

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

AUDIT REPORT  
OF  
WEST CENTRAL SCHOOL CORPORATION  
PULASKI COUNTY, INDIANA  
July 1, 2008 to June 30, 2010



**FILED**  
02/08/2011



## TABLE OF CONTENTS

<u>Description</u>	<u>Page</u>
Schedule of Officials .....	2
Independent Auditor's Report on Financial Statements and Supplementary Schedule of Expenditures of Federal Awards .....	3-4
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 .....	5-6
Basic Financial Statements:	
Government-Wide Financial Statements:	
Statement of Activities and Net Assets – Cash and Investment Basis .....	7-8
Fund Financial Statements:	
Governmental Funds:	
Statement of Assets and Fund Balances and Receipts, Disbursements, and Changes in Fund Balances – Cash and Investment Basis – Governmental Funds .....	9-10
Fiduciary Funds:	
Statement of Additions, Deductions, and Changes in Cash and Investment Balances – Fiduciary Funds .....	11-12
Notes to Financial Statements .....	13-20
Supplementary Information:	
Combining Schedule of Assets and Fund Balances and Receipts, Disbursements, and Changes in Fund Balances – Cash and Investment Basis – Other Governmental Funds.....	21-34
Combining Schedule of Additions, Deductions, and Changes in Cash and Investment Balances – Private-Purpose Trust Funds .....	35-36
Combining Schedule of Cash and Investment Balances – Agency Funds .....	37-38
Schedule of Capital Assets.....	39
Schedule of Long-Term Debt .....	40
Audit Results and Comments:	
Segregation of Duties-Internal Controls Over Financial Transactions and Reporting .....	41
Overdrawn Fund Balance.....	41
Supplemental Audit of Federal Awards:	
Independent Auditor's Report on Compliance With Requirements Applicable to Each Major Program and Internal Control Over Compliance in Accordance With OMB Circular A-133.....	44-45
Schedule of Expenditures of Federal Awards .....	46
Notes to Schedule of Expenditures of Federal Awards.....	47
Schedule of Findings and Questioned Costs .....	48-50
Auditee Prepared Schedules:	
Summary Schedule of Prior Audit Findings .....	51
Corrective Action Plan.....	52
Exit Conference.....	53

SCHEDULE OF OFFICIALS

<u>Office</u>	<u>Official</u>	<u>Term</u>
Treasurer	Pamela Ledford	07-01-08 to 06-30-11
Superintendent of Schools	Charles R. Mellon	07-01-08 to 06-30-11
President of the School Board	Kerry Miller Dean Lowry Kerry Miller	07-01-08 to 06-30-09 07-01-09 to 06-30-10 07-01-10 to 06-30-11



**STATE OF INDIANA**  
AN EQUAL OPPORTUNITY EMPLOYER

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

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

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

TO: THE OFFICIALS OF THE WEST CENTRAL SCHOOL  
CORPORATION, PULASKI COUNTY, INDIANA

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

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

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

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

In accordance with Government Auditing Standards, we have also issued a report dated December 16, 2010, on our consideration of the School Corporation's internal control over financial reporting and our tests of its compliance with certain provisions of laws, regulations, contracts, grant agreements, and other matters. The purpose of that report is to describe the scope of our testing of internal control over financial reporting and compliance and the results of that testing and not to provide an opinion on the internal control over financial reporting or on compliance. That report is an integral part of an audit performed in accordance with Government Auditing Standards and should be considered in assessing the results of our audit.

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

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

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

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

STATE BOARD OF ACCOUNTS

December 16, 2010



**STATE OF INDIANA**  
AN EQUAL OPPORTUNITY EMPLOYER

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

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

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 WEST CENTRAL SCHOOL  
CORPORATION, PULASKI COUNTY, INDIANA

We have audited the financial statements of the governmental activities, each major fund, and the aggregate remaining fund information of the West Central School Corporation (School Corporation), as of and for the years ended June 30, 2009 and 2010, which collectively comprise the School Corporation's basic financial statements and have issued our report thereon dated December 16, 2010. We conducted our audit in accordance with auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in Government Auditing Standards, issued by the Comptroller General of the United States.

Internal Control Over Financial Reporting

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

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

A control deficiency exists when the design or operation of a control does not allow management or employees, in the normal course of performing their assigned functions, to prevent or detect misstatements on a timely basis. A significant deficiency is a control deficiency, or combination of control deficiencies, that adversely affects the entity's ability to initiate, authorize, record, process, or report financial data reliably in accordance with generally accepted accounting principles such that there is more than a remote likelihood that a misstatement of the entity's financial statements that is more than inconsequential will not be prevented or detected by the entity's internal control. We consider the deficiencies described in item 2010-1 of the accompanying Schedule of Findings and Questioned Costs to be significant deficiencies in internal control over financial reporting.

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

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

Our consideration of internal control over financial reporting was for the limited purpose described in the first paragraph of this section and would not necessarily identify all deficiencies in internal control that might be significant deficiencies or material weaknesses. However, of the significant deficiencies described above, we consider item 2010-1 to be a material weakness.

Compliance and Other Matters

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

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

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

STATE BOARD OF ACCOUNTS

December 16, 2010

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

<u>Functions/Programs</u>	<u>Disbursements</u>	<u>Program Receipts</u>		<u>Net (Disbursement) Receipts and Changes in Net Assets</u>
		<u>Charges for Services</u>	<u>Operating Grants and Contributions</u>	<u>Totals</u>
Governmental activities:				
Instruction	\$ 5,594,340	\$ -	\$ 148,042	\$ (5,446,298)
Support services	5,160,588	206,211	266,204	(4,688,173)
Noninstructional services	469,797	-	-	(469,797)
Facilities acquisition and construction	155,626	-	-	(155,626)
Debt service	1,852,020	-	-	(1,852,020)
Nonprogrammed charges	85,794	-	-	(85,794)
	<u>\$ 13,318,165</u>	<u>\$ 206,211</u>	<u>\$ 414,246</u>	<u>(12,697,708)</u>
General receipts:				
Property taxes				3,570,626
Other local sources				1,438,516
State aid				4,310,630
Grants and contributions not restricted to specific programs				3,561,269
Investment earnings				56,623
Other				19,966
				<u>12,957,630</u>
Change in net assets				259,922
Net assets - beginning				<u>3,064,512</u>
Net assets - ending				<u>\$ 3,324,434</u>
<u>Assets</u>				
Cash and investments				\$ 3,240,202
Restricted assets:				
Cash and investments				<u>84,232</u>
Total assets				<u>\$ 3,324,434</u>
<u>Net Assets</u>				
Restricted for:				
Debt service				\$ 84,232
Unrestricted				<u>3,240,202</u>
Total net assets				<u>\$ 3,324,434</u>

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

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

<u>Functions/Programs</u>	<u>Disbursements</u>	<u>Program Receipts</u>		<u>Totals</u>
		<u>Charges for Services</u>	<u>Operating Grants and Contributions</u>	<u>Net (Disbursement) Receipts and Changes in Net Assets</u>
Governmental activities:				
Instruction	\$ 7,427,488	\$ -	\$ 115,963	\$ (7,311,525)
Support services	5,189,611	195,235	332,068	(4,662,308)
Noninstructional services	507,897	-	-	(507,897)
Facilities acquisition and construction	473,017	-	-	(473,017)
Debt service	741,216	-	-	(741,216)
Nonprogrammed charges	90,742	-	-	(90,742)
Total governmental activities	\$ 14,429,971	\$ 195,235	\$ 448,031	(13,786,705)
General receipts:				
Property taxes				2,478,786
Other local sources				1,498,931
State aid				6,010,396
Grants and contributions not restricted to specific programs				5,707,248
Sale of property				5,002
Investment earnings				37,442
Other				2,089
Total general receipts				15,739,894
Change in net assets				1,953,189
Net assets - beginning				3,324,434
Net assets - ending				\$ 5,277,623
<u>Assets</u>				
Cash and investments				\$ 4,912,367
Restricted assets:				
Cash and investments				365,256
Total assets				\$ 5,277,623
<u>Net Assets</u>				
Restricted for:				
Debt service				\$ 365,256
Unrestricted				4,912,367
Total net assets				\$ 5,277,623

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

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

	General	Local Rainy Day	Special Education Grant 14209-051-PY02	Special Education Grant 14210-051-PN01	General Fiscal - Stimulus	Capital Projects	Other	Totals
<b>Receipts:</b>								
Local sources	\$ 2,384,691	\$ -	\$ 140	\$ -	\$ -	\$ 443,249	\$ 2,425,586	\$ 5,253,666
Intermediate sources	18,310	-	-	-	-	-	-	18,310
State sources	4,427,376	-	-	-	-	-	118,132	4,545,508
Federal sources	-	-	2,550,000	-	522,889	-	667,748	3,740,637
Other	19,804	-	-	-	-	162	-	19,966
<b>Total receipts</b>	<b>6,850,181</b>	<b>-</b>	<b>2,550,140</b>	<b>-</b>	<b>522,889</b>	<b>443,411</b>	<b>3,211,466</b>	<b>13,578,087</b>
<b>Disbursements:</b>								
<b>Current:</b>								
Instruction	4,093,011	-	639,910	-	-	-	861,419	5,594,340
Support services	2,042,602	-	1,681,298	-	-	43,756	1,392,932	5,160,588
Noninstructional services	107,224	-	-	-	-	-	362,573	469,797
Facilities acquisition and construction	-	-	-	-	-	155,626	-	155,626
Debt services	707,144	-	-	-	-	-	1,144,876	1,852,020
Nonprogrammed charges	73,294	-	-	-	-	-	12,500	85,794
<b>Total disbursements</b>	<b>7,023,275</b>	<b>-</b>	<b>2,321,208</b>	<b>-</b>	<b>-</b>	<b>199,382</b>	<b>3,774,300</b>	<b>13,318,165</b>
Excess (deficiency) of receipts over disbursements	(173,094)	-	228,932	-	522,889	244,029	(562,834)	259,922
<b>Other financing sources (uses):</b>								
Transfers in	-	80,000	-	-	-	-	228,914	308,914
Transfers out	(115,928)	-	-	-	(696)	(99,018)	(93,272)	(308,914)
<b>Total other financing sources (uses)</b>	<b>(115,928)</b>	<b>80,000</b>	<b>-</b>	<b>-</b>	<b>(696)</b>	<b>(99,018)</b>	<b>135,642</b>	<b>-</b>
Excess (deficiency) of receipts and other financing sources over disbursements and other financing uses	(289,022)	80,000	228,932	-	522,193	145,011	(427,192)	259,922
Cash and investments - beginning	748,681	255,455	-	-	-	370,404	1,689,972	3,064,512
Cash and investments - ending	\$ 459,659	\$ 335,455	\$ 228,932	\$ -	\$ 522,193	\$ 515,415	\$ 1,262,780	\$ 3,324,434
<b>Cash and Investment Assets - Ending</b>								
Cash and investments	\$ 459,659	\$ 335,455	\$ 228,932	\$ -	\$ 522,193	\$ 515,415	\$ 1,178,548	\$ 3,240,202
Restricted assets:								
Cash and investments	-	-	-	-	-	-	84,232	84,232
<b>Total cash and investment assets - ending</b>	<b>\$ 459,659</b>	<b>\$ 335,455</b>	<b>\$ 228,932</b>	<b>\$ -</b>	<b>\$ 522,193</b>	<b>\$ 515,415</b>	<b>\$ 1,262,780</b>	<b>\$ 3,324,434</b>
<b>Cash and Investment Fund Balance - Ending</b>								
Restricted for:								
Debt service	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 84,232	\$ 84,232
Unrestricted	459,659	335,455	228,932	-	522,193	515,415	1,178,548	3,240,202
<b>Total cash and investment fund balance - ending</b>	<b>\$ 459,659</b>	<b>\$ 335,455</b>	<b>\$ 228,932</b>	<b>\$ -</b>	<b>\$ 522,193</b>	<b>\$ 515,415</b>	<b>\$ 1,262,780</b>	<b>\$ 3,324,434</b>

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

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

	General	Local Rainy Day	Special Education Grant 14209-051-PY02	Special Education Grant 14210-051-PN01	General Fiscal - Stimulus	Capital Projects	Other	Totals
<b>Receipts:</b>								
Local sources	\$ 101,470	\$ -	\$ 6,542	\$ 2,459	\$ 18	\$ 983,534	\$ 3,097,235	\$ 4,191,258
Intermediate sources	19,138	-	-	-	-	-	-	19,138
State sources	6,095,027	-	-	-	-	-	105,217	6,200,244
Federal sources	-	-	131,954	2,739,728	181,580	-	2,912,167	5,965,429
Other	2,089	-	-	-	-	-	-	2,089
<b>Total receipts</b>	<b>6,217,724</b>	<b>-</b>	<b>138,496</b>	<b>2,742,187</b>	<b>181,598</b>	<b>983,534</b>	<b>6,114,619</b>	<b>16,378,158</b>
<b>Disbursements:</b>								
<b>Current:</b>								
Instruction	3,309,265	-	156,675	540,895	703,791	-	2,716,862	7,427,488
Support services	1,917,317	-	190,966	1,734,177	-	188,135	1,159,016	5,189,611
Noninstructional services	108,614	-	-	-	-	-	399,283	507,897
Facilities acquisition and construction	-	-	-	-	-	473,017	-	473,017
Debt services	-	-	-	-	-	-	741,216	741,216
Nonprogrammed charges	78,242	-	-	-	-	-	12,500	90,742
<b>Total disbursements</b>	<b>5,413,438</b>	<b>-</b>	<b>347,641</b>	<b>2,275,072</b>	<b>703,791</b>	<b>661,152</b>	<b>5,028,877</b>	<b>14,429,971</b>
Excess (deficiency) of receipts over disbursements	804,286	-	(209,145)	467,115	(522,193)	322,382	1,085,742	1,948,187
<b>Other financing sources (uses):</b>								
Sale of capital assets	5,002	-	-	-	-	-	-	5,002
Transfers in	148,157	183,791	-	-	-	190,138	353,815	875,901
Transfers out	(50,082)	-	-	-	-	(277,093)	(548,726)	(875,901)
<b>Total other financing sources (uses)</b>	<b>103,077</b>	<b>183,791</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>(86,955)</b>	<b>(194,911)</b>	<b>5,002</b>
Excess (deficiency) of receipts and other financing sources over disbursements and other financing uses	907,363	183,791	(209,145)	467,115	(522,193)	235,427	890,831	1,953,189
Cash and investments - beginning	459,659	335,455	228,932	-	522,193	515,415	1,262,780	3,324,434
Cash and investments - ending	<u>\$ 1,367,022</u>	<u>\$ 519,246</u>	<u>\$ 19,787</u>	<u>\$ 467,115</u>	<u>\$ -</u>	<u>\$ 750,842</u>	<u>\$ 2,153,611</u>	<u>\$ 5,277,623</u>
<b>Cash and Investment Assets - Ending</b>								
Cash and investments	\$ 1,367,022	\$ 519,246	\$ 19,787	\$ 467,115	\$ -	\$ 750,842	\$ 1,788,355	\$ 4,912,367
Restricted assets:								
Cash and investments	-	-	-	-	-	-	365,256	365,256
<b>Total cash and investment assets - ending</b>	<u>\$ 1,367,022</u>	<u>\$ 519,246</u>	<u>\$ 19,787</u>	<u>\$ 467,115</u>	<u>\$ -</u>	<u>\$ 750,842</u>	<u>\$ 2,153,611</u>	<u>\$ 5,277,623</u>
<b>Cash and Investment Fund Balance - Ending</b>								
Restricted for:								
Debt service	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 365,256	\$ 365,256
Unrestricted	1,367,022	519,246	19,787	467,115	-	750,842	1,788,355	4,912,367
<b>Total cash and investment fund balance - ending</b>	<u>\$ 1,367,022</u>	<u>\$ 519,246</u>	<u>\$ 19,787</u>	<u>\$ 467,115</u>	<u>\$ -</u>	<u>\$ 750,842</u>	<u>\$ 2,153,611</u>	<u>\$ 5,277,623</u>

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

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

	<u>Pension Trust Funds</u>	<u>Private-Purpose Trust Funds</u>	<u>Agency Funds</u>
Additions:			
Contributions:			
Employer	\$ 2,350	\$ -	
Other	<u>-</u>	<u>16,400</u>	
Total additions	<u>2,350</u>	<u>16,400</u>	
Deductions:			
Benefits	2,350	-	
Administrative and general	<u>-</u>	<u>48,472</u>	
Total deductions	<u>2,350</u>	<u>48,472</u>	
Deficiency of total additions over total deductions	-	(32,072)	
Cash and investment fund balance - beginning	<u>-</u>	<u>154,751</u>	
Cash and investment fund balance - ending	<u>\$ -</u>	<u>\$ 122,679</u>	<u>\$ 88,848</u>
Net assets:			
Cash and investments	<u>\$ -</u>	<u>\$ 122,679</u>	<u>\$ 88,848</u>

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

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

	Pension Trust Funds	Private-Purpose Trust Funds	Agency Funds
Additions:			
Contributions:			
Employer	\$ 3,750	\$ -	
Other	-	16,000	
Total additions	3,750	16,000	
Deductions:			
Benefits	3,750	-	
Administrative and general	-	44,117	
Total deductions	3,750	44,117	
Deficiency of total additions over total deductions	-	(28,117)	
Cash and investment fund balance - beginning	-	122,679	
Cash and investment fund balance - ending	\$ -	\$ 94,562	\$ 75,128
Net assets:			
Cash and investments	\$ -	\$ 94,562	\$ 75,128

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

WEST CENTRAL SCHOOL CORPORATION  
NOTES TO FINANCIAL STATEMENTS

I. Summary of Significant Accounting Policies

A. Reporting Entity

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

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

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

Primary Government: West Central School Corporation

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

Joint Venture

The School Corporation is a participant in a joint venture to operate Indian Trails Cooperative which was created to engage in the joint employment of personnel and purchase supplies, equipment and facilities necessary to provide programs and services for vocational education. The Indian Trails Cooperative's continued existence depends on continued funding by the School Corporation. Complete financial statements for the Indian Trails Cooperative can be obtained from Twin Lakes School Corporation at 565 South Sixth Street, Monticello, IN 47960.

The School Corporation is a participant in a joint venture to operate Cooperative School Services for Special Education which was created to provide special education services to handicapped children. The Cooperative School Services for Special Education's continued existence depends on continued funding by the School Corporation. Complete financial statements for the Cooperative School Services for Special Education can be obtained from West Central School Corporation at 117 East Montgomery Street, Box 578, Francesville, IN 47946.

B. Government-Wide and Fund Financial Statements

Government-Wide Financial Statements

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

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

The special education grant funds account for the costs to provide instruction to handicapped children.

The general fiscal-stimulus fund is used to account for funds received from the federal stimulus program.

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

Additionally, the School Corporation reports the following fund types:

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

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

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

C. Measurement Focus and Basis of Accounting

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

WEST CENTRAL SCHOOL CORPORATION  
NOTES TO FINANCIAL STATEMENTS  
(Continued)

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

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

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

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

D. Assets and Cash and Investment Balances

1. Restricted Assets

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

2. Cash and Investments

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

3. Property Taxes

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

4. Capital Assets

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

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.

WEST CENTRAL SCHOOL CORPORATION  
NOTES TO FINANCIAL STATEMENTS  
(Continued)

6. Equity Classification

Government-Wide Statements

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

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

Fund Financial Statements

Governmental fund equity is classified as fund balance.

E. Receipts and Disbursements

Program Receipts

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

F. Internal and Interfund Activities

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

Fund Financial Statements

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

Government-Wide Financial Statements

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

WEST CENTRAL SCHOOL CORPORATION  
 NOTES TO FINANCIAL STATEMENTS  
 (Continued)

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

II. Stewardship, Compliance and Accountability

A. Budgetary Information

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

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

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

B. Cash Balance Deficits

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

Fund	2009	2010
Transportation Operating	\$ 40,809	\$ -

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

WEST CENTRAL SCHOOL CORPORATION  
NOTES TO FINANCIAL STATEMENTS  
(Continued)

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 \$5,447,313.

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

B. Interfund Transfers

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

Transfer From	Transfer To	2009	2010
General Fund	Other Governmental Funds	\$ 115,928	\$ 50,082
Capital Projects Fund	Local Rainy Day Fund	80,000	94,353
Capital Projects Fund	Other Governmental Funds	19,018	182,740
General Fiscal-Stimulus Fund	Other Governmental Funds	696	-
Other Governmental Funds	General Fund	-	148,157
Other Governmental Funds	Local Rainy Day Fund	-	89,438
Other Governmental Funds	Capital Projects Fund	-	190,138
Other Governmental Funds	Other Governmental Funds	93,272	120,993
Totals		<u>\$ 308,914</u>	<u>\$ 875,901</u>

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

IV. Other Information

A. Risk Management

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

The policy of the School Corporation is not to purchase commercial insurance for the risks of loss related to torts; theft of, damage to, and destruction of assets; errors and omissions; job related illnesses or injuries to employees; medical benefits to employees, retirees, and dependents (excluding postemployment benefits); and natural disasters. Instead, the School Corporation records as a disbursement any replacement items purchased.

Group Health Insurance

During 1985, the School Corporation joined with other governmental entities to form the Midwest Area School Employees' Insurance Trust, a public entity risk pool currently operating as a common risk management and insurance program for 14 member governmental entities. The purpose of the risk pool is to provide a medium for the funding and administration of group health

WEST CENTRAL SCHOOL CORPORATION  
NOTES TO FINANCIAL STATEMENTS  
(Continued)

insurance plans for the benefit of members' employees. The risk pool is considered a self-sustaining risk pool that will provide coverage for its members for up to \$125,000 per individual and \$2,000,000 in aggregate per insured event. The risk pool obtains independent coverage for insured events in excess of the \$125,000 and \$2,000,000 limit.

B. Termination Benefits

Early retirees were offered an extended time frame in which the five year VEBA could fall. The amount increased from \$5,000 to \$7,000 per year for a maximum of five years until they became eligible for medicare. This is in effect for the 09-10 & 10-11 school years only. Three employees accepted this offer during the audit period for a total cost of \$63,000.

C. Pension Plans

1. Agent Multiple-Employer Defined Benefit Pension Plan

Public Employees' Retirement Fund

Plan Description

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

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

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

Funding Policy

The contribution requirements of plan members for PERF are established by the Board of Trustees of PERF. The total contributions made to PERF by the School Corporation during the period were \$197,426.

WEST CENTRAL SCHOOL CORPORATION  
NOTES TO FINANCIAL STATEMENTS  
(Continued)

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

Teachers' Retirement Fund

Plan Description

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

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

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

Funding Policy

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

The School Corporation's contributions to the plan during the period were \$653,769.

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

	Transportation Operating	Special Ed Preschool	School Lunch	Textbook Rental	Levy Excess	Coop Joint Services	Coop Joint Services Preschool
<b>Receipts:</b>							
Local sources	\$ 424,890	\$ 5,621	\$ 203,156	\$ 57,811	\$ -	\$ 409,517	\$ 406,405
State sources	-	37,564	6,027	42,245	-	-	-
Federal sources	-	-	217,932	-	-	-	-
<b>Total receipts</b>	<b>424,890</b>	<b>43,185</b>	<b>427,115</b>	<b>100,056</b>	<b>-</b>	<b>409,517</b>	<b>406,405</b>
<b>Disbursements:</b>							
<b>Current:</b>							
Instruction	-	30,250	-	-	-	11,501	366,337
Support services	410,849	-	-	66,228	-	261,181	164,955
Noninstructional services	-	-	349,953	-	-	-	-
Debt services	130,415	-	-	-	-	139,816	-
Nonprogrammed charges	-	-	-	-	-	12,500	-
<b>Total disbursements</b>	<b>541,264</b>	<b>30,250</b>	<b>349,953</b>	<b>66,228</b>	<b>-</b>	<b>424,998</b>	<b>531,292</b>
Excess (deficiency) of receipts over disbursements	(116,374)	12,935	77,162	33,828	-	(15,481)	(124,887)
<b>Other financing sources (uses):</b>							
Transfers in	-	-	-	-	185,110	8,356	-
Transfers out	(18,871)	(264)	-	-	-	(350)	-
<b>Total other financing sources (uses)</b>	<b>(18,871)</b>	<b>(264)</b>	<b>-</b>	<b>-</b>	<b>185,110</b>	<b>8,006</b>	<b>-</b>
Excess (deficiency) of receipts and other financing sources over disbursements and other financing uses	(135,245)	12,671	77,162	33,828	185,110	(7,475)	(124,887)
Cash and investments - beginning	94,436	69,314	143,583	82,964	-	262,991	318,439
Cash and investments - ending	\$ (40,809)	\$ 81,985	\$ 220,745	\$ 116,792	\$ 185,110	\$ 255,516	\$ 193,552
<b>Cash and Investment Assets - Ending</b>							
Cash and investments	\$ (40,809)	\$ 81,985	\$ 220,745	\$ 116,792	\$ 185,110	\$ 255,516	\$ 193,552
Restricted assets:							
Cash and investments	-	-	-	-	-	-	-
<b>Total cash and investment assets - ending</b>	<b>\$ (40,809)</b>	<b>\$ 81,985</b>	<b>\$ 220,745</b>	<b>\$ 116,792</b>	<b>\$ 185,110</b>	<b>\$ 255,516</b>	<b>\$ 193,552</b>
<b>Cash and Investment Fund Balance - Ending</b>							
Restricted for:							
Debt service	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Unrestricted	(40,809)	81,985	220,745	116,792	185,110	255,516	193,552
<b>Total cash and investment fund balance - ending</b>	<b>\$ (40,809)</b>	<b>\$ 81,985</b>	<b>\$ 220,745</b>	<b>\$ 116,792</b>	<b>\$ 185,110</b>	<b>\$ 255,516</b>	<b>\$ 193,552</b>

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

	Boswell Elementary	Demotte Preschool	Monnett Preschool	South Newton Preschool	School Safe Haven	Gifted/Talented 07/08	Gifted/Talented 08/09
<b>Receipts:</b>							
Local sources	\$ 2,625	\$ 4,260	\$ 2,700	\$ 5,325	\$ -	\$ -	\$ -
State sources	-	-	-	-	1,000	-	29,197
Federal sources	-	-	-	-	-	-	-
<b>Total receipts</b>	<b>2,625</b>	<b>4,260</b>	<b>2,700</b>	<b>5,325</b>	<b>1,000</b>	<b>-</b>	<b>29,197</b>
<b>Disbursements:</b>							
<b>Current:</b>							
Instruction	1,993	2,355	129	3,173	2,845	5,207	20,242
Support services	-	-	-	-	-	-	-
Noninstructional services	-	-	-	-	-	-	-
Debt services	-	-	-	-	-	-	-
Nonprogrammed charges	-	-	-	-	-	-	-
<b>Total disbursements</b>	<b>1,993</b>	<b>2,355</b>	<b>129</b>	<b>3,173</b>	<b>2,845</b>	<b>5,207</b>	<b>20,242</b>
Excess (deficiency) of receipts over disbursements	632	1,905	2,571	2,152	(1,845)	(5,207)	8,955
<b>Other financing sources (uses):</b>							
Transfers in	-	-	-	-	-	-	-
Transfers out	-	-	-	-	-	-	-
<b>Total other financing sources (uses)</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>
Excess (deficiency) of receipts and other financing sources over disbursements and other financing uses	632	1,905	2,571	2,152	(1,845)	(5,207)	8,955
Cash and investments - beginning	-	-	-	-	1,745	5,249	-
<b>Cash and investments - ending</b>	<b>\$ 632</b>	<b>\$ 1,905</b>	<b>\$ 2,571</b>	<b>\$ 2,152</b>	<b>\$ (100)</b>	<b>\$ 42</b>	<b>\$ 8,955</b>
<b><u>Cash and Investment Assets - Ending</u></b>							
Cash and investments	\$ 632	\$ 1,905	\$ 2,571	\$ 2,152	\$ (100)	\$ 42	\$ 8,955
Restricted assets:							
Cash and investments	-	-	-	-	-	-	-
<b>Total cash and investment assets - ending</b>	<b>\$ 632</b>	<b>\$ 1,905</b>	<b>\$ 2,571</b>	<b>\$ 2,152</b>	<b>\$ (100)</b>	<b>\$ 42</b>	<b>\$ 8,955</b>
<b><u>Cash and Investment Fund Balance - Ending</u></b>							
Restricted for:							
Debt service	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Unrestricted	632	1,905	2,571	2,152	(100)	42	8,955
<b>Total cash and investment fund balance - ending</b>	<b>\$ 632</b>	<b>\$ 1,905</b>	<b>\$ 2,571</b>	<b>\$ 2,152</b>	<b>\$ (100)</b>	<b>\$ 42</b>	<b>\$ 8,955</b>

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

	Gifted/Talented 09/10	Tech Prep Grant 08/09	IN Medicaid Reimbursement	Non-English Speaking Grant	School Technology	Excess PTRC Distribution	Title I 10-6630
<b>Receipts:</b>							
Local sources	\$ -	\$ -	\$ -	\$ -	\$ 13,992	\$ -	\$ -
State sources	-	-	-	2,099	-	-	-
Federal sources	-	4,787	-	-	-	-	-
<b>Total receipts</b>	<b>-</b>	<b>4,787</b>	<b>-</b>	<b>2,099</b>	<b>13,992</b>	<b>-</b>	<b>-</b>
<b>Disbursements:</b>							
<b>Current:</b>							
Instruction	-	-	-	1,960	-	-	-
Support services	-	6,671	-	650	9,194	-	-
Noninstructional services	-	-	-	-	-	-	-
Debt services	-	-	-	-	-	-	-
Nonprogrammed charges	-	-	-	-	-	-	-
<b>Total disbursements</b>	<b>-</b>	<b>6,671</b>	<b>-</b>	<b>2,610</b>	<b>9,194</b>	<b>-</b>	<b>-</b>
Excess (deficiency) of receipts over disbursements	-	(1,884)	-	(511)	4,798	-	-
<b>Other financing sources (uses):</b>							
Transfers in	-	-	-	-	-	-	-
Transfers out	-	-	-	-	-	-	-
<b>Total other financing sources (uses)</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>
Excess (deficiency) of receipts and other financing sources over disbursements and other financing uses	-	(1,884)	-	(511)	4,798	-	-
Cash and investments - beginning	-	-	-	1,224	11,696	-	-
Cash and investments - ending	\$ -	\$ (1,884)	\$ -	\$ 713	\$ 16,494	\$ -	\$ -
<b><u>Cash and Investment Assets - Ending</u></b>							
Cash and investments	\$ -	\$ (1,884)	\$ -	\$ 713	\$ 16,494	\$ -	\$ -
Restricted assets:							
Cash and investments	-	-	-	-	-	-	-
<b>Total cash and investment assets - ending</b>	<b>\$ -</b>	<b>\$ (1,884)</b>	<b>\$ -</b>	<b>\$ 713</b>	<b>\$ 16,494</b>	<b>\$ -</b>	<b>\$ -</b>
<b><u>Cash and Investment Fund Balance - Ending</u></b>							
Restricted for:							
Debt service	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Unrestricted	-	(1,884)	-	713	16,494	-	-
<b>Total cash and investment fund balance - ending</b>	<b>\$ -</b>	<b>\$ (1,884)</b>	<b>\$ -</b>	<b>\$ 713</b>	<b>\$ 16,494</b>	<b>\$ -</b>	<b>\$ -</b>

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

	Title I 08-6630	Title I 09-6630	Title V 07-6630	Title V 06-6630	Special Education Grant 14207-051-PN01	Special Education Grant 14208-051-PN01
<b>Receipts:</b>						
Local sources	\$ -	\$ 117	\$ -	\$ -	\$ -	\$ 117
State sources	-	-	-	-	-	-
Federal sources	-	137,050	1,202	-	-	132,137
<b>Total receipts</b>	<b>-</b>	<b>137,167</b>	<b>1,202</b>	<b>-</b>	<b>-</b>	<b>132,254</b>
<b>Disbursements:</b>						
<b>Current:</b>						
Instruction	14,339	89,090	-	-	56,627	196,099
Support services	-	31,067	1,094	509	15,516	197,543
Noninstructional services	-	12,620	-	-	-	-
Debt services	-	-	-	-	-	-
Nonprogrammed charges	-	-	-	-	-	-
<b>Total disbursements</b>	<b>14,339</b>	<b>132,777</b>	<b>1,094</b>	<b>509</b>	<b>72,143</b>	<b>393,642</b>
Excess (deficiency) of receipts over disbursements	(14,339)	4,390	108	(509)	(72,143)	(261,388)
<b>Other financing sources (uses):</b>						
Transfers in	-	18,989	-	-	-	-
Transfers out	(18,989)	-	-	-	-	(16,459)
<b>Total other financing sources (uses)</b>	<b>(18,989)</b>	<b>18,989</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>(16,459)</b>
Excess (deficiency) of receipts and other financing sources over disbursements and other financing uses	(33,328)	23,379	108	(509)	(72,143)	(277,847)
Cash and investments - beginning	33,328	-	779	509	72,143	277,847
Cash and investments - ending	\$ -	\$ 23,379	\$ 887	\$ -	\$ -	\$ -
<b><u>Cash and Investment Assets - Ending</u></b>						
Cash and investments	\$ -	\$ 23,379	\$ 887	\$ -	\$ -	\$ -
Restricted assets:						
Cash and investments	-	-	-	-	-	-
<b>Total cash and investment assets - ending</b>	<b>\$ -</b>	<b>\$ 23,379</b>	<b>\$ 887</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ -</b>
<b><u>Cash and Investment Fund Balance - Ending</u></b>						
Restricted for:						
Debt service	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Unrestricted	-	23,379	887	-	-	-
<b>Total cash and investment fund balance - ending</b>	<b>\$ -</b>	<b>\$ 23,379</b>	<b>\$ 887</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ -</b>

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

	Special Education Grant 14208-051-PY02	Preschool Handicap 14209-051-PY02	Preschool Handicap 45708-051-PN01	Preschool Handicap 45710-051-PN01	Drug Free Schools 07-6630	Drug Free Schools 06-6630
<b>Receipts:</b>						
Local sources	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
State sources	-	-	-	-	-	-
Federal sources	-	121,774	10,000	-	1,080	-
<b>Total receipts</b>	<b>-</b>	<b>121,774</b>	<b>10,000</b>	<b>-</b>	<b>1,080</b>	<b>-</b>
<b>Disbursements:</b>						
<b>Current:</b>						
Instruction	-	-	-	-	2,390	919
Support services	16,459	122,703	13,690	-	-	-
Noninstructional services	-	-	-	-	-	-
Debt services	-	-	-	-	-	-
Nonprogrammed charges	-	-	-	-	-	-
<b>Total disbursements</b>	<b>16,459</b>	<b>122,703</b>	<b>13,690</b>	<b>-</b>	<b>2,390</b>	<b>919</b>
Excess (deficiency) of receipts over disbursements	(16,459)	(929)	(3,690)	-	(1,310)	(919)
<b>Other financing sources (uses):</b>						
Transfers in	16,459	-	-	-	-	-
Transfers out	-	-	-	-	-	-
<b>Total other financing sources (uses)</b>	<b>16,459</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>
Excess (deficiency) of receipts and other financing sources over disbursements and other financing uses	-	(929)	(3,690)	-	(1,310)	(919)
Cash and investments - beginning	-	-	3,690	-	1,310	919
Cash and investments - ending	\$ -	\$ (929)	\$ -	\$ -	\$ -	\$ -
<b><u>Cash and Investment Assets - Ending</u></b>						
Cash and investments	\$ -	\$ (929)	\$ -	\$ -	\$ -	\$ -
Restricted assets:						
Cash and investments	-	-	-	-	-	-
<b>Total cash and investment assets - ending</b>	<b>\$ -</b>	<b>\$ (929)</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ -</b>
<b><u>Cash and Investment Fund Balance - Ending</u></b>						
Restricted for:						
Debt service	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Unrestricted	-	(929)	-	-	-	-
<b>Total cash and investment fund balance - ending</b>	<b>\$ -</b>	<b>\$ (929)</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ -</b>

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

	Drug Free Schools 08-6630	Drug Free Schools 09-6630	Drug Free-POY Mini Grant	Federal Medicaid Reimbursement	Title II Part A	Title I Stimulus
<b>Receipts:</b>						
Local sources	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
State sources	-	-	-	-	-	-
Federal sources	1,682	-	-	-	40,104	-
<b>Total receipts</b>	<b>1,682</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>40,104</b>	<b>-</b>
<b>Disbursements:</b>						
<b>Current:</b>						
Instruction	638	-	534	11,174	43,617	-
Support services	-	-	-	-	-	-
Noninstructional services	-	-	-	-	-	-
Debt services	-	-	-	-	-	-
Nonprogrammed charges	-	-	-	-	-	-
<b>Total disbursements</b>	<b>638</b>	<b>-</b>	<b>534</b>	<b>11,174</b>	<b>43,617</b>	<b>-</b>
Excess (deficiency) of receipts over disbursements	1,044	-	(534)	(11,174)	(3,513)	-
<b>Other financing sources (uses):</b>						
Transfers in	-	-	-	-	-	-
Transfers out	-	-	-	-	-	-
<b>Total other financing sources (uses)</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>
Excess (deficiency) of receipts and other financing sources over disbursements and other financing uses	1,044	-	(534)	(11,174)	(3,513)	-
Cash and investments - beginning	-	-	-	31,114	1,057	-
Cash and investments - ending	\$ 1,044	\$ -	\$ (534)	\$ 19,940	\$ (2,456)	\$ -
<b><u>Cash and Investment Assets - Ending</u></b>						
Cash and investments	\$ 1,044	\$ -	\$ (534)	\$ 19,940	\$ (2,456)	\$ -
Restricted assets:						
Cash and investments	-	-	-	-	-	-
<b>Total cash and investment assets - ending</b>	<b>\$ 1,044</b>	<b>\$ -</b>	<b>\$ (534)</b>	<b>\$ 19,940</b>	<b>\$ (2,456)</b>	<b>\$ -</b>
<b><u>Cash and Investment Fund Balance - Ending</u></b>						
Restricted for:						
Debt service	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Unrestricted	1,044	-	(534)	19,940	(2,456)	-
<b>Total cash and investment fund balance - ending</b>	<b>\$ 1,044</b>	<b>\$ -</b>	<b>\$ (534)</b>	<b>\$ 19,940</b>	<b>\$ (2,456)</b>	<b>\$ -</b>

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

	Special Ed Stimulus	Special Ed Preschool Stimulus	Debt Service	Transportation Bus Replacement	Construction	Totals
<b>Receipts:</b>						
Local sources	\$ -	\$ -	\$ 723,373	\$ 124,913	\$ 40,764	\$ 2,425,586
State sources	-	-	-	-	-	118,132
Federal sources	-	-	-	-	-	667,748
<b>Total receipts</b>	<b>-</b>	<b>-</b>	<b>723,373</b>	<b>124,913</b>	<b>40,764</b>	<b>3,211,466</b>
<b>Disbursements:</b>						
<b>Current:</b>						
Instruction	-	-	-	-	-	861,419
Support services	-	-	-	74,623	-	1,392,932
Noninstructional services	-	-	-	-	-	362,573
Debt services	-	-	874,645	-	-	1,144,876
Nonprogrammed charges	-	-	-	-	-	12,500
<b>Total disbursements</b>	<b>-</b>	<b>-</b>	<b>874,645</b>	<b>74,623</b>	<b>-</b>	<b>3,774,300</b>
Excess (deficiency) of receipts over disbursements	-	-	(151,272)	50,290	40,764	(562,834)
<b>Other financing sources (uses):</b>						
Transfers in	-	-	-	-	-	228,914
Transfers out	-	-	(32,750)	(5,589)	-	(93,272)
<b>Total other financing sources (uses)</b>	<b>-</b>	<b>-</b>	<b>(32,750)</b>	<b>(5,589)</b>	<b>-</b>	<b>135,642</b>
Excess (deficiency) of receipts and other financing sources over disbursements and other financing uses	-	-	(184,022)	44,701	40,764	(427,192)
Cash and investments - beginning	-	-	268,254	48,145	(40,764)	1,689,972
Cash and investments - ending	\$ -	\$ -	\$ 84,232	\$ 92,846	\$ -	\$ 1,262,780
<b><u>Cash and Investment Assets - Ending</u></b>						
Cash and investments	\$ -	\$ -	\$ -	\$ 92,846	\$ -	\$ 1,178,548
Restricted assets:						
Cash and investments	-	-	84,232	-	-	84,232
<b>Total cash and investment assets - ending</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ 84,232</b>	<b>\$ 92,846</b>	<b>\$ -</b>	<b>\$ 1,262,780</b>
<b><u>Cash and Investment Fund Balance - Ending</u></b>						
Restricted for:						
Debt service	\$ -	\$ -	\$ 84,232	\$ -	\$ -	\$ 84,232
Unrestricted	-	-	-	92,846	-	1,178,548
<b>Total cash and investment fund balance - ending</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ 84,232</b>	<b>\$ 92,846</b>	<b>\$ -</b>	<b>\$ 1,262,780</b>

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

	Transportation Operating	Special Ed Preschool	School Lunch	Textbook Rental	Levy Excess	Coop Joint Services	Coop Joint Services Preschool
<b>Receipts:</b>							
Local sources	\$ 610,770	\$ -	\$ 195,085	\$ 53,868	\$ -	\$ 617,185	\$ 408,026
State sources	-	15,125	5,381	41,219	11,062	-	-
Federal sources	-	-	277,580	-	-	-	-
<b>Total receipts</b>	<b>610,770</b>	<b>15,125</b>	<b>478,046</b>	<b>95,087</b>	<b>11,062</b>	<b>617,185</b>	<b>408,026</b>
<b>Disbursements:</b>							
<b>Current:</b>							
Instruction	-	40,641	-	-	-	81,376	200,408
Support services	429,289	-	-	65,215	42	244,158	86,555
Noninstructional services	-	-	387,717	-	-	-	-
Debt services	-	-	-	-	-	139,816	-
Nonprogrammed charges	-	-	-	-	-	8,500	4,000
<b>Total disbursements</b>	<b>429,289</b>	<b>40,641</b>	<b>387,717</b>	<b>65,215</b>	<b>42</b>	<b>473,850</b>	<b>290,963</b>
<b>Excess (deficiency) of receipts over disbursements</b>	<b>181,481</b>	<b>(25,516)</b>	<b>90,329</b>	<b>29,872</b>	<b>11,020</b>	<b>143,335</b>	<b>117,063</b>
<b>Other financing sources (uses):</b>							
Transfers in	51,299	218	-	-	35,513	8,356	-
Transfers out	(8,144)	(56,687)	-	-	(197,629)	(1,100)	-
<b>Total other financing sources (uses)</b>	<b>43,155</b>	<b>(56,469)</b>	<b>-</b>	<b>-</b>	<b>(162,116)</b>	<b>7,256</b>	<b>-</b>
<b>Excess (deficiency) of receipts and other financing sources over disbursements and other financing uses</b>	<b>224,636</b>	<b>(81,985)</b>	<b>90,329</b>	<b>29,872</b>	<b>(151,096)</b>	<b>150,591</b>	<b>117,063</b>
<b>Cash and investments - beginning</b>	<b>(40,809)</b>	<b>81,985</b>	<b>220,745</b>	<b>116,792</b>	<b>185,110</b>	<b>255,516</b>	<b>193,552</b>
<b>Cash and investments - ending</b>	<b>\$ 183,827</b>	<b>\$ -</b>	<b>\$ 311,074</b>	<b>\$ 146,664</b>	<b>\$ 34,014</b>	<b>\$ 406,107</b>	<b>\$ 310,615</b>
<b><u>Cash and Investment Assets - Ending</u></b>							
Cash and investments	\$ 183,827	\$ -	\$ 311,074	\$ 146,664	\$ 34,014	\$ 406,107	\$ 310,615
Restricted assets:							
Cash and investments	-	-	-	-	-	-	-
<b>Total cash and investment assets - ending</b>	<b>\$ 183,827</b>	<b>\$ -</b>	<b>\$ 311,074</b>	<b>\$ 146,664</b>	<b>\$ 34,014</b>	<b>\$ 406,107</b>	<b>\$ 310,615</b>
<b><u>Cash and Investment Fund Balance - Ending</u></b>							
Restricted for:							
Debt service	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Unrestricted	183,827	-	311,074	146,664	34,014	406,107	310,615
<b>Total cash and investment fund balance - ending</b>	<b>\$ 183,827</b>	<b>\$ -</b>	<b>\$ 311,074</b>	<b>\$ 146,664</b>	<b>\$ 34,014</b>	<b>\$ 406,107</b>	<b>\$ 310,615</b>

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

	Boswell Elementary	Demotte Preschool	Monnett Preschool	South Newton Preschool	School Safe Haven	Gifted/Talented 07/08	Gifted/Talented 08/09
<b>Receipts:</b>							
Local sources	\$ 2,825	\$ 4,750	\$ 3,150	\$ 5,160	\$ -	\$ -	\$ -
State sources	-	-	-	-	(1,000)	-	-
Federal sources	-	-	-	-	-	-	-
<b>Total receipts</b>	<b>2,825</b>	<b>4,750</b>	<b>3,150</b>	<b>5,160</b>	<b>(1,000)</b>	<b>-</b>	<b>-</b>
<b>Disbursements:</b>							
<b>Current:</b>							
Instruction	2,775	4,916	4,396	4,966	(1,100)	42	8,955
Support services	-	-	-	-	-	-	-
Noninstructional services	-	-	-	-	-	-	-
Debt services	-	-	-	-	-	-	-
Nonprogrammed charges	-	-	-	-	-	-	-
<b>Total disbursements</b>	<b>2,775</b>	<b>4,916</b>	<b>4,396</b>	<b>4,966</b>	<b>(1,100)</b>	<b>42</b>	<b>8,955</b>
Excess (deficiency) of receipts over disbursements	50	(166)	(1,246)	194	100	(42)	(8,955)
<b>Other financing sources (uses):</b>							
Transfers in	-	-	-	-	-	-	-
Transfers out	-	-	-	-	-	-	-
<b>Total other financing sources (uses)</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>
Excess (deficiency) of receipts and other financing sources over disbursements and other financing uses	50	(166)	(1,246)	194	100	(42)	(8,955)
Cash and investments - beginning	632	1,905	2,571	2,152	(100)	42	8,955
Cash and investments - ending	\$ 682	\$ 1,739	\$ 1,325	\$ 2,346	\$ -	\$ -	\$ -
<b>Cash and Investment Assets - Ending</b>							
Cash and investments	\$ 682	\$ 1,739	\$ 1,325	\$ 2,346	\$ -	\$ -	\$ -
Restricted assets:							
Cash and investments	-	-	-	-	-	-	-
<b>Total cash and investment assets - ending</b>	<b>\$ 682</b>	<b>\$ 1,739</b>	<b>\$ 1,325</b>	<b>\$ 2,346</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ -</b>
<b>Cash and Investment Fund Balance - Ending</b>							
Restricted for:							
Debt service	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Unrestricted	682	1,739	1,325	2,346	-	-	-
<b>Total cash and investment fund balance - ending</b>	<b>\$ 682</b>	<b>\$ 1,739</b>	<b>\$ 1,325</b>	<b>\$ 2,346</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ -</b>

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

	Gifted/Talented 09/10	Tech Prep Grant 08/09	IN Medicaid Reimbursement	Non-English Speaking Grant	School Technology	Excess PTRC Distribution	Title I 10-6630
<b>Receipts:</b>							
Local sources	\$ -	\$ -	\$ -	\$ -	\$ 9,827	\$ -	\$ 449
State sources	28,880	-	2,097	2,453	-	-	-
Federal sources	-	5,213	-	-	-	-	138,390
<b>Total receipts</b>	<b>28,880</b>	<b>5,213</b>	<b>2,097</b>	<b>2,453</b>	<b>9,827</b>	<b>-</b>	<b>138,839</b>
<b>Disbursements:</b>							
<b>Current:</b>							
Instruction	25,368	-	-	2,106	-	-	92,652
Support services	-	3,280	-	712	16,427	-	34,450
Noninstructional services	-	-	-	-	-	-	11,563
Debt services	-	-	-	-	-	-	-
Nonprogrammed charges	-	-	-	-	-	-	-
<b>Total disbursements</b>	<b>25,368</b>	<b>3,280</b>	<b>-</b>	<b>2,818</b>	<b>16,427</b>	<b>-</b>	<b>138,665</b>
Excess (deficiency) of receipts over disbursements	3,512	1,933	2,097	(365)	(6,600)	-	174
<b>Other financing sources (uses):</b>							
Transfers in	-	-	237	-	-	42,589	8,914
Transfers out	-	-	(2,185)	-	-	-	-
<b>Total other financing sources (uses)</b>	<b>-</b>	<b>-</b>	<b>(1,948)</b>	<b>-</b>	<b>-</b>	<b>42,589</b>	<b>8,914</b>
Excess (deficiency) of receipts and other financing sources over disbursements and other financing uses	3,512	1,933	149	(365)	(6,600)	42,589	9,088
Cash and investments - beginning	-	(1,884)	-	713	16,494	-	-
<b>Cash and investments - ending</b>	<b>\$ 3,512</b>	<b>\$ 49</b>	<b>\$ 149</b>	<b>\$ 348</b>	<b>\$ 9,894</b>	<b>\$ 42,589</b>	<b>\$ 9,088</b>
<b><u>Cash and Investment Assets - Ending</u></b>							
Cash and investments	\$ 3,512	\$ 49	\$ 149	\$ 348	\$ 9,894	\$ 42,589	\$ 9,088
Restricted assets:							
Cash and investments	-	-	-	-	-	-	-
<b>Total cash and investment assets - ending</b>	<b>\$ 3,512</b>	<b>\$ 49</b>	<b>\$ 149</b>	<b>\$ 348</b>	<b>\$ 9,894</b>	<b>\$ 42,589</b>	<b>\$ 9,088</b>
<b><u>Cash and Investment Fund Balance - Ending</u></b>							
Restricted for:							
Debt service	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Unrestricted	3,512	49	149	348	9,894	42,589	9,088
<b>Total cash and investment fund balance - ending</b>	<b>\$ 3,512</b>	<b>\$ 49</b>	<b>\$ 149</b>	<b>\$ 348</b>	<b>\$ 9,894</b>	<b>\$ 42,589</b>	<b>\$ 9,088</b>

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

	Title I 08-6630	Title I 09-6630	Title V 07-6630	Title V 06-6630	Special Education Grant 14207-051-PN01	Special Education Grant 14208-051-PN01
<b>Receipts:</b>						
Local sources	\$ -	\$ 56	\$ -	\$ -	\$ -	\$ -
State sources	-	-	-	-	-	-
Federal sources	-	-	-	-	-	-
<b>Total receipts</b>	<b>-</b>	<b>56</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>
<b>Disbursements:</b>						
<b>Current:</b>						
Instruction	-	11,279	-	-	-	-
Support services	-	3,239	887	-	-	-
Noninstructional services	-	3	-	-	-	-
Debt services	-	-	-	-	-	-
Nonprogrammed charges	-	-	-	-	-	-
<b>Total disbursements</b>	<b>-</b>	<b>14,521</b>	<b>887</b>	<b>-</b>	<b>-</b>	<b>-</b>
Excess (deficiency) of receipts over disbursements	-	(14,465)	(887)	-	-	-
<b>Other financing sources (uses):</b>						
Transfers in	-	-	-	-	-	-
Transfers out	-	(8,914)	-	-	-	-
<b>Total other financing sources (uses)</b>	<b>-</b>	<b>(8,914)</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>
Excess (deficiency) of receipts and other financing sources over disbursements and other financing uses	-	(23,379)	(887)	-	-	-
Cash and investments - beginning	-	23,379	887	-	-	-
Cash and investments - ending	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
<b><u>Cash and Investment Assets - Ending</u></b>						
Cash and investments	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Restricted assets:						
Cash and investments	-	-	-	-	-	-
<b>Total cash and investment assets - ending</b>	<b>\$ -</b>	<b>\$ -</b>				
<b><u>Cash and Investment Fund Balance - Ending</u></b>						
Restricted for:						
Debt service	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Unrestricted	-	-	-	-	-	-
<b>Total cash and investment fund balance - ending</b>	<b>\$ -</b>	<b>\$ -</b>				

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

	Special Education Grant 14208-051-PY02	Preschool Handicap 14209-051-PY02	Preschool Handicap 45708-051-PN01	Preschool Handicap 45710-051-PN01	Drug Free Schools 07-6630	Drug Free Schools 06-6630
<b>Receipts:</b>						
Local sources	\$ -	\$ -	\$ -	\$ 45	\$ -	\$ -
State sources	-	-	-	-	-	-
Federal sources	-	10,000	-	120,329	-	-
<b>Total receipts</b>	<b>-</b>	<b>10,000</b>	<b>-</b>	<b>120,374</b>	<b>-</b>	<b>-</b>
<b>Disbursements:</b>						
<b>Current:</b>						
Instruction	-	-	-	20,919	-	-
Support services	-	9,071	-	81,141	-	-
Noninstructional services	-	-	-	-	-	-
Debt services	-	-	-	-	-	-
Nonprogrammed charges	-	-	-	-	-	-
<b>Total disbursements</b>	<b>-</b>	<b>9,071</b>	<b>-</b>	<b>102,060</b>	<b>-</b>	<b>-</b>
Excess (deficiency) of receipts over disbursements	-	929	-	18,314	-	-
<b>Other financing sources (uses):</b>						
Transfers in	-	-	-	-	-	-
Transfers out	-	-	-	-	-	-
<b>Total other financing sources (uses)</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>
Excess (deficiency) of receipts and other financing sources over disbursements and other financing uses	-	929	-	18,314	-	-
Cash and investments - beginning	-	(929)	-	-	-	-
Cash and investments - ending	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 18,314</u>	<u>\$ -</u>	<u>\$ -</u>
<b>Cash and Investment Assets - Ending</b>						
Cash and investments	\$ -	\$ -	\$ -	\$ 18,314	\$ -	\$ -
Restricted assets:						
Cash and investments	-	-	-	-	-	-
<b>Total cash and investment assets - ending</b>	<b><u>\$ -</u></b>	<b><u>\$ -</u></b>	<b><u>\$ -</u></b>	<b><u>\$ 18,314</u></b>	<b><u>\$ -</u></b>	<b><u>\$ -</u></b>
<b>Cash and Investment Fund Balance - Ending</b>						
Restricted for:						
Debt service	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Unrestricted	-	-	-	18,314	-	-
<b>Total cash and investment fund balance - ending</b>	<b><u>\$ -</u></b>	<b><u>\$ -</u></b>	<b><u>\$ -</u></b>	<b><u>\$ 18,314</u></b>	<b><u>\$ -</u></b>	<b><u>\$ -</u></b>

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

	Drug Free Schools 08-6630	Drug Free Schools 09-6630	Drug Free-POY Mini Grant	Federal Medicaid Reimbursement	Title II Part A	Title I Stimulus
<b>Receipts:</b>						
Local sources	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 179
State sources	-	-	-	-	-	-
Federal sources	841	3,184	1,000	5,791	41,353	68,283
<b>Total receipts</b>	<b>841</b>	<b>3,184</b>	<b>1,000</b>	<b>5,791</b>	<b>41,353</b>	<b>68,462</b>
<b>Disbursements:</b>						
<b>Current:</b>						
Instruction	1,350	680	-	10,788	42,069	-
Support services	-	-	466	593	-	60,587
Noninstructional services	-	-	-	-	-	-
Debt services	-	-	-	-	-	-
Nonprogrammed charges	-	-	-	-	-	-
<b>Total disbursements</b>	<b>1,350</b>	<b>680</b>	<b>466</b>	<b>11,381</b>	<b>42,069</b>	<b>60,587</b>
Excess (deficiency) of receipts over disbursements	(509)	2,504	534	(5,590)	(716)	7,875
<b>Other financing sources (uses):</b>						
Transfers in	-	-	-	-	-	-
Transfers out	-	-	-	-	-	-
<b>Total other financing sources (uses)</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>
Excess (deficiency) of receipts and other financing sources over disbursements and other financing uses	(509)	2,504	534	(5,590)	(716)	7,875
Cash and investments - beginning	1,044	-	(534)	19,940	(2,456)	-
<b>Cash and investments - ending</b>	<b>\$ 535</b>	<b>\$ 2,504</b>	<b>\$ -</b>	<b>\$ 14,350</b>	<b>\$ (3,172)</b>	<b>\$ 7,875</b>
<b><u>Cash and Investment Assets - Ending</u></b>						
Cash and investments	\$ 535	\$ 2,504	\$ -	\$ 14,350	\$ (3,172)	\$ 7,875
Restricted assets:						
Cash and investments	-	-	-	-	-	-
<b>Total cash and investment assets - ending</b>	<b>\$ 535</b>	<b>\$ 2,504</b>	<b>\$ -</b>	<b>\$ 14,350</b>	<b>\$ (3,172)</b>	<b>\$ 7,875</b>
<b><u>Cash and Investment Fund Balance - Ending</u></b>						
Restricted for:						
Debt service	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Unrestricted	535	2,504	-	14,350	(3,172)	7,875
<b>Total cash and investment fund balance - ending</b>	<b>\$ 535</b>	<b>\$ 2,504</b>	<b>\$ -</b>	<b>\$ 14,350</b>	<b>\$ (3,172)</b>	<b>\$ 7,875</b>

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

	Special Ed Stimulus	Special Ed Preschool Stimulus	Debt Service	Transportation Bus Replacement	Construction	Totals
<b>Receipts:</b>						
Local sources	\$ 142	\$ 89	\$ 862,864	\$ 322,765	\$ -	\$ 3,097,235
State sources	-	-	-	-	-	105,217
Federal sources	<u>2,137,089</u>	<u>103,114</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>2,912,167</u>
Total receipts	<u>2,137,231</u>	<u>103,203</u>	<u>862,864</u>	<u>322,765</u>	<u>-</u>	<u>6,114,619</u>
<b>Disbursements:</b>						
<b>Current:</b>						
Instruction	2,127,783	34,493	-	-	-	2,716,862
Support services	31	49,311	-	73,562	-	1,159,016
Noninstructional services	-	-	-	-	-	399,283
Debt services	-	-	601,400	-	-	741,216
Nonprogrammed charges	-	-	-	-	-	12,500
Total disbursements	<u>2,127,814</u>	<u>83,804</u>	<u>601,400</u>	<u>73,562</u>	<u>-</u>	<u>5,028,877</u>
Excess (deficiency) of receipts over disbursements	<u>9,417</u>	<u>19,399</u>	<u>261,464</u>	<u>249,203</u>	<u>-</u>	<u>1,085,742</u>
<b>Other financing sources (uses):</b>						
Transfers in	-	-	200,949	5,740	-	353,815
Transfers out	-	-	(181,389)	(92,678)	-	(548,726)
Total other financing sources (uses)	<u>-</u>	<u>-</u>	<u>19,560</u>	<u>(86,938)</u>	<u>-</u>	<u>(194,911)</u>
Excess (deficiency) of receipts and other financing sources over disbursements and other financing uses	9,417	19,399	281,024	162,265	-	890,831
Cash and investments - beginning	<u>-</u>	<u>-</u>	<u>84,232</u>	<u>92,846</u>	<u>-</u>	<u>1,262,780</u>
Cash and investments - ending	<u>\$ 9,417</u>	<u>\$ 19,399</u>	<u>\$ 365,256</u>	<u>\$ 255,111</u>	<u>\$ -</u>	<u>\$ 2,153,611</u>
<b><u>Cash and Investment Assets - Ending</u></b>						
Cash and investments	\$ 9,417	\$ 19,399	\$ -	\$ 255,111	\$ -	\$ 1,788,355
Restricted assets:						
Cash and investments	<u>-</u>	<u>-</u>	<u>365,256</u>	<u>-</u>	<u>-</u>	<u>365,256</u>
Total cash and investment assets - ending	<u>\$ 9,417</u>	<u>\$ 19,399</u>	<u>\$ 365,256</u>	<u>\$ 255,111</u>	<u>\$ -</u>	<u>\$ 2,153,611</u>
<b><u>Cash and Investment Fund Balance - Ending</u></b>						
Restricted for:						
Debt service	\$ -	\$ -	\$ 365,256	\$ -	\$ -	\$ 365,256
Unrestricted	<u>9,417</u>	<u>19,399</u>	<u>-</u>	<u>255,111</u>	<u>-</u>	<u>1,788,355</u>
Total cash and investment fund balance - ending	<u>\$ 9,417</u>	<u>\$ 19,399</u>	<u>\$ 365,256</u>	<u>\$ 255,111</u>	<u>\$ -</u>	<u>\$ 2,153,611</u>

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

	Cape/Pace Grant	NIPSCO Grant	REMC Grant Linback	REMC Grant Stradling	REMC Grant Pilarski	Local Drug Free Commission	Totals
Additions:							
Contributions:							
Other	\$ 15,000	\$ -	\$ 1,000	\$ -	\$ -	\$ 400	\$ 16,400
Deductions:							
Administrative and general	45,203	665	1,000	842	240	522	48,472
Deficiency of total additions over total deductions	(30,203)	(665)	-	(842)	(240)	(122)	(32,072)
Cash and investment fund balance - beginning	148,489	665	-	4,835	240	522	154,751
Cash and investments - June 30	<u>\$ 118,286</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 3,993</u>	<u>\$ -</u>	<u>\$ 400</u>	<u>\$ 122,679</u>
Net assets:							
Cash and investments	<u>\$ 118,286</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 3,993</u>	<u>\$ -</u>	<u>\$ 400</u>	<u>\$ 122,679</u>

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

	Cape/Pace Grant	NIPSCO Grant	REMC Grant Linback	REMC Grant Stradling	REMC Grant Pilariski	Local Drug Free Commission	Totals
Additions:							
Contributions:							
Other	\$ 15,000	\$ 500	\$ -	\$ -	\$ -	\$ 500	\$ 16,000
Deductions:							
Administrative and general	43,582	-	-	150	-	385	44,117
Excess (deficiency) of total additions over total deductions	(28,582)	500	-	(150)	-	115	(28,117)
Cash and investment fund balance - beginning	118,286	-	-	3,993	-	400	122,679
Cash and investments - June 30	<u>\$ 89,704</u>	<u>\$ 500</u>	<u>\$ -</u>	<u>\$ 3,843</u>	<u>\$ -</u>	<u>\$ 515</u>	<u>\$ 94,562</u>
Net assets:							
Cash and investments	<u>\$ 89,704</u>	<u>\$ 500</u>	<u>\$ -</u>	<u>\$ 3,843</u>	<u>\$ -</u>	<u>\$ 515</u>	<u>\$ 94,562</u>

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

	<u>Payroll/ Withholdings</u>	<u>COOP Payroll/ Withholdings</u>	<u>Totals</u>
Additions:			
Agency fund additions	\$ 2,072,288	\$ 654,224	\$ 2,726,512
Deductions:			
Agency fund deductions	<u>2,069,097</u>	<u>653,471</u>	<u>2,722,568</u>
Excess of total additions over total deductions	3,191	753	3,944
Cash and investment fund balance - beginning	<u>59,393</u>	<u>25,511</u>	<u>84,904</u>
Cash and investment fund balance - ending	<u>\$ 62,584</u>	<u>\$ 26,264</u>	<u>\$ 88,848</u>

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

	<u>Payroll/ Withholdings</u>	<u>COOP Payroll/ Withholdings</u>	<u>Totals</u>
Additions:			
Agency fund additions	\$ 2,154,161	\$ 673,303	\$ 2,827,464
Deductions:			
Agency fund deductions	<u>2,166,085</u>	<u>675,099</u>	<u>2,841,184</u>
Deficiency of total additions over total deductions	(11,924)	(1,796)	(13,720)
Cash and investment fund balance - beginning	<u>62,584</u>	<u>26,264</u>	<u>88,848</u>
Cash and investment fund balance - ending	<u>\$ 50,660</u>	<u>\$ 24,468</u>	<u>\$ 75,128</u>

WEST CENTRAL SCHOOL CORPORATION  
 SUPPLEMENTARY INFORMATION  
 SCHEDULE OF CAPITAL ASSETS  
 For The Year Ended June 30, 2010

Capital assets are reported at actual or estimated historical cost based on appraisals or deflated current replacement cost.

<u>Primary Government</u>	<u>Ending Balance</u>
Governmental activities:	
Capital assets, not being depreciated:	
Land	\$ 130,000
Infrastructure	2,156,572
Buildings	16,977,822
Improvements other than buildings	252,500
Machinery and equipment	5,322,746
Construction in progress	<u>165,000</u>
 Total governmental activities, capital assets not being depreciated	 <u>\$ 25,004,640</u>

WEST CENTRAL SCHOOL CORPORATION  
 SUPPLEMENTARY INFORMATION  
 SCHEDULE OF LONG-TERM DEBT  
 June 30, 2010

The School Corporation has entered into the following debt:

Description of Debt	Ending Principal Balance	Principal and Interest Due Within One Year
Governmental activities:		
Capital leases:		
Middle School/High School Buildings	\$ 4,560,000	\$ 597,505
Notes and loans payable:		
Special Ed Service Center Loan	<u>118,269</u>	<u>10,284</u>
Total governmental activities debt	<u>\$ 4,678,269</u>	<u>\$ 607,789</u>

WEST CENTRAL SCHOOL CORPORATION  
AUDIT RESULTS AND COMMENTS

SEGREGATION OF DUTIES–INTERNAL CONTROLS  
OVER FINANCIAL TRANSACTIONS AND REPORTING

Control activities were not selected and developed at various levels of the School Corporation to reduce risks to achievement of financial reporting objectives. The School Corporation has not separated incompatible activities related to receipts, disbursements, payroll and related liabilities, and cash and investment balances. The failure to establish these controls could enable material misstatements or irregularities to undetected.

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

OVERDRAWN FUND BALANCE

The Transportation Operating Fund was overdrawn in 2009.

The balance of any fund may not be reduced below zero. (Accounting and Uniform Compliance Guidelines Manual for Indiana Public School Corporations, Chapter 9)

(This page intentionally left blank.)

SUPPLEMENTAL AUDIT OF  
FEDERAL AWARDS



**STATE OF INDIANA**  
AN EQUAL OPPORTUNITY EMPLOYER

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

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

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

TO: THE OFFICIALS OF THE WEST CENTRAL SCHOOL  
CORPORATION, PULASKI COUNTY, INDIANA

Compliance

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

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

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

Internal Control Over Compliance

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

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

A control deficiency in a School Corporation's internal control over compliance exists when the design or operation of a control does not allow management or employees, in the normal course of performing their assigned functions, to prevent or detect noncompliance with a type of compliance requirement of a federal program on a timely basis. A significant deficiency is a control deficiency, or combination of control deficiencies, that adversely affects the entity's ability to administer a federal program such that there is more than a remote likelihood that noncompliance with a type of compliance requirement of a federal program that is more than inconsequential will not be prevented or detected by the entity's internal control. We consider the deficiencies in internal control over compliance described in items 2010-2, 2010-3, and 2010-4 to be significant deficiencies.

A material weakness is a significant deficiency, or combination of significant deficiencies, that results in more than a remote likelihood that material noncompliance with a type of compliance requirement of a federal program will not be prevented or detected by the entity's internal control. We did not consider any of the deficiencies described in the accompanying Schedule of Findings and Questioned Costs to be material weaknesses.

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

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

STATE BOARD OF ACCOUNTS

December 16, 2010

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

Federal Grantor Agency/Pass-Through Entity Cluster Title/Program Title/Project Title	Federal CFDA Number	Pass-Through Entity (or Other) Identifying Number	Total Federal Awards Expended 06-30-09	Total Federal Awards Expended 06-30-10
<u>U.S. DEPARTMENT OF AGRICULTURE</u>				
Pass-Through Indiana Department of Education				
Child Nutrition Cluster				
School Breakfast Program	10.553	FY 2008-2010	\$ 52,365	\$ 67,327
National School Lunch Program	10.555	FY 2008-2010	<u>187,528</u>	<u>233,515</u>
Total for federal grantor agency			<u>239,893</u>	<u>300,842</u>
<u>U.S. DEPARTMENT OF EDUCATION</u>				
Pass-Through Indiana Department of Education				
Title I, Part A Cluster				
Title I Grants to Local Educational Agencies	84.010	08-6630	14,342	-
		09-6630	132,777	14,520
		10-6630	<u>-</u>	<u>138,665</u>
Total for program			<u>147,119</u>	<u>153,185</u>
ARRA - Title I Grants to Local Educational Agencies, Recovery Act	84.389	10-6630	<u>-</u>	<u>60,587</u>
Total for cluster			<u>147,119</u>	<u>213,772</u>
Special Education Cluster				
Special Education - Grants to States	84.027	14208-051-PN01	465,785	-
		14209-051-PN01	2,337,667	347,641
		14210-051-PN01	<u>-</u>	<u>2,275,072</u>
Total for program			<u>2,803,452</u>	<u>2,622,713</u>
Special Education - Preschool Grants	84.173	45708-051-PN01	13,690	-
		45709-051-PN01	122,703	9,071
		45710-051-PN01	<u>-</u>	<u>102,060</u>
Total for program			<u>136,393</u>	<u>111,131</u>
ARRA - Special Education - Grants to States, Recovery Act	84.391			
State Distribution to Coop		33310-051-SN01	-	2,127,814
Local Share			<u>-</u>	<u>140,577</u>
Total program			<u>-</u>	<u>2,268,391</u>
ARRA - Special Education - Preschool Grants, Recovery Act	84.392	44410-051-SN01	<u>-</u>	<u>83,803</u>
Total for cluster			<u>2,939,845</u>	<u>5,086,038</u>
Safe and Drug Free Schools and Communities - State Grants	84.186	06-6630	2,390	-
		07-6630	919	-
		08-6630	640	1,351
		09-6630	534	466
		10-6630	<u>-</u>	<u>680</u>
Total for program			<u>4,483</u>	<u>2,497</u>
State Grants for Innovative Programs	84.298	08-6630	1,094	886
		09-6630	<u>509</u>	<u>-</u>
Total for program			<u>1,603</u>	<u>886</u>
Improving Teacher Quality State Grants	84.367	08-6630	43,616	-
		09-6630	<u>-</u>	<u>42,069</u>
Total for program			<u>43,616</u>	<u>42,069</u>
State Fiscal Stabilization Fund Cluster				
ARRA - State Fiscal Stabilization Fund (SFSF) - Education				
State Grants, Recovery Act	84.394	6630	<u>696</u>	<u>703,790</u>
Total for federal grantor agency			<u>3,137,362</u>	<u>6,049,052</u>
Total federal awards expended			<u>\$ 3,377,255</u>	<u>\$ 6,349,894</u>

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

WEST CENTRAL SCHOOL CORPORATION  
NOTES TO SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS

I. Basis of Presentation

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

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

II. Noncash Assistance

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

Program Title	Federal CFDA Number	2009	2010
School Breakfast Program	10.553	\$ 4,794	\$ 5,286
National School Lunch Program	10.555	17,167	17,976

WEST CENTRAL SCHOOL CORPORATION  
SCHEDULE OF FINDINGS AND QUESTIONED COSTS

Section I – Summary of Auditor's Results

Financial Statements:

Type of auditor's report issued: unqualified

Internal control over financial reporting:

Material weaknesses identified?	yes
Significant deficiencies identified that are not considered to be material weaknesses?	none reported

Noncompliance material to financial statements noted? no

Federal Awards:

Internal control over major programs:

Material weaknesses identified?	no
Significant deficiencies identified that are not considered to be material weaknesses?	yes

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

Any audit findings disclosed that are required to be reported in accordance with section 510(a) of Circular A-133? yes

Identification of Major Programs:

CFDA Number	Name of Federal Program or Cluster
	Title I, Part A Cluster
	Special Education Cluster
	State Fiscal Stabilization Fund Cluster

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

Auditee qualified as low-risk auditee? no

Section II – Financial Statement Findings

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

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

WEST CENTRAL SCHOOL CORPORATION  
SCHEDULE OF FINDINGS AND QUESTIONED COSTS  
(Continued)

Section III – Federal Award Findings and Questioned Costs

FINDING 2010-2, INTERNAL CONTROL

Federal Agency: U.S. Department of Education  
Pass-Through: Indiana Department of Education  
Federal Program: Title 1, Part A Cluster  
CFDA Number: 84.010

Federal funds received as a part of the Title 1, Part A Cluster program are maintained in the School Corporation Business Office. Currently, due to the limited personnel in the School Corporation Business Office the School Corporation has not separated incompatible activities related to all areas of the financial statements. The failure to establish these controls could enable material misstatements to go undetected.

Circular A133 Subpart C section .300 states in part:

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

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

FINDING 2010-3, INTERNAL CONTROL

Federal Agency: U.S. Department of Education  
Pass-Through: Indiana Department of Education  
Federal Program: Special Education Cluster  
CFDA Number: 84.027

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

Circular A133 Subpart C section .300 states in part:

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

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

WEST CENTRAL SCHOOL CORPORATION  
SCHEDULE OF FINDINGS AND QUESTIONED COSTS  
(Continued)

FINDING 2010-4, INTERNAL CONTROLS

Federal Agency: U.S. Department of Education  
Pass-Through: Indiana Department of Education  
Federal Program: State Fiscal Stabilization Fund – Education State Grants Recovery Act  
CFDA Number: 84.394

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

Circular A133 Subpart C section .300 states in part:

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

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

WEST CENTRAL SCHOOL CORPORATION  
SUMMARY SCHEDULE OF PRIOR AUDIT FINDINGS

No matters are reportable.

# WEST CENTRAL SCHOOL CORPORATION

Post Office Box 578 – 117 East Montgomery Street  
Francesville, Indiana 47946

Charles Mellon  
Superintendent

219-567-9161  
Fax # 219-567-9761

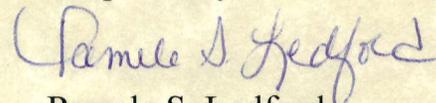
## CORRECTIVE ACTION PLAN

December 16, 2010

The management of West Central School Corporation has reviewed the Financial Statement Findings related to their audit for the period July 1, 2008 to June 30, 2010, and offer the following corrective action:

2010-1	It has been noted that the internal control procedures do not properly segregate accounting activities because of the limited number of personnel in the school business office. The Management of the West Central School Corporation understands the importance of proper segregation for accounting activities. The management will develop procedures that further segregate accounting activities to be in compliance.
2010-2	
2010-3	
2010-4	

Respectfully,



Pamela S. Ledford  
Treasurer

*"Every Student, Every Day" – Engage – Empower - Educate*

WEST CENTRAL SCHOOL CORPORATION  
EXIT CONFERENCE

The contents of this report were discussed on December 16, 2010, with Pamela Ledford, Treasurer; Charles R. Mellon, Superintendent of Schools; and Kerry Miller, President of the School Board. The officials concurred with our audit findings.