

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

AUDIT REPORT
OF
NORTH LAWRENCE COMMUNITY SCHOOLS
LAWRENCE 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	Jennie Edwards Michele Cox	07-01-08 to 09-30-10 10-01-10 to 06-30-11
Superintendent of Schools	Dr. Dennis D. Turner	07-01-08 to 06-30-14
President of the School Board	J. Scott Gillespie Brad Flinn	01-01-08 to 01-07-09 01-08-09 to 12-31-11



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

TO: THE OFFICIALS OF THE NORTH LAWRENCE COMMUNITY
SCHOOLS, LAWRENCE COUNTY, INDIANA

We have audited the accompanying financial statements of the governmental activities, each major fund, and the aggregate remaining fund information of the North Lawrence Community Schools (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 January 5, 2011, on our consideration of the School Corporation's internal control over financial reporting and our tests of its compliance with certain provisions of laws, regulations, contracts, grant agreements, and other matters. The purpose of that report is to describe the scope of our testing of internal control over financial reporting and compliance and the results of that testing and not to provide an opinion on the internal control over financial reporting or on compliance. That report is an integral part of an audit performed in accordance with Government Auditing Standards and should be considered in assessing the results of our audit.

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

Our audit was conducted for the purpose of forming opinions on the financial statements that collectively comprise the School Corporation's basic financial statements. The accompanying Schedule of Expenditures of Federal Awards is presented for purposes of additional analysis as required by the U.S. Office of Management and Budget Circular A-133, Audits of States, Local Governments, and Non-Profit Organizations, and is not a required part of the basic financial statements. Such information has been subjected to the auditing procedures applied in the audit of the basic financial statements and, in our opinion, is fairly stated, in all material respects, in relation to the basic financial statements taken as a whole.

The School Corporation has not presented Management's Discussion and Analysis, Schedules of Funding Progress, 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.

The School's response to the Audit Results and Comments identified in our audit is described in the accompanying section of the report entitled Official Response. We did not audit the School's response and, accordingly, we express no opinion on it.

STATE BOARD OF ACCOUNTS

January 5, 2011



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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 NORTH LAWRENCE COMMUNITY
SCHOOLS, LAWRENCE COUNTY, INDIANA

We have audited the financial statements of the governmental activities, each major fund, and the aggregate remaining fund information of the North Lawrence Community Schools (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 January 5, 2011. 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 Board of School Trustees, and federal awarding agencies and pass-through entities and is not intended to be and should not be used by anyone other than these specified parties. In accordance with Indiana Code 5-11-5-1, this report is a part of the public records of the State Board of Accounts and of the office examined.

STATE BOARD OF ACCOUNTS

January 5, 2011

NORTH LAWRENCE COMMUNITY SCHOOLS
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 (Disbursements) Receipts and Changes in Net Assets</u>
		Charges for Services	Operating Grants and Contributions	<u>Totals</u>
Governmental activities:				
Instruction	\$ 26,720,249	\$ -	\$ 263,162	\$ (26,457,087)
Support services	16,654,678	1,508,245	1,103,756	(14,042,677)
Noninstructional services	2,322,211	-	-	(2,322,211)
Facilities acquisition and construction	2,599,171	-	-	(2,599,171)
Debt service	10,875,920	-	-	(10,875,920)
Nonprogrammed charges	4,161,106	-	-	(4,161,106)
Total governmental activities	\$ 63,333,335	\$ 1,508,245	\$ 1,366,918	(60,458,172)
General receipts:				
Property taxes				17,341,362
Other local sources				8,546,622
State aid				24,477,089
Bonds and loans				2,519,446
Grants and contributions not restricted to specific programs				7,613,751
Sale of property				13,533
Investment earnings				126,312
Other				1,321,301
Total general receipts				61,959,416
Change in net assets				1,501,244
Net assets - beginning				8,480,896
Net assets - ending				\$ 9,982,140
<u>Assets</u>				
Cash and investments				\$ 7,863,706
Restricted assets:				
Cash and investments				2,118,434
Total assets				\$ 9,982,140
<u>Net Assets</u>				
Restricted for:				
Debt service				\$ 88,288
Other purposes				2,030,146
Unrestricted				7,863,706
Total net assets				\$ 9,982,140

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

NORTH LAWRENCE COMMUNITY SCHOOLS
STATEMENT OF ACTIVITIES AND NET ASSETS - CASH AND INVESTMENT BASIS
For the Year Ended June 30, 2010

<u>Functions/Programs</u>	<u>Disbursements</u>	<u>Program Receipts</u>		<u>Totals</u>
		<u>Charges for Services</u>	<u>Operating Grants and Contributions</u>	<u>Net (Disbursements) Receipts and Changes in Net Assets</u>
Governmental activities:				
Instruction	\$ 27,958,075	\$ -	\$ 382,139	\$ (27,575,936)
Support services	17,081,797	1,441,172	1,315,627	(14,324,998)
Noninstructional services	2,542,572	-	-	(2,542,572)
Facilities acquisition and construction	1,716,060	-	-	(1,716,060)
Debt service	8,952,388	-	-	(8,952,388)
Nonprogrammed charges	6,510,349	-	-	(6,510,349)
Total governmental activities	\$ 64,761,241	\$ 1,441,172	\$ 1,697,766	(61,622,303)
General receipts:				
Property taxes				16,528,030
Other local sources				8,976,316
State aid				29,904,240
Bonds and loans				1,962,919
Grants and contributions not restricted to specific programs				8,334,474
Sale of property				167,145
Investment earnings				64,880
Other				1,465,428
Total general receipts				67,403,432
Change in net assets				5,781,129
Net assets - beginning				9,982,140
Net assets - ending				\$ 15,763,269
<u>Assets</u>				
Cash and investments				\$ 10,958,112
Restricted assets:				
Cash and investments				4,805,157
Total assets				\$ 15,763,269
<u>Net Assets</u>				
Restricted for:				
Debt service				\$ 2,928,893
Other purposes				1,876,264
Unrestricted				10,958,112
Total net assets				\$ 15,763,269

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

NORTH LAWRENCE COMMUNITY SCHOOLS
STATEMENT OF ASSETS AND FUND BALANCES AND RECEIPTS,
DISBURSEMENTS, AND CHANGES IN FUND BALANCES - CASH AND INVESTMENT BASIS
GOVERNMENTAL FUNDS
For the Year Ended June 30, 2009

	General	Transportation Operating	Rainy Day	Fiscal Stabilization Education Stimulus	Debt Service	Capital Projects	Other	Totals
Receipts:								
Local sources	\$ 8,268,996	\$ 2,710,001	\$ -	\$ -	\$ 6,693,152	\$ 3,094,762	\$ 4,040,595	\$ 24,807,506
State sources	24,566,861	-	-	-	-	-	730,453	25,297,314
Federal sources	146,000	-	-	2,619,242	-	-	5,395,202	8,160,444
Temporary loans	-	674,699	-	-	-	1,434,702	410,045	2,519,446
Other	830,780	12,197	-	-	-	809	18,793	862,579
Total receipts	33,812,637	3,396,897	-	2,619,242	6,693,152	4,530,273	10,595,088	61,647,289
Disbursements:								
Current:								
Instruction	20,668,522	-	-	461,551	-	-	5,590,176	26,720,249
Support services	8,826,790	3,056,648	-	-	-	1,752,191	3,019,049	16,654,678
Noninstructional services	331,405	-	-	-	-	-	1,990,806	2,322,211
Facilities acquisition and construction	-	-	-	-	-	1,551,034	1,048,137	2,599,171
Debt services	1,500,000	430,000	-	-	7,127,510	500,000	1,318,410	10,875,920
Nonprogrammed charges	957,873	-	-	-	-	-	13,177	971,050
Total disbursements	32,284,590	3,486,648	-	461,551	7,127,510	3,803,225	12,979,755	60,143,279
Excess (deficiency) of receipts over disbursements	1,528,047	(89,751)	-	2,157,691	(434,358)	727,048	(2,384,667)	1,504,010
Other financing sources (uses):								
Sale of capital assets	13,533	-	-	-	-	-	-	13,533
Transfers in	-	3,143	900,000	-	-	-	1,828,348	2,731,491
Transfers out	(1,447,758)	-	-	-	(900,000)	-	(383,733)	(2,731,491)
Total other financing sources (uses)	(1,434,225)	3,143	900,000	-	(900,000)	-	1,444,615	13,533
Excess (deficiency) of receipts and other financing sources over disbursements and other financing uses	93,822	(86,608)	900,000	2,157,691	(1,334,358)	727,048	(940,052)	1,517,543
Cash and investments - beginning	1,494,140	786,003	-	-	1,422,646	1,065,492	1,666,170	6,434,451
Cash and investments - ending	<u>\$ 1,587,962</u>	<u>\$ 699,395</u>	<u>\$ 900,000</u>	<u>\$ 2,157,691</u>	<u>\$ 88,288</u>	<u>\$ 1,792,540</u>	<u>\$ 726,118</u>	7,951,994
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 receipts assets and disbursements of the internal service funds are included in governmental activities in the Statement of Activities and Net Assets - Cash and Investment Basis.								
								2,030,146
Net assets of governmental activities								<u>\$ 9,982,140</u>
Cash and Investment Assets - Ending								
Cash and investments	\$ 1,587,962	\$ 699,395	\$ 900,000	\$ 2,157,691	\$ -	\$ 1,792,540	\$ 726,118	\$ 7,863,706
Restricted assets:								
Cash and investments	-	-	-	-	88,288	-	-	88,288
Total cash and investment assets - ending	<u>\$ 1,587,962</u>	<u>\$ 699,395</u>	<u>\$ 900,000</u>	<u>\$ 2,157,691</u>	<u>\$ 88,288</u>	<u>\$ 1,792,540</u>	<u>\$ 726,118</u>	<u>\$ 7,951,994</u>
Cash and Investment Fund Balance - Ending								
Restricted for:								
Debt service	\$ -	\$ -	\$ -	\$ -	\$ 88,288	\$ -	\$ -	\$ 88,288
Unrestricted	1,587,962	699,395	900,000	2,157,691	-	1,792,540	726,118	7,863,706
Total cash and investment fund balance - ending	<u>\$ 1,587,962</u>	<u>\$ 699,395</u>	<u>\$ 900,000</u>	<u>\$ 2,157,691</u>	<u>\$ 88,288</u>	<u>\$ 1,792,540</u>	<u>\$ 726,118</u>	<u>\$ 7,951,994</u>

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

NORTH LAWRENCE COMMUNITY SCHOOLS
STATEMENT OF ASSETS AND FUND BALANCES AND RECEIPTS,
DISBURSEMENTS, AND CHANGES IN FUND BALANCES - CASH AND INVESTMENT BASIS
GOVERNMENTAL FUNDS
For the Year Ended June 30, 2010

	General	Transportation Operating	Rainy Day	Fiscal Stabilization Education Stimulus	Debt Service	Capital Projects	Other	Totals
Receipts:								
Local sources	\$ 1,158,888	\$ 5,160,453	\$ 4,828	\$ -	\$ 7,482,693	\$ 4,773,835	\$ 5,711,934	\$ 24,292,631
Intermediate sources	765	-	-	-	-	-	-	765
State sources	29,966,114	35,496	-	-	183,721	106,154	763,927	31,055,412
Federal sources	152,000	-	-	1,076,231	-	-	7,652,835	8,881,066
Temporary loans	-	500,993	-	-	-	1,445,000	16,926	1,962,919
Other	90,196	15,187	-	-	-	26,628	5,471	137,482
Total receipts	31,367,963	5,712,129	4,828	1,076,231	7,666,414	6,351,617	14,151,093	66,330,275
Disbursements:								
Current:								
Instruction	18,672,982	-	-	3,233,922	-	-	6,051,171	27,958,075
Support services	9,090,182	3,042,902	-	-	-	1,682,495	3,266,218	17,081,797
Noninstructional services	390,692	-	-	-	-	-	2,151,880	2,542,572
Facilities acquisition and construction	-	-	-	-	-	1,226,844	489,216	1,716,060
Debt services	-	674,698	-	-	5,097,786	1,896,682	1,283,222	8,952,388
Nonprogrammed charges	1,326,991	-	-	-	-	-	984,526	2,311,517
Total disbursements	29,480,847	3,717,600	-	3,233,922	5,097,786	4,806,021	14,226,233	60,562,409
Excess (deficiency) of receipts over disbursements	1,887,116	1,994,529	4,828	(2,157,691)	2,568,628	1,545,596	(75,140)	5,767,866
Other financing sources (uses):								
Sale of capital assets	167,145	-	-	-	-	-	-	167,145
Transfers in	5,198	163,990	20,130	-	207,460	157,530	1,196,185	1,750,493
Transfers out	(1,248,274)	-	(41,412)	-	(12,106)	-	(448,701)	(1,750,493)
Total other financing sources (uses)	(1,075,931)	163,990	(21,282)	-	195,354	157,530	747,484	167,145
Excess (deficiency) of receipts and other financing sources over disbursements and other financing uses	811,185	2,158,519	(16,454)	(2,157,691)	2,763,982	1,703,126	672,344	5,935,011
Cash and investments - beginning	1,587,962	699,395	900,000	2,157,691	88,288	1,792,540	726,118	7,951,994
Cash and investments - ending	\$ 2,399,147	\$ 2,857,914	\$ 883,546	\$ -	\$ 2,852,270	\$ 3,495,666	\$ 1,398,462	13,887,005
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 receipts assets and disbursements of the internal service funds are included in governmental activities in the Statement of Activities and Net Assets - Cash and Investment Basis.								
								1,876,264
Net assets of governmental activities								\$ 15,763,269
Cash and Investment Assets - Ending								
Cash and investments	\$ 2,399,147	\$ 2,857,914	\$ 883,546	\$ -	\$ -	\$ 3,495,666	\$ 1,321,839	\$ 10,958,112
Restricted assets:								
Cash and investments	-	-	-	-	2,852,270	-	76,623	2,928,893
Total cash and investment assets - ending	\$ 2,399,147	\$ 2,857,914	\$ 883,546	\$ -	\$ 2,852,270	\$ 3,495,666	\$ 1,398,462	\$ 13,887,005
Cash and Investment Fund Balance - Ending								
Restricted for:								
Debt service	\$ -	\$ -	\$ -	\$ -	\$ 2,852,270	\$ -	\$ 76,623	\$ 2,928,893
Unrestricted	2,399,147	2,857,914	883,546	-	-	3,495,666	1,321,839	10,958,112
Total cash and investment fund balance - ending	\$ 2,399,147	\$ 2,857,914	\$ 883,546	\$ -	\$ 2,852,270	\$ 3,495,666	\$ 1,398,462	\$ 13,887,005

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

NORTH LAWRENCE COMMUNITY SCHOOLS
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	\$ 2,701,714
Miscellaneous	<u>1,274,730</u>
Total operating receipts	<u>3,976,444</u>
Operating disbursements:	
Insurance claims and expense	<u>3,992,743</u>
Deficiency of operating receipts over operating disbursements	(16,299)
Cash and investment fund balance - beginning	<u>2,046,445</u>
Cash and investment fund balance - ending	<u>\$ 2,030,146</u>
 <u>Cash and Investment Assets - Ending</u>	
Restricted assets:	
Cash and investments	<u>\$ 2,030,146</u>
 <u>Cash and Investment Fund Balance - Ending</u>	
Restricted for:	
Other purposes	<u>\$ 2,030,146</u>

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

NORTH LAWRENCE COMMUNITY SCHOOLS
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	\$ 2,702,266
Miscellaneous	<u>1,342,683</u>
Total operating receipts	<u>4,044,949</u>
Operating disbursements:	
Insurance claims and expense	<u>4,198,831</u>
Deficiency of operating receipts over operating disbursements	(153,882)
Cash and investment fund balance - beginning	<u>2,030,146</u>
Cash and investment fund balance - ending	<u>\$ 1,876,264</u>
<u>Cash and Investment Assets - Ending</u>	
Restricted assets:	
Cash and investments	<u>\$ 1,876,264</u>
<u>Cash and Investment Fund Balance - Ending</u>	
Restricted for:	
Other purposes	<u>\$ 1,876,264</u>

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

NORTH LAWRENCE COMMUNITY SCHOOLS
STATEMENT OF ADDITIONS, DEDUCTIONS, AND CHANGES IN CASH AND INVESTMENT BALANCES
FIDUCIARY FUNDS
For the Year Ended June 30, 2009

	Pension Trust Funds	Private-Purpose Trust Funds
Additions:		
Contributions:		
Employer	\$ 401,346	\$ -
Plan members	45,000	-
Other	-	101,539
	446,346	101,539
Total contributions		
Investment earnings:		
Interest	13,261	1,602
	459,607	103,141
Total additions		
Deductions:		
Benefits	253,827	-
Administrative and general	802,687	118,671
	1,056,514	118,671
Total deductions		
Deficiency of total additions over total deductions	(596,907)	(15,530)
Cash and investment fund balance - beginning	1,269,479	169,186
Cash and investment fund balance - ending	\$ 672,572	\$ 153,656
Net assets:		
Cash and investments	\$ 672,572	\$ 153,656
Total net assets - cash and investment basis held in trust	\$ 672,572	\$ 153,656

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

NORTH LAWRENCE COMMUNITY SCHOOLS
STATEMENT OF ADDITIONS, DEDUCTIONS, AND CHANGES IN CASH AND INVESTMENT BALANCES
FIDUCIARY FUNDS
For the Year Ended June 30, 2010

	<u>Pension Trust Funds</u>	<u>Private-Purpose Trust Funds</u>
Additions:		
Contributions:		
Plan members	\$ 400,000	\$ -
Other	<u>81,215</u>	<u>62,146</u>
Total contributions	<u>481,215</u>	<u>62,146</u>
Investment earnings:		
Interest	<u>4,466</u>	<u>1,284</u>
Total additions	<u>485,681</u>	<u>63,430</u>
Deductions:		
Benefits	177,226	-
Administrative and general	<u>-</u>	<u>82,052</u>
Total deductions	<u>177,226</u>	<u>82,052</u>
Excess (deficiency) of total additions over total deductions	308,455	(18,622)
Cash and investment fund balance - beginning	<u>672,572</u>	<u>153,656</u>
Cash and investment fund balance - ending	<u>\$ 981,027</u>	<u>\$ 135,034</u>
Net assets:		
Cash and investments	<u>\$ 981,027</u>	<u>\$ 135,034</u>
Total net assets - cash and investment basis held in trust	<u>\$ 981,027</u>	<u>\$ 135,034</u>

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

NORTH LAWRENCE COMMUNITY SCHOOLS
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: North Lawrence Community Schools

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

Joint Ventures

The School Corporation is a participant with Brownstown Central Community Schools, Eastern School District of Green County, Medora Community School Corporation, Mitchell Community Schools, Orleans Community Schools and Shoals Community Schools in a joint venture to operate Orange, Lawrence, Jackson, Martin, Green, Joint Services Agreement in Special Education (Co-op) which was created to provide instruction to handicapped children. The Co-op's continued existence depends on continued funding by the School Corporation. Complete financial statements for the Orange, Lawrence, Jackson, Martin, Green, Joint Services Agreement in Special Education (Co-op) can be obtained from North Lawrence Community Schools.

The School Corporation is a participant in a joint venture to operate Southern Indiana Education Interlocal which was created to provide services and supplies. The Southern Indiana Education Interlocal's continued existence depends on continued funding by the School Corporation. Complete financial statements for the Southern Indiana Education Interlocal can be obtained from the joint venture's administrative office at 1102 Tree Lane Road, Jasper, IN 47546.

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. The School Corporation has no business-type activities at this time.

NORTH LAWRENCE COMMUNITY SCHOOLS
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 transportation operating fund accounts for financial resources for the transportation of school children to and from school.

The rainy day fund is used to account for funds in accordance with IC 36-1-8-5.1 and a locally adopted resolution.

The fiscal stabilization education stimulus fund is a federally funded program used to supplement federal, state and local programs.

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 all receipts and disbursements from the School Corporation's self-insurance fund.

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

The private-purpose trust fund reports a trust arrangement under which principal and income benefit the annual disbursement of scholarship funds to eligible students, as well as building improvements.

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.

NORTH LAWRENCE COMMUNITY SCHOOLS
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 and third party debt agreements.

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 December 31 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.

NORTH LAWRENCE COMMUNITY SCHOOLS
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. Proprietary fund equity is classified the same as in the government-wide statements.

E. Receipts and Disbursements

1. Program Receipts

Amounts reported as program receipts include (1) charges to customers or applicants for goods, services, or privileges provided, (2) operating grants and contributions, and (3) capital grants and contributions, including special assessments. Internally dedicated resources are reported as general receipts rather than as program receipts. Likewise, general receipts include all taxes.

2. Operating Receipts and Disbursements

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

F. Internal and Interfund 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.

NORTH LAWRENCE COMMUNITY SCHOOLS
NOTES TO FINANCIAL STATEMENTS
(Continued)

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

Government-Wide Financial Statements

Interfund activity, 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.

II. Stewardship, Compliance and Accountability

A. Budgetary Information

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

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

NORTH LAWRENCE COMMUNITY SCHOOLS
NOTES TO FINANCIAL STATEMENTS
(Continued)

Fund	June 30, 2009	June 30, 2010
Retirement Severance Bond Debt	\$ 23,404	\$ -
Alternative Education	4021	-
Joint Services and Supply -		
Special Education Cooperative	406,029	255,430
Project Lead the Way Perkins	-	5,340
Carl Perkins 2009-2010	-	5,155
SIEC Federal Grant	-	428

Cash and investment deficits arose primarily from disbursements exceeding receipts due to the underestimate of current requirements.

III. Detailed Notes on All Funds

A. Deposits

Custodial credit risk is the risk that in the event of a bank failure, the government's deposits may not be returned to it. IC 5-13-8-1 allows a political subdivision of the State of Indiana to deposit public funds in a financial institution only if the financial institution is a depository eligible to receive state funds and has a principal office or branch that qualifies to receive public funds of the political subdivision. The School Corporation does not have a deposit policy for custodial credit risk. At June 30, 2010, the School Corporation had deposit balances in the amount of \$17,745,464. These balances were insured by the Federal Deposit Insurance Corporation or the Public Deposit Insurance Fund, which covers all public funds held in approved depositories.

B. Interfund Transfers

Interfund transfers for the years ended June 30, 2008 and 2010, were as follows:

Transfer From	Transfer To	2008-2009	2009-2010
General Fund	Transportation Operating Fund	\$ -	\$ 153,165
General Fund	Debt Service Fund	-	207,460
General Fund	Capital Projects Fund	-	145,424
General Fund	Other Governmental Funds	1,447,758	742,225
Debt Service Fund	Rainy Day Fund	900,000	-
Debt Service Fund	Capital Projects Fund	-	12,106
Rainy Day Fund	Other Governmental Funds	-	41,412
Other Governmental Funds	General Fund	-	5,198
Other Governmental Funds	Transportation Operating Fund	3,143	10,825
Other Governmental Funds	Rainy Day Fund	-	20,130
Other Governmental Funds	Other Governmental Funds	380,590	412,548
Totals		<u>\$ 2,731,491</u>	<u>\$ 1,750,493</u>

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

NORTH LAWRENCE COMMUNITY SCHOOLS
NOTES TO FINANCIAL STATEMENTS
(Continued)

IV. Other Information

A. Risk Management

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

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

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, Retirees, and Dependents

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 Health and Welfare Grantor Trust Fund, an internal service fund, where assets are set aside for claim settlements. The School Corporation purchases commercial insurance for claims in excess of coverage provided by the fund. Amounts are paid into the fund by all funds that include payroll. The amount of premium due for each employee is calculated and posted as a disbursement to the fund the employee is paid from. That amount is transferred into the Self-Insurance Fund.

B. Holding Corporations

The School Corporation has entered into a capital lease with North Lawrence School Improvement 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 audit period totaled \$2,929,515, and \$2,936,000 respectively.

The School Corporation has entered into a capital lease with North Lawrence Multi 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 audit period totaled \$2,110,000, and \$1,055,000 respectively.

C. Termination Benefits

Employees were given \$20,000 per person to retire at the end of the 2009-2010 school year. Twenty employees took advantage of the program.

NORTH LAWRENCE COMMUNITY SCHOOLS
NOTES TO FINANCIAL STATEMENTS
(Continued)

D. Other Postemployment Benefits

Defined Contribution Healthcare Plan

Plan Description

NLCS Health & Welfare Grantor Trust is a defined contribution healthcare plan administered by Anthem and Guardian. The plan provides Medical, dental and vision to eligible retirees and their spouses. The trust was established in February 1992. Indiana Code 5-10-8 assigns the authority to establish and amend benefit provisions to the School Corporation.

Funding Policy

The contribution requirements of plan members for the NLCS Health & Welfare Grantor Trust are established by the School Corporation's governing board. The required contribution is based on projected pay-as-you-go financing requirements. The required contribution per month for a retiree varies depending on the year of retirement. The rate varies from a low of \$150 up to \$485 per month for medical insurance and \$6.75 to \$13.50 per month for life insurance. During the year ended June 30, 2010, disbursements of \$15,762 were recognized for postemployment benefits. The School Corporation also set aside \$134,133 for incentive payments and the School Corporation's share of insurance for future retirees.

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

NORTH LAWRENCE COMMUNITY SCHOOLS
NOTES TO FINANCIAL STATEMENTS
(Continued)

Funding Policy

The contribution requirements of plan members for PERF are established by the Board of Trustees of PERF. The total contributions made to PERF by the School Corporation during the period were \$534,420.

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 total contributions made to the plan by the school corporation during the period were \$1,135,370.

F. Subsequent Events

On December 9, 2010, the School Corporation received \$1,975,000 of Qualified School Construction Bonds (QSCB). The funds are to be used for various improvements throughout the school system.

NORTH LAWRENCE COMMUNITY SCHOOLS
 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	Joint Services and Supply - Special Education Cooperative	Joint Services and Supply - Area Vocational School	Alternative Education	Safe Haven Grant 08-09
Receipts:							
Local sources	\$ 18,769	\$ 1,095,026	\$ 567,035	\$ 1,274,238	\$ 23,121	\$ 68,543	\$ -
State sources	213,692	26,135	159,105	-	-	6,636	20,979
Federal sources	6,000	918,516	-	-	-	-	-
Temporary loans	-	-	-	-	-	-	-
Other	-	3,358	-	1,081	83	-	-
Total receipts	238,461	2,043,035	726,140	1,275,319	23,204	75,179	20,979
Disbursements:							
Current:							
Instruction	234,009	-	-	253,252	1,279,085	48,488	-
Support services	-	1,280	789,170	997,113	191,876	-	20,979
Noninstructional services	-	1,983,274	-	-	-	-	-
Facilities acquisition and construction	-	43,774	-	20,555	-	-	-
Debt services	-	-	-	-	-	-	-
Nonprogrammed charges	-	-	-	-	-	-	-
Total disbursements	234,009	2,028,328	789,170	1,270,920	1,470,961	48,488	20,979
Excess (deficiency) of receipts over disbursements	4,452	14,707	(63,030)	4,399	(1,447,757)	26,691	-
Other financing sources (uses):							
Transfers in	-	-	-	-	1,447,757	-	-
Transfers out	-	-	-	-	-	-	-
Total other financing sources (uses)	-	-	-	-	1,447,757	-	-
Excess (deficiency) of receipts and other financing sources over disbursements and other financing uses	4,452	14,707	(63,030)	4,399	-	26,691	-
Cash and investments - beginning	1,548	146,304	467,997	(410,428)	-	(30,712)	-
Cash and investments - ending	\$ 6,000	\$ 161,011	\$ 404,967	\$ (406,029)	\$ -	\$ (4,021)	\$ -
Cash and Investment Assets - Ending							
Cash and investments	\$ 6,000	\$ 161,011	\$ 404,967	\$ (406,029)	\$ -	\$ (4,021)	\$ -
Cash and Investment Fund Balance - Ending							
Unrestricted	\$ 6,000	\$ 161,011	\$ 404,967	\$ (406,029)	\$ -	\$ (4,021)	\$ -
Total cash and investment fund balance - ending	\$ 6,000	\$ 161,011	\$ 404,967	\$ (406,029)	\$ -	\$ (4,021)	\$ -

NORTH LAWRENCE COMMUNITY SCHOOLS
 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)

	Reading Recovery	State Professional Development Grant 07-08	State Professional Development Grant 08-09	Gifted and Talented Grant 2008-2009	Common School Construction	Non-English Speaking Programs P.L. 273-1999	School Technology
Receipts:							
Local sources	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 63,161
State sources	1,500	-	84,200	49,190	136,200	-	2,500
Federal sources	-	-	-	-	-	-	-
Temporary loans	-	-	-	-	-	-	-
Other	-	22	-	-	-	-	-
Total receipts	<u>1,500</u>	<u>22</u>	<u>84,200</u>	<u>49,190</u>	<u>136,200</u>	<u>-</u>	<u>65,661</u>
Disbursements:							
Current:							
Instruction	-	-	-	41,716	-	-	-
Support services	1,500	51,370	18,469	(4)	-	-	94
Noninstructional services	-	-	-	-	-	-	-
Facilities acquisition and construction	-	-	-	-	136,200	-	146,387
Debt services	-	-	-	-	-	-	-
Nonprogrammed charges	-	-	-	-	-	-	-
Total disbursements	<u>1,500</u>	<u>51,370</u>	<u>18,469</u>	<u>41,712</u>	<u>136,200</u>	<u>-</u>	<u>146,481</u>
Excess (deficiency) of receipts over disbursements	<u>-</u>	<u>(51,348)</u>	<u>65,731</u>	<u>7,478</u>	<u>-</u>	<u>-</u>	<u>(80,820)</u>
Other financing sources (uses):							
Transfers in	-	-	-	-	-	-	-
Transfers out	-	-	-	-	-	-	-
Total other financing sources (uses)	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Excess (deficiency) of receipts and other financing sources over disbursements and other financing uses	<u>-</u>	<u>(51,348)</u>	<u>65,731</u>	<u>7,478</u>	<u>-</u>	<u>-</u>	<u>(80,820)</u>
Cash and investments - beginning	<u>-</u>	<u>73,859</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>761</u>	<u>113,825</u>
Cash and investments - ending	<u>\$ -</u>	<u>\$ 22,511</u>	<u>\$ 65,731</u>	<u>\$ 7,478</u>	<u>\$ -</u>	<u>\$ 761</u>	<u>\$ 33,005</u>
Cash and Investment Assets - Ending							
Cash and investments	<u>\$ -</u>	<u>\$ 22,511</u>	<u>\$ 65,731</u>	<u>\$ 7,478</u>	<u>\$ -</u>	<u>\$ 761</u>	<u>\$ 33,005</u>
Cash and Investment Fund Balance - Ending							
Unrestricted	<u>\$ -</u>	<u>\$ 22,511</u>	<u>\$ 65,731</u>	<u>\$ 7,478</u>	<u>\$ -</u>	<u>\$ 761</u>	<u>\$ 33,005</u>
Total cash and investment fund balance - ending	<u>\$ -</u>	<u>\$ 22,511</u>	<u>\$ 65,731</u>	<u>\$ 7,478</u>	<u>\$ -</u>	<u>\$ 761</u>	<u>\$ 33,005</u>

NORTH LAWRENCE COMMUNITY SCHOOLS
 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)

	Alternative Service Mitchell	Second Grade Laptop Program	Title I, P.L. 107-110 IASA Fund 2007-2008	Title I, P.L. 107-110 IASA Fund 2008-2009	School Improvement Lincoln	Innovative Education Program Strategies Title V (Part A) P.L. 107-110 IASA 2006-2007	Innovative Education Program Strategies Title V (Part A) P.L. 107-110 IASA 2007-2008
Receipts:							
Local sources	\$ 11,084	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
State sources	18,436	11,880	-	-	-	-	-
Federal sources	-	-	56,000	969,895	43,000	-	-
Temporary loans	-	-	-	-	-	-	-
Other	-	-	-	-	-	-	-
Total receipts	29,520	11,880	56,000	969,895	43,000	-	-
Disbursements:							
Current:							
Instruction	-	-	92,279	946,397	3,256	-	-
Support services	-	-	15,032	56,511	12,000	230	15,000
Noninstructional services	-	-	-	7,532	-	-	-
Facilities acquisition and construction	-	11,880	-	-	-	-	-
Debt services	-	-	-	-	-	-	-
Nonprogrammed charges	-	-	-	-	-	-	-
Total disbursements	-	11,880	107,311	1,010,440	15,256	230	15,000
Excess (deficiency) of receipts over disbursements	29,520	-	(51,311)	(40,545)	27,744	(230)	(15,000)
Other financing sources (uses):							
Transfers in	1	-	-	134,090	-	-	15,000
Transfers out	-	-	(134,090)	(3,143)	-	-	-
Total other financing sources (uses)	1	-	(134,090)	130,947	-	-	15,000
Excess (deficiency) of receipts and other financing sources over disbursements and other financing uses	29,521	-	(185,401)	90,402	27,744	(230)	-
Cash and investments - beginning	(29,521)	-	185,401	-	-	230	-
Cash and investments - ending	\$ -	\$ -	\$ -	\$ 90,402	\$ 27,744	\$ -	\$ -
Cash and Investment Assets - Ending							
Cash and investments	\$ -	\$ -	\$ -	\$ 90,402	\$ 27,744	\$ -	\$ -
Cash and Investment Fund Balance - Ending							
Unrestricted	\$ -	\$ -	\$ -	\$ 90,402	\$ 27,744	\$ -	\$ -
Total cash and investment fund balance - ending	\$ -	\$ -	\$ -	\$ 90,402	\$ 27,744	\$ -	\$ -

NORTH LAWRENCE COMMUNITY SCHOOLS
 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)

	(IDEA, Part B) LEA Pass Thru 2007-2008	(IDEA, Part B) LEA Capacity Building (Silver) Grants, P.L. 105-17	(IDEA, Part B) LEA Pass Thru 2008-2009	Preschool 2007-2008	Preschool 2008-2009	Preschool Carry Over 2007-2008	Drug Free Schools 2006-2007
Receipts:							
Local sources	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
State sources	-	-	-	-	-	-	-
Federal sources	-	580,000	2,151,300	-	94,880	-	-
Temporary loans	-	-	-	-	-	-	-
Other	-	-	-	-	-	-	-
Total receipts	-	580,000	2,151,300	-	94,880	-	-
Disbursements:							
Current:							
Instruction	208,398	412,774	1,650,039	21,432	31,192	9,810	-
Support services	-	-	434,401	-	60,220	-	564
Noninstructional services	-	-	-	-	-	-	-
Facilities acquisition and construction	-	-	-	-	-	-	-
Debt services	-	-	-	-	-	-	-
Nonprogrammed charges	-	-	-	-	-	-	-
Total disbursements	208,398	412,774	2,084,440	21,432	91,412	9,810	564
Excess (deficiency) of receipts over disbursements	(208,398)	167,226	66,860	(21,432)	3,468	(9,810)	(564)
Other financing sources (uses):							
Transfers in	218,347	-	-	-	-	13,153	-
Transfers out	-	(218,347)	-	(13,153)	-	-	-
Total other financing sources (uses)	218,347	(218,347)	-	(13,153)	-	13,153	-
Excess (deficiency) of receipts and other financing sources over disbursements and other financing uses	9,949	(51,121)	66,860	(34,585)	3,468	3,343	(564)
Cash and investments - beginning	-	51,121	-	34,585	-	-	564
Cash and investments - ending	\$ 9,949	\$ -	\$ 66,860	\$ -	\$ 3,468	\$ 3,343	\$ -
Cash and Investment Assets - Ending							
Cash and investments	\$ 9,949	\$ -	\$ 66,860	\$ -	\$ 3,468	\$ 3,343	\$ -
Cash and Investment Fund Balance - Ending							
Unrestricted	\$ 9,949	\$ -	\$ 66,860	\$ -	\$ 3,468	\$ 3,343	\$ -
Total cash and investment fund balance - ending	\$ 9,949	\$ -	\$ 66,860	\$ -	\$ 3,468	\$ 3,343	\$ -

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

	Drug Free Schools 2008-2009	Drug Free Schools 2007-2008	PR 84.184B Mentor Program 2007-2008	Carl Perkins 2007-2008	Carl Perkins 2008-2009	CPS 6268 Moving Forward	SIEC Federal Grant
Receipts:							
Local sources	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
State sources	-	-	-	-	-	-	-
Federal sources	17,100	-	86,500	36,407	140,594	1,440	10,449
Temporary loans	-	-	-	-	-	-	-
Other	-	-	-	-	-	-	-
Total receipts	17,100	-	86,500	36,407	140,594	1,440	10,449
Disbursements:							
Current:							
Instruction	16,564	-	77,619	-	48,338	9,225	-
Support services	536	544	-	37,137	55,679	-	10,449
Noninstructional services	-	-	-	-	-	-	-
Facilities acquisition and construction	-	-	-	-	-	-	-
Debt services	-	-	-	-	-	-	-
Nonprogrammed charges	-	-	-	-	13,177	-	-
Total disbursements	17,100	544	77,619	37,137	117,194	9,225	10,449
Excess (deficiency) of receipts over disbursements	-	(544)	8,881	(730)	23,400	(7,785)	-
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	-	(544)	8,881	(730)	23,400	(7,785)	-
Cash and investments - beginning	-	544	(6)	730	-	7,785	-
Cash and investments - ending	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 8,875</u>	<u>\$ -</u>	<u>\$ 23,400</u>	<u>\$ -</u>	<u>\$ -</u>
Cash and Investment Assets - Ending							
Cash and investments	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 8,875</u>	<u>\$ -</u>	<u>\$ 23,400</u>	<u>\$ -</u>	<u>\$ -</u>
Cash and Investment Fund Balance - Ending							
Unrestricted	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 8,875</u>	<u>\$ -</u>	<u>\$ 23,400</u>	<u>\$ -</u>	<u>\$ -</u>
Total cash and investment fund balance - ending	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 8,875</u>	<u>\$ -</u>	<u>\$ 23,400</u>	<u>\$ -</u>	<u>\$ -</u>

NORTH LAWRENCE COMMUNITY SCHOOLS
 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)

	Class Size Reduction, P.L. 105-277, Section 307 2006-2007 2007-2008	Class Size Reduction, P.L. 105-277, Section 307 2008-2009	Retirement Severance Bond Debt	School Bus Replacement	Elementary Construction	Totals
Receipts:						
Local sources	\$ -	\$ -	\$ 711,076	\$ 208,542	\$ -	\$ 4,040,595
State sources	-	-	-	-	-	730,453
Federal sources	80,000	203,121	-	-	-	5,395,202
Temporary loans	-	-	410,045	-	-	410,045
Other	-	-	-	-	14,249	18,793
Total receipts	80,000	203,121	1,121,121	208,542	14,249	10,595,088
Disbursements:						
Current:						
Instruction	80,463	125,840	-	-	-	5,590,176
Support services	-	33,016	-	215,883	-	3,019,049
Noninstructional services	-	-	-	-	-	1,990,806
Facilities acquisition and construction	-	-	-	-	689,341	1,048,137
Debt services	-	-	1,318,410	-	-	1,318,410
Nonprogrammed charges	-	-	-	-	-	13,177
Total disbursements	80,463	158,856	1,318,410	215,883	689,341	12,979,755
Excess (deficiency) of receipts over disbursements	(463)	44,265	(197,289)	(7,341)	(675,092)	(2,384,667)
Other financing sources (uses):						
Transfers in	-	-	-	-	-	1,828,348
Transfers out	-	(15,000)	-	-	-	(383,733)
Total other financing sources (uses)	-	(15,000)	-	-	-	1,444,615
Excess (deficiency) of receipts and other financing sources over disbursements and other financing uses	(463)	29,265	(197,289)	(7,341)	(675,092)	(940,052)
Cash and investments - beginning	463	-	173,885	189,282	687,953	1,666,170
Cash and investments - ending	\$ -	\$ 29,265	\$ (23,404)	\$ 181,941	\$ 12,861	\$ 726,118
Cash and Investment Assets - Ending						
Cash and investments	\$ -	\$ 29,265	\$ (23,404)	\$ 181,941	\$ 12,861	\$ 726,118
Cash and Investment Fund Balance - Ending						
Unrestricted	\$ -	\$ 29,265	\$ (23,404)	\$ 181,941	\$ 12,861	\$ 726,118
Total cash and investment fund balance - ending	\$ -	\$ 29,265	\$ (23,404)	\$ 181,941	\$ 12,861	\$ 726,118

NORTH LAWRENCE COMMUNITY SCHOOLS
 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	Joint Services and Supply - Special Education Cooperative	Joint Services and Supply - Area Vocational School	Alternative Education	Safe Haven Grant 09-10
Receipts:							
Local sources	\$ -	\$ 1,089,157	\$ 572,758	\$ 1,439,328	\$ 780,097	\$ 14,021	\$ -
State sources	116,875	26,277	151,138	-	-	6,683	11,975
Federal sources	-	1,139,011	-	-	-	-	-
Temporary loans	-	-	-	-	-	-	-
Other	-	3,190	35	1,120	18	-	-
Total receipts	116,875	2,257,635	723,931	1,440,448	780,115	20,704	11,975
Disbursements:							
Current:							
Instruction	117,677	-	-	248,204	1,313,373	538	-
Support services	-	1,261	654,319	1,030,645	197,233	-	11,975
Noninstructional services	-	2,129,282	-	-	-	-	-
Facilities acquisition and construction	-	29,832	-	11,000	-	-	-
Debt services	-	-	-	-	-	-	-
Nonprogrammed charges	-	-	-	-	-	-	-
Total disbursements	117,677	2,160,375	654,319	1,289,849	1,510,606	538	11,975
Excess (deficiency) of receipts over disbursements	(802)	97,260	69,612	150,599	(730,491)	20,166	-
Other financing sources (uses):							
Transfers in	-	-	-	-	730,491	-	-
Transfers out	(5,198)	-	-	-	-	-	-
Total other financing sources (uses)	(5,198)	-	-	-	730,491	-	-
Excess (deficiency) of receipts and other financing sources over disbursements and other financing uses	(6,000)	97,260	69,612	150,599	-	20,166	-
Cash and investments - beginning	6,000	161,011	404,967	(406,029)	-	(4,021)	-
Cash and investments - ending	\$ -	\$ 258,271	\$ 474,579	\$ (255,430)	\$ -	\$ 16,145	\$ -
Cash and Investment Assets - Ending							
Cash and investments	\$ -	\$ 258,271	\$ 474,579	\$ (255,430)	\$ -	\$ 16,145	\$ -
Restricted assets:							
Cash and investments	-	-	-	-	-	-	-
Total cash and investment assets - ending	\$ -	\$ 258,271	\$ 474,579	\$ (255,430)	\$ -	\$ 16,145	\$ -
Cash and Investment Fund Balance - Ending							
Restricted for:							
Debt service	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Unrestricted	-	258,271	474,579	(255,430)	-	16,145	-
Total cash and investment fund balance - ending	\$ -	\$ 258,271	\$ 474,579	\$ (255,430)	\$ -	\$ 16,145	\$ -

NORTH LAWRENCE COMMUNITY SCHOOLS
 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)

	State Professional Development Grant 07-08	State Professional Development Grant 08-09	State Professional Development Grant 09-10	Gifted and Talented Grant 2008-2009	Common School Construction	Project Clean/ Drug Free Community
Receipts:						
Local sources	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
State sources	-	72	20,000	48,191	359,586	3,000
Federal sources	-	-	-	-	-	-
Temporary loans	-	-	-	-	-	-
Other	322	147	-	-	-	-
Total receipts	322	219	20,000	48,191	359,586	3,000
Disbursements:						
Current:						
Instruction	-	-	-	43,839	-	3,000
Support services	13,916	18,754	848	-	-	-
Noninstructional services	-	-	-	-	-	-
Facilities acquisition and construction	-	-	-	-	359,586	-
Debt services	-	-	-	-	-	-
Nonprogrammed charges	-	-	-	-	-	-
Total disbursements	13,916	18,754	848	43,839	359,586	3,000
Excess (deficiency) of receipts over disbursements	(13,594)	(18,535)	19,152	4,352	-	-
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	(13,594)	(18,535)	19,152	4,352	-	-
Cash and investments - beginning	22,511	65,731	-	7,478	-	-
Cash and investments - ending	<u>\$ 8,917</u>	<u>\$ 47,196</u>	<u>\$ 19,152</u>	<u>\$ 11,830</u>	<u>\$ -</u>	<u>\$ -</u>
Cash and Investment Assets - Ending						
Cash and investments	\$ 8,917	\$ 47,196	\$ 19,152	\$ 11,830	\$ -	\$ -
Restricted assets:						
Cash and investments	-	-	-	-	-	-
Total cash and investment assets - ending	<u>\$ 8,917</u>	<u>\$ 47,196</u>	<u>\$ 19,152</u>	<u>\$ 11,830</u>	<u>\$ -</u>	<u>\$ -</u>
Cash and Investment Fund Balance - Ending						
Restricted for:						
Debt service	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Unrestricted	8,917	47,196	19,152	11,830	-	-
Total cash and investment fund balance - ending	<u>\$ 8,917</u>	<u>\$ 47,196</u>	<u>\$ 19,152</u>	<u>\$ 11,830</u>	<u>\$ -</u>	<u>\$ -</u>

NORTH LAWRENCE COMMUNITY SCHOOLS
 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)

	Non-English Speaking Programs P.L. 273-1999	School Technology	Title I, P.L. 107-110 IASA Fund 2008-2009	Title I, P.L. 107-110 IASA Fund 2009-2010	School Improvement Lincoln	Innovative Education Program Strategies Title V (Part A) P.L. 107-110 IASA 2006-2007
Receipts:						
Local sources	\$ -	\$ 83,515	\$ -	\$ -	\$ -	\$ -
State sources	-	-	-	-	-	-
Federal sources	-	-	226,997	989,455	7,000	3,346
Temporary loans	-	-	-	-	-	-
Other	-	-	-	-	-	-
Total receipts	-	83,515	226,997	989,455	7,000	3,346
Disbursements:						
Current:						
Instruction	-	-	163,086	941,152	34,744	-
Support services	-	-	-	134,392	-	3,346
Noninstructional services	-	-	-	14,446	-	-
Facilities acquisition and construction	-	75,937	-	-	-	-
Debt services	-	-	-	-	-	-
Nonprogrammed charges	-	-	-	-	-	-
Total disbursements	-	75,937	163,086	1,089,990	34,744	3,346
Excess (deficiency) of receipts over disbursements	-	7,578	63,911	(100,535)	(27,744)	-
Other financing sources (uses):						
Transfers in	-	-	-	143,488	-	-
Transfers out	-	-	(154,313)	-	-	-
Total other financing sources (uses)	-	-	(154,313)	143,488	-	-
Excess (deficiency) of receipts and other financing sources over disbursements and other financing uses	-	7,578	(90,402)	42,953	(27,744)	-
Cash and investments - beginning	761	33,005	90,402	-	27,744	-
Cash and investments - ending	<u>\$ 761</u>	<u>\$ 40,583</u>	<u>\$ -</u>	<u>\$ 42,953</u>	<u>\$ -</u>	<u>\$ -</u>
Cash and Investment Assets - Ending						
Cash and investments	\$ 761	\$ 40,583	\$ -	\$ 42,953	\$ -	\$ -
Restricted assets:						
Cash and investments	-	-	-	-	-	-
Total cash and investment assets - ending	<u>\$ 761</u>	<u>\$ 40,583</u>	<u>\$ -</u>	<u>\$ 42,953</u>	<u>\$ -</u>	<u>\$ -</u>
Cash and Investment Fund Balance - Ending						
Restricted for:						
Debt service	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Unrestricted	761	40,583	-	42,953	-	-
Total cash and investment fund balance - ending	<u>\$ 761</u>	<u>\$ 40,583</u>	<u>\$ -</u>	<u>\$ 42,953</u>	<u>\$ -</u>	<u>\$ -</u>

NORTH LAWRENCE COMMUNITY SCHOOLS
 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)

	(IDEA, Part B) LEA Pass Thru 2007-2008	(IDEA, Part B) LEA Carry-Over P.L. 109-446	(IDEA, Part B) LEA Pass Thru 2008-2009	(IDEA, Part B) LEA Pass Thru 2009-2010	Preschool 2008-2009	Preschool 2009-2010
Receipts:						
Local sources	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
State sources	-	-	-	-	-	-
Federal sources	-	-	420,000	2,217,835	17,000	102,530
Temporary loans	-	-	-	-	-	-
Other	-	-	-	-	-	-
Total receipts	-	-	420,000	2,217,835	17,000	102,530
Disbursements:						
Current:						
Instruction	9,949	249,278	222,938	1,726,339	15,330	37,148
Support services	-	-	-	504,871	-	61,932
Noninstructional services	-	-	-	-	-	-
Facilities acquisition and construction	-	-	-	-	-	-
Debt services	-	-	-	-	-	-
Nonprogrammed charges	-	-	-	-	-	-
Total disbursements	9,949	249,278	222,938	2,231,210	15,330	99,080
Excess (deficiency) of receipts over disbursements	(9,949)	(249,278)	197,062	(13,375)	1,670	3,450
Other financing sources (uses):						
Transfers in	-	263,922	-	13,375	-	-
Transfers out	-	-	(263,922)	-	(5,138)	-
Total other financing sources (uses)	-	263,922	(263,922)	13,375	(5,138)	-
Excess (deficiency) of receipts and other financing sources over disbursements and other financing uses	(9,949)	14,644	(66,860)	-	(3,468)	3,450
Cash and investments - beginning	9,949	-	66,860	-	3,468	-
Cash and investments - ending	\$ -	\$ 14,644	\$ -	\$ -	\$ -	\$ 3,450
Cash and Investment Assets - Ending						
Cash and investments	\$ -	\$ 14,644	\$ -	\$ -	\$ -	\$ 3,450
Restricted assets:						
Cash and investments	-	-	-	-	-	-
Total cash and investment assets - ending	\$ -	\$ 14,644	\$ -	\$ -	\$ -	\$ 3,450
Cash and Investment Fund Balance - Ending						
Restricted for:						
Debt service	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Unrestricted	-	14,644	-	-	-	3,450
Total cash and investment fund balance - ending	\$ -	\$ 14,644	\$ -	\$ -	\$ -	\$ 3,450

NORTH LAWRENCE COMMUNITY SCHOOLS
 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)

	Preschool Carry Over 2007-2008	Preschool Carry Over 2008-2009	Drug Free Schools 2009-2010	PR 84.184B Mentor Program 2007-2008	Carl Perkins 2009-2010	Project Lead the Way Perkins
Receipts:						
Local sources	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
State sources	-	-	-	-	-	-
Federal sources	-	-	24,292	88,000	165,032	9,660
Temporary loans	-	-	-	-	-	-
Other	-	-	-	-	-	-
Total receipts	-	-	24,292	88,000	165,032	9,660
Disbursements:						
Current:						
Instruction	3,343	5,138	23,259	93,828	53,721	-
Support services	-	-	786	1,394	131,357	15,000
Noninstructional services	-	-	-	-	-	-
Facilities acquisition and construction	-	-	-	-	-	-
Debt services	-	-	-	-	-	-
Nonprogrammed charges	-	-	-	-	8,509	-
Total disbursements	3,343	5,138	24,045	95,222	193,587	15,000
Excess (deficiency) of receipts over disbursements	(3,343)	(5,138)	247	(7,222)	(28,555)	(5,340)
Other financing sources (uses):						
Transfers in	-	5,138	-	-	-	-
Transfers out	-	-	-	-	-	-
Total other financing sources (uses)	-	5,138	-	-	-	-
Excess (deficiency) of receipts and other financing sources over disbursements and other financing uses	(3,343)	-	247	(7,222)	(28,555)	(5,340)
Cash and investments - beginning	3,343	-	-	8,875	23,400	-
Cash and investments - ending	\$ -	\$ -	\$ 247	\$ 1,653	\$ (5,155)	\$ (5,340)
Cash and Investment Assets - Ending						
Cash and investments	\$ -	\$ -	\$ 247	\$ 1,653	\$ (5,155)	\$ (5,340)
Restricted assets:						
Cash and investments	-	-	-	-	-	-
Total cash and investment assets - ending	\$ -	\$ -	\$ 247	\$ 1,653	\$ (5,155)	\$ (5,340)
Cash and Investment Fund Balance - Ending						
Restricted for:						
Debt service	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Unrestricted	-	-	247	1,653	(5,155)	(5,340)
Total cash and investment fund balance - ending	\$ -	\$ -	\$ 247	\$ 1,653	\$ (5,155)	\$ (5,340)

NORTH LAWRENCE COMMUNITY SCHOOLS
 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)

	SIEC Federal Grant	Class Size Reduction, P.L. 105-277, Section 307 2008-2009	Class Size Reduction, P.L. 105-277, Section 307 2009-2010	Enhancing Education Title II D	Title I Grants to LEA Stimulus	Part B IDEA Stimulus
Receipts:						
Local sources	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
State sources	-	-	-	-	-	-
Federal sources	3,459	40,000	252,002	172,592	339,125	1,362,900
Temporary loans	-	-	-	-	-	-
Other	639	-	-	-	-	-
Total receipts	4,098	40,000	252,002	172,592	339,125	1,362,900
Disbursements:						
Current:						
Instruction	-	66,452	149,851	-	82,996	435,270
Support services	4,526	-	46,047	172,561	261,055	-
Noninstructional services	-	-	-	-	2,981	-
Facilities acquisition and construction	-	-	-	-	-	-
Debt services	-	-	-	-	-	-
Nonprogrammed charges	-	-	-	-	-	920,555
Total disbursements	4,526	66,452	195,898	172,561	347,032	1,355,825
Excess (deficiency) of receipts over disbursements	(428)	(26,452)	56,104	31	(7,907)	7,075
Other financing sources (uses):						
Transfers in	-	-	-	-	7,907	-
Transfers out	-	-	-	-	-	-
Total other financing sources (uses)	-	-	-	-	7,907	-
Excess (deficiency) of receipts and other financing sources over disbursements and other financing uses	(428)	(26,452)	56,104	31	-	7,075
Cash and investments - beginning	-	29,265	-	-	-	-
Cash and investments - ending	<u>\$ (428)</u>	<u>\$ 2,813</u>	<u>\$ 56,104</u>	<u>\$ 31</u>	<u>\$ -</u>	<u>\$ 7,075</u>
Cash and Investment Assets - Ending						
Cash and investments	\$ (428)	\$ 2,813	\$ 56,104	\$ 31	\$ -	\$ 7,075
Restricted assets:						
Cash and investments	-	-	-	-	-	-
Total cash and investment assets - ending	<u>\$ (428)</u>	<u>\$ 2,813</u>	<u>\$ 56,104</u>	<u>\$ 31</u>	<u>\$ -</u>	<u>\$ 7,075</u>
Cash and Investment Fund Balance - Ending						
Restricted for:						
Debt service	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Unrestricted	(428)	2,813	56,104	31	-	7,075
Total cash and investment fund balance - ending	<u>\$ (428)</u>	<u>\$ 2,813</u>	<u>\$ 56,104</u>	<u>\$ 31</u>	<u>\$ -</u>	<u>\$ 7,075</u>

NORTH LAWRENCE COMMUNITY SCHOOLS
 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)

	ARRA Fund Special Education Preschool	School Lunch Equipment Stimulus	Retirement Severance Bond Debt	School Bus Replacement	Elementary Construction	Totals
Receipts:						
Local sources	\$ -	\$ -	\$ 1,346,193	\$ 386,865	\$ -	\$ 5,711,934
State sources	-	-	20,130	-	-	763,927
Federal sources	67,428	5,171	-	-	-	7,652,835
Temporary loans	-	-	16,926	-	-	16,926
Other	-	-	-	-	-	5,471
Total receipts	67,428	5,171	1,383,249	386,865	-	14,151,093
Disbursements:						
Current:						
Instruction	10,718	-	-	-	-	6,051,171
Support services	-	-	-	-	-	3,266,218
Noninstructional services	-	5,171	-	-	-	2,151,880
Facilities acquisition and construction	-	-	-	-	12,861	489,216
Debt services	-	-	1,283,222	-	-	1,283,222
Nonprogrammed charges	55,462	-	-	-	-	984,526
Total disbursements	66,180	5,171	1,283,222	-	12,861	14,226,233
Excess (deficiency) of receipts over disbursements	1,248	-	100,027	386,865	(12,861)	(75,140)
Other financing sources (uses):						
Transfers in	-	-	20,130	11,734	-	1,196,185
Transfers out	-	-	(20,130)	-	-	(448,701)
Total other financing sources (uses)	-	-	-	11,734	-	747,484
Excess (deficiency) of receipts and other financing sources over disbursements and other financing uses	1,248	-	100,027	398,599	(12,861)	672,344
Cash and investments - beginning	-	-	(23,404)	181,941	12,861	726,118
Cash and investments - ending	\$ 1,248	\$ -	\$ 76,623	\$ 580,540	\$ -	\$ 1,398,462
Cash and Investment Assets - Ending						
Cash and investments	\$ 1,248	\$ -	\$ -	\$ 580,540	\$ -	\$ 1,321,839
Restricted assets:						
Cash and investments	-	-	76,623	-	-	76,623
Total cash and investment assets - ending	\$ 1,248	\$ -	\$ 76,623	\$ 580,540	\$ -	\$ 1,398,462
Cash and Investment Fund Balance - Ending						
Restricted for:						
Debt service	\$ -	\$ -	\$ 76,623	\$ -	\$ -	\$ 76,623
Unrestricted	1,248	-	-	580,540	-	1,321,839
Total cash and investment fund balance - ending	\$ 1,248	\$ -	\$ 76,623	\$ 580,540	\$ -	\$ 1,398,462

NORTH LAWRENCE COMMUNITY SCHOOLS
 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:			
Contributions:			
Employer	\$ 401,346	\$ -	\$ 401,346
Plan members	<u>-</u>	<u>45,000</u>	<u>45,000</u>
Total contributions	<u>401,346</u>	<u>45,000</u>	<u>446,346</u>
Investment earnings:			
Interest	<u>13,261</u>	<u>-</u>	<u>13,261</u>
Total additions	<u>414,607</u>	<u>45,000</u>	<u>459,607</u>
Deductions:			
Benefits	253,827	-	253,827
Administrative and general	<u>802,687</u>	<u>-</u>	<u>802,687</u>
Total deductions	<u>1,056,514</u>	<u>-</u>	<u>1,056,514</u>
Excess (deficiency) of total additions over total deductions	(641,907)	45,000	(596,907)
Cash and investment fund balance - beginning	<u>1,269,479</u>	<u>-</u>	<u>1,269,479</u>
Cash and investment fund balance - ending	<u>\$ 627,572</u>	<u>\$ 45,000</u>	<u>\$ 672,572</u>
Net assets:			
Cash and investments	<u>\$ 627,572</u>	<u>\$ 45,000</u>	<u>\$ 672,572</u>
Total net assets - cash and investment basis held in trust	<u>\$ 627,572</u>	<u>\$ 45,000</u>	<u>\$ 672,572</u>

NORTH LAWRENCE COMMUNITY SCHOOLS
 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:			
Plan members	\$ -	\$ 400,000	\$ 400,000
Other	81,215	-	81,215
Total contributions	81,215	400,000	481,215
Investment earnings:			
Interest	4,466	-	4,466
Total additions	85,681	400,000	485,681
Deductions:			
Benefits	132,226	45,000	177,226
Excess (deficiency) of total additions over total deductions	(46,545)	355,000	308,455
Cash and investment fund balance - beginning	627,572	45,000	672,572
Cash and investment fund balance - ending	\$ 581,027	\$ 400,000	\$ 981,027
Net assets:			
Cash and investments	\$ 581,027	\$ 400,000	\$ 981,027
Total net assets - cash and investment basis held in trust	\$ 581,027	\$ 400,000	\$ 981,027

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

	M.B. Wohlfed Memorial Golf	Donation/ McDowell	Oolitic MS Survey Participant	PVP Preschool Playground	Englwood Visteon	Donation Academic Wall of Fame	Needmore School Court Yard Garden
Additions:							
Contributions:							
Other	\$ -	\$ 1,050	\$ -	\$ 25	\$ -	\$ -	\$ -
Investment earnings:							
Interest	-	-	-	-	-	-	-
Total additions	<u>-</u>	<u>1,050</u>	<u>-</u>	<u>25</u>	<u>-</u>	<u>-</u>	<u>-</u>
Deductions:							
Administrative and general	<u>690</u>	<u>-</u>	<u>2,100</u>	<u>-</u>	<u>250</u>	<u>-</u>	<u>9,868</u>
Excess (deficiency) of total additions over total deductions	(690)	1,050	(2,100)	25	(250)	-	(9,868)
Cash and investment fund balance - beginning	<u>8,288</u>	<u>-</u>	<u>2,100</u>	<u>1,558</u>	<u>250</u>	<u>179</u>	<u>10,000</u>
Cash and investments - June 30	<u>\$ 7,598</u>	<u>\$ 1,050</u>	<u>\$ -</u>	<u>\$ 1,583</u>	<u>\$ -</u>	<u>\$ 179</u>	<u>\$ 132</u>
Net assets:							
Cash and investments	<u>\$ 7,598</u>	<u>\$ 1,050</u>	<u>\$ -</u>	<u>\$ 1,583</u>	<u>\$ -</u>	<u>\$ 179</u>	<u>\$ 132</u>
Total net assets - cash and investment basis held in trust	<u>\$ 7,598</u>	<u>\$ 1,050</u>	<u>\$ -</u>	<u>\$ 1,583</u>	<u>\$ -</u>	<u>\$ 179</u>	<u>\$ 132</u>

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

	Donation/ Wetlands	Community Reading Project	Hutton Library Books	Foutty Donation BNL	Tobias Grant	GED Fund
Additions:						
Contributions:						
Other	\$ -	\$ 3,495	\$ -	\$ -	\$ -	\$ 13,594
Investment earnings:						
Interest	-	-	-	-	-	-
Total additions	<u>-</u>	<u>3,495</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>13,594</u>
Deductions:						
Administrative and general	<u>-</u>	<u>4,098</u>	<u>-</u>	<u>1,957</u>	<u>-</u>	<u>7,114</u>
Excess (deficiency) of total additions over total deductions	-	(603)	-	(1,957)	-	6,480
Cash and investment fund balance - beginning	<u>3,454</u>	<u>1,451</u>	<u>593</u>	<u>2,000</u>	<u>17</u>	<u>(6,480)</u>
Cash and investments - June 30	<u>\$ 3,454</u>	<u>\$ 848</u>	<u>\$ 593</u>	<u>\$ 43</u>	<u>\$ 17</u>	<u>\$ -</u>
Net assets:						
Cash and investments	<u>\$ 3,454</u>	<u>\$ 848</u>	<u>\$ 593</u>	<u>\$ 43</u>	<u>\$ 17</u>	<u>\$ -</u>
Total net assets - cash and investment basis held in trust	<u>\$ 3,454</u>	<u>\$ 848</u>	<u>\$ 593</u>	<u>\$ 43</u>	<u>\$ 17</u>	<u>\$ -</u>

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

	Stalker Visteon Donation	Cultural Arts	Brownstown Arts Council	Englewood	BNLHS Scholarship	CAPE Grant Administration
Additions:						
Contributions:						
Other	\$ -	\$ 5,527	\$ 1,947	\$ -	\$ 53,000	\$ -
Investment earnings:						
Interest	-	-	-	-	1,602	-
Total additions	<u>-</u>	<u>5,527</u>	<u>1,947</u>	<u>-</u>	<u>54,602</u>	<u>-</u>
Deductions:						
Administrative and general	<u>-</u>	<u>2,390</u>	<u>1,812</u>	<u>-</u>	<u>63,500</u>	<u>5,395</u>
Excess (deficiency) of total additions over total deductions	-	3,137	135	-	(8,898)	(5,395)
Cash and investment fund balance - beginning	<u>4</u>	<u>1,777</u>	<u>-</u>	<u>443</u>	<u>133,664</u>	<u>5,395</u>
Cash and investments - June 30	<u>\$ 4</u>	<u>\$ 4,914</u>	<u>\$ 135</u>	<u>\$ 443</u>	<u>\$ 124,766</u>	<u>\$ -</u>
Net assets:						
Cash and investments	<u>\$ 4</u>	<u>\$ 4,914</u>	<u>\$ 135</u>	<u>\$ 443</u>	<u>\$ 124,766</u>	<u>\$ -</u>
Total net assets - cash and investment basis held in trust	<u>\$ 4</u>	<u>\$ 4,914</u>	<u>\$ 135</u>	<u>\$ 443</u>	<u>\$ 124,766</u>	<u>\$ -</u>

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

	Fields Donation	CAPE Career Councilor	Tabacco Prevention Survey	Pritchett Donation NLCC	Pritchett Donation BLDG	Totals
Additions:						
Contributions:						
Other	\$ -	\$ 22,401	\$ 500	\$ -	\$ -	\$ 101,539
Investment earnings:						
Interest	-	-	-	-	-	1,602
Total additions	<u>-</u>	<u>22,401</u>	<u>500</u>	<u>-</u>	<u>-</u>	<u>103,141</u>
Deductions:						
Administrative and general	<u>-</u>	<u>18,093</u>	<u>500</u>	<u>-</u>	<u>904</u>	<u>118,671</u>
Excess (deficiency) of total additions over total deductions	-	4,308	-	-	(904)	(15,530)
Cash and investment fund balance - beginning	<u>10</u>	<u>-</u>	<u>-</u>	<u>3,265</u>	<u>1,218</u>	<u>169,186</u>
Cash and investments - June 30	<u>\$ 10</u>	<u>\$ 4,308</u>	<u>\$ -</u>	<u>\$ 3,265</u>	<u>\$ 314</u>	<u>\$ 153,656</u>
Net assets:						
Cash and investments	<u>\$ 10</u>	<u>\$ 4,308</u>	<u>\$ -</u>	<u>\$ 3,265</u>	<u>\$ 314</u>	<u>\$ 153,656</u>
Total net assets - cash and investment basis held in trust	<u>\$ 10</u>	<u>\$ 4,308</u>	<u>\$ -</u>	<u>\$ 3,265</u>	<u>\$ 314</u>	<u>\$ 153,656</u>

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

	M.B. Wohlfedl Memorial Golf	Donation/ McDowell	PVP Preschool Playground	Donation Academic Wall of Fame	Needmore School Court Yard Garden	Donation/ Wetlands	Community Reading Project
Additions:							
Contributions:							
Other	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 3,595
Investment earnings:							
Interest	-	-	-	-	-	-	-
Total additions	-	-	-	-	-	-	3,595
Deductions:							
Administrative and general	1,179	1,044	-	-	-	-	4,077
Excess (deficiency) of total additions over total deductions	(1,179)	(1,044)	-	-	-	-	(482)
Cash and investment fund balance - beginning	7,598	1,050	1,583	179	132	3,454	848
Cash and investments - June 30	<u>\$ 6,419</u>	<u>\$ 6</u>	<u>\$ 1,583</u>	<u>\$ 179</u>	<u>\$ 132</u>	<u>\$ 3,454</u>	<u>\$ 366</u>
Net assets:							
Cash and investments	\$ 6,419	\$ 6	\$ 1,583	\$ 179	\$ 132	\$ 3,454	\$ 366
Total net assets - cash and investment basis held in trust	<u>\$ 6,419</u>	<u>\$ 6</u>	<u>\$ 1,583</u>	<u>\$ 179</u>	<u>\$ 132</u>	<u>\$ 3,454</u>	<u>\$ 366</u>

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

	Hutton Library Books	Fouty Donation BNL	Tobias Grant	Stalker Visteon Donation	Cultural Arts	Brownstown Arts Council	Englewood
Additions:							
Contributions:							
Other	\$ -	\$ -	\$ -	\$ -	\$ 5,727	\$ 1,504	\$ -
Investment earnings:							
Interest	-	-	-	-	-	-	-
Total additions	-	-	-	-	5,727	1,504	-
Deductions:							
Administrative and general	-	-	-	-	7,188	1,504	-
Excess (deficiency) of total additions over total deductions	-	-	-	-	(1,461)	-	-
Cash and investment fund balance - beginning	593	43	17	4	4,914	135	443
Cash and investments - June 30	<u>\$ 593</u>	<u>\$ 43</u>	<u>\$ 17</u>	<u>\$ 4</u>	<u>\$ 3,453</u>	<u>\$ 135</u>	<u>\$ 443</u>
Net assets:							
Cash and investments	\$ 593	\$ 43	\$ 17	\$ 4	\$ 3,453	\$ 135	\$ 443
Total net assets - cash and investment basis held in trust	<u>\$ 593</u>	<u>\$ 43</u>	<u>\$ 17</u>	<u>\$ 4</u>	<u>\$ 3,453</u>	<u>\$ 135</u>	<u>\$ 443</u>

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

	BNLHS Scholarship	Fields Donation	CAPE Career Counselor	Stalker Computer Tables	Pritchett Donation NLCC	Pritchett Donation BLDG	Totals
Additions:							
Contributions:							
Other	\$ 51,000	\$ -	\$ -	\$ 320	\$ -	\$ -	\$ 62,146
Investment earnings:							
Interest	1,284	-	-	-	-	-	1,284
Total additions	<u>52,284</u>	<u>-</u>	<u>-</u>	<u>320</u>	<u>-</u>	<u>-</u>	<u>63,430</u>
Deductions:							
Administrative and general	<u>62,200</u>	<u>-</u>	<u>4,308</u>	<u>240</u>	<u>-</u>	<u>312</u>	<u>82,052</u>
Excess (deficiency) of total additions over total deductions	(9,916)	-	(4,308)	80	-	(312)	(18,622)
Cash and investment fund balance - beginning	<u>124,766</u>	<u>10</u>	<u>4,308</u>	<u>-</u>	<u>3,265</u>	<u>314</u>	<u>153,656</u>
Cash and investments - June 30	<u>\$ 114,850</u>	<u>\$ 10</u>	<u>\$ -</u>	<u>\$ 80</u>	<u>\$ 3,265</u>	<u>\$ 2</u>	<u>\$ 135,034</u>
Net assets:							
Cash and investments	<u>\$ 114,850</u>	<u>\$ 10</u>	<u>\$ -</u>	<u>\$ 80</u>	<u>\$ 3,265</u>	<u>\$ 2</u>	<u>\$ 135,034</u>
Total net assets - cash and investment basis held in trust	<u>\$ 114,850</u>	<u>\$ 10</u>	<u>\$ -</u>	<u>\$ 80</u>	<u>\$ 3,265</u>	<u>\$ 2</u>	<u>\$ 135,034</u>

NORTH LAWRENCE COMMUNITY SCHOOLS
 SUPPLEMENTARY INFORMATION
 SCHEDULE OF CAPITAL ASSETS
 June 30, 2010

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

<u>Primary Government</u>	<u>Ending Balance</u>
Governmental activities:	
Capital assets, not being depreciated:	
Land	\$ 20,377
Buildings	53,031,026
Improvements other than buildings	416,550
Machinery and equipment	<u>6,128,354</u>
 Total governmental activities, capital assets not being depreciated	 <u>\$ 59,596,307</u>

NORTH LAWRENCE COMMUNITY SCHOOLS
 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:		
North Lawrence Multi School Building Corporation	\$ 2,012,030	\$ 2,115,000
North Lawrence Community School Building Corporation	42,535,000	2,930,090
Notes and loans payable	3,467,574	679,985
Bonds payable:		
General obligation bonds:		
Pension bonds	<u>8,935,000</u>	<u>866,556</u>
Total governmental activities debt	<u>\$ 56,949,604</u>	<u>\$ 6,591,631</u>

NORTH LAWRENCE COMMUNITY SCHOOLS
AUDIT RESULTS AND COMMENTS

OVERDRAWN FUND BALANCES

The Joint Services and Supply – Special Education Cooperative Fund, Alternative Education Fund, and Retirement Severance Bond Debt Fund were overdrawn during the audit period.

	<u>June 30, 2009</u>	<u>June 30, 2010</u>
Retirement Severance Bond Debt Fund	\$ 23,404	\$ -
Alternative Education Fund	4,021	-
Joint Services and Supply - Special Education Cooperative Fund	<u>406,029</u>	<u>255,430</u>
Totals	<u>\$ 433,454</u>	<u>\$ 255,430</u>

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

OFFICIAL BOND

A new bond was not obtained each year for extra-curricular treasurers.

The State Board of Accounts is of the audit position a new bond should be obtained each year and continuation certificates should not be used in lieu of obtaining a new bond. (Accounting and Uniform Compliance Guidelines Manual for Indiana Public School Corporations, Chapter 8)

SUPPLEMENTAL AUDIT OF
FEDERAL AWARDS



STATE OF INDIANA
AN EQUAL OPPORTUNITY EMPLOYER

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

TO: THE OFFICIALS OF THE NORTH LAWRENCE COMMUNITY
SCHOOLS, LAWRENCE COUNTY, INDIANA

Compliance

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

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

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

Internal Control Over Compliance

The management of the School Corporation is responsible for establishing and maintaining effective internal control over compliance with requirements of laws, regulations, contracts and grants applicable to federal programs. In planning and performing our audit, we considered the School Corporation's internal control over compliance with requirements that could have a direct and material effect on a major federal program in order to determine our auditing procedures for the purpose of expressing our opinion

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

on compliance, but not for the purpose of expressing an opinion on the effectiveness of internal control over compliance. Accordingly, we do not express an opinion on the effectiveness of the School Corporation's internal control over compliance.

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

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

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

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

STATE BOARD OF ACCOUNTS

January 5, 2011

NORTH LAWRENCE COMMUNITY SCHOOLS
SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS
For The Years Ended June 30, 2009 and 2010

Federal Grantor Agency/Pass-Through Entity Cluster Title/Program Title/Project Title	Federal CFDA Number	Pass-Through Entity (or Other) Identifying Number	Total Federal Awards Expended 06-30-09	Total Federal Awards Expended 06-30-10
U.S. DEPARTMENT OF AGRICULTURE				
Pass-through Indiana Department of Education				
Child Nutrition Cluster				
School Breakfast Program	10.553		\$ 183,645	\$ 235,193
National School Lunch Program	10.555		826,270	1,022,985
Special Milk Program for Children	10.556		11,541	-
Summer Food Service Program for Children	10.559		<u>18,311</u>	<u>34,280</u>
Total for cluster			<u>1,039,767</u>	<u>1,292,458</u>
ARRA - Child Nutrition Discretionary Grants Limited Availability FY 2009-10	10.579	5075	<u>-</u>	<u>5,171</u>
Total for federal grantor agency			<u>1,039,767</u>	<u>1,297,629</u>
U.S. DEPARTMENT OF EDUCATION				
Pass-Through Indiana Department of Education				
Title I, Part A Cluster				
Title I Grants to Local Educational Agencies	84.010			
FY 2007-08		08-5075	107,313	-
FY 2007-08 School Improvement Funds		08-5075	15,256	34,744
FY 2008-09		09-5075	1,013,583	173,911
FY 2009-10		10-5075	<u>-</u>	<u>1,089,989</u>
Total for program			<u>1,136,152</u>	<u>1,298,644</u>
ARRA - Title I Grants to Local Educational Agencies, Recovery Act FY 2009-10	84.389	10-5075	<u>-</u>	<u>347,031</u>
Total for cluster			<u>1,136,152</u>	<u>1,645,675</u>
Special Education Cluster				
Special Education - Grants to States	84.027			
FY 07-08 Part B		14208-049-PN01	400,159	-
FY 07-08 Part B Carry-Over		14207-049-PY02	12,616	-
FY 07-08 Part B Pass Thru		14208-049PY02	208,397	9,949
FY 08-09 Part B Carry-Over		14209-049PY02	-	249,278
FY 08-09 Part B		14209-049-PN01	2,084,440	222,938
FY 09-10 Part B		14210-049-PN01	<u>-</u>	<u>2,231,210</u>
Total for program			<u>2,705,612</u>	<u>2,713,375</u>
Special Education - Preschool Grants	84.173			
FY 2006-07		45707-049-PY02	5,092	-
FY 2007-08		45708-049-PN01	16,340	-
FY 2007-08		45708-049-PY02	9,810	3,343
FY 2008-09		45709-049-PN01	91,412	15,330
FY 2008-09		45709-049-PY02	-	5,138
FY 2009-10		45710-049-PN01	<u>-</u>	<u>99,080</u>
Total for program			<u>122,654</u>	<u>122,891</u>
ARRA - Special Education-Grants to States, Recovery Act Project 3310-049-SN01	84.391	5075	<u>-</u>	<u>1,355,825</u>
ARRA - Special Education-Preschool Grants, Recovery Act Project 4410-049-SN01	84.392	5075	<u>-</u>	<u>66,180</u>
Total for cluster			<u>2,828,266</u>	<u>4,258,271</u>
State Fiscal Stabilization Fund Cluster				
ARRA - State Fiscal Stabilization Fund (SFSF) - Education State Grants, Recovery Act Grant, Recovery Act	84.394	5075	<u>461,551</u>	<u>3,233,923</u>

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

NORTH LAWRENCE COMMUNITY SCHOOLS
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>				
Direct Grant:				
Safe and Drug-Free Schools and Communities-National Programs Mentoring Programs Grant	84.184	Q184B070641-09	77,619	95,222
Pass-Through Indiana Department of Education				
Career and Technical Education-Basic Grants to States Moving Forward	84.048			
FY 2007-08		CPS 6-268 08-4700-5075	9,225 37,136	-
FY 2008-09		09-4700-5075	117,194	64,634
FY 2009-10		10-4700-5075	-	128,953
Total for program			<u>163,555</u>	<u>193,587</u>
Safe and Drug-Free Schools and Communities-State Grants				
FY 2006-07	84.186	5075-06	564	-
FY 2007-08		5075-07	545	-
FY 2008-09		5075-08	17,100	-
FY 2009-10		5075-09	-	24,045
Total for program			<u>18,209</u>	<u>24,045</u>
Pass-Through Indiana Department of Workforce Development				
Tech-Prep Education FY 2009-10	84.243	5075-6219	-	15,000
State Grants for Innovative Programs				
FY 2006-07	84.298	5075	231	3,346
Improving Teacher Quality State Grants				
FY 2005-06	84.367	S367A060013	4,201	-
FY 2006-07		S367A070013	76,261	-
FY 2007-08		S367A080013	173,856	66,452
FY 2008-09		S367A090013	-	195,898
FY 2009-10		S367A100013	-	172,561
Pass-Through Southern Indiana Education Center				
Improving Teacher Quality State Grants SIEC Math and Science Partnership Grant	84.367		10,448	-
Total for program			<u>264,766</u>	<u>434,911</u>
Total for federal grantor agency			<u>4,950,349</u>	<u>9,903,980</u>
Total federal awards expended			<u>\$ 5,990,116</u>	<u>\$ 11,201,609</u>

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

NORTH LAWRENCE COMMUNITY SCHOOLS
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 North Lawrence Community Schools (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. Subrecipients

Of the federal expenditures presented in the schedule, the School Corporation provided federal awards to subrecipients as follows for the years ended June 30, 2009 and 2010:

Program Title	Federal CFDA Number	2009-10
Brownstown Central Community School	84.394	\$ 274,929
Eastern School District of Green County	84.394	138,757
Medora Community School Corporation	84.394	34,711
Mitchell Community Schools	84.394	246,081
Orleans Community Schools	84.394	125,277
Shoals Community Schools	84.394	100,799
Brownstown Central Community School	84.392	15,387
Eastern School District of Green County	84.392	10,851
Medora Community School Corporation	84.392	1,287
Mitchell Community Schools	84.392	16,898
Orleans Community Schools	84.392	5,221
Shoals Community Schools	84.392	5,818

III. Noncash Assistance

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

Program Title	Federal CFDA Number	2008-2009	2009-2010
Child Nutrition Cluster:			
Food Commodities			
School Breakfast Program	10.553	\$ 23,169	\$ 28,684
National School Lunch Program	10.555	98,081	124,762

NORTH LAWRENCE COMMUNITY SCHOOLS
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
	Special Education Cluster
	Title I, Part A Cluster
	State Fiscal Stabilization Fund Cluster

Dollar threshold used to distinguish between Type A and Type B programs: \$515,752

Auditee qualified as low-risk auditee? no

Section II – Financial Statement Findings

No matters are reportable.

Section III – Federal Award Findings and Questioned Costs

No matters are reportable.



NORTH LAWRENCE COMMUNITY SCHOOLS

460 W Street • P.O. Box 729 • Bedford, IN 47421-0729

(812) 279-3521

SCHOOLS

- Bedford North Lawrence High School
- Bedford Junior High School
- Dollens Elementary School
- Englewood School
- Fayetteville Elementary School
- Heltonville Elementary School
- Lincoln Elementary School
- Needmore Elementary School
- Oolitic Junior High School
- Parkview Primary Elementary School
- Parkview Intermediate Elementary School
- Shawswick Elementary/Middle School
- Springville Elementary School
- Stalker Elementary School
- North Lawrence Vocational Technical Center

SUMMARY SCHEDULE OF PRIOR AUDIT FINDINGS

Finding Number 2008-1

Federal Agency: U.S. Department of Education

Federal Programs: Special Education – Grants to States and Special Education Preschool Grants

CFDA Numbers: 84.027 and 84.173

Federal Award Numbers: 14205-049-DY01, 14206-049-PN01, 14207-049-PN01, 14206-049-PY02, 14208-049-PN01, 14207-049-PY02, 45707-049-PN01, 45706-049-PY02, 45708-049-PN01, 45707-049-PY02

Pass-through Entity: Indiana Department of Education

Original SBA Audit Report Number: B34248

Fiscal Year: 2008

Auditee Contact Person: Michele Cox

Title of Contact Person: Treasurer

Phone Number: 812-279-3521

Status of Finding:

Corrective action has been taken and North Lawrence Community Schools is filing cash requests as needed. Please note that these funds are now paid on a reimbursable basis and we are requesting reimbursement twice per month as needed.

 12/21/10
 Michele Cox Date
 Treasurer

 12-21-10
 Dr. Dennis D. Turner Date
 Superintendent

NORTH LAWRENCE COMMUNITY SCHOOLS
EXIT CONFERENCE

The contents of this report were discussed on January 5, 2011, with Michele Cox, Treasurer; Dr. Dennis D. Turner, Superintendent of Schools; Gary D. Conner, Assistant Superintendent of Schools; and Jeff Lambrecht, School Board member. The official response has been made a part of this report and may be found on page 58.



NORTH LAWRENCE COMMUNITY SCHOOLS

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- Parkview Intermediate Elementary School
- Shawswick Elementary/Middle School
- Springville Elementary School
- Stalker Elementary School
- North Lawrence Vocational Technical Center

January 13, 2011

Mr. Chuck Nemeth
State Board of Accounts
302 West Washington Street
Indianapolis, IN 46204-2765

RE: Audit for Period July 1, 2008 through June 30, 2010

During the exit conference it was noted that as of June 30, 2009, several accounts were overdrawn.

The Joint Service Fund is a co-op with other school systems and expenses are on a reimbursable basis. Billings are completed at the end of June and December; therefore, the account would always be overdrawn.

The Alternative Fund has been funded in the past by the Lawrence County Probation Department and the Department of Child Services of Lawrence County with yearly contributions, and a small payment from the State of Indiana. As of January 2009, the program was funded through Ireland Based Services and the Indiana Department of Child Services on a reimbursable basis; this funding ended June 30, 2009. The program is now funded by the Lawrence County Probation Department and the State of Indiana. This fund is now monitored closely to prevent it from being overdrawn.

With regard to the Retirement/Severance Bond deficit, no tax payments were received from Lawrence County until August of 2009 even though we requested advance payments.

It was noted again that the ECA Bonds should be obtained each year rather than a continuation of a Bond. Our insurance company was notified of this and is complying by issuing new bonds each year.

We are to the best of our knowledge complying with the audit results and comments. Thank you.

Sincerely,

Michele Cox
Treasurer

Gary Conner
Deputy Treasurer

Dr. Dennis Turner
Superintendent

Jeff Lambrecht
Board Member