

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

AUDIT REPORT

OF

DEKALB COUNTY CENTRAL UNITED SCHOOL DISTRICT

DEKALB COUNTY, INDIANA

July 1, 2008 to June 30, 2010



FILED

02/07/2011

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SCHEDULE OF OFFICIALS

<u>Office</u>	<u>Official</u>	<u>Term</u>
Treasurer	Angela M. Lockwood	07-01-08 to 06-30-11
Superintendent of Schools	Kenneth E. Fowble Sherry L. Grate	07-01-08 to 06-30-09 07-01-09 to 06-30-11
President of the School Board	Jay R. Kern Rob M. Miller	07-01-08 to 06-30-09 07-01-09 to 06-30-11



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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 DEKALB COUNTY CENTRAL
UNITED SCHOOL DISTRICT, DEKALB COUNTY, INDIANA

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

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

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

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

In accordance with Government Auditing Standards, we have also issued a report dated December 6, 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

December 6, 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 DEKALB COUNTY CENTRAL
UNITED SCHOOL DISTRICT, DEKALB COUNTY, INDIANA

We have audited the financial statements of the governmental activities, each major fund, and the aggregate remaining fund information of the DeKalb County Central United School District (School Corporation), as of and for the years ended June 30, 2009 and 2010, which collectively comprise the School Corporation's basic financial statements and have issued our report thereon dated December 6, 2010. We conducted our audit in accordance with auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in Government Auditing Standards, issued by the Comptroller General of the United States.

Internal Control Over Financial Reporting

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

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

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

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

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

Compliance and Other Matters

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

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

STATE BOARD OF ACCOUNTS

December 6, 2010

DEKALB COUNTY CENTRAL UNITED SCHOOL DISTRICT
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>
		Charges for Services	Operating Grants and Contributions	<u>Totals</u>
Governmental activities:				
Instruction	\$ 17,906,975	\$ -	\$ 320,463	\$ (17,586,512)
Support services	12,359,173	1,053,820	672,317	(10,633,036)
Noninstructional services	1,719,911	-	-	(1,719,911)
Facilities acquisition and construction	720,622	-	-	(720,622)
Debt service	14,125,191	-	-	(14,125,191)
Nonprogrammed charges	<u>661,125</u>	<u>-</u>	<u>-</u>	<u>(661,125)</u>
Total governmental activities	<u>\$ 47,492,997</u>	<u>\$ 1,053,820</u>	<u>\$ 992,780</u>	<u>(45,446,397)</u>
General receipts:				
Property taxes				15,574,422
Other local sources				3,387,980
State aid				16,808,265
Bonds and loans				4,935,354
Grants and contributions not restricted to specific programs				3,682,905
Sale of property				149,665
Investment earnings				55,086
Other				<u>103,520</u>
Total general receipts				<u>44,697,197</u>
Change in net assets				(749,200)
Net assets - beginning				<u>5,057,719</u>
Net assets - ending				<u>\$ 4,308,519</u>
<u>Assets</u>				
Cash and investments				\$ 4,817,706
Restricted assets:				
Cash and investments				<u>(509,187)</u>
Total assets				<u>\$ 4,308,519</u>
<u>Net Assets</u>				
Restricted for:				
Debt service				\$ (635,524)
Other purposes				126,337
Unrestricted				<u>4,817,706</u>
Total net assets				<u>\$ 4,308,519</u>

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

DEKALB COUNTY CENTRAL UNITED SCHOOL DISTRICT
STATEMENT OF ACTIVITIES AND NET ASSETS - CASH AND INVESTMENT BASIS
For the Year Ended June 30, 2010

<u>Functions/Programs</u>	<u>Disbursements</u>	<u>Program Receipts</u>		<u>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	\$ 18,294,551	\$ -	\$ 276,222	\$ (18,018,329)
Support services	13,671,628	1,020,014	1,042,489	(11,609,125)
Noninstructional services	1,739,700	-	-	(1,739,700)
Facilities acquisition and construction	771,906	-	-	(771,906)
Debt service	6,951,787	-	-	(6,951,787)
Nonprogrammed charges	<u>130,328</u>	<u>-</u>	<u>-</u>	<u>(130,328)</u>
Total governmental activities	<u>\$ 41,559,900</u>	<u>\$ 1,020,014</u>	<u>\$ 1,318,711</u>	<u>(39,221,175)</u>
General receipts:				
Property taxes				15,530,064
Other local sources				3,570,007
State aid				21,979,343
Bonds and loans				1,036,408
Grants and contributions not restricted to specific programs				2,951,434
Sale of property				166,017
Investment earnings				25,463
Other				<u>46,824</u>
Total general receipts				<u>45,305,560</u>
Change in net assets				6,084,385
Net assets - beginning				<u>4,308,519</u>
Net assets - ending				<u>\$ 10,392,904</u>
<u>Assets</u>				
Cash and investments				\$ 7,559,816
Restricted assets:				
Cash and investments				<u>2,833,088</u>
Total assets				<u>\$ 10,392,904</u>
<u>Net Assets</u>				
Restricted for:				
Debt service				\$ 2,498,830
Other purposes				334,258
Unrestricted				<u>7,559,816</u>
Total net assets				<u>\$ 10,392,904</u>

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

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

	General	Transportation Operating	Fiscal Stabilization	Debt Service	Capital Projects	Other	Totals
Receipts:							
Local sources	\$ 8,517,473	\$ 1,893,425	\$ -	\$ 3,933,749	\$ 2,365,490	\$ 3,342,731	\$ 20,052,868
Intermediate sources	7,651	-	-	-	-	-	7,651
State sources	17,078,185	-	-	-	-	469,199	17,547,384
Federal sources	-	-	1,931,654	-	-	2,004,912	3,936,566
Temporary loans	3,207,666	908,087	-	-	-	819,601	4,935,354
Other	-	-	-	-	-	1,611	1,611
Total receipts	28,810,975	2,801,512	1,931,654	3,933,749	2,365,490	6,638,054	46,481,434
Disbursements:							
Current:							
Instruction	16,595,987	-	-	-	-	1,310,988	17,906,975
Support services	7,811,065	1,902,530	-	-	1,468,162	1,177,416	12,359,173
Noninstructional services	83,281	-	-	-	-	1,636,630	1,719,911
Facilities acquisition and construction	3,924	-	-	-	716,698	-	720,622
Debt services	5,196,468	1,232,843	-	5,006,661	491,063	2,198,156	14,125,191
Nonprogrammed charges	284,302	-	-	-	-	11,126	295,428
Total disbursements	29,975,027	3,135,373	-	5,006,661	2,675,923	6,334,316	47,127,300
Excess (deficiency) of receipts over disbursements	(1,164,052)	(333,861)	1,931,654	(1,072,912)	(310,433)	303,738	(645,866)
Other financing sources (uses):							
Sale of capital assets	-	325	-	-	149,340	-	149,665
Transfers in	12,829	-	-	-	-	226,730	239,559
Transfers out	(175,000)	-	-	(51,730)	(3,348)	(9,481)	(239,559)
Total other financing sources (uses)	(162,171)	325	-	(51,730)	145,992	217,249	149,665
Excess (deficiency) of receipts and other financing sources over disbursements and other financing uses	(1,326,223)	(333,536)	1,931,654	(1,124,642)	(164,441)	520,987	(496,201)
Cash and investments - beginning	2,280,645	547,052	-	438,052	820,391	592,243	4,678,383
Cash and investments - ending	\$ 954,422	\$ 213,516	\$ 1,931,654	\$ (686,590)	\$ 655,950	\$ 1,113,230	4,182,182
Amounts reported for governmental activities in the Statement of Cash Activities and Net Assets - Cash and Investment Basis are different because:							
Internal service funds are used by management to charge the costs of certain services to individual funds. The assets and liabilities of the internal service funds are included in governmental activities in the Statement of Activities and Net Assets - Cash and Investment Basis.							
							126,337
Net assets of governmental activities							<u>\$ 4,308,519</u>
Cash and Investment Assets - Ending							
Cash and investments	\$ 954,422	\$ 213,516	\$ 1,931,654	\$ -	\$ 655,950	\$ 1,062,164	\$ 4,817,706
Restricted assets:							
Cash and investments	-	-	-	(686,590)	-	51,066	(635,524)
Total cash and investment assets - ending	\$ 954,422	\$ 213,516	\$ 1,931,654	\$ (686,590)	\$ 655,950	\$ 1,113,230	\$ 4,182,182
Cash and Investment Fund Balance - Ending							
Restricted for:							
Debt service	\$ -	\$ -	\$ -	\$ (686,590)	\$ -	\$ 51,066	\$ (635,524)
Unrestricted	954,422	213,516	1,931,654	-	655,950	1,062,164	4,817,706
Total cash and investment fund balance - ending	\$ 954,422	\$ 213,516	\$ 1,931,654	\$ (686,590)	\$ 655,950	\$ 1,113,230	\$ 4,182,182

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

DEKALB COUNTY CENTRAL UNITED SCHOOL DISTRICT
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	Fiscal Stabilization	Debt Service	Capital Projects	Other	Totals
Receipts:							
Local sources	\$ 677,761	\$ 3,733,750	\$ -	\$ 6,511,490	\$ 5,248,183	\$ 3,970,596	\$ 20,141,780
Intermediate sources	58	-	-	-	-	-	58
State sources	22,202,704	-	-	-	-	610,035	22,812,739
Federal sources	-	-	822,908	-	-	2,613,841	3,436,749
Temporary loans	-	1,036,408	-	-	-	-	1,036,408
Other	-	-	-	-	-	2,085	2,085
Total receipts	22,880,523	4,770,158	822,908	6,511,490	5,248,183	7,196,557	47,429,819
Disbursements:							
Current:							
Instruction	14,447,766	-	2,754,562	-	-	1,092,223	18,294,551
Support services	7,488,616	2,050,301	-	-	1,864,036	2,268,675	13,671,628
Noninstructional services	75,052	-	-	-	-	1,664,648	1,739,700
Facilities acquisition and construction	-	-	-	-	702,444	69,462	771,906
Debt services	-	1,160,558	-	4,074,944	342,710	1,373,575	6,951,787
Nonprogrammed charges	243,465	-	-	-	-	46,335	289,800
Total disbursements	22,254,899	3,210,859	2,754,562	4,074,944	2,909,190	6,514,918	41,719,372
Excess (deficiency) of receipts over disbursements	625,624	1,559,299	(1,931,654)	2,436,546	2,338,993	681,639	5,710,447
Other financing sources (uses):							
Sale of capital assets	161,355	-	-	-	4,662	-	166,017
Transfers in	132,820	-	-	-	-	230,650	363,470
Transfers out	(200,000)	-	-	-	(3,500)	(159,970)	(363,470)
Total other financing sources (uses)	94,175	-	-	-	1,162	70,680	166,017
Excess (deficiency) of receipts and other financing sources over disbursements and other financing uses	719,799	1,559,299	(1,931,654)	2,436,546	2,340,155	752,319	5,876,464
Cash and investments - beginning	954,422	213,516	1,931,654	(686,590)	655,950	1,113,230	4,182,182
Cash and investments - ending	\$ 1,674,221	\$ 1,772,815	\$ -	\$ 1,749,956	\$ 2,996,105	\$ 1,865,549	10,058,646
Amounts reported for governmental activities in the Statement of Cash Activities and Net Assets - Cash and Investment Basis are different because:							
Internal service funds are used by management to charge the costs of certain services to individual funds. The assets and liabilities of the internal service funds are included in governmental activities in the Statement of Activities and Net Assets - Cash and Investment Basis.							
							334,258
Net assets of governmental activities							<u>\$ 10,392,904</u>
Cash and Investment Assets - Ending							
Cash and investments	\$ 1,674,221	\$ 1,772,815	\$ -	\$ -	\$ 2,996,105	\$ 1,116,675	\$ 7,559,816
Restricted assets:							
Cash and investments	-	-	-	1,749,956	-	748,874	2,498,830
Total cash and investment assets - ending	\$ 1,674,221	\$ 1,772,815	\$ -	\$ 1,749,956	\$ 2,996,105	\$ 1,865,549	\$ 10,058,646
Cash and Investment Fund Balance - Ending							
Restricted for:							
Debt service	\$ -	\$ -	\$ -	\$ 1,749,956	\$ -	\$ 748,874	\$ 2,498,830
Unrestricted	1,674,221	1,772,815	-	-	2,996,105	1,116,675	7,559,816
Total cash and investment fund balance - ending	\$ 1,674,221	\$ 1,772,815	\$ -	\$ 1,749,956	\$ 2,996,105	\$ 1,865,549	\$ 10,058,646

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

DEKALB COUNTY CENTRAL UNITED SCHOOL DISTRICT
STATEMENT OF ASSETS AND FUND BALANCES AND RECEIPTS, DISBURSEMENTS,
AND CHANGES IN FUND BALANCES - CASH AND INVESTMENT BASIS
PROPRIETARY FUNDS
For the Year Ended June 30, 2009

	<u>Internal Service Fund</u>
Operating receipts:	
Charges for services	\$ 4,108,871
Miscellaneous	<u>112,698</u>
Total operating receipts	<u>4,221,569</u>
Operating disbursements:	
Insurance claims and expense	<u>4,474,568</u>
Change in net assets	(252,999)
Cash and investment fund balance - beginning	<u>379,336</u>
Cash and investment fund balance - ending	<u>\$ 126,337</u>
<u>Cash and Investment Assets - Ending</u>	
Restricted assets:	
Cash and investments	<u>\$ 126,337</u>
<u>Cash and Investment Fund Balance - Ending</u>	
Restricted for:	
Other purposes	<u>\$ 126,337</u>

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

DEKALB COUNTY CENTRAL UNITED SCHOOL DISTRICT
STATEMENT OF ASSETS AND FUND BALANCES AND RECEIPTS, DISBURSEMENTS,
AND CHANGES IN FUND BALANCES - CASH AND INVESTMENT BASIS
PROPRIETARY FUNDS
For the Year Ended June 30, 2010

	<u>Internal Service Fund</u>
Operating receipts:	
Charges for services	\$ 5,139,579
Miscellaneous	<u>48,449</u>
Total operating receipts	<u>5,188,028</u>
Operating disbursements:	
Insurance claims and expense	<u>4,980,107</u>
Change in net assets	207,921
Cash and investment fund balance - beginning	<u>126,337</u>
Cash and investment fund balance - ending	<u>\$ 334,258</u>
<u>Cash and Investment Assets - Ending</u>	
Restricted assets:	
Cash and investments	<u>\$ 334,258</u>
<u>Cash and Investment Fund Balance - Ending</u>	
Restricted for:	
Other purposes	<u>\$ 334,258</u>

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

DEKALB COUNTY CENTRAL UNITED SCHOOL DISTRICT
STATEMENT OF ADDITIONS, DEDUCTIONS, AND CHANGES IN CASH AND INVESTMENT BALANCES
FIDUCIARY FUNDS
For the Year Ended June 30, 2009

	Pension Trust Funds	Agency Funds
Additions:		
Investment earnings:		
Interest	\$ <u>110,765</u>	
Deductions:		
Benefits	<u>371,360</u>	
Deficiency of total additions over total deductions	(260,595)	
Cash and investment fund balance - beginning	<u>3,773,434</u>	
Cash and investment fund balance - ending	<u>\$ 3,512,839</u>	<u>\$ 54,753</u>
Net assets:		
Cash and investments	<u>\$ 3,512,839</u>	<u>\$ 54,753</u>
Total net assets - cash and investment basis held in trust	<u>\$ 3,512,839</u>	<u>\$ 54,753</u>

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

DEKALB COUNTY CENTRAL UNITED SCHOOL DISTRICT
STATEMENT OF ADDITIONS, DEDUCTIONS, AND CHANGES IN CASH AND INVESTMENT BALANCES
FIDUCIARY FUNDS
For the Year Ended June 30, 2010

	<u>Pension Trust Funds</u>	<u>Agency Funds</u>
Additions:		
Contributions:		
Employer	\$ 9,471	
Investment earnings:		
Interest	<u>27,397</u>	
Total additions	<u>36,868</u>	
Deductions:		
Benefits	<u>436,984</u>	
Deficiency of total additions over total deductions	(400,116)	
Cash and investment fund balance - beginning	<u>3,512,839</u>	
Cash and investment fund balance - ending	<u>\$ 3,112,723</u>	<u>\$ 33,354</u>
Net assets:		
Cash and investments	<u>\$ 3,112,723</u>	<u>\$ 33,354</u>
Total net assets - cash and investment basis held in trust	<u>\$ 3,112,723</u>	<u>\$ 33,354</u>

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

DEKALB COUNTY CENTRAL UNITED SCHOOL DISTRICT
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: DeKalb County Central United School District

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 with other interested School Corporations in DeKalb, LaGrange, Noble, and Steuben Counties, in a joint venture to operate the Four County Area Vocational Cooperative (Co-op) which was created to provide vocational instruction for children. The School Corporation is obligated by contract to remit a proportionate share of annual costs to supplement the Co-op. Complete financial statements for the Co-op can be obtained from the Garrett-Keyser-Butler Community School District, 801 Houston Street, Garrett, Indiana 46738.

The School Corporation is a participant with other interested School Corporations in DeKalb, LaGrange, Noble, and Steuben Counties in a joint venture to operate the Northeast Indiana Special Education Cooperative (Co-op) which was created to provide programs and services for children with exceptional needs. The School Corporation is obligated by contract to remit a proportionate share of annual costs to supplement the Co-op. Complete financial statements for the Co-op can be obtained from DeKalb County Eastern Community School District, 300 Washington Street, Butler, Indiana 46721.

B. Government-Wide and Fund Financial Statements

Government-Wide Financial Statements

The Statement of Activities and Net Assets – Cash and Investment Basis displays information about the reporting government as a whole. It includes all funds of the reporting entity except for fiduciary funds. The statement distinguishes between governmental and business-type activities. Governmental activities generally are financed through taxes, intergovernmental revenues, and other nonexchange revenues. Business-type activities are financed in whole or in part by fees charged to external parties for goods or services.

DEKALB COUNTY CENTRAL UNITED SCHOOL DISTRICT
NOTES TO FINANCIAL STATEMENTS
(Continued)

Fund Financial Statements

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

The School Corporation reports the following major governmental funds:

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

The fiscal stabilization fund accounts for receipts and disbursements of cash received from the federal government to be used to supplement funding of local, state, and federal programs.

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

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

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

Additionally, the School Corporation reports the following fund types:

The internal service fund accounts for health insurance provided to other departments on a cost-reimbursement basis.

The pension trust funds account for the activities of the retirement/severance bond fund and the postretirement/severance future benefit fund which accumulate resources for pension benefit payments.

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

C. Measurement Focus and Basis of Accounting

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

DEKALB COUNTY CENTRAL UNITED SCHOOL DISTRICT
NOTES TO FINANCIAL STATEMENTS
(Continued)

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

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

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

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

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

D. Assets and Cash and Investment Balances

1. Restricted Assets

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

2. Cash and Investments

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

3. Property Taxes

Normally, property taxes levied are collected by the County Treasurer and are distributed to the School Corporation in June and in December. State statute (IC 6-1.1-17-16) requires the Indiana Department of Local Government Finance to establish property tax rates and levies by February 15. Taxable property is assessed at 100% of the true tax value (determined in accordance with rules and regulations adopted by the Indiana Department of Local Government Finance). Taxes may be paid in two equal installments which may become delinquent if not paid by May 10 and November 10, respectively. All property taxes collected by the County Treasurer and available for distribution were distributed to the School Corporation on or prior to June 30 of the year collected.

4. Capital Assets

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

DEKALB COUNTY CENTRAL UNITED SCHOOL DISTRICT
NOTES TO FINANCIAL STATEMENTS
(Continued)

5. Long-Term Debt

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

6. Equity Classification

Government-Wide Statements

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

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

Fund Financial Statements

Governmental fund equity is classified as fund balance.

E. Receipts and Disbursements

Program Receipts

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

F. Internal and Interfund Activities

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

Fund Financial Statements

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

DEKALB COUNTY CENTRAL UNITED SCHOOL DISTRICT
NOTES TO FINANCIAL STATEMENTS
(Continued)

Government-Wide Financial Statements

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

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

G. Rounding Differences

The financial statements may contain immaterial differences due to rounding of amounts when the statements were compiled. These differences are considered trivial and do not affect the overall presentation of the financial statements.

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 high-way use taxes are received are sent to the Indiana Department of Local Government Finance. The budget becomes legally enacted after the fiscal officer of the 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. Cash and Investment 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:

DEKALB COUNTY CENTRAL UNITED SCHOOL DISTRICT
NOTES TO FINANCIAL STATEMENTS
(Continued)

Fund	2009	2010
Debt Service	\$ 686,590	\$ -
Alternative Education	3,426	-
Extra-Curricular	477	-
Project Lead-The-Way	2,500	-
Classroom Relocation	-	10,865
Project Lead-The-Way 2009-10	-	4,500
School Bus Replacement	-	105,673

Cash and investment deficits arose primarily from disbursements from grant funds that operate on the reimbursement basis.

III. Detailed Notes on All Funds

A. Deposits and Investments

1. Deposits

Custodial credit risk is the risk that in the event of a bank failure, the government's deposits may not be returned to it. 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's deposit policy for custodial credit risk is to deposit in financial institutions eligible to receive state funds. At June 30, 2010, the School Corporation had deposit balances in the amount of \$10,457,857.

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

2. Investments

As of June 30, 2010, the School Corporation had the following investments:

Investment Type	Primary Government Market Value
Government Sponsored Enterprises	\$ 2,739,113
Money Market Mutual Funds	342,011
Total	<u>\$ 3,081,124</u>

DEKALB COUNTY CENTRAL UNITED SCHOOL DISTRICT
NOTES TO FINANCIAL STATEMENTS
(Continued)

Statutory Authorization for Investments

IC 5-13-9 authorizes the School Corporation to invest in securities backed by the full faith and credit of the United States Treasury or fully guaranteed by the United States of America and issued by the United States Treasury, a federal agency, a federal instrumentality, or a federal government sponsored enterprise. Indiana Code also authorizes the School Corporation to invest in securities fully guaranteed and issued by a federal agency, a federal instrumentality, or a federal government sponsored enterprise. These investments are required by statute to have a stated final maturity of not more than two years.

Indiana Code also provides for investment in money market mutual funds that are in the form of securities of, or interest in, an open-end, no-load, management-type investment company or investment trust registered under the provision of the federal Investment Company Act of 1940, as amended. Investments in money market mutual funds may not exceed 50% of the funds held by the School Corporation and available for investment. The portfolio of an investment company or investment trust used must be limited to direct obligations of the United States of America, obligations issued by a federal agency, a federal instrumentality, or a federal government sponsored enterprise or repurchase agreements fully collateralized by direct obligations of the United States of America or obligations issued by a federal agency, a federal instrumentality, or a federal government sponsored enterprise. The form of securities of, or interest in, an investment company or investment trust must be rated as AAA, or its equivalent by Standard and Poor's Corporation or its successor or Aaa, or its equivalent, by Moody's Investors Service, Inc., or its successor. The form of securities in an investment company or investment trust have a stated final maturity of one day.

Additionally, the School Corporation may enter into repurchase agreements with depositories designated by the State Board of Finance as depositories for state deposits involving the School Corporation's purchase and guaranteed resale of any interest-bearing obligations issued or fully insured or guaranteed by the United States of America, a United States of America government agency, an instrumentality of the United States of America, or a federal government sponsored enterprise. The repurchase agreement is considered to have a stated final maturity of one day. This agreement must be fully collateralized by interest-bearing obligations as determined by their current market value.

Investment Custodial Credit Risk

The custodial credit risk for investments is the risk that, in the event of the failure of the counterparty to a transaction, a government will not be able to recover the value of investment or collateral securities that are in the possession of an outside party. The School Corporation does not have a formal investment policy for custodial credit risk for investments.

The following investments held by the School Corporation were exposed to custodial credit risks because they are uninsured and unregistered with securities held by the counterparty, or the counterparty's trust department or agent, either in the government's name or not in the government's name:

DEKALB COUNTY CENTRAL UNITED SCHOOL DISTRICT
NOTES TO FINANCIAL STATEMENTS
(Continued)

Primary Government:

Investment Type	2009 In the Government's Name	2010 In the Government's Name
Government Sponsored Enterprises	\$ 3,129,209	\$ 2,739,113
Money Market Mutual Funds	323,456	342,011
Totals	<u>\$ 3,452,665</u>	<u>\$ 3,081,124</u>

Interest Rate Risk

Interest rate risk is the risk that changes in interest rates will adversely affect the fair value of an investment. The School Corporation must follow state statute and limit the stated final maturities of the investments to no more than two years. The School Corporation's investment policy for interest rate risk is to limit the stated final maturities of the investments to no more than two years.

Investment Type	Investment Maturities (in Years)	
	Less Than 1	1-2
Government Sponsored Enterprises	\$ 2,226,390	\$ 512,723
Money Market Mutual Funds	342,011	-
Totals	<u>\$ 2,568,401</u>	<u>\$ 512,723</u>

Credit Risk

Credit risk is the risk that an issuer or other counterparty to an investment will not fulfill its obligations. The distribution of securities with credit ratings is summarized below. The School Corporation does not have a formal investment policy for credit risk for investments.

Standard and Poor's Rating	Moody's Rating	School Corporation's Investments	
		Money Market Mutual Funds	Government Sponsored Enterprise
AAA	Aaa	\$ -	\$ 2,739,113
Unrated	Unrated	342,011	-
Totals		<u>\$ 342,011</u>	<u>\$ 2,739,113</u>

DEKALB COUNTY CENTRAL UNITED SCHOOL DISTRICT
NOTES TO FINANCIAL STATEMENTS
(Continued)

Concentration of Credit Risk

Concentration of credit risk is the risk of loss attributed to the magnitude of a government's investment in a single issuer. The School Corporation does not have a policy in regards to concentration of credit risk. United States of America government and United States of America governmental agency securities are exempt from this policy requirement.

The School Corporation held the following investments that were exposed to concentration of credit risk:

Primary Government:

<u>Issuer</u>	<u>2009</u>	<u>2010</u>
Federal Home Loan Mortgage Corporation	\$ 1,456,703	\$ 757,278
Federal National Mortgage Association	-	506,407
Federal Home Loan Bank	<u>1,006,565</u>	<u>1,475,428</u>
Totals	<u>\$ 2,463,268</u>	<u>\$ 2,739,113</u>

B. Interfund Transfers

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

<u>Transfer From</u>	<u>Transfer To</u>	<u>2009</u>	<u>2010</u>
General Fund	Other Governmental Funds	\$ 175,000	\$ 200,000
Capital Projects Fund	General Fund	3,348	3,500
Debt Service Fund	Other Governmental Funds	51,730	-
Other Governmental Funds	General Fund	9,481	129,320
	Other Governmental Funds	-	<u>30,650</u>
Totals		<u>\$ 239,559</u>	<u>\$ 363,470</u>

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

IV. Other Information

A. Risk Management

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

DEKALB COUNTY CENTRAL UNITED SCHOOL DISTRICT
NOTES TO FINANCIAL STATEMENTS
(Continued)

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.

Medical Benefits to Employees

The School Corporation has chosen to establish a risk financing fund for risks associated with Medical Benefits. The risk financing fund is accounted for in the DeKalb Health Insurance Fund, an internal service fund, where assets are set aside for claim settlements. An excess policy through commercial insurance covers individual claims in excess of \$140,000 per year. In addition, the insurance company assumes the risk when the total claims (excluding prescription) per year exceed a predetermined aggregate amount. In 2010, this aggregate amount was \$3,900,861. Settled claims resulting from this risk did not exceed commercial insurance coverage in the past three years. Amounts are paid into the fund by all insured funds and are available to pay claims, claim reserves, and administrative costs of the program. Interfund premiums are based primarily upon the insured funds' number of employees.

B. Holding Corporations

The School Corporation has entered into a capital lease with DeKalb Central Building Corporation (the lessor). The lessor was organized as a not-for-profit corporation pursuant to state statute for the purpose of financing and constructing or reconstructing facilities for lease to the School Corporation. The lessor has been determined to be a related party of the School Corporation. Lease payments during the years ended June 30, 2009 and 2010, totaled \$1,203,000, and \$2,024,000, respectively.

The School Corporation has entered into a capital lease with DeKalb Central Elementary School Building Corporation (the lessor). The lessor was organized as a not-for-profit corporation pursuant to state statute for the purpose of financing and constructing or reconstructing facilities for lease to the School Corporation. The lessor has been determined to be a related party of the School Corporation. Lease payments during the years ended June 30, 2009 and 2010, totaled \$1,764,249, and \$1,173,974, respectively.

The School Corporation has entered into a capital lease with DeKalb Central Remodeling Building Corporation (the lessor). The lessor was organized as a not-for-profit corporation pursuant to state statute for the purpose of financing and constructing or reconstructing facilities for lease to the School Corporation. The lessor has been determined to be a related party of the School Corporation. Lease payments during the years ended June 30, 2009 and 2010, totaled \$1,686,653, and \$862,208, respectively.

C. Termination Benefits

The School Corporation provides retirement benefits to all employees who are at least 55 years old and have worked at least fifteen years for the School Corporation. Teachers receive \$200 per unused sick day up to 120 days or 185 days depending upon a one-time election. The maximum days for all new teachers are 120 days. Classified staff are paid based upon their current daily rate of pay. At age 55, with 15 years of service, a classified employee would be paid 50% of unused sick days at retirement. This increases 5% with each year of service, up to a maximum of

DEKALB COUNTY CENTRAL UNITED SCHOOL DISTRICT
NOTES TO FINANCIAL STATEMENTS
(Continued)

100% with 25 years of service. The maximum number of sick days for classified employees is 130 days. Classified employees receive this payment upon retirement. Payment for teachers is paid in installments over a period of up to three years, depending upon the amount of the total payment. For the years ended June 30, 2009 and June 30, 2010, benefits of \$202,273 and \$524,047, respectively, were paid to retiring employees.

D. Other Postemployment Benefits

In addition to the pension benefits described below, the School Corporation provides postemployment health insurance benefits, as authorized by Indiana Code 5-10-8, to all employees who retire from the School Corporation on or after attaining age fifty-five with at least fifteen years of service. Currently 48 retirees meet these eligibility requirements. The value of the benefit is based upon the year of retirement and elections made by each retiree. Disbursements for those postemployment benefits are recognized on a pay-as-you-go basis. During the years ended June 30, 2009 and June 30, 2010, disbursements of \$250,853 and \$314,735, respectively, were recognized for postemployment benefits.

E. Pension Plans

1. Agent Multiple-Employer Defined Benefit Pension Plan

Public Employees' Retirement Fund

Plan Description

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

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

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

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 \$895,786.

DEKALB COUNTY CENTRAL UNITED SCHOOL DISTRICT
NOTES TO FINANCIAL STATEMENTS
(Continued)

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 \$1,102,678.

3. Defined Contribution Pension Plan

401 (a) Pension

Plan Description

The School Corporation has a defined contribution pension plan administered by Security Benefit Group as authorized by Indiana Code 5-10-1.1-1. The plan provides retirement benefits to plan members and beneficiaries. The plan was established by written agreement between the School Corporation and the Plan Administrator. The Plan Administrator issues a publicly available financial report that includes financial statements and required supplementary information of the plan. That report may be obtained by contacting:

DEKALB COUNTY CENTRAL UNITED SCHOOL DISTRICT
NOTES TO FINANCIAL STATEMENTS
(Continued)

Security Benefit Group
One Security Benefit Place
Topeka, Kansas 66636-0001
Ph. (888) 724-7526

Funding Policy

The contribution requirements of plan members are established by the written agreement between the School Corporation and the Plan Administrator. The School Corporation is required to contribute at an actuarially determined rate. The current rate is 1.5% of annual covered payroll. Employer contributions to the plan for the fiscal years ending June 30, 2009 and 2010 were \$96,924 and \$101,767, respectively.

DEKALB COUNTY CENTRAL UNITED SCHOOL DISTRICT
 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	\$ 5,530,617	\$ 6,527,493	\$ (996,876)	85%	\$ 4,795,502	(21%)
07-01-08	6,194,675	6,855,117	(660,442)	90%	4,965,042	(13%)
07-01-09	5,627,080	7,165,520	(1,538,440)	79%	5,501,675	(28%)

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

	Special Education Preschool	School Lunch	Textbook Rental	Alternative Education	Safe Haven Grant
Receipts:					
Local sources	\$ 24,523	\$ 868,548	\$ 245,591	\$ 51,891	\$ -
State sources	96,763	22,330	108,202	22,841	4,420
Federal sources	-	541,785	-	-	-
Temporary loans	-	-	-	-	-
Other	-	1,611	-	-	-
Total receipts	<u>121,286</u>	<u>1,434,274</u>	<u>353,793</u>	<u>74,732</u>	<u>4,420</u>
Disbursements:					
Current:					
Instruction	124,659	-	-	213,939	-
Support services	179	1,695	508,420	-	4,420
Noninstructional services	-	1,617,156	-	-	-
Debt services	-	-	-	-	-
Nonprogrammed charges	11,126	-	-	-	-
Total disbursements	<u>135,964</u>	<u>1,618,851</u>	<u>508,420</u>	<u>213,939</u>	<u>4,420</u>
Excess (deficiency) of receipts over disbursements	<u>(14,678)</u>	<u>(184,577)</u>	<u>(154,627)</u>	<u>(139,207)</u>	<u>-</u>
Other financing sources (uses):					
Transfers in	-	-	51,730	175,000	-
Transfers out	(9,481)	-	-	-	-
Total other financing sources (uses)	<u>(9,481)</u>	<u>-</u>	<u>51,730</u>	<u>175,000</u>	<u>-</u>
Excess (deficiency) of receipts and other financing sources over disbursements and other financing uses	(24,159)	(184,577)	(102,897)	35,793	-
Cash and investments - beginning	<u>169,699</u>	<u>270,064</u>	<u>290,940</u>	<u>(39,219)</u>	<u>-</u>
Cash and investments - ending	<u>\$ 145,540</u>	<u>\$ 85,487</u>	<u>\$ 188,043</u>	<u>\$ (3,426)</u>	<u>\$ -</u>
<u>Cash and Investment Assets - Ending</u>					
Cash and investments	\$ 145,540	\$ 85,487	\$ 188,043	\$ (3,426)	\$ -
Restricted assets:					
Cash and investments	-	-	-	-	-
Total cash and investment assets - ending	<u>\$ 145,540</u>	<u>\$ 85,487</u>	<u>\$ 188,043</u>	<u>\$ (3,426)</u>	<u>\$ -</u>
<u>Cash and Investment Fund Balance - Ending</u>					
Restricted for:					
Debt service	\$ -	\$ -	\$ -	\$ -	\$ -
Unrestricted	<u>145,540</u>	<u>85,487</u>	<u>188,043</u>	<u>(3,426)</u>	<u>-</u>
Total cash and investment fund balance - ending	<u>\$ 145,540</u>	<u>\$ 85,487</u>	<u>\$ 188,043</u>	<u>\$ (3,426)</u>	<u>\$ -</u>

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

	Early Intervention 08-09	Extra- Curricular	ALCOA Foundation Grant	ALCOA Pre-School Grant	DEKKO All-Write
Receipts:					
Local sources	\$ -	\$ 16,310	\$ -	\$ 16,000	\$ -
State sources	163,600	-	-	-	-
Federal sources	-	-	-	-	-
Temporary loans	-	-	-	-	-
Other	-	-	-	-	-
Total receipts	<u>163,600</u>	<u>16,310</u>	<u>-</u>	<u>16,000</u>	<u>-</u>
Disbursements:					
Current:					
Instruction	79,580	12,993	-	-	3,975
Support services	74,423	-	453	-	-
Noninstructional services	4,200	-	1,447	11,600	-
Debt services	-	-	-	-	-
Nonprogrammed charges	-	-	-	-	-
Total disbursements	<u>158,203</u>	<u>12,993</u>	<u>1,900</u>	<u>11,600</u>	<u>3,975</u>
Excess (deficiency) of receipts over disbursements	<u>5,397</u>	<u>3,317</u>	<u>(1,900)</u>	<u>4,400</u>	<u>(3,975)</u>
Other financing sources (uses):					
Transfers in	-	-	-	-	-
Transfers out	-	-	-	-	-
Total other financing sources (uses)	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Excess (deficiency) of receipts and other financing sources over disbursements and other financing uses	<u>5,397</u>	<u>3,317</u>	<u>(1,900)</u>	<u>4,400</u>	<u>(3,975)</u>
Cash and investments - beginning	<u>2,840</u>	<u>(3,794)</u>	<u>2,291</u>	<u>-</u>	<u>3,975</u>
Cash and investments - ending	<u>\$ 8,237</u>	<u>\$ (477)</u>	<u>\$ 391</u>	<u>\$ 4,400</u>	<u>\$ -</u>
<u>Cash and Investment Assets - Ending</u>					
Cash and investments	\$ 8,237	\$ (477)	\$ 391	\$ 4,400	\$ -
Restricted assets:					
Cash and investments	-	-	-	-	-
Total cash and investment assets - ending	<u>\$ 8,237</u>	<u>\$ (477)</u>	<u>\$ 391</u>	<u>\$ 4,400</u>	<u>\$ -</u>
<u>Cash and Investment Fund Balance - Ending</u>					
Restricted for:					
Debt service	\$ -	\$ -	\$ -	\$ -	\$ -
Unrestricted	<u>8,237</u>	<u>(477)</u>	<u>391</u>	<u>4,400</u>	<u>-</u>
Total cash and investment fund balance - ending	<u>\$ 8,237</u>	<u>\$ (477)</u>	<u>\$ 391</u>	<u>\$ 4,400</u>	<u>\$ -</u>

DEKALB COUNTY CENTRAL UNITED SCHOOL DISTRICT
 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)

	Educ./ Business Summit Grant	Summer Literacy Institute	Cape III Grant	Other Local Programs	High Ability Grant 2007-08
Receipts:					
Local sources	\$ 5,000	\$ 18,529	\$ -	\$ 2,742	\$ -
State sources	-	-	-	-	-
Federal sources	-	-	-	-	-
Temporary loans	-	-	-	-	-
Other	-	-	-	-	-
	<hr/>	<hr/>	<hr/>	<hr/>	<hr/>
Total receipts	5,000	18,529	-	2,742	-
Disbursements:					
Current:					
Instruction	-	-	66,989	-	15,887
Support services	2,500	1,355	-	130	-
Noninstructional services	-	-	-	-	-
Debt services	-	-	-	-	-
Nonprogrammed charges	-	-	-	-	-
	<hr/>	<hr/>	<hr/>	<hr/>	<hr/>
Total disbursements	2,500	1,355	66,989	130	15,887
Excess (deficiency) of receipts over disbursements	<hr/>	<hr/>	<hr/>	<hr/>	<hr/>
	2,500	17,174	(66,989)	2,612	(15,887)
Other financing sources (uses):					
Transfers in	-	-	-	-	-
Transfers out	-	-	-	-	-
	<hr/>	<hr/>	<hr/>	<hr/>	<hr/>
Total other financing sources (uses)	-	-	-	-	-
Excess (deficiency) of receipts and other financing sources over disbursements and other financing uses	<hr/>	<hr/>	<hr/>	<hr/>	<hr/>
	2,500	17,174	(66,989)	2,612	(15,887)
Cash and investments - beginning	<hr/>	<hr/>	<hr/>	<hr/>	<hr/>
	-	1,925	66,989	-	15,887
Cash and investments - ending	<hr/>	<hr/>	<hr/>	<hr/>	<hr/>
	\$ 2,500	\$ 19,099	\$ -	\$ 2,612	\$ -
<u>Cash and Investment Assets - Ending</u>					
Cash and investments	\$ 2,500	\$ 19,099	\$ -	\$ 2,612	\$ -
Restricted assets:					
Cash and investments	-	-	-	-	-
	<hr/>	<hr/>	<hr/>	<hr/>	<hr/>
Total cash and investment assets - ending	\$ 2,500	\$ 19,099	\$ -	\$ 2,612	\$ -
<u>Cash and Investment Fund Balance - Ending</u>					
Restricted for:					
Debt service	\$ -	\$ -	\$ -	\$ -	\$ -
Unrestricted	<hr/>	<hr/>	<hr/>	<hr/>	<hr/>
	2,500	19,099	-	2,612	-
Total cash and investment fund balance - ending	<hr/>	<hr/>	<hr/>	<hr/>	<hr/>
	\$ 2,500	\$ 19,099	\$ -	\$ 2,612	\$ -

DEKALB COUNTY CENTRAL UNITED SCHOOL DISTRICT
 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)

	High Ability Grant 2008-09	LEP Program Title III	Technology Fund	IDEM Recycling Grant	Title I Improvement 2007-08
Receipts:					
Local sources	\$ -	\$ 1,407	\$ 58,611	\$ -	\$ -
State sources	43,647	6,896	-	500	-
Federal sources	-	-	-	-	22,826
Temporary loans	-	-	-	-	-
Other	-	-	-	-	-
Total receipts	43,647	8,303	58,611	500	22,826
Disbursements:					
Current:					
Instruction	-	10,017	-	-	51,478
Support services	36,916	1,000	831	-	17,000
Noninstructional services	-	-	-	500	-
Debt services	-	-	-	-	-
Nonprogrammed charges	-	-	-	-	-
Total disbursements	36,916	11,017	831	500	68,478
Excess (deficiency) of receipts over disbursements	6,731	(2,714)	57,780	-	(45,652)
Other financing sources (uses):					
Transfers in	-	-	-	-	-
Transfers out	-	-	-	-	-
Total other financing sources (uses)	-	-	-	-	-
Excess (deficiency) of receipts and other financing sources over disbursements and other financing uses	6,731	(2,714)	57,780	-	(45,652)
Cash and investments - beginning	-	9,589	28,650	-	45,652
Cash and investments - ending	<u>\$ 6,731</u>	<u>\$ 6,875</u>	<u>\$ 86,430</u>	<u>\$ -</u>	<u>\$ -</u>
Cash and Investment Assets - Ending					
Cash and investments	\$ 6,731	\$ 6,875	\$ 86,430	\$ -	\$ -
Restricted assets:					
Cash and investments	-	-	-	-	-
Total cash and investment assets - ending	<u>\$ 6,731</u>	<u>\$ 6,875</u>	<u>\$ 86,430</u>	<u>\$ -</u>	<u>\$ -</u>
Cash and Investment Fund Balance - Ending					
Restricted for:					
Debt service	\$ -	\$ -	\$ -	\$ -	\$ -
Unrestricted	6,731	6,875	86,430	-	-
Total cash and investment fund balance - ending	<u>\$ 6,731</u>	<u>\$ 6,875</u>	<u>\$ 86,430</u>	<u>\$ -</u>	<u>\$ -</u>

DEKALB COUNTY CENTRAL UNITED SCHOOL DISTRICT
 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)

	CME School Improvement/ Title I	WE School Improvement/ Title I 08-09	Title I 2007-08	Title I 2008-09	Title V 2006-07
Receipts:					
Local sources	\$ -	\$ -	\$ -	\$ -	\$ -
State sources	-	-	-	-	-
Federal sources	353,493	106,000	48,000	405,285	-
Temporary loans	-	-	-	-	-
Other	-	-	-	-	-
Total receipts	<u>353,493</u>	<u>106,000</u>	<u>48,000</u>	<u>405,285</u>	<u>-</u>
Disbursements:					
Current:					
Instruction	159,854	3,771	63,494	190,207	-
Support services	48,487	65,863	32,570	104,009	2,570
Noninstructional services	-	-	770	957	-
Debt services	-	-	-	-	-
Nonprogrammed charges	-	-	-	-	-
Total disbursements	<u>208,341</u>	<u>69,634</u>	<u>96,834</u>	<u>295,173</u>	<u>2,570</u>
Excess (deficiency) of receipts over disbursements	<u>145,152</u>	<u>36,366</u>	<u>(48,834)</u>	<u>110,112</u>	<u>(2,570)</u>
Other financing sources (uses):					
Transfers in	-	-	-	-	-
Transfers out	-	-	-	-	-
Total other financing sources (uses)	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Excess (deficiency) of receipts and other financing sources over disbursements and other financing uses	<u>145,152</u>	<u>36,366</u>	<u>(48,834)</u>	<u>110,112</u>	<u>(2,570)</u>
Cash and investments - beginning	<u>-</u>	<u>-</u>	<u>48,834</u>	<u>-</u>	<u>2,570</u>
Cash and investments - ending	<u>\$ 145,152</u>	<u>\$ 36,366</u>	<u>\$ -</u>	<u>\$ 110,112</u>	<u>\$ -</u>
<u>Cash and Investment Assets - Ending</u>					
Cash and investments	\$ 145,152	\$ 36,366	\$ -	\$ 110,112	\$ -
Restricted assets:					
Cash and investments	-	-	-	-	-
Total cash and investment assets - ending	<u>\$ 145,152</u>	<u>\$ 36,366</u>	<u>\$ -</u>	<u>\$ 110,112</u>	<u>\$ -</u>
<u>Cash and Investment Fund Balance - Ending</u>					
Restricted for:					
Debt service	\$ -	\$ -	\$ -	\$ -	\$ -
Unrestricted	<u>145,152</u>	<u>36,366</u>	<u>-</u>	<u>110,112</u>	<u>-</u>
Total cash and investment fund balance - ending	<u>\$ 145,152</u>	<u>\$ 36,366</u>	<u>\$ -</u>	<u>\$ 110,112</u>	<u>\$ -</u>

DEKALB COUNTY CENTRAL UNITED SCHOOL DISTRICT
 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 2007-08	Camp Learn & Serve	Title IV 2007-08	Title IV 2008-09	Title II, Part A 2006-07
Receipts:					
Local sources	\$ -	\$ -	\$ -	\$ -	\$ -
State sources	-	-	-	-	-
Federal sources	6,228	-	7,576	10,927	-
Temporary loans	-	-	-	-	-
Other	-	-	-	-	-
Total receipts	<u>6,228</u>	<u>-</u>	<u>7,576</u>	<u>10,927</u>	<u>-</u>
Disbursements:					
Current:					
Instruction	-	700	4,900	-	-
Support services	4,699	-	4,761	900	9,076
Noninstructional services	-	-	-	-	-
Debt services	-	-	-	-	-
Nonprogrammed charges	-	-	-	-	-
Total disbursements	<u>4,699</u>	<u>700</u>	<u>9,661</u>	<u>900</u>	<u>9,076</u>
Excess (deficiency) of receipts over disbursements	<u>1,529</u>	<u>(700)</u>	<u>(2,085)</u>	<u>10,027</u>	<u>(9,076)</u>
Other financing sources (uses):					
Transfers in	-	-	-	-	-
Transfers out	-	-	-	-	-
Total other financing sources (uses)	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Excess (deficiency) of receipts and other financing sources over disbursements and other financing uses	1,529	(700)	(2,085)	10,027	(9,076)
Cash and investments - beginning	-	700	2,085	-	9,076
Cash and investments - ending	<u>\$ 1,529</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 10,027</u>	<u>\$ -</u>
Cash and Investment Assets - Ending					
Cash and investments	\$ 1,529	\$ -	\$ -	\$ 10,027	\$ -
Restricted assets:					
Cash and investments	-	-	-	-	-
Total cash and investment assets - ending	<u>\$ 1,529</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 10,027</u>	<u>\$ -</u>
Cash and Investment Fund Balance - Ending					
Restricted for:					
Debt service	\$ -	\$ -	\$ -	\$ -	\$ -
Unrestricted	<u>1,529</u>	<u>-</u>	<u>-</u>	<u>10,027</u>	<u>-</u>
Total cash and investment fund balance - ending	<u>\$ 1,529</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 10,027</u>	<u>\$ -</u>

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

	Title II, Part A 2007-08	Title II, Part A 2008-09	Project Lead-The-Way	21st Century Community Learning Centers 2007-08	21st Century Community Learning Centers 2008-09
Receipts:					
Local sources	\$ -	\$ -	\$ -	\$ -	\$ -
State sources	-	-	-	-	-
Federal sources	40,944	75,413	-	-	270,000
Temporary loans	-	-	-	-	-
Other	-	-	-	-	-
Total receipts	<u>40,944</u>	<u>75,413</u>	<u>-</u>	<u>-</u>	<u>270,000</u>
Disbursements:					
Current:					
Instruction	-	-	-	51,339	249,416
Support services	77,050	14,606	2,500	2,946	32,111
Noninstructional services	-	-	-	-	-
Debt services	-	-	-	-	-
Nonprogrammed charges	-	-	-	-	-
Total disbursements	<u>77,050</u>	<u>14,606</u>	<u>2,500</u>	<u>54,285</u>	<u>281,527</u>
Excess (deficiency) of receipts over disbursements	<u>(36,106)</u>	<u>60,807</u>	<u>(2,500)</u>	<u>(54,285)</u>	<u>(11,527)</u>
Other financing sources (uses):					
Transfers in	-	-	-	-	-
Transfers out	-	-	-	-	-
Total other financing sources (uses)	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Excess (deficiency) of receipts and other financing sources over disbursements and other financing uses	<u>(36,106)</u>	<u>60,807</u>	<u>(2,500)</u>	<u>(54,285)</u>	<u>(11,527)</u>
Cash and investments - beginning	<u>69,166</u>	<u>-</u>	<u>-</u>	<u>54,285</u>	<u>19,274</u>
Cash and investments - ending	<u>\$ 33,060</u>	<u>\$ 60,807</u>	<u>\$ (2,500)</u>	<u>\$ -</u>	<u>\$ 7,747</u>
<u>Cash and Investment Assets - Ending</u>					
Cash and investments	\$ 33,060	\$ 60,807	\$ (2,500)	\$ -	\$ 7,747
Restricted assets:					
Cash and investments	-	-	-	-	-
Total cash and investment assets - ending	<u>\$ 33,060</u>	<u>\$ 60,807</u>	<u>\$ (2,500)</u>	<u>\$ -</u>	<u>\$ 7,747</u>
<u>Cash and Investment Fund Balance - Ending</u>					
Restricted for:					
Debt service	\$ -	\$ -	\$ -	\$ -	\$ -
Unrestricted	<u>33,060</u>	<u>60,807</u>	<u>(2,500)</u>	<u>-</u>	<u>7,747</u>
Total cash and investment fund balance - ending	<u>\$ 33,060</u>	<u>\$ 60,807</u>	<u>\$ (2,500)</u>	<u>\$ -</u>	<u>\$ 7,747</u>

DEKALB COUNTY CENTRAL UNITED SCHOOL DISTRICT
 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)

	21st Century Community Learning Centers 2009-10	COPS Grant	School Pension Debt Service	School Bus Replacement	Totals
Receipts:					
Local sources	\$ -	\$ -	\$ 1,558,801	\$ 474,778	\$ 3,342,731
State sources	-	-	-	-	469,199
Federal sources	30,000	86,435	-	-	2,004,912
Temporary loans	-	-	819,601	-	819,601
Other	-	-	-	-	1,611
Total receipts	<u>30,000</u>	<u>86,435</u>	<u>2,378,402</u>	<u>474,778</u>	<u>6,638,054</u>
Disbursements:					
Current:					
Instruction	7,790	-	-	-	1,310,988
Support services	-	102,327	-	23,619	1,177,416
Noninstructional services	-	-	-	-	1,636,630
Debt services	-	-	2,198,156	-	2,198,156
Nonprogrammed charges	-	-	-	-	11,126
Total disbursements	<u>7,790</u>	<u>102,327</u>	<u>2,198,156</u>	<u>23,619</u>	<u>6,334,316</u>
Excess (deficiency) of receipts over disbursements	<u>22,210</u>	<u>(15,892)</u>	<u>180,246</u>	<u>451,159</u>	<u>303,738</u>
Other financing sources (uses):					
Transfers in	-	-	-	-	226,730
Transfers out	-	-	-	-	(9,481)
Total other financing sources (uses)	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>217,249</u>
Excess (deficiency) of receipts and other financing sources over disbursements and other financing uses	22,210	(15,892)	180,246	451,159	520,987
Cash and investments - beginning	<u>-</u>	<u>15,892</u>	<u>(129,180)</u>	<u>(365,947)</u>	<u>592,243</u>
Cash and investments - ending	<u>\$ 22,210</u>	<u>\$ -</u>	<u>\$ 51,066</u>	<u>\$ 85,212</u>	<u>\$ 1,113,230</u>
Cash and Investment Assets - Ending					
Cash and investments	\$ 22,210	\$ -	\$ -	\$ 85,212	\$ 1,062,164
Restricted assets:					
Cash and investments	-	-	51,066	-	51,066
Total cash and investment assets - ending	<u>\$ 22,210</u>	<u>\$ -</u>	<u>\$ 51,066</u>	<u>\$ 85,212</u>	<u>\$ 1,113,230</u>
Cash and Investment Fund Balance - Ending					
Restricted for:					
Debt service	\$ -	\$ -	\$ 51,066	\$ -	\$ 51,066
Unrestricted	22,210	-	-	85,212	1,062,164
Total cash and investment fund balance - ending	<u>\$ 22,210</u>	<u>\$ -</u>	<u>\$ 51,066</u>	<u>\$ 85,212</u>	<u>\$ 1,113,230</u>

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

	Special Education Preschool	School Lunch	Textbook Rental	Alternative Education	Safe Haven Grant	Early Intervention 08-09	Early Intervention 09-10
Receipts:							
Local sources	\$ -	\$ 896,516	\$ 263,518	\$ -	\$ -	\$ -	\$ -
State sources	57,750	-	109,865	22,804	12,000	-	151,473
Federal sources	-	932,624	-	-	-	-	-
Other	-	2,085	-	-	-	-	-
Total receipts	57,750	1,831,225	373,383	22,804	12,000	-	151,473
Disbursements:							
Current:							
Instruction	44,541	-	-	190,837	-	2,060	103,220
Support services	-	1,623	354,304	-	12,000	5,177	29,873
Noninstructional services	-	1,655,354	-	-	-	1,000	2,638
Facilities acquisition and construction	-	-	-	-	-	-	-
Debt services	-	-	-	-	-	-	-
Nonprogrammed charges	29,429	-	-	-	-	-	-
Total disbursements	73,970	1,656,977	354,304	190,837	12,000	8,237	135,731
Excess (deficiency) of receipts over disbursements	(16,220)	174,248	19,079	(168,033)	-	(8,237)	15,742
Other financing sources (uses):							
Transfers in	-	-	-	200,000	-	-	-
Transfers out	(129,320)	-	-	-	-	-	-
Total other financing sources (uses)	(129,320)	-	-	200,000	-	-	-
Excess (deficiency) of receipts and other financing sources over disbursements and other financing uses	(145,540)	174,248	19,079	31,967	-	(8,237)	15,742
Cash and investments - beginning	145,540	85,487	188,043	(3,426)	-	8,237	-
Cash and investments - ending	\$ -	\$ 259,735	\$ 207,122	\$ 28,541	\$ -	\$ -	\$ 15,742
Cash and Investment Assets - Ending							
Cash and investments	\$ -	\$ 259,735	\$ 207,122	\$ 28,541	\$ -	\$ -	\$ 15,742
Restricted assets:							
Cash and investments	-	-	-	-	-	-	-
Total cash and investment assets - ending	\$ -	\$ 259,735	\$ 207,122	\$ 28,541	\$ -	\$ -	\$ 15,742
Cash and Investment Fund Balance - Ending							
Restricted for:							
Debt service	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Unrestricted	-	259,735	207,122	28,541	-	-	15,742
Total cash and investment fund balance - ending	\$ -	\$ 259,735	\$ 207,122	\$ 28,541	\$ -	\$ -	\$ 15,742

DEKALB COUNTY CENTRAL UNITED SCHOOL DISTRICT
 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)

	Extra- Curricular	ALCOA Foundation Grant	ALCOA Pre-School Grant	DEKKO Toolbelt Grant	Educ./ Business Summit Grant	Summer Literacy Institute	Classroom Relocation
Receipts:							
Local sources	\$ 17,530	\$ -	\$ -	\$ 7,252	\$ -	\$ 601	\$ -
State sources	-	-	-	-	-	-	-
Federal sources	-	-	-	-	-	-	-
Other	-	-	-	-	-	-	-
Total receipts	17,530	-	-	7,252	-	601	-
Disbursements:							
Current:							
Instruction	16,944	-	-	-	-	-	-
Support services	-	-	-	7,252	2,500	728	10,865
Noninstructional services	-	391	4,400	-	-	-	-
Facilities acquisition and construction	-	-	-	-	-	-	-
Debt services	-	-	-	-	-	-	-
Nonprogrammed charges	-	-	-	-	-	-	-
Total disbursements	16,944	391	4,400	7,252	2,500	728	10,865
Excess (deficiency) of receipts over disbursements	586	(391)	(4,400)	-	(2,500)	(127)	(10,865)
Other financing sources (uses):							
Transfers in	-	-	-	-	-	-	-
Transfers out	-	-	-	-	-	-	-
Total other financing sources (uses)	-	-	-	-	-	-	-
Excess (deficiency) of receipts and other financing sources over disbursements and other financing uses	586	(391)	(4,400)	-	(2,500)	(127)	(10,865)
Cash and investments - beginning	(477)	391	4,400	-	2,500	19,099	-
Cash and investments - ending	<u>\$ 109</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 18,972</u>	<u>\$ (10,865)</u>
Cash and Investment Assets - Ending							
Cash and investments	\$ 109	\$ -	\$ -	\$ -	\$ -	\$ 18,972	\$ (10,865)
Restricted assets:							
Cash and investments	-	-	-	-	-	-	-
Total cash and investment assets - ending	<u>\$ 109</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 18,972</u>	<u>\$ (10,865)</u>
Cash and Investment Fund Balance - Ending							
Restricted for:							
Debt service	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Unrestricted	109	-	-	-	-	18,972	(10,865)
Total cash and investment fund balance - ending	<u>\$ 109</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 18,972</u>	<u>\$ (10,865)</u>

DEKALB COUNTY CENTRAL UNITED SCHOOL DISTRICT
 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)

	Other Local Programs	High Ability Grant 2008-09	LEP Program Title III	Technology Fund	Tech Grant	IDEM Recycling Grant
Receipts:						
Local sources	\$ 105	\$ -	\$ -	\$ 37,848	\$ -	\$ -
State sources	-	-	10,282	-	99,274	448
Federal sources	-	-	-	-	-	-
Other	-	-	-	-	-	-
Total receipts	105	-	10,282	37,848	99,274	448
Disbursements:						
Current:						
Instruction	2,717	-	8,558	-	-	-
Support services	-	6,731	3,847	37,873	99,274	-
Noninstructional services	-	-	230	-	-	448
Facilities acquisition and construction	-	-	-	-	-	-
Debt services	-	-	-	-	-	-
Nonprogrammed charges	-	-	-	-	-	-
Total disbursements	2,717	6,731	12,635	37,873	99,274	448
Excess (deficiency) of receipts over disbursements	(2,612)	(6,731)	(2,353)	(25)	-	-
Other financing sources (uses):						
Transfers in	-	-	-	-	-	-
Transfers out	-	-	-	-	-	-
Total other financing sources (uses)	-	-	-	-	-	-
Excess (deficiency) of receipts and other financing sources over disbursements and other financing uses	(2,612)	(6,731)	(2,353)	(25)	-	-
Cash and investments - beginning	2,612	6,731	6,875	86,430	-	-
Cash and investments - ending	\$ -	\$ -	\$ 4,522	\$ 86,405	\$ -	\$ -
Cash and Investment Assets - Ending						
Cash and investments	\$ -	\$ -	\$ 4,522	\$ 86,405	\$ -	\$ -
Restricted assets:						
Cash and investments	-	-	-	-	-	-
Total cash and investment assets - ending	\$ -	\$ -	\$ 4,522	\$ 86,405	\$ -	\$ -
Cash and Investment Fund Balance - Ending						
Restricted for:						
Debt service	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Unrestricted	-	-	4,522	86,405	-	-
Total cash and investment fund balance - ending	\$ -	\$ -	\$ 4,522	\$ 86,405	\$ -	\$ -

DEKALB COUNTY CENTRAL UNITED SCHOOL DISTRICT
 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)

	High Ability Grant 2009-10	Levy Excess	Title I 2009-2010	CME School Improvement/ Title I	WE School Improvement/ Title I 08-09	WE School Improvement/ Title I 09-10
Receipts:						
Local sources	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
State sources	42,579	101,060	-	-	-	-
Federal sources	-	-	409,768	-	-	87,090
Other	-	-	-	-	-	-
Total receipts	42,579	101,060	409,768	-	-	87,090
Disbursements:						
Current:						
Instruction	-	-	226,847	49,757	2,879	900
Support services	34,107	-	111,227	95,395	23,487	71,135
Noninstructional services	-	-	144	-	-	-
Facilities acquisition and construction	-	-	-	-	-	-
Debt services	-	-	-	-	-	-
Nonprogrammed charges	-	-	-	-	-	-
Total disbursements	34,107	-	338,218	145,152	26,366	72,035
Excess (deficiency) of receipts over disbursements	8,472	101,060	71,550	(145,152)	(26,366)	15,055
Other financing sources (uses):						
Transfers in	-	-	30,650	-	-	-
Transfers out	-	-	-	-	-	-
Total other financing sources (uses)	-	-	30,650	-	-	-
Excess (deficiency) of receipts and other financing sources over disbursements and other financing uses	8,472	101,060	102,200	(145,152)	(26,366)	15,055
Cash and investments - beginning	-	-	-	145,152	36,366	-
Cash and investments - ending	<u>8,472</u>	<u>101,060</u>	<u>102,200</u>	<u>-</u>	<u>10,000</u>	<u>15,055</u>
Cash and Investment Assets - Ending						
Cash and investments	\$ 8,472	\$ 101,060	\$ 102,200	\$ -	\$ 10,000	\$ 15,055
Restricted assets:						
Cash and investments	-	-	-	-	-	-
Total cash and investment assets - ending	<u>\$ 8,472</u>	<u>\$ 101,060</u>	<u>\$ 102,200</u>	<u>\$ -</u>	<u>\$ 10,000</u>	<u>\$ 15,055</u>
Cash and Investment Fund Balance - Ending						
Restricted for:						
Debt service	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Unrestricted	<u>8,472</u>	<u>101,060</u>	<u>102,200</u>	<u>-</u>	<u>10,000</u>	<u>15,055</u>
Total cash and investment fund balance - ending	<u>\$ 8,472</u>	<u>\$ 101,060</u>	<u>\$ 102,200</u>	<u>\$ -</u>	<u>\$ 10,000</u>	<u>\$ 15,055</u>

DEKALB COUNTY CENTRAL UNITED SCHOOL DISTRICT
 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 2008-09	Title V 2007-08	Federal Revenue	Title IV 2008-09	Title II, Part A 2009-10	Title II, Part A 2007-08
Receipts:						
Local sources	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
State sources	-	-	-	-	-	-
Federal sources	8,345	2,429	12,010	-	119,948	-
Other	-	-	-	-	-	-
Total receipts	8,345	2,429	12,010	-	119,948	-
Disbursements:						
Current:						
Instruction	43,500	2,429	-	4,000	-	-
Support services	44,264	1,529	-	3,983	26,690	33,060
Noninstructional services	43	-	-	-	-	-
Facilities acquisition and construction	-	-	-	-	-	-
Debt services	-	-	-	-	-	-
Nonprogrammed charges	-	-	-	-	-	-
Total disbursements	87,807	3,958	-	7,983	26,690	33,060
Excess (deficiency) of receipts over disbursements	(79,462)	(1,529)	12,010	(7,983)	93,258	(33,060)
Other financing sources (uses):						
Transfers in	-	-	-	-	-	-
Transfers out	(30,650)	-	-	-	-	-
Total other financing sources (uses)	(30,650)	-	-	-	-	-
Excess (deficiency) of receipts and other financing sources over disbursements and other financing uses	(110,112)	(1,529)	12,010	(7,983)	93,258	(33,060)
Cash and investments - beginning	110,112	1,529	-	10,027	-	33,060
Cash and investments - ending	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 12,010</u>	<u>\$ 2,044</u>	<u>\$ 93,258</u>	<u>\$ -</u>
Cash and Investment Assets - Ending						
Cash and investments	\$ -	\$ -	\$ 12,010	\$ 2,044	\$ 93,258	\$ -
Restricted assets:						
Cash and investments	-	-	-	-	-	-
Total cash and investment assets - ending	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 12,010</u>	<u>\$ 2,044</u>	<u>\$ 93,258</u>	<u>\$ -</u>
Cash and Investment Fund Balance - Ending						
Restricted for:						
Debt service	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Unrestricted	-	-	12,010	2,044	93,258	-
Total cash and investment fund balance - ending	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 12,010</u>	<u>\$ 2,044</u>	<u>\$ 93,258</u>	<u>\$ -</u>

DEKALB COUNTY CENTRAL UNITED SCHOOL DISTRICT
 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, Part A 2008-09	Project Lead-The-Way	Project Lead-The-Way 2009-10	21st Century Community Learning Centers 2008-09	21st Century Community Learning Centers 2009-10	Title I (ARRA)
Receipts:						
Local sources	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
State sources	-	2,500	-	-	-	-
Federal sources	37,680	-	-	-	284,351	90,618
Other	-	-	-	-	-	-
Total receipts	37,680	2,500	-	-	284,351	90,618
Disbursements:						
Current:						
Instruction	-	-	-	7,747	213,146	-
Support services	98,487	-	4,500	-	52,198	75,986
Noninstructional services	-	-	-	-	-	-
Facilities acquisition and construction	-	-	-	-	-	-
Debt services	-	-	-	-	-	-
Nonprogrammed charges	-	-	-	-	-	-
Total disbursements	98,487	-	4,500	7,747	265,344	75,986
Excess (deficiency) of receipts over disbursements	(60,807)	2,500	(4,500)	(7,747)	19,007	14,632
Other financing sources (uses):						
Transfers in	-	-	-	-	-	-
Transfers out	-	-	-	-	-	-
Total other financing sources (uses)	-	-	-	-	-	-
Excess (deficiency) of receipts and other financing sources over disbursements and other financing uses	(60,807)	2,500	(4,500)	(7,747)	19,007	14,632
Cash and investments - beginning	60,807	(2,500)	-	7,747	22,210	-
Cash and investments - ending	\$ -	\$ -	\$ (4,500)	\$ -	\$ 41,217	\$ 14,632
Cash and Investment Assets - Ending						
Cash and investments	\$ -	\$ -	\$ (4,500)	\$ -	\$ 41,217	\$ 14,632
Restricted assets:						
Cash and investments	-	-	-	-	-	-
Total cash and investment assets - ending	\$ -	\$ -	\$ (4,500)	\$ -	\$ 41,217	\$ 14,632
Cash and Investment Fund Balance - Ending						
Restricted for:						
Debt service	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Unrestricted	-	-	(4,500)	-	41,217	14,632
Total cash and investment fund balance - ending	\$ -	\$ -	\$ (4,500)	\$ -	\$ 41,217	\$ 14,632

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

	Special Education Part B (ARRA)	School Lunch Equipment (ARRA)	School Pension Debt Service	School Bus Replacement	Building Equipment	Totals
Receipts:						
Local sources	\$ -	\$ -	\$ 2,071,383	\$ 541,156	\$ 134,687	\$ 3,970,596
State sources	-	-	-	-	-	610,035
Federal sources	618,978	10,000	-	-	-	2,613,841
Other	-	-	-	-	-	2,085
Total receipts	618,978	10,000	2,071,383	541,156	134,687	7,196,557
Disbursements:						
Current:						
Instruction	172,141	-	-	-	-	1,092,223
Support services	288,539	-	-	732,041	-	2,268,675
Noninstructional services	-	-	-	-	-	1,664,648
Facilities acquisition and construction	-	10,000	-	-	59,462	69,462
Debt services	-	-	1,373,575	-	-	1,373,575
Nonprogrammed charges	16,906	-	-	-	-	46,335
Total disbursements	477,586	10,000	1,373,575	732,041	59,462	6,514,918
Excess (deficiency) of receipts over disbursements	141,392	-	697,808	(190,885)	75,225	681,639
Other financing sources (uses):						
Transfers in	-	-	-	-	-	230,650
Transfers out	-	-	-	-	-	(159,970)
Total other financing sources (uses)	-	-	-	-	-	70,680
Excess (deficiency) of receipts and other financing sources over disbursements and other financing uses	141,392	-	697,808	(190,885)	75,225	752,319
Cash and investments - beginning	-	-	51,066	85,212	-	1,113,230
Cash and investments - ending	<u>\$ 141,392</u>	<u>\$ -</u>	<u>\$ 748,874</u>	<u>\$ (105,673)</u>	<u>\$ 75,225</u>	<u>\$ 1,865,549</u>
Cash and Investment Assets - Ending						
Cash and investments	\$ 141,392	\$ -	\$ -	\$ (105,673)	\$ 75,225	\$ 1,116,675
Restricted assets:						
Cash and investments	-	-	748,874	-	-	748,874
Total cash and investment assets - ending	<u>\$ 141,392</u>	<u>\$ -</u>	<u>\$ 748,874</u>	<u>\$ (105,673)</u>	<u>\$ 75,225</u>	<u>\$ 1,865,549</u>
Cash and Investment Fund Balance - Ending						
Restricted for:						
Debt service	\$ -	\$ -	\$ 748,874	\$ -	\$ -	\$ 748,874
Unrestricted	<u>141,392</u>	<u>-</u>	<u>-</u>	<u>(105,673)</u>	<u>75,225</u>	<u>1,116,675</u>
Total cash and investment fund balance - ending	<u>\$ 141,392</u>	<u>\$ -</u>	<u>\$ 748,874</u>	<u>\$ (105,673)</u>	<u>\$ 75,225</u>	<u>\$ 1,865,549</u>

DEKALB COUNTY CENTRAL UNITED SCHOOL DISTRICT
 COMBINING SCHEDULE OF ADDITIONS, DEDUCTIONS, AND CHANGES IN CASH AND INVESTMENT BALANCES
 PENSION TRUST FUNDS
 For the Year Ended June 30, 2009

	Retirement/ Severance Bond	Post-Retirement/ Severance Future Benefit	Totals
Additions:			
Investment earnings:			
Interest	\$ 110,765	\$ -	\$ 110,765
Deductions:			
Benefits	371,360	-	371,360
Deficiency of total additions over total deductions	(260,595)	-	(260,595)
Cash and investment fund balance - beginning	<u>3,750,529</u>	<u>22,905</u>	<u>3,773,434</u>
Cash and investment fund balance - ending	<u>\$ 3,489,934</u>	<u>\$ 22,905</u>	<u>\$ 3,512,839</u>
Net assets:			
Cash and investments	<u>\$ 3,489,934</u>	<u>\$ 22,905</u>	<u>\$ 3,512,839</u>
Total net assets - cash and investment basis held in trust	<u>\$ 3,489,934</u>	<u>\$ 22,905</u>	<u>\$ 3,512,839</u>

DEKALB COUNTY CENTRAL UNITED SCHOOL DISTRICT
 COMBINING SCHEDULE OF ADDITIONS, DEDUCTIONS, AND CHANGES IN CASH AND INVESTMENT BALANCES
 PENSION TRUST FUNDS
 For the Year Ended June 30, 2010

	Retirement/ Severance Bond	Post-Retirement/ Severance Future Benefit	Totals
Additions:			
Contributions:			
Employer	\$ -	\$ 9,471	\$ 9,471
Investment earnings:			
Interest	<u>27,397</u>	<u>-</u>	<u>27,397</u>
Total additions	<u>27,397</u>	<u>9,471</u>	<u>36,868</u>
Deductions:			
Benefits	<u>436,984</u>	<u>-</u>	<u>436,984</u>
Excess (deficiency) of total additions over total deductions	(409,587)	9,471	(400,116)
Cash and investment fund balance - beginning	<u>3,489,934</u>	<u>22,905</u>	<u>3,512,839</u>
Cash and investment fund balance - ending	<u>\$ 3,080,347</u>	<u>\$ 32,376</u>	<u>\$ 3,112,723</u>
Net assets:			
Cash and investments	<u>\$ 3,080,347</u>	<u>\$ 32,376</u>	<u>\$ 3,112,723</u>
Total net assets - cash and investment basis held in trust	<u>\$ 3,080,347</u>	<u>\$ 32,376</u>	<u>\$ 3,112,723</u>

DEKALB COUNTY CENTRAL UNITED SCHOOL DISTRICT
 COMBINING SCHEDULE OF ADDITIONS, DEDUCTIONS, AND CHANGES IN CASH AND INVESTMENT BALANCES
 AGENCY FUNDS
 For the Year Ended June 30, 2009

	Payroll	Prepaid Food	Totals
Additions:			
Agency fund additions	\$ 19,850,501	\$ 632,692	\$ 20,483,193
Deductions:			
Agency fund deductions	19,850,501	624,120	20,474,621
Excess of total additions over total deductions	-	8,572	8,572
Cash and investment fund balance - beginning	-	46,181	46,181
Cash and investment fund balance - ending	\$ -	\$ 54,753	\$ 54,753

DEKALB COUNTY CENTRAL UNITED SCHOOL DISTRICT
 COMBINING SCHEDULE OF ADDITIONS, DEDUCTIONS, AND CHANGES IN CASH AND INVESTMENT BALANCES
 AGENCY FUNDS
 For the Year Ended June 30, 2010

	Payroll	Prepaid Food	Totals
Additions:			
Agency fund additions	\$ 20,303,513	\$ 614,258	\$ 20,917,771
Deductions:			
Agency fund deductions	20,303,513	635,657	20,939,170
Deficiency of total additions over total deductions	-	(21,399)	(21,399)
Cash and investment fund balance - beginning	-	54,753	54,753
Cash and investment fund balance - ending	\$ -	\$ 33,354	\$ 33,354

DEKALB COUNTY CENTRAL UNITED SCHOOL DISTRICT
 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	\$ 533,500
Buildings	35,888,281
Improvements other than buildings	4,235,541
Machinery and equipment	<u>4,826,243</u>
 Total governmental activities, capital assets not being depreciated	 <u><u>\$ 45,483,565</u></u>

DEKALB COUNTY CENTRAL UNITED SCHOOL DISTRICT
 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:		
DeKalb High School and Country Meadow Elementary School	\$ 5,595,000	\$ 585,775
DeKalb High School Renovations	15,200,000	2,922,000
Computers 102094000008	21,395	22,985
Computers 102094000009	22,157	23,436
Computers 102094000010	154,998	52,046
Computers 102094000011	15,481	6,665
Bonds payable:		
General obligation bonds:		
Pension Bonds of 2004	<u>2,615,000</u>	<u>1,376,495</u>
Total governmental activities debt	<u>\$ 23,624,031</u>	<u>\$ 4,989,402</u>

DEKALB COUNTY CENTRAL UNITED SCHOOL DISTRICT
AUDIT RESULT AND COMMENT

OVERDRAWN CASH BALANCES

The cash balance of the Debt Service Fund, Alternative Education Fund, Extra-Curricular Fund, Project Lead-The-Way Fund, Classroom Relocation Fund, Project Lead-The-Way 2009-10 Fund and School Bus Replacement Fund were overdrawn during the audit period. A similar comment appeared in prior Report B34201.

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)

SUPPLEMENTAL AUDIT OF
FEDERAL AWARDS



STATE OF INDIANA
AN EQUAL OPPORTUNITY EMPLOYER

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

Telephone: (317) 232-2513
Fax: (317) 232-4711
Web Site: www.in.gov/sboa

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

TO: THE OFFICIALS OF THE DEKALB COUNTY CENTRAL
UNITED SCHOOL DISTRICT, DEKALB COUNTY, INDIANA

Compliance

We have audited the compliance of the DeKalb County Central United School District (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 on compliance, but not for the purpose of expressing an opinion on the effectiveness of internal control over compliance. Accordingly, we do not express an opinion on the effectiveness of the School Corporation's internal control over compliance.

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

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

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

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

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

STATE BOARD OF ACCOUNTS

December 6, 2010

DEKALB COUNTY CENTRAL UNITED SCHOOL DISTRICT
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		\$ 73,042	\$ 111,918
National School Lunch Program	10.555		645,455	778,380
Summer Food Service Program for Children	10.559		-	26,931
Total for cluster			<u>718,497</u>	<u>917,229</u>
ARRA-Child Nutrition Discretionary Grants Limited Availability	10.579		-	10,000
Total for federal grantor agency			<u>718,497</u>	<u>927,229</u>
<u>U.S. DEPARTMENT OF JUSTICE</u>				
Pass-Through DeKalb County				
Public Safety Partnership and Community Policing Grants	16.710	FY 08-09	<u>102,327</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			
Basic Grant		08-1835	96,835	-
Basic Grant		09-1835	295,173	87,806
Basic Grant		10-1835	-	338,218
School Improvement		08-1835	68,478	-
School Improvement		09-1835	208,340	145,153
School Improvement		09-1835	69,634	26,366
School Improvement		10-1835	-	72,035
Total for program			<u>738,460</u>	<u>669,578</u>
ARRA - Title I Grants to Local Educational Agencies, Recovery Act	84.389	10-1835	-	75,986
Total for cluster			<u>738,460</u>	<u>745,564</u>
Pass-Through DeKalb Eastern Community School District				
Special Education Cluster				
ARRA - Special Education Grants to States, Recovery Act	84.391	33310-46-SNO1	-	477,586

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

DEKALB COUNTY CENTRAL UNITED SCHOOL DISTRICT
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				
State Fiscal Stabilization Fund Cluster				
ARRA - State Fiscal Stabilization Fund (SFSF) - Education State Grants, Recovery Act	84.394		-	<u>2,754,562</u>
Safe and Drug-Free Schools and Communities - State Grants	84.186			
		08-1835	9,661	-
		09-1835	<u>900</u>	<u>7,983</u>
Total for program			<u>10,561</u>	<u>7,983</u>
Pass-Through Indiana Department of Workforce Development				
Tech-Prep Education	84.243			
Project Lead the Way		PLTW9685	-	<u>4,500</u>
Pass-Through Indiana Department of Education				
Twenty-First Century Community Learning Centers	84.287			
		2007-08	54,285	-
		2008-09	281,527	7,747
		2009-10	<u>7,790</u>	<u>265,343</u>
Total for program			<u>343,602</u>	<u>273,090</u>
State Grants for Innovative Programs	84.298			
Title V, Part A		06-1835	2,570	-
		07-1835	<u>4,699</u>	<u>3,958</u>
Total for program			<u>7,269</u>	<u>3,958</u>
Improving Teacher Quality State Grants	84.367			
		06-1835	9,076	-
		07-1835	77,050	33,059
		08-1835	14,606	98,487
		10-1835	<u>-</u>	<u>26,690</u>
Total for program			<u>100,732</u>	<u>158,236</u>
Total for federal grantor agency			<u>1,200,624</u>	<u>4,425,479</u>
Total federal awards expended			<u>\$ 2,021,448</u>	<u>\$ 5,352,708</u>

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

DEKALB COUNTY CENTRAL UNITED SCHOOL DISTRICT
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 DeKalb County Central United School District (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	2009	2010
National School Lunch Program	10.555	\$ 82,958	\$ 91,773

DEKALB COUNTY CENTRAL UNITED SCHOOL DISTRICT
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
84.287	Title I, Part A Cluster Twenty-First Century Community Learning Centers Program Special Education Cluster State Fiscal Stabilization Fund Cluster

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

Auditee qualified as low-risk auditee? yes

Section II – Financial Statement Findings

No matters are reportable.

Section III – Federal Award Findings and Questioned Costs

No matters are reportable.

DEKALB COUNTY CENTRAL UNITED SCHOOL DISTRICT
SUMMARY SCHEDULE OF PRIOR AUDIT FINDINGS

No matters are reportable.

DEKALB COUNTY CENTRAL UNITED SCHOOL DISTRICT
EXIT CONFERENCE

The contents of this report were discussed on December 6, 2010, with Sherry L. Grate, Superintendent of Schools; Angela M. Lockwood, Treasurer; and Rob M. Miller, President of the School Board. The officials concurred with our audit finding.