226
Total for cluster			<u>283,462</u>	<u>431,297</u>
Special Education Cluster ARRA - Special Education - Grants To States (IDEA, Part B), Recovery Act	84.391			
			-	92,684
State Fiscal Stabilization Fund Cluster ARRA - State Fiscal Stabilization Fund (SFSF) - Education State Grants, Recovery Act (Education Stabilization Fund)	84.394			
			515,627	890,175
Adult Education - Basic Grants To States	84.002			
		FY 07-08	10,344	-
		FY 08-09	27,190	3,995
		FY 09-10	-	30,428
Total for program			<u>37,534</u>	<u>34,423</u>

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

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

Federal Grantor Agency/Pass-Through Entity Cluster Title/Program Title/Project Title	Federal CFDA Number	Pass-Through Entity (or Other) Identifying Number	Total Federal Awards Expended 06-30-09	Total Federal Awards Expended 06-30-10
<u>U.S. DEPARTMENT OF EDUCATION (continued)</u>				
Pass-Through Indiana Department of Education (continued)				
State Fiscal Stabilization Fund Cluster (continued)				
Career and Technical Education - Basic Grants To States (Perkins IV)				
	84.048			
		07-4700-8020	190	-
		08-4700-8020	31,196	-
		09-4700-8020	53,054	36,489
		10-4700-8020	-	54,355
Total for program			<u>84,440</u>	<u>90,844</u>
Safe and Drug-Free Schools and Communities - State Grants				
	84.186			
		FY 07-08	2,990	2,111
		FY 08-09	1,346	4,038
		FY 09-10	-	2,510
Total for program			<u>4,336</u>	<u>8,659</u>
Even Start - State Educational Agencies				
	84.213			
		FY 07-08	4,020	-
Pass-Through Indiana Department of Workforce Development				
Tech-Prep Education				
	84.243			
		FY 07-08	41,400	-
		C19-TP-8-123	517	19,483
		FY 08-09	47,469	30,702
		C1-10-TP-9a123	-	22,499
		FY 09-10	-	71,281
Total for program			<u>89,386</u>	<u>143,965</u>
Pass-Through Indiana Department of Education				
State Grants For Innovative Programs				
	84.298			
		FY 07-08	2,014	2,541
Educational Technology State Grants Cluster				
Education Technology State Grants				
	84.318			
		S318X070014	156,709	3,730
		S318X080014	-	12,301
Total for cluster			<u>156,709</u>	<u>16,031</u>
Improving Teacher Quality State Grants				
	84.367			
		07-8020	41,118	-
		08-8020	16,771	69,871
		09-8020	-	20,186
Total for program			<u>57,889</u>	<u>90,057</u>
School Improvement Grants Cluster				
School Improvement Grants				
	84.377			
		FY 07-08	12,491	-
		FY 08-09	35,865	68,234
		FY 09-10	-	193,580
Total for cluster			<u>48,356</u>	<u>261,814</u>
Total for federal grantor agency			<u>1,283,773</u>	<u>2,062,490</u>
Total federal awards expended			<u>\$ 1,838,836</u>	<u>\$ 2,756,792</u>

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

SOUTH VERMILLION COMMUNITY SCHOOL CORPORATION  
NOTES TO SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS

I. Basis of Presentation

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

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

II. Noncash Assistance

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

Program Title	Federal CFDA Number	2008-2009	2009-2010
School Breakfast Program	10.553	\$ 50,919	\$ 14,672
National School Lunch Program	10.555	73,650	22,207

SOUTH VERMILLION COMMUNITY SCHOOL CORPORATION  
SCHEDULE OF FINDINGS AND QUESTIONED COSTS

Section I – Summary of Auditor's Results

Financial Statements:

Type of auditor's report issued: Unqualified

Internal control over financial reporting:

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

Noncompliance material to financial statements noted? no

Federal Awards:

Internal control over major programs:

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

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

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

Identification of Major Programs:

CFDA Number	Name of Federal Program or Cluster
	Child Nutrition Cluster
	Title I, Part A Cluster
	ARRA State Fiscal Stabilization Cluster
	School Improvement Grants 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

No matters are reportable.

Section III – Federal Award Findings and Questioned Costs

No matters are reportable.

SOUTH VERMILLION COMMUNITY SCHOOL CORPORATION  
SUMMARY SCHEDULE OF PRIOR AUDIT FINDINGS

No matters are reportable.

SOUTH VERMILLION COMMUNITY SCHOOL CORPORATION  
EXIT CONFERENCE

The contents of this report were discussed on November 29, 2010, with David A. Chapman, Superintendent of Schools, and Cindy Guinn, Business Manager. The officials concurred with our audit findings.