

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

AUDIT REPORT  
OF

KOKOMO-CENTER TOWNSHIP  
CONSOLIDATED SCHOOL CORPORATION  
HOWARD COUNTY, INDIANA

July 1, 2008 to June 30, 2010



**FILED**  
02/18/2011



TABLE OF CONTENTS

| <u>Description</u>   | <u>Page</u> |
|--|-------------|
| Schedule of Officials .....  | 2           |
| Independent Auditor's Report on Financial Statements and<br>Supplementary Schedule of Expenditures of Federal Awards .....   | 3-4         |
| Report on Internal Control Over Financial Reporting and on Compliance<br>and Other Matters Based on an Audit of Financial Statements<br>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,<br>and Changes in Fund Balances – Cash and Investment Basis<br>– Governmental Funds .....   | 9-10        |
| Proprietary Funds:   |             |
| Statement of Assets and Fund Balances and Receipts, Disbursements,<br>and Changes in Fund Balances – Cash and Investment Basis<br>– Proprietary Funds.....   | 11-12       |
| Fiduciary Funds:   |             |
| Statement of Additions, Deductions, and Changes in Cash and<br>Investment Balances – Fiduciary Funds .....   | 13-14       |
| Notes to Financial Statements .....  | 15-26       |
| Required Supplementary Information:  |             |
| Schedules of Funding Progress .....  | 27          |
| Supplementary Information:   |             |
| Combining Schedule of Assets and Fund Balances and Receipts, Disbursements,<br>and Changes in Fund Balances – Cash and Investment Basis – Other<br>Governmental Funds.....                               | 28-53       |
| Combining Schedule of Additions, Deductions, and Changes in Cash and<br>Investment Balances – Private-Purpose Trust Funds .....  | 54-61       |
| Schedule of Capital Assets.....  | 62          |
| Schedule of Long-Term Debt .....   | 63          |
| Audit Results and Comments:  |             |
| Overdrawn Fund Balances .....  | 64          |
| Credit Card Policy.....  | 64          |
| Supplemental Audit of Federal Awards:  |             |
| Independent Auditor's Report on Compliance With Requirements<br>Applicable to Each Major Program and Internal Control Over<br>Compliance in Accordance With OMB Circular A-133.....                      | 66-67       |
| Schedule of Expenditures of Federal Awards .....   | 68-70       |
| Notes to Schedule of Expenditures of Federal Awards.....   | 71          |
| Schedule of Findings and Questioned Costs .....  | 72          |
| Auditee Prepared Schedule:   |             |
| Summary Schedule of Prior Audit Findings .....   | 73          |
| Exit Conference.....   | 74          |
| Official Response .....  | 75-76       |

SCHEDULE OF OFFICIALS

| <u>Office</u>                    | <u>Official</u>                     | <u>Term</u>                                  |
|----------------------------------|-------------------------------------|--|
| Treasurer                        | Eric Rody                           | 07-01-08 to 06-30-11                         |
| Superintendent<br>of Schools     | Christopher Himsel<br>Jeff Hauswald | 07-01-08 to 06-30-10<br>07-01-10 to 06-30-11 |
| President of the<br>School Board | Joe Dunbar<br>Wayne Luttrell        | 07-01-08 to 06-30-10<br>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 KOKOMO-CENTER TOWNSHIP CONSOLIDATED  
SCHOOL CORPORATION, HOWARD COUNTY, INDIANA

We have audited the accompanying financial statements of the governmental activities, each major fund, and the aggregate remaining fund information of the Kokomo-Center Township Consolidated 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 Schedules of Funding Progress are not required parts of the basic financial statements but are supplementary information required by accounting principles generally accepted in the United States of America. We have applied certain limited procedures, which consisted principally of inquiries of management, regarding the methods of measurement and presentation of the required supplementary information. However, we did not audit the information and express no opinion on it.

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

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

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

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 KOKOMO-CENTER TOWNSHIP CONSOLIDATED  
SCHOOL CORPORATION, HOWARD COUNTY, INDIANA

We have audited the financial statements of the governmental activities, each major fund, and the aggregate remaining fund information of the Kokomo-Center Township Consolidated 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.

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

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

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

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

Compliance and Other Matters

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

The School Corporation's response to the findings identified in our audit is described in the accompanying section of the report entitled Official Response. 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 board of school trustees, and federal awarding agencies and pass-through entities and is not intended to be and should not be used by anyone other than these specified parties. In accordance with Indiana Code 5-11-5-1, this report is a part of the public records of the State Board of Accounts and of the office examined.

STATE BOARD OF ACCOUNTS

December 16, 2010

KOKOMO-CENTER TOWNSHIP CONSOLIDATED SCHOOL CORPORATION  
STATEMENT OF ACTIVITIES AND NET ASSETS - CASH AND INVESTMENT BASIS  
For the Year Ended June 30, 2009

| <u>Functions/Programs</u>                                    | <u>Disbursements</u>        | <u>Program Receipts</u>         |   | <u>Totals</u>   |
|--|-----------------------------|---------------------------------|---|---|
|  |                             | <u>Charges for<br/>Services</u> | <u>Operating<br/>Grants and<br/>Contributions</u> |   |
| Governmental activities:                                     |                             |                                 |   | Net<br>(Disbursement)<br>Receipts and<br>Changes in<br>Net Assets |
| Instruction  | \$ 34,069,220               | \$ -                            | \$ 1,064,107                                      | \$ (33,005,113)   |
| Support services   | 28,371,049                  | 1,043,291                       | 2,183,094   | (25,144,664)  |
| Noninstructional services                                    | 2,435,447                   | -                               | -   | (2,435,447)   |
| Facilities acquisition and construction                      | 4,808,293                   | -                               | -   | (4,808,293)   |
| Debt service   | 15,156,844                  | -                               | -   | (15,156,844)  |
| Nonprogrammed charges  | 9,229,288                   | -                               | -   | (9,229,288)   |
| <b>Total governmental activities</b>                         | <b><u>\$ 94,070,141</u></b> | <b><u>\$ 1,043,291</u></b>      | <b><u>\$ 3,247,201</u></b>                        | <b><u>(89,779,649)</u></b>  |
| General receipts:  |                             |                                 |   |   |
| Property taxes   |                             |                                 |   | 33,395,944  |
| Other local sources  |                             |                                 |   | 5,508,342   |
| State aid  |                             |                                 |   | 32,742,601  |
| Bonds and loans  |                             |                                 |   | 2,557,180   |
| Grants and contributions not restricted to specific programs |                             |                                 |   | 14,393,187  |
| Sale of property   |                             |                                 |   | 4,172   |
| Investment earnings  |                             |                                 |   | 215,093   |
| Other  |                             |                                 |   | 6,118   |
| <b>Total general receipts</b>                                |                             |                                 |   | <b><u>88,822,637</u></b>  |
| Change in net assets   |                             |                                 |   | (957,012)   |
| Net assets - beginning                                       |                             |                                 |   | <u>20,375,294</u>   |
| Net assets - ending  |                             |                                 |   | <b><u>\$ 19,418,282</u></b>                                       |
| <b><u>Assets</u></b>   |                             |                                 |   |   |
| Cash and investments   |                             |                                 |   | \$ 11,918,564   |
| Restricted assets:   |                             |                                 |   |   |
| Cash and investments   |                             |                                 |   | <u>7,499,718</u>  |
| <b>Total assets</b>  |                             |                                 |   | <b><u>\$ 19,418,282</u></b>                                       |
| <b><u>Net Assets</u></b>                                     |                             |                                 |   |   |
| Restricted for:  |                             |                                 |   |   |
| Debt service   |                             |                                 |   | \$ 3,375,484  |
| Other purposes   |                             |                                 |   | 4,124,234   |
| Unrestricted   |                             |                                 |   | <u>11,918,564</u>   |
| <b>Total net assets</b>                                      |                             |                                 |   | <b><u>\$ 19,418,282</u></b>                                       |

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

KOKOMO-CENTER TOWNSHIP CONSOLIDATED 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<br/>Services</u> | <u>Operating<br/>Grants and<br/>Contributions</u> |   |
| Governmental activities:                                     |                             |                                 |   | Net<br>(Disbursement)<br>Receipts and<br>Changes in<br>Net Assets |
| Instruction  | \$ 33,970,493               | \$ -                            | \$ 1,032,740                                      | \$ (32,937,753)   |
| Support services   | 27,531,694                  | 924,597                         | 2,428,124   | (24,178,973)  |
| Noninstructional services                                    | 2,292,997                   | -                               | -   | (2,292,997)   |
| Facilities acquisition and construction                      | 3,559,012                   | -                               | -   | (3,559,012)   |
| Debt service   | 7,689,537                   | -                               | -   | (7,689,537)   |
| Nonprogrammed charges  | <u>12,081,983</u>           | <u>-</u>                        | <u>-</u>  | <u>(12,081,983)</u>   |
| <b>Total governmental activities</b>                         | <b><u>\$ 87,125,716</u></b> | <b><u>\$ 924,597</u></b>        | <b><u>\$ 3,460,864</u></b>                        | <b><u>(82,740,255)</u></b>  |
| General receipts:  |                             |                                 |   |   |
| Property taxes   |                             |                                 |   | 21,252,955  |
| Other local sources  |                             |                                 |   | 4,534,403   |
| State aid  |                             |                                 |   | 43,604,623  |
| Bonds and loans  |                             |                                 |   | 795,900   |
| Grants and contributions not restricted to specific programs |                             |                                 |   | 15,088,623  |
| Sale of property   |                             |                                 |   | 10,135  |
| Investment earnings  |                             |                                 |   | 44,062  |
| Other  |                             |                                 |   | <u>39,623</u>   |
| <b>Total general receipts</b>                                |                             |                                 |   | <b><u>85,370,324</u></b>  |
| Change in net assets   |                             |                                 |   | 2,630,069   |
| Net assets - beginning                                       |                             |                                 |   | <u>19,418,282</u>   |
| Net assets - ending  |                             |                                 |   | <b><u>\$ 22,048,351</u></b>                                       |
| <b><u>Assets</u></b>   |                             |                                 |   |   |
| Cash and investments   |                             |                                 |   | \$ 14,300,003   |
| Restricted assets:   |                             |                                 |   |   |
| Cash and investments   |                             |                                 |   | <u>7,748,348</u>  |
| <b>Total assets</b>  |                             |                                 |   | <b><u>\$ 22,048,351</u></b>                                       |
| <b><u>Net Assets</u></b>                                     |                             |                                 |   |   |
| Restricted for:  |                             |                                 |   |   |
| Debt service   |                             |                                 |   | \$ 3,331,009  |
| Other purposes   |                             |                                 |   | 4,417,339   |
| Unrestricted   |                             |                                 |   | <u>14,300,003</u>   |
| <b>Total net assets</b>                                      |                             |                                 |   | <b><u>\$ 22,048,351</u></b>                                       |

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

KOKOMO-CENTER TOWNSHIP CONSOLIDATED 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             | Fiscal<br>Stabilization<br>Stimulus | Debt<br>Service     | Capital<br>Projects | Other               | Totals               |
|--|---------------------|-------------------------------------|---------------------|---------------------|---------------------|----------------------|
| <b>Receipts:</b>   |                     |                                     |                     |                     |                     |                      |
| Local sources  | \$ 17,437,785       | \$ -                                | \$ 5,627,399        | \$ 10,091,996       | \$ 5,248,261        | \$ 38,405,441        |
| Intermediate sources   | 367                 | -                                   | -                   | -                   | -                   | 367                  |
| State sources  | 33,307,406          | -                                   | -                   | -                   | 1,170,935           | 34,478,341           |
| Federal sources  | -                   | 3,828,867                           | -                   | -                   | 12,075,782          | 15,904,649           |
| Temporary loans  | -                   | -                                   | 1,560,780           | -                   | 996,400             | 2,557,180            |
| Other  | 2,879               | -                                   | -                   | 413                 | 2,826               | 6,118                |
| <b>Total receipts</b>  | <b>50,748,437</b>   | <b>3,828,867</b>                    | <b>7,188,179</b>    | <b>10,092,409</b>   | <b>19,494,204</b>   | <b>91,352,096</b>    |
| <b>Disbursements:</b>  |                     |                                     |                     |                     |                     |                      |
| <b>Current:</b>  |                     |                                     |                     |                     |                     |                      |
| Instruction  | 30,295,846          | 1,495,680                           | -                   | -                   | 7,260,598           | 39,052,124           |
| Support services   | 16,248,945          | 484,027                             | -                   | 5,441,250           | 7,779,570           | 29,953,792           |
| Noninstructional services  | 498,254             | -                                   | -                   | -                   | 2,974,307           | 3,472,561            |
| Facilities acquisition and construction  | -                   | -                                   | -                   | 3,105,716           | 1,702,577           | 4,808,293            |
| Debt services  | 6,673,000           | -                                   | 7,278,429           | -                   | 1,205,415           | 15,156,844           |
| Nonprogrammed charges  | 78,069              | -                                   | -                   | -                   | 102,493             | 180,562              |
| <b>Total disbursements</b>   | <b>53,794,114</b>   | <b>1,979,707</b>                    | <b>7,278,429</b>    | <b>8,546,966</b>    | <b>21,024,960</b>   | <b>92,624,176</b>    |
| Excess (deficiency) of receipts over disbursements   | (3,045,677)         | 1,849,160                           | (90,250)            | 1,545,443           | (1,530,756)         | (1,272,080)          |
| <b>Other financing sources (uses):</b>   |                     |                                     |                     |                     |                     |                      |
| Sale of capital assets   | 3,651               | -                                   | -                   | 521                 | -                   | 4,172                |
| Transfers in   | -                   | -                                   | -                   | -                   | 560,620             | 560,620              |
| Transfers out  | (27,049)            | -                                   | (2,483)             | -                   | (531,088)           | (560,620)            |
| <b>Total other financing sources (uses)</b>  | <b>(23,398)</b>     | <b>-</b>                            | <b>(2,483)</b>      | <b>521</b>          | <b>29,532</b>       | <b>4,172</b>         |
| Excess (deficiency) of receipts and other financing sources over disbursements and other financing uses  | (3,069,075)         | 1,849,160                           | (92,733)            | 1,545,964           | (1,501,224)         | (1,267,908)          |
| Cash and investments - beginning   | 5,171,421           | -                                   | 3,298,921           | 2,927,844           | 5,163,770           | 16,561,956           |
| Cash and investments - ending  | <u>\$ 2,102,346</u> | <u>\$ 1,849,160</u>                 | <u>\$ 3,206,188</u> | <u>\$ 4,473,808</u> | <u>\$ 3,662,546</u> | 15,294,048           |
| Amounts reported for governmental activities in the Statement of Cash Activities and Net Assets - Cash and Investment Basis are different because:   |                     |                                     |                     |                     |                     |                      |
| Internal service funds are used by management to charge the costs of certain services to individual funds. The assets and liabilities of the internal service funds are included in governmental activities in the Statement of Activities and Net Assets - Cash and Investment Basis. |                     |                                     |                     |                     |                     |                      |
|  |                     |                                     |                     |                     |                     | <u>4,124,234</u>     |
| Net assets of governmental activities  |                     |                                     |                     |                     |                     | <u>\$ 19,418,282</u> |
| <b>Cash and Investment Assets - Ending</b>   |                     |                                     |                     |                     |                     |                      |
| Cash and investments   | \$ 2,102,346        | \$ 1,849,160                        | \$ -                | \$ 4,473,808        | \$ 3,493,250        | \$ 11,918,564        |
| Restricted assets:   |                     |                                     |                     |                     |                     |                      |
| Cash and investments   | -                   | -                                   | 3,206,188           | -                   | 169,296             | 3,375,484            |
| <b>Total cash and investment assets - ending</b>   | <b>\$ 2,102,346</b> | <b>\$ 1,849,160</b>                 | <b>\$ 3,206,188</b> | <b>\$ 4,473,808</b> | <b>\$ 3,662,546</b> | <b>\$ 15,294,048</b> |
| <b>Cash and Investment Fund Balance - Ending</b>   |                     |                                     |                     |                     |                     |                      |
| Restricted for:  |                     |                                     |                     |                     |                     |                      |
| Debt service   | \$ -                | \$ -                                | \$ 3,206,188        | \$ -                | \$ 169,296          | \$ 3,375,484         |
| Unrestricted   | 2,102,346           | 1,849,160                           | -                   | 4,473,808           | 3,493,250           | 11,918,564           |
| <b>Total cash and investment fund balance - ending</b>   | <b>\$ 2,102,346</b> | <b>\$ 1,849,160</b>                 | <b>\$ 3,206,188</b> | <b>\$ 4,473,808</b> | <b>\$ 3,662,546</b> | <b>\$ 15,294,048</b> |

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

KOKOMO-CENTER TOWNSHIP CONSOLIDATED 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             | Fiscal<br>Stabilization<br>Stimulus | Debt<br>Service     | Capital<br>Projects | Other               | Totals               |
|--|---------------------|-------------------------------------|---------------------|---------------------|---------------------|----------------------|
| <b>Receipts:</b>   |                     |                                     |                     |                     |                     |                      |
| Local sources  | \$ 1,071,925        | \$ -                                | \$ 6,209,191        | \$ 11,525,735       | \$ 6,099,482        | \$ 24,906,333        |
| Intermediate sources   | 550                 | -                                   | -                   | -                   | 5,000               | 5,550                |
| State sources  | 44,102,318          | -                                   | -                   | -                   | 885,203             | 44,987,521           |
| Federal sources  | -                   | 1,353,306                           | -                   | -                   | 15,813,285          | 17,166,591           |
| Temporary loans  | -                   | -                                   | -                   | -                   | 795,900             | 795,900              |
| Other  | 9,809               | -                                   | -                   | -                   | 29,814              | 39,623               |
| <b>Total receipts</b>  | <b>45,184,602</b>   | <b>1,353,306</b>                    | <b>6,209,191</b>    | <b>11,525,735</b>   | <b>23,628,684</b>   | <b>87,901,518</b>    |
| <b>Disbursements:</b>  |                     |                                     |                     |                     |                     |                      |
| <b>Current:</b>  |                     |                                     |                     |                     |                     |                      |
| Instruction  | 29,033,144          | 2,499,277                           | -                   | -                   | 8,124,865           | 39,657,286           |
| Support services   | 14,959,998          | 703,189                             | -                   | 5,375,591           | 8,316,260           | 29,355,038           |
| Noninstructional services  | 536,355             | -                                   | -                   | -                   | 2,891,730           | 3,428,085            |
| Facilities acquisition and construction  | -                   | -                                   | -                   | 3,373,137           | 185,875             | 3,559,012            |
| Debt services  | -                   | -                                   | 6,062,529           | -                   | 1,627,008           | 7,689,537            |
| Nonprogrammed charges  | 25,434              | -                                   | -                   | -                   | 1,860,296           | 1,885,730            |
| <b>Total disbursements</b>   | <b>44,554,931</b>   | <b>3,202,466</b>                    | <b>6,062,529</b>    | <b>8,748,728</b>    | <b>23,006,034</b>   | <b>85,574,688</b>    |
| Excess (deficiency) of receipts over disbursements   | 629,671             | (1,849,160)                         | 146,662             | 2,777,007           | 622,650             | 2,326,830            |
| <b>Other financing sources (uses):</b>   |                     |                                     |                     |                     |                     |                      |
| Sale of capital assets   | 10,135              | -                                   | -                   | -                   | -                   | 10,135               |
| Transfers in   | 180,490             | -                                   | -                   | -                   | 347,918             | 528,408              |
| Transfers out  | -                   | -                                   | (34,116)            | -                   | (494,292)           | (528,408)            |
| <b>Total other financing sources (uses)</b>  | <b>190,625</b>      | <b>-</b>                            | <b>(34,116)</b>     | <b>-</b>            | <b>(146,374)</b>    | <b>10,135</b>        |
| Excess (deficiency) of receipts and other financing sources over disbursements and other financing uses  | 820,296             | (1,849,160)                         | 112,546             | 2,777,007           | 476,276             | 2,336,965            |
| Cash and investments - beginning   | 2,102,345           | 1,849,160                           | 3,206,187           | 4,473,809           | 3,662,546           | 15,294,047           |
| Cash and investments - ending  | <u>\$ 2,922,641</u> | <u>\$ -</u>                         | <u>\$ 3,318,733</u> | <u>\$ 7,250,816</u> | <u>\$ 4,138,822</u> | 17,631,012           |
| Amounts reported for governmental activities in the Statement of Cash Activities and Net Assets - Cash and Investment Basis are different because:   |                     |                                     |                     |                     |                     |                      |
| Internal service funds are used by management to charge the costs of certain services to individual funds. The assets and liabilities of the internal service funds are included in governmental activities in the Statement of Activities and Net Assets - Cash and Investment Basis. |                     |                                     |                     |                     |                     |                      |
|  |                     |                                     |                     |                     |                     | <u>4,417,339</u>     |
| Net assets of governmental activities  |                     |                                     |                     |                     |                     | <u>\$ 22,048,351</u> |
| <b>Cash and Investment Assets - Ending</b>   |                     |                                     |                     |                     |                     |                      |
| Cash and investments   | \$ 2,922,641        | \$ -                                | \$ -                | \$ 7,250,816        | \$ 4,126,546        | \$ 14,300,003        |
| Restricted assets:   |                     |                                     |                     |                     |                     |                      |
| Cash and investments   | -                   | -                                   | 3,318,733           | -                   | 12,276              | 3,331,009            |
| <b>Total cash and investment assets - ending</b>   | <b>\$ 2,922,641</b> | <b>\$ -</b>                         | <b>\$ 3,318,733</b> | <b>\$ 7,250,816</b> | <b>\$ 4,138,822</b> | <b>\$ 17,631,012</b> |
| <b>Cash and Investment Fund Balance - Ending</b>   |                     |                                     |                     |                     |                     |                      |
| Restricted for:  |                     |                                     |                     |                     |                     |                      |
| Debt service   | \$ -                | \$ -                                | \$ 3,318,733        | \$ -                | \$ 12,276           | \$ 3,331,009         |
| Unrestricted   | 2,922,641           | -                                   | -                   | 7,250,816           | 4,126,546           | 14,300,003           |
| <b>Total cash and investment fund balance - ending</b>   | <b>\$ 2,922,641</b> | <b>\$ -</b>                         | <b>\$ 3,318,733</b> | <b>\$ 7,250,816</b> | <b>\$ 4,138,822</b> | <b>\$ 17,631,012</b> |

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

KOKOMO-CENTER TOWNSHIP CONSOLIDATED SCHOOL CORPORATION  
STATEMENT OF ASSETS AND FUND BALANCES AND RECEIPTS, DISBURSEMENTS,  
AND CHANGES IN FUND BALANCES - CASH AND INVESTMENT BASIS  
PROPRIETARY FUNDS  
For the Year Ended June 30, 2009

|  | Internal<br>Service<br>Fund |
|--|-----------------------------|
| Operating receipts:                              |                             |
| Charges for services                             | \$ 7,602,761                |
| Miscellaneous                                    | 1,756,861                   |
| Total operating receipts                         | 9,359,622                   |
| Operating disbursements:                         |                             |
| Insurance claims and expense                     | 9,048,726                   |
| Change in net assets                             | 310,896                     |
| Cash and investment fund balance - beginning     | 3,813,338                   |
| Cash and investment fund balance - ending        | \$ 4,124,234                |
| <u>Cash and Investment Assets - Ending</u>       |                             |
| Restricted assets:                               |                             |
| Cash and investments                             | \$ 4,124,234                |
| Total cash and investment assets - ending        | \$ 4,124,234                |
| <u>Cash and Investment Fund Balance - Ending</u> |                             |
| Restricted for:                                  |                             |
| Other purposes                                   | \$ 4,124,234                |
| Total cash and investment fund balance - ending  | \$ 4,124,234                |

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

KOKOMO-CENTER TOWNSHIP CONSOLIDATED SCHOOL CORPORATION  
STATEMENT OF ASSETS AND FUND BALANCES AND RECEIPTS, DISBURSEMENTS,  
AND CHANGES IN FUND BALANCES - CASH AND INVESTMENT BASIS  
PROPRIETARY FUNDS  
For the Year Ended June 30, 2010

|  | Internal<br>Service<br>Fund |
|--|-----------------------------|
| Operating receipts:                              |                             |
| Charges for services                             | \$ 8,645,225                |
| Miscellaneous                                    | 1,844,132                   |
| Total operating receipts                         | 10,489,357                  |
| Operating disbursements:                         |                             |
| Insurance claims and expense                     | 10,196,253                  |
| Change in net assets                             | 293,104                     |
| Cash and investment fund balance - beginning     | 4,124,235                   |
| Cash and investment fund balance - ending        | \$ 4,417,339                |
| <u>Cash and Investment Assets - Ending</u>       |                             |
| Restricted assets:                               |                             |
| Cash and investments                             | \$ 4,417,339                |
| Total cash and investment assets - ending        | \$ 4,417,339                |
| <u>Cash and Investment Fund Balance - Ending</u> |                             |
| Restricted for:                                  |                             |
| Other purposes                                   | \$ 4,417,339                |
| Total cash and investment fund balance - ending  | \$ 4,417,339                |

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

KOKOMO-CENTER TOWNSHIP CONSOLIDATED SCHOOL CORPORATION  
STATEMENT OF ADDITIONS, DEDUCTIONS, AND CHANGES IN CASH AND INVESTMENT BALANCES  
FIDUCIARY FUNDS  
For the Year Ended June 30, 2009

|   | <u>Pension<br/>Trust Funds</u> | <u>Private-Purpose<br/>Trust Funds</u> | <u>Agency<br/>Funds</u> |
|---|--------------------------------|--|-------------------------|
| Additions:  |                                |  |                         |
| Contributions:  |                                |  |                         |
| Other   | \$ -                           | \$ 28,608                              |                         |
| Total contributions   | <u>-</u>                       | <u>28,608</u>                          |                         |
| Investment earnings:  |                                |  |                         |
| Interest  | <u>6,285</u>                   | <u>12</u>                              |                         |
| Total additions   | <u>6,285</u>                   | <u>28,620</u>                          |                         |
| Deductions:   |                                |  |                         |
| Benefits  | 83,185                         | -                                      |                         |
| Administrative and general                                      | <u>-</u>                       | <u>23,562</u>                          |                         |
| Total deductions  | <u>83,185</u>                  | <u>23,562</u>                          |                         |
| Excess (deficiency) of total additions<br>over total deductions | (76,900)                       | 5,058                                  |                         |
| Cash and investment fund balance - beginning                    | <u>686,460</u>                 | <u>16,254</u>                          |                         |
| Cash and investment fund balance - ending                       | <u>\$ 609,560</u>              | <u>\$ 21,312</u>                       | <u>\$ 178,679</u>       |
| Net assets:   |                                |  |                         |
| Cash and investments  | <u>\$ 609,560</u>              | <u>\$ 21,312</u>                       | <u>\$ 178,679</u>       |
| Total net assets - cash and investment basis held in trust      | <u>\$ 609,560</u>              | <u>\$ 21,312</u>                       | <u>\$ 178,679</u>       |

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

KOKOMO-CENTER TOWNSHIP CONSOLIDATED SCHOOL CORPORATION  
STATEMENT OF ADDITIONS, DEDUCTIONS, AND CHANGES IN CASH AND INVESTMENT BALANCES  
FIDUCIARY FUNDS  
For the Year Ended June 30, 2010

|   | <u>Pension<br/>Trust Funds</u> | <u>Private-Purpose<br/>Trust Funds</u> | <u>Agency<br/>Funds</u> |
|---|--------------------------------|--|-------------------------|
| Additions:  |                                |  |                         |
| Contributions:  |                                |  |                         |
| Other   | \$ -                           | \$ 28,813                              |                         |
| Total contributions   | <u>-</u>                       | <u>28,813</u>                          |                         |
| Investment earnings:  |                                |  |                         |
| Interest  | <u>1,459</u>                   | <u>3</u>                               |                         |
| Total additions   | <u>1,459</u>                   | <u>28,816</u>                          |                         |
| Deductions:   |                                |  |                         |
| Benefits  | 60,794                         | -                                      |                         |
| Administrative and general                                      | <u>-</u>                       | <u>25,419</u>                          |                         |
| Total deductions  | <u>60,794</u>                  | <u>25,419</u>                          |                         |
| Excess (deficiency) of total additions<br>over total deductions | (59,335)                       | 3,397                                  |                         |
| Cash and investment fund balance - beginning                    | <u>609,560</u>                 | <u>21,312</u>                          |                         |
| Cash and investment fund balance - ending                       | <u>\$ 550,225</u>              | <u>\$ 24,709</u>                       | <u>\$ 259,093</u>       |
| Net assets:   |                                |  |                         |
| Cash and investments  | <u>\$ 550,225</u>              | <u>\$ 24,709</u>                       | <u>\$ 259,093</u>       |
| Total net assets - cash and investment basis held in trust      | <u>\$ 550,225</u>              | <u>\$ 24,709</u>                       | <u>\$ 259,093</u>       |

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

KOKOMO-CENTER TOWNSHIP CONSOLIDATED 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: Kokomo-Center Township Consolidated 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 with Clinton Central, Eastern Howard School Corporation, Maconaquah School Corporation, Northern Community Schools of Tipton County, Northwestern School Corporation, Southeastern Schools, Taylor Community Schools, and Western School Corporation in a joint venture to operate Kokomo Area Career Center which was created to provide instruction for vocational education students. The Kokomo Area Career Center's continued existence depends on continued funding by the School Corporation. Complete financial statements for the Kokomo Area Career Center are included in the school corporation's accounting records.

The School Corporation is a participant with Eastern Howard School Corporation, Maconaquah School Corporation, Northern Community Schools of Tipton County, Northwestern School Corporation, Taylor Community Schools, Tipton Community Schools and Western School Corporation in a joint venture to operate Kokomo Area Special Education Cooperative which was created to provide instruction for handicapped children. The Kokomo Area Special Education Cooperative's continued existence depends on continued funding by the School Corporation. Complete financial statements for the Kokomo Area Special Education Cooperative are included in the school corporation's accounting records.

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.

KOKOMO-CENTER TOWNSHIP CONSOLIDATED 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.

The School Corporation reports the following major governmental funds:

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

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

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

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

Additionally, the School Corporation reports the following fund types:

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

The pension trust funds account for the activities of the pension fund, which accumulate resources for pension benefit payments.

The private-purpose trust fund reports a trust arrangement under which principal and income benefit the individuals who receive the award of scholarships.

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

C. Measurement Focus and Basis of Accounting

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

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.

KOKOMO-CENTER TOWNSHIP CONSOLIDATED SCHOOL CORPORATION  
NOTES TO FINANCIAL STATEMENTS  
(Continued)

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

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

Proprietary funds are used to account for activities similar to those found in the private sector, where the determination of net income is necessary or useful to sound financial administration. Goods or services from such activities are provided to people outside the government (enterprise funds) or other departments or agencies primarily within the government (internal service funds).

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

D. Assets and Cash and Investment Balances

1. Restricted Assets

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

2. Cash and Investments

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

3. Property Taxes

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

4. Capital Assets

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

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.

KOKOMO-CENTER TOWNSHIP CONSOLIDATED 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."

It is the School Corporation's policy to first use restricted net assets prior to the use of unrestricted net assets when a disbursement is incurred for purposes for which both restricted and unrestricted net assets are available.

Fund Financial Statements

Governmental fund equity is classified as fund balance. Proprietary fund equity is classified the same as in the government-wide statements.

E. Receipts and Disbursements

1. Program Receipts

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

2. Operating Receipts and Disbursements

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

F. Internal and Interfund Activities

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

Fund Financial Statements

1. Interfund services – Sales or purchases of goods and services between funds are reported as receipts and disbursements.
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.

KOKOMO-CENTER TOWNSHIP CONSOLIDATED SCHOOL CORPORATION  
NOTES TO FINANCIAL STATEMENTS  
(Continued)

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

Government-Wide Financial Statements

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

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

G. Rounding Differences

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

II. Stewardship, Compliance and Accountability

A. Budgetary Information

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

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

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

B. Cash and Investment Balance Deficits

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

KOKOMO-CENTER TOWNSHIP CONSOLIDATED SCHOOL CORPORATION  
NOTES TO FINANCIAL STATEMENTS  
(Continued)

| Fund  | 2009            | 2010              |
|---|-----------------|-------------------|
| Textbook Rental Fund                                      | \$ -            | \$ 82,920         |
| Joint Services  | -               | 14,867            |
| Kindergarten Round-Up Shirts                              | 100             | -                 |
| Fresh Fruit & Vegetable Elwood Haynes 08-09 Grant Fund    | 2,231           | -                 |
| Fresh Fruit & Vegetable Bon Air 09-10 Grant Fund          | -               | 2,863             |
| Fresh Fruit & Vegetable Elwood Haynes 09-10 Grant Fund    | -               | 3,126             |
| Fresh Fruit & Vegetable Pettit Park 09-10 Grant Fund      | -               | 1,922             |
| Fresh Fruit & Vegetable Washington 09-10 Grant Fund       | -               | 1,819             |
| Fresh Fruit & Vegetable Darrough Chappel 08-09 Grant Fund | 1,902           | -                 |
| Special Ed Part B Pass-Through 09-10                      | -               | 154,372           |
| Preschool Carryover 08-09                                 | 4,991           | -                 |
| Safe & Drug Free Schools 09-11                            | -               | 1,951             |
| Title IIA Improving Teacher Quality 09-11                 | -               | 1,304             |
| Title I Grants to LEAs Stimulus                           | -               | 39,819            |
| Special Ed Part B - Pass-Through Stimulus                 | -               | 68,690            |
| Preschool Section 619 Stimulus                            | -               | 7,144             |
| Education Technology Stimulus                             | -               | 14,787            |
| Totals  | <u>\$ 9,224</u> | <u>\$ 395,584</u> |

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

III. Detailed Notes on All Funds

A. Deposits and Investments

1. Deposits

Custodial credit risk is the risk that in the event of a bank failure, the government's deposits may not be returned to it. IC 5-13-8-1 allows a political subdivision of the State of Indiana to deposit public funds in a financial institution only if the financial institution is a depository eligible to receive state funds and has a principal office or branch that qualifies to receive public funds of the political subdivision. The School Corporation does not have a deposit policy for custodial credit risk. At June 30, 2010, the School Corporation had deposit balances in the amount of \$22,995,122.

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.

KOKOMO-CENTER TOWNSHIP CONSOLIDATED SCHOOL CORPORATION  
NOTES TO FINANCIAL STATEMENTS  
(Continued)

2. Investments

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

| Investment<br>Type    | Primary<br>Government<br>Market<br>Value |
|-----------------------|--|
| Repurchase agreements | \$ 22,995,122                            |

Statutory Authorization for Investments

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

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

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

KOKOMO-CENTER TOWNSHIP CONSOLIDATED SCHOOL CORPORATION  
 NOTES TO FINANCIAL STATEMENTS  
 (Continued)

Investment Custodial Credit Risk

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

Primary Government:

| Investment<br>Type    | 2010                           |                                    |
|-----------------------|--------------------------------|------------------------------------|
|                       | In the<br>Government's<br>Name | Not in the<br>Government's<br>Name |
| Repurchase agreements | \$ 22,995,122                  | \$ -                               |

Interest Rate Risk

Interest rate risk is the risk that changes in interest rates will adversely affect the fair value of an investment. The School Corporation must follow state statute and limit the stated final maturities of the investments to no more than two years. The School Corporation does not have a formal investment policy for interest rate risk for investments.

| Investment<br>Type    | Investment Maturities (in Years) |      |                |
|-----------------------|----------------------------------|------|----------------|
|                       | Less<br>Than 1                   | 1-2  | More<br>Than 2 |
| Repurchase agreements | \$ 22,995,122                    | \$ - | \$ -           |

Credit Risk

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

Concentration of Credit Risk

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

KOKOMO-CENTER TOWNSHIP CONSOLIDATED SCHOOL CORPORATION  
 NOTES TO FINANCIAL STATEMENTS  
 (Continued)

Foreign Currency Risk

The School Corporation does not have a formal policy in regards to foreign currency risk.

B. Interfund Transfers

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

| <u>Transfer From</u>     | <u>Transfer To</u>       | <u>2009</u>       | <u>2010</u>       |
|--------------------------|--------------------------|-------------------|-------------------|
| General Fund             | Other Governmental Funds | \$ 27,049         | \$ -              |
| Debt Service Fund        | Other Governmental Funds | 2,483             | 34,116            |
| Other Governmental Funds | General Fund             | -                 | 180,490           |
| Other Governmental Funds | Other Governmental Funds | <u>531,088</u>    | <u>313,802</u>    |
| Totals                   |                          | <u>\$ 560,620</u> | <u>\$ 528,408</u> |

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

IV. Other Information

A. Risk Management

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

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

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

Medical Benefits to Employees, Retirees, and Dependents

The School Corporation has chosen to establish a risk-financing fund for risks associated with medical benefits to employees, retirees, and dependents (excluding postemployment benefits). The risk-financing fund is accounted for in the Self-Insurance Fund, an internal service fund, where assets are set aside for claim settlements. An excess policy through commercial insurance covers individual claims in excess of \$125,000 per year. Settled claims resulting from

KOKOMO-CENTER TOWNSHIP CONSOLIDATED SCHOOL CORPORATION  
NOTES TO FINANCIAL STATEMENTS  
(Continued)

this risk did not exceed commercial insurance coverage in the past three years. Interfund premiums are paid into the fund by all affected funds and are available to pay claims, claim reserves, and administrative costs of the program. Interfund premiums are based upon an overall premium percentage which is applied to each affected fund and are reported as quasi-external interfund transactions.

B. Holding Corporation

The School Corporation has entered into a capital lease with Kokomo-Center Schools Building Corporation (the lessor). The lessor was organized as a not-for-profit corporation pursuant to state statute for the purpose of financing and constructing or reconstructing facilities for lease to the School Corporation. The lessor has been determined to be a related party of the School Corporation. Lease payments during the audit period totaled \$7,189,011.

The holding corporation bonds were refinanced on December 15, 2005, at a savings of \$703,293.25. The bond amortization schedule did not change but the savings amount was placed in an escrow account (money market account) and the school is authorized to use it for other capital projects. The balance in the escrow account at June 30, 2010, is \$163,886.58.

C. Pension Plans

1. Agent Multiple-Employer and Single-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

KOKOMO-CENTER TOWNSHIP CONSOLIDATED SCHOOL CORPORATION  
NOTES TO FINANCIAL STATEMENTS  
(Continued)

Funding Policy

The contribution requirements of plan members for PERF are established by the Board of Trustees of PERF. The total contributions made to PERF by the School Corporation during the period were \$632,564.

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 is to contribute at an actuarially determined rate. The current rate has been actuarially determined under the entry age normal cost method to be 7.5% of covered wages. The School Corporation's required contributions to the plan for the fiscal years ended June 30, 2010, 2009, and 2008, were \$2,199,160, \$2,157,510, and \$1,220,398, respectively. The School Corporation actually contributed 100% of the required contribution for each of the fiscal years.

KOKOMO-CENTER TOWNSHIP CONSOLIDATED SCHOOL CORPORATION  
NOTES TO FINANCIAL STATEMENTS  
(Continued)

3. Employer Defined Contribution Pension Plan

Private Pension

Plan Description

The school corporation has a defined contribution pension plan administered by the School Corporation and Lincoln Financial Group as authorized by Indiana Code 5-10.2-2-1. The plan provides retirement, disability, and death benefits to plan members and beneficiaries. The plan was established by written agreement between the School Corporation (Administrator) and Lincoln National Group (3<sup>rd</sup> Party Administrator). The 3<sup>rd</sup> party administrator shall keep accurate financial records and provide a plan year summary within 60 days of the plan year end. That report may be obtained by contacting:

Lincoln Financial Group  
1300 South Clinton Street  
Fort Wayne, IN 46802  
Ph. (866) 400-4105

Funding Policy

The contribution requirements of plan members are established by the written agreement between the School Corporation and the 3<sup>rd</sup> Party Administrator. Plan members are required to contribute 0.5% of their annual covered salary or a minimum of \$200 (whichever is higher) into a 403(b) account. The School Corporation is required to contribute 0.5% of the employee's annual base salary into a 401(a) account. Employer contributions to the plan for 2009 were \$212,083.

KOKOMO-CENTER TOWNSHIP CONSOLIDATED SCHOOL CORPORATION  
 REQUIRED SUPPLEMENTARY INFORMATION  
 SCHEDULES OF FUNDING PROGRESS

Public Employees' Retirement Fund

| Actuarial<br>Valuation<br>Date | Actuarial<br>Value of<br>Assets<br>(a) | Actuarial<br>Accrued<br>Liability<br>(AAL)<br>(b) | Excess of<br>Assets Over<br>(Unfunded)<br>AAL<br>(a-b) | Funded<br>Ratio<br>(a/b) | Covered<br>Payroll<br>(c) | Excess<br>(Unfunded)<br>AAL as a<br>Percentage<br>of Covered<br>Payroll<br>((a-b)/c) |
|--------------------------------|--|---|--|--------------------------|---------------------------|--|
| 07-01-07                       | \$ 11,696,123                          | \$ 10,767,583                                     | \$ 928,540   | 109%                     | \$ 10,029,297             | 9%   |
| 07-01-08                       | 12,050,850                             | 11,589,873  | 460,977  | 104%                     | 10,363,325                | 4%   |
| 07-01-09                       | 11,178,541                             | 11,940,540  | (761,999)  | 94%                      | 10,899,841                | (7%)   |

KOKOMO-CENTER TOWNSHIP CONSOLIDATED 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<br>Operating | Special<br>Education<br>Preschool | School<br>Lunch<br>Fund | Textbook<br>Rental<br>Fund | Alternative<br>Education<br>Fund | Alternative<br>Education 08<br>Fund |
|--|-----------------------------|-----------------------------------|-------------------------|----------------------------|----------------------------------|-------------------------------------|
| <b>Receipts:</b>   |                             |                                   |                         |                            |                                  |                                     |
| Local sources  | \$ 2,504,715                | \$ 58,458                         | \$ 943,737              | \$ 307,602                 | \$ -                             | \$ -                                |
| State sources  | -                           | 349,480                           | 18,049                  | 241,103                    | -                                | -                                   |
| Federal sources  | -                           | -                                 | 1,926,999               | -                          | -                                | -                                   |
| Temporary loans  | 996,400                     | -                                 | -                       | -                          | -                                | -                                   |
| Other  | 2,826                       | -                                 | -                       | -                          | -                                | -                                   |
| <b>Total receipts</b>  | <u>3,503,941</u>            | <u>407,938</u>                    | <u>2,888,785</u>        | <u>548,705</u>             | <u>-</u>                         | <u>-</u>                            |
| <b>Disbursements:</b>  |                             |                                   |                         |                            |                                  |                                     |
| <b>Current:</b>  |                             |                                   |                         |                            |                                  |                                     |
| Instruction  | -                           | 190,309                           | -                       | -                          | 5,361                            | 34,443                              |
| Support services   | 2,402,966                   | 224,783                           | 5,757                   | 973,342                    | -                                | -                                   |
| Noninstructional services  | -                           | -                                 | 2,837,842               | -                          | -                                | -                                   |
| Facilities acquisition and construction  | -                           | -                                 | -                       | -                          | -                                | -                                   |
| Debt services  | 993,000                     | -                                 | -                       | -                          | -                                | -                                   |
| Nonprogrammed charges  | -                           | -                                 | -                       | -                          | -                                | -                                   |
| <b>Total disbursements</b>   | <u>3,395,966</u>            | <u>415,092</u>                    | <u>2,843,599</u>        | <u>973,342</u>             | <u>5,361</u>                     | <u>34,443</u>                       |
| <b>Excess (deficiency) of receipts over disbursements</b>  | <u>107,975</u>              | <u>(7,154)</u>                    | <u>45,186</u>           | <u>(424,637)</u>           | <u>(5,361)</u>                   | <u>(34,443)</u>                     |
| <b>Other financing sources (uses):</b>   |                             |                                   |                         |                            |                                  |                                     |
| Transfers in   | 7,250                       | -                                 | -                       | 2,483                      | -                                | -                                   |
| Transfers out  | -                           | -                                 | -                       | -                          | -                                | -                                   |
| <b>Total other financing sources (uses)</b>  | <u>7,250</u>                | <u>-</u>                          | <u>-</u>                | <u>2,483</u>               | <u>-</u>                         | <u>-</u>                            |
| <b>Excess (deficiency) of receipts and other financing sources over disbursements and other financing uses</b> | <u>115,225</u>              | <u>(7,154)</u>                    | <u>45,186</u>           | <u>(422,154)</u>           | <u>(5,361)</u>                   | <u>(34,443)</u>                     |
| <b>Cash and investments - beginning</b>  | <u>403,225</u>              | <u>242,661</u>                    | <u>216,051</u>          | <u>439,037</u>             | <u>23,698</u>                    | <u>36,879</u>                       |
| <b>Cash and investments - ending</b>   | <u>\$ 518,450</u>           | <u>\$ 235,507</u>                 | <u>\$ 261,237</u>       | <u>\$ 16,883</u>           | <u>\$ 18,337</u>                 | <u>\$ 2,436</u>                     |
| <b>Cash and Investment Assets - Ending</b>   |                             |                                   |                         |                            |                                  |                                     |
| Cash and investments   | \$ 518,450                  | \$ 235,507                        | \$ 261,237              | \$ 16,883                  | \$ 18,337                        | \$ 2,436                            |
| Restricted assets:   |                             |                                   |                         |                            |                                  |                                     |
| Cash and investments   | -                           | -                                 | -                       | -                          | -                                | -                                   |
| <b>Total cash and investment assets - ending</b>   | <u>\$ 518,450</u>           | <u>\$ 235,507</u>                 | <u>\$ 261,237</u>       | <u>\$ 16,883</u>           | <u>\$ 18,337</u>                 | <u>\$ 2,436</u>                     |
| <b>Cash and Investment Fund Balance - Ending</b>   |                             |                                   |                         |                            |                                  |                                     |
| Restricted for:  |                             |                                   |                         |                            |                                  |                                     |
| Debt service   | \$ -                        | \$ -                              | \$ -                    | \$ -                       | \$ -                             | \$ -                                |
| Unrestricted   | 518,450                     | 235,507                           | 261,237                 | 16,883                     | 18,337                           | 2,436                               |
| <b>Total cash and investment fund balance - ending</b>   | <u>\$ 518,450</u>           | <u>\$ 235,507</u>                 | <u>\$ 261,237</u>       | <u>\$ 16,883</u>           | <u>\$ 18,337</u>                 | <u>\$ 2,436</u>                     |

KOKOMO-CENTER TOWNSHIP CONSOLIDATED 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)

|  | Alternative<br>Education 09<br>Fund | Safe Haven<br>07-08<br>Fund | Safe Haven<br>08-09<br>Fund | Ready Schools<br>Columbian 08-09<br>Fund | Early Intervention<br>08-09<br>Fund | Reading<br>Recovery 08<br>Fund |
|--|-------------------------------------|-----------------------------|-----------------------------|--|-------------------------------------|--------------------------------|
| <b>Receipts:</b>   |                                     |                             |                             |  |                                     |                                |
| Local sources  | \$ -                                | \$ -                        | \$ -                        | \$ -                                     | \$ -                                | \$ -                           |
| State sources  | 81,147                              | -                           | 66,096                      | -  | 305,369                             | 7,500                          |
| Federal sources  | -                                   | -                           | -                           | -  | -                                   | -                              |
| Temporary loans  | -                                   | -                           | -                           | -  | -                                   | -                              |
| Other  | -                                   | -                           | -                           | -  | -                                   | -                              |
| <b>Total receipts</b>  | <b>81,147</b>                       | <b>-</b>                    | <b>66,096</b>               | <b>-</b>                                 | <b>305,369</b>                      | <b>7,500</b>                   |
| <b>Disbursements:</b>  |                                     |                             |                             |  |                                     |                                |
| <b>Current:</b>  |                                     |                             |                             |  |                                     |                                |
| Instruction  | 37,336                              | -                           | -                           | 9,601                                    | 289,281                             | -                              |
| Support services   | -                                   | 2,878                       | 66,096                      | 4,679                                    | 15,873                              | 7,414                          |
| Noninstructional services  | -                                   | -                           | -                           | -  | 213                                 | -                              |
| Facilities acquisition and construction  | -                                   | -                           | -                           | -  | -                                   | -                              |
| Debt services  | -                                   | -                           | -                           | -  | -                                   | -                              |
| Nonprogrammed charges  | -                                   | -                           | -                           | -  | -                                   | -                              |
| <b>Total disbursements</b>   | <b>37,336</b>                       | <b>2,878</b>                | <b>66,096</b>               | <b>14,280</b>                            | <b>305,367</b>                      | <b>7,414</b>                   |
| <b>Excess (deficiency) of receipts over disbursements</b>  | <b>43,811</b>                       | <b>(2,878)</b>              | <b>-</b>                    | <b>(14,280)</b>                          | <b>2</b>                            | <b>86</b>                      |
| <b>Other financing sources (uses):</b>   |                                     |                             |                             |  |                                     |                                |
| Transfers in   | 27,049                              | -                           | -                           | -  | -                                   | -                              |
| Transfers out  | -                                   | -                           | -                           | -  | -                                   | -                              |
| <b>Total other financing sources (uses)</b>  | <b>27,049</b>                       | <b>-</b>                    | <b>-</b>                    | <b>-</b>                                 | <b>-</b>                            | <b>-</b>                       |
| <b>Excess (deficiency) of receipts and other financing sources over disbursements and other financing uses</b> | <b>70,860</b>                       | <b>(2,878)</b>              | <b>-</b>                    | <b>(14,280)</b>                          | <b>2</b>                            | <b>86</b>                      |
| <b>Cash and investments - beginning</b>  | <b>-</b>                            | <b>2,878</b>                | <b>-</b>                    | <b>14,393</b>                            | <b>-</b>                            | <b>-</b>                       |
| <b>Cash and investments - ending</b>   | <b>\$ 70,860</b>                    | <b>\$ -</b>                 | <b>\$ -</b>                 | <b>\$ 113</b>                            | <b>\$ 2</b>                         | <b>\$ 86</b>                   |
| <b>Cash and Investment Assets - Ending</b>   |                                     |                             |                             |  |                                     |                                |
| Cash and investments   | \$ 70,860                           | \$ -                        | \$ -                        | \$ 113                                   | \$ 2                                | \$ 86                          |
| Restricted assets:   |                                     |                             |                             |  |                                     |                                |
| Cash and investments   | -                                   | -                           | -                           | -  | -                                   | -                              |
| <b>Total cash and investment assets - ending</b>   | <b>\$ 70,860</b>                    | <b>\$ -</b>                 | <b>\$ -</b>                 | <b>\$ 113</b>                            | <b>\$ 2</b>                         | <b>\$ 86</b>                   |
| <b>Cash and Investment Fund Balance - Ending</b>   |                                     |                             |                             |  |                                     |                                |
| Restricted for:  |                                     |                             |                             |  |                                     |                                |
| Debt service   | \$ -                                | \$ -                        | \$ -                        | \$ -                                     | \$ -                                | \$ -                           |
| Unrestricted   | 70,860                              | -                           | -                           | 113                                      | 2                                   | 86                             |
| <b>Total cash and investment fund balance - ending</b>   | <b>\$ 70,860</b>                    | <b>\$ -</b>                 | <b>\$ -</b>                 | <b>\$ 113</b>                            | <b>\$ 2</b>                         | <b>\$ 86</b>                   |

KOKOMO-CENTER TOWNSHIP CONSOLIDATED 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)

|   | Safe & Drug Free<br>National<br>Conference<br>Fund | High Ability<br>Gifted and<br>Talented<br>Fund | High Ability<br>Gifted and<br>Talented<br>Fund | Indiana<br>Heritage<br>Fund | Fresh Fruit<br>& Vegetable<br>Grant<br>Fund | Fresh Fruit<br>& Vegetable<br>Elwood Haynes 08<br>Grant Fund |
|---|--|--|--|-----------------------------|---|--|
| <b>Receipts:</b>  |  |  |  |                             |   |  |
| Local sources   | \$ -   | \$ -   | \$ -   | \$ 6,795                    | \$ -  | \$ -   |
| State sources   | -  | -  | 56,475   | -                           | -   | -  |
| Federal sources   | -  | -  | -  | -                           | 6,458                                       | 3,722  |
| Temporary loans   | -  | -  | -  | -                           | -   | -  |
| Other   | -  | -  | -  | -                           | -   | -  |
| <b>Total receipts</b>   | <b>-</b>   | <b>-</b>                                       | <b>56,475</b>                                  | <b>6,795</b>                | <b>6,458</b>                                | <b>3,722</b>   |
| <b>Disbursements:</b>   |  |  |  |                             |   |  |
| <b>Current:</b>   |  |  |  |                             |   |  |
| Instruction   | -  | 23,975   | 25,579   | -                           | -   | -  |
| Support services  | -  | -  | -  | 15,659                      | 90  | -  |
| Noninstructional services   | -  | -  | -  | -                           | 4,694                                       | 3,722  |
| Facilities acquisition and construction   | -  | -  | -  | -                           | -   | -  |
| Debt services   | -  | -  | -  | -                           | -   | -  |
| Nonprogrammed charges   | -  | -  | -  | -                           | -   | -  |
| <b>Total disbursements</b>  | <b>-</b>   | <b>23,975</b>                                  | <b>25,579</b>                                  | <b>15,659</b>               | <b>4,784</b>                                | <b>3,722</b>   |
| Excess (deficiency) of receipts over disbursements  | -  | (23,975)                                       | 30,896   | (8,864)                     | 1,674                                       | -  |
| <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 | -  | (23,975)                                       | 30,896   | (8,864)                     | 1,674                                       | -  |
| Cash and investments - beginning  | 922  | 23,975   | -  | 15,652                      | (1,675)                                     | -  |
| Cash and investments - ending   | <u>\$ 922</u>                                      | <u>\$ -</u>                                    | <u>\$ 30,896</u>                               | <u>\$ 6,788</u>             | <u>\$ (1)</u>                               | <u>\$ -</u>  |
| <b>Cash and Investment Assets - Ending</b>  |  |  |  |                             |   |  |
| Cash and investments  | \$ 922   | \$ -   | \$ 30,896                                      | \$ 6,788                    | \$ (1)                                      | \$ -   |
| Restricted assets:  |  |  |  |                             |   |  |
| Cash and investments  | -  | -  | -  | -                           | -   | -  |
| <b>Total cash and investment assets - ending</b>  | <u>\$ 922</u>                                      | <u>\$ -</u>                                    | <u>\$ 30,896</u>                               | <u>\$ 6,788</u>             | <u>\$ (1)</u>                               | <u>\$ -</u>  |
| <b>Cash and Investment Fund Balance - Ending</b>  |  |  |  |                             |   |  |
| Restricted for:   |  |  |  |                             |   |  |
| Debt service  | \$ -   | \$ -   | \$ -   | \$ -                        | \$ -  | \$ -   |
| Unrestricted  | 922  | -  | 30,896   | 6,788                       | (1)   | -  |
| <b>Total cash and investment fund balance - ending</b>  | <u>\$ 922</u>                                      | <u>\$ -</u>                                    | <u>\$ 30,896</u>                               | <u>\$ 6,788</u>             | <u>\$ (1)</u>                               | <u>\$ -</u>  |

KOKOMO-CENTER TOWNSHIP CONSOLIDATED 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)

|   | Fresh Fruit<br>& Vegetable<br>Elwood Haynes<br>08-09 Grant Fund | Fresh Fruit<br>& Vegetable<br>Darrough Chappel<br>08 Grant Fund | Fresh Fruit<br>& Vegetable<br>Darrough Chappel<br>08-09 Grant Fund | English<br>Proficiency<br>Program<br>Fund | Non-English<br>Speaking<br>Program<br>08-09 | School<br>Technology<br>Fund |
|---|---|---|--|---|---|------------------------------|
| <b>Receipts:</b>  |   |   |  |   |   |                              |
| Local sources   | \$ -  | \$ -  | \$ -   | \$ -                                      | \$ -  | \$ 360,657                   |
| State sources   | -   | -   | -  | -   | 14,991                                      | -                            |
| Federal sources   | 19,100  | 2,423   | 14,336   | -   | -   | -                            |
| Temporary loans   | -   | -   | -  | -   | -   | -                            |
| Other   | -   | -   | -  | -   | -   | -                            |
| <b>Total receipts</b>   | <u>19,100</u>   | <u>2,423</u>  | <u>14,336</u>  | <u>-</u>                                  | <u>14,991</u>                               | <u>360,657</u>               |
| <b>Disbursements:</b>   |   |   |  |   |   |                              |
| <b>Current:</b>   |   |   |  |   |   |                              |
| Instruction   | -   | -   | -  | 8,093                                     | 13,484                                      | -                            |
| Support services  | -   | -   | -  | -   | -   | 179,083                      |
| Noninstructional services   | 21,331  | 2,423   | 16,238   | -   | -   | -                            |
| Facilities acquisition and construction   | -   | -   | -  | -   | -   | -                            |
| Debt services   | -   | -   | -  | -   | -   | -                            |
| Nonprogrammed charges   | -   | -   | -  | -   | -   | -                            |
| <b>Total disbursements</b>  | <u>21,331</u>   | <u>2,423</u>  | <u>16,238</u>  | <u>8,093</u>                              | <u>13,484</u>                               | <u>179,083</u>               |
| Excess (deficiency) of receipts over disbursements  | <u>(2,231)</u>  | <u>-</u>  | <u>(1,902)</u>   | <u>(8,093)</u>                            | <u>1,507</u>                                | <u>181,574</u>               |
| <b>Other financing sources (uses):</b>  |   |   |  |   |   |                              |
| Transfers in  | -   | -   | -  | -   | -   | -                            |
| Transfers out   | -   | -   | -  | -   | -   | -                            |
| <b>Total other financing sources (uses)</b>   | <u>-</u>  | <u>-</u>  | <u>-</u>   | <u>-</u>                                  | <u>-</u>                                    | <u>-</u>                     |
| Excess (deficiency) of receipts and other financing sources over disbursements and other financing uses | <u>(2,231)</u>  | <u>-</u>  | <u>(1,902)</u>   | <u>(8,093)</u>                            | <u>1,507</u>                                | <u>181,574</u>               |
| Cash and investments - beginning  | <u>-</u>  | <u>-</u>  | <u>-</u>   | <u>8,093</u>                              | <u>-</u>                                    | <u>249,212</u>               |
| Cash and investments - ending   | <u>\$ (2,231)</u>   | <u>\$ -</u>   | <u>\$ (1,902)</u>  | <u>\$ -</u>                               | <u>\$ 1,507</u>                             | <u>\$ 430,786</u>            |
| <b>Cash and Investment Assets - Ending</b>  |   |   |  |   |   |                              |
| Cash and investments  | \$ (2,231)  | \$ -  | \$ (1,902)   | \$ -                                      | \$ 1,507                                    | \$ 430,786                   |
| Restricted assets:  |   |   |  |   |   |                              |
| Cash and investments  | -   | -   | -  | -   | -   | -                            |
| <b>Total cash and investment assets - ending</b>  | <u>\$ (2,231)</u>   | <u>\$ -</u>   | <u>\$ (1,902)</u>  | <u>\$ -</u>                               | <u>\$ 1,507</u>                             | <u>\$ 430,786</u>            |
| <b>Cash and Investment Fund Balance - Ending</b>  |   |   |  |   |   |                              |
| <b>Restricted for:</b>  |   |   |  |   |   |                              |
| Debt service  | \$ -  | \$ -  | \$ -   | \$ -                                      | \$ -  | \$ -                         |
| Unrestricted  | <u>(2,231)</u>  | <u>-</u>  | <u>(1,902)</u>   | <u>-</u>                                  | <u>1,507</u>                                | <u>430,786</u>               |
| <b>Total cash and investment fund balance - ending</b>  | <u>\$ (2,231)</u>   | <u>\$ -</u>   | <u>\$ (1,902)</u>  | <u>\$ -</u>                               | <u>\$ 1,507</u>                             | <u>\$ 430,786</u>            |

KOKOMO-CENTER TOWNSHIP CONSOLIDATED 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)

|  | Sycamore<br>Distinguished<br>School<br>Fund | INSAI Grant<br>AAE/KHS<br>07-08 | Motorcycle<br>Education<br>Fund | Jordan Fund<br>Buddy Reading<br>Central Middle<br>School | Jordan Fund<br>Science Library<br>Central Middle<br>School | Asbestos<br>School<br>Litigation<br>Fund |
|--|---|---------------------------------|---------------------------------|--|--|--|
| <b>Receipts:</b>   |   |                                 |                                 |  |  |  |
| Local sources  | \$ -  | \$ -                            | \$ 18,900                       | \$ 2,500   | \$ 2,500   | \$ -                                     |
| State sources  | -   | -                               | 30,725                          | -  | -  | -  |
| Federal sources  | -   | -                               | -                               | -  | -  | -  |
| Temporary loans  | -   | -                               | -                               | -  | -  | -  |
| Other  | -   | -                               | -                               | -  | -  | -  |
| <b>Total receipts</b>  | <b>-</b>                                    | <b>-</b>                        | <b>49,625</b>                   | <b>2,500</b>   | <b>2,500</b>   | <b>-</b>                                 |
| <b>Disbursements:</b>  |   |                                 |                                 |  |  |  |
| <b>Current:</b>  |   |                                 |                                 |  |  |  |
| Instruction  | 4,325                                       | 1,695                           | 35,809                          | 2,500  | 2,500  | -  |
| Support services   | 333   | 2,259                           | 500                             | -  | -  | -  |
| Noninstructional services  | -   | -                               | -                               | -  | -  | -  |
| Facilities acquisition and construction  | -   | -                               | -                               | -  | -  | -  |
| Debt services  | -   | -                               | -                               | -  | -  | -  |
| Nonprogrammed charges  | -   | -                               | -                               | -  | -  | -  |
| <b>Total disbursements</b>   | <b>4,658</b>                                | <b>3,954</b>                    | <b>36,309</b>                   | <b>2,500</b>   | <b>2,500</b>   | <b>-</b>                                 |
| <b>Excess (deficiency) of receipts over disbursements</b>  | <b>(4,658)</b>                              | <b>(3,954)</b>                  | <b>13,316</b>                   | <b>-</b>   | <b>-</b>   | <b>-</b>                                 |
| <b>Other financing sources (uses):</b>   |   |                                 |                                 |  |  |  |
| Transfers in   | -   | -                               | -                               | -  | -  | -  |
| Transfers out  | -   | -                               | -                               | -  | -  | -  |
| <b>Total other financing sources (uses)</b>  | <b>-</b>                                    | <b>-</b>                        | <b>-</b>                        | <b>-</b>   | <b>-</b>   | <b>-</b>                                 |
| <b>Excess (deficiency) of receipts and other financing sources over disbursements and other financing uses</b> | <b>(4,658)</b>                              | <b>(3,954)</b>                  | <b>13,316</b>                   | <b>-</b>   | <b>-</b>   | <b>-</b>                                 |
| <b>Cash and investments - beginning</b>  | <b>4,657</b>                                | <b>3,954</b>                    | <b>138,377</b>                  | <b>-</b>   | <b>-</b>   | <b>68,776</b>                            |
| <b>Cash and investments - ending</b>   | <b>(1)</b>                                  | <b>-</b>                        | <b>151,693</b>                  | <b>-</b>   | <b>-</b>   | <b>68,776</b>                            |
| <b>Cash and Investment Assets - Ending</b>   |   |                                 |                                 |  |  |  |
| Cash and investments   | (1)   | -                               | 151,693                         | -  | -  | 68,776                                   |
| Restricted assets:   |   |                                 |                                 |  |  |  |
| Cash and investments   | -   | -                               | -                               | -  | -  | -  |
| <b>Total cash and investment assets - ending</b>   | <b>(1)</b>                                  | <b>-</b>                        | <b>151,693</b>                  | <b>-</b>   | <b>-</b>   | <b>68,776</b>                            |
| <b>Cash and Investment Fund Balance - Ending</b>   |   |                                 |                                 |  |  |  |
| Restricted for:  |   |                                 |                                 |  |  |  |
| Debt service   | -   | -                               | -                               | -  | -  | -  |
| Unrestricted   | (1)   | -                               | 151,693                         | -  | -  | 68,776                                   |
| <b>Total cash and investment fund balance - ending</b>   | <b>(1)</b>                                  | <b>-</b>                        | <b>151,693</b>                  | <b>-</b>   | <b>-</b>   | <b>68,776</b>                            |

KOKOMO-CENTER TOWNSHIP CONSOLIDATED 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<br>08-09  | Title I<br>Kinsey Grant<br>08-09 | Title I Bon Air<br>School<br>Improvement<br>Fund | Title I Bon Air<br>School<br>Improvement<br>Fund | Title V<br>Innovative<br>Program<br>07-09 | Title V<br>06-08 |
|--|-------------------|----------------------------------|--|--|---|------------------|
| <b>Receipts:</b>   |                   |                                  |  |  |   |                  |
| Local sources  | \$ -              | \$ -                             | \$ -   | \$ -   | \$ -                                      | \$ -             |
| State sources  | -                 | -                                | -  | -  | -   | -                |
| Federal sources  | 1,751,481         | 140,374                          | -  | 149,630  | -   | 12,923           |
| Temporary loans  | -                 | -                                | -  | -  | -   | -                |
| Other  | -                 | -                                | -  | -  | -   | -                |
| <b>Total receipts</b>  | <u>1,751,481</u>  | <u>140,374</u>                   | <u>-</u>   | <u>149,630</u>                                   | <u>-</u>                                  | <u>12,923</u>    |
| <b>Disbursements:</b>  |                   |                                  |  |  |   |                  |
| <b>Current:</b>  |                   |                                  |  |  |   |                  |
| Instruction  | 1,131,430         | 114,046                          | 7,472  | 48,596   | -   | -                |
| Support services   | 639,198           | 5,180                            | 4,566  | 99,135   | 47,974                                    | 5,868            |
| Noninstructional services  | 78,467            | -                                | 5  | -  | -   | -                |
| Facilities acquisition and construction  | -                 | -                                | -  | -  | -   | -                |
| Debt services  | -                 | -                                | -  | -  | -   | -                |
| Nonprogrammed charges  | -                 | -                                | 389  | -  | -   | 924              |
| <b>Total disbursements</b>   | <u>1,849,095</u>  | <u>119,226</u>                   | <u>12,432</u>                                    | <u>147,731</u>                                   | <u>47,974</u>                             | <u>6,792</u>     |
| <b>Excess (deficiency) of receipts over disbursements</b>  | <u>(97,614)</u>   | <u>21,148</u>                    | <u>(12,432)</u>                                  | <u>1,899</u>                                     | <u>(47,974)</u>                           | <u>6,131</u>     |
| <b>Other financing sources (uses):</b>   |                   |                                  |  |  |   |                  |
| Transfers in   | 349,866           | 1,229                            | -  | -  | 48,100                                    | 49,640           |
| Transfers out  | -                 | -                                | -  | -  | -   | -                |
| <b>Total other financing sources (uses)</b>  | <u>349,866</u>    | <u>1,229</u>                     | <u>-</u>   | <u>-</u>   | <u>48,100</u>                             | <u>49,640</u>    |
| <b>Excess (deficiency) of receipts and other financing sources over disbursements and other financing uses</b> | <u>252,252</u>    | <u>22,377</u>                    | <u>(12,432)</u>                                  | <u>1,899</u>                                     | <u>126</u>                                | <u>55,771</u>    |
| <b>Cash and investments - beginning</b>  | <u>-</u>          | <u>-</u>                         | <u>12,432</u>                                    | <u>84,370</u>                                    | <u>(62)</u>                               | <u>(55,770)</u>  |
| <b>Cash and investments - ending</b>   | <u>\$ 252,252</u> | <u>\$ 22,377</u>                 | <u>\$ -</u>                                      | <u>\$ 86,269</u>                                 | <u>\$ 64</u>                              | <u>\$ 1</u>      |
| <b>Cash and Investment Assets - Ending</b>   |                   |                                  |  |  |   |                  |
| Cash and investments   | \$ 252,252        | \$ 22,377                        | \$ -   | \$ 86,269  | \$ 64                                     | \$ 1             |
| Restricted assets:   |                   |                                  |  |  |   |                  |
| Cash and investments   | -                 | -                                | -  | -  | -   | -                |
| <b>Total cash and investment assets - ending</b>   | <u>\$ 252,252</u> | <u>\$ 22,377</u>                 | <u>\$ -</u>                                      | <u>\$ 86,269</u>                                 | <u>\$ 64</u>                              | <u>\$ 1</u>      |
| <b>Cash and Investment Fund Balance - Ending</b>   |                   |                                  |  |  |   |                  |
| Restricted for:  |                   |                                  |  |  |   |                  |
| Debt service   | \$ -              | \$ -                             | \$ -   | \$ -   | \$ -                                      | \$ -             |
| Unrestricted   | <u>252,252</u>    | <u>22,377</u>                    | <u>-</u>   | <u>86,269</u>                                    | <u>64</u>                                 | <u>1</u>         |
| <b>Total cash and investment fund balance - ending</b>   | <u>\$ 252,252</u> | <u>\$ 22,377</u>                 | <u>\$ -</u>                                      | <u>\$ 86,269</u>                                 | <u>\$ 64</u>                              | <u>\$ 1</u>      |

KOKOMO-CENTER TOWNSHIP CONSOLIDATED 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)

|  | McKinney<br>Vento<br>Homeless 08-09 | Special Ed<br>Part B<br>Pass Through<br>08-09 | Special Ed<br>Part B<br>Carryover<br>08-09 | Special Ed<br>Part B<br>Pass Through<br>07-08 | Special Ed<br>Carry-Over<br>07-08 | Preschool<br>Carryover<br>08-09 |
|--|-------------------------------------|---|--|---|-----------------------------------|---------------------------------|
| <b>Receipts:</b>   |                                     |   |  |   |                                   |                                 |
| Local sources  | \$ -                                | \$ -  | \$ -                                       | \$ -  | \$ -                              | \$ -                            |
| State sources  | -                                   | -   | -  | -   | -                                 | -                               |
| Federal sources  | 7,500                               | 1,908,513                                     | 1,530,701                                  | 664,131                                       | 515,573                           | 144,035                         |
| Temporary loans  | -                                   | -   | -  | -   | -                                 | -                               |
| Other  | -                                   | -   | -  | -   | -                                 | -                               |
| <b>Total receipts</b>  | <u>7,500</u>                        | <u>1,908,513</u>                              | <u>1,530,701</u>                           | <u>664,131</u>                                | <u>515,573</u>                    | <u>144,035</u>                  |
| <b>Disbursements:</b>  |                                     |   |  |   |                                   |                                 |
| <b>Current:</b>  |                                     |   |  |   |                                   |                                 |
| Instruction  | -                                   | 1,142,595                                     | 900,193                                    | 381,840                                       | 287,547                           | 78,321                          |
| Support services   | -                                   | 717,247                                       | 504,235                                    | 232,784                                       | 210,601                           | 70,705                          |
| Noninstructional services  | -                                   | -   | -  | -   | -                                 | -                               |
| Facilities acquisition and construction  | -                                   | -   | -  | -   | -                                 | -                               |
| Debt services  | -                                   | -   | -  | -   | -                                 | -                               |
| Nonprogrammed charges  | -                                   | -   | -  | 33,487  | 31,237                            | -                               |
| <b>Total disbursements</b>   | <u>-</u>                            | <u>1,859,842</u>                              | <u>1,404,428</u>                           | <u>648,111</u>                                | <u>529,385</u>                    | <u>149,026</u>                  |
| <b>Excess (deficiency) of receipts over disbursements</b>  | <u>7,500</u>                        | <u>48,671</u>                                 | <u>126,273</u>                             | <u>16,020</u>                                 | <u>(13,812)</u>                   | <u>(4,991)</u>                  |
| <b>Other financing sources (uses):</b>   |                                     |   |  |   |                                   |                                 |
| Transfers in   | -                                   | -   | 45,400                                     | -   | -                                 | -                               |
| Transfers out  | -                                   | -   | -  | (45,400)                                      | -                                 | -                               |
| <b>Total other financing sources (uses)</b>  | <u>-</u>                            | <u>-</u>                                      | <u>45,400</u>                              | <u>(45,400)</u>                               | <u>-</u>                          | <u>-</u>                        |
| <b>Excess (deficiency) of receipts and other financing sources over disbursements and other financing uses</b> | <u>7,500</u>                        | <u>48,671</u>                                 | <u>171,673</u>                             | <u>(29,380)</u>                               | <u>(13,812)</u>                   | <u>(4,991)</u>                  |
| Cash and investments - beginning   | -                                   | -   | -  | 29,380  | 13,811                            | -                               |
| <b>Cash and investments - ending</b>   | <u>\$ 7,500</u>                     | <u>\$ 48,671</u>                              | <u>\$ 171,673</u>                          | <u>\$ -</u>                                   | <u>\$ (1)</u>                     | <u>\$ (4,991)</u>               |
| <b>Cash and Investment Assets - Ending</b>   |                                     |   |  |   |                                   |                                 |
| Cash and investments   | \$ 7,500                            | \$ 48,671                                     | \$ 171,673                                 | \$ -  | \$ (1)                            | \$ (4,991)                      |
| Restricted assets:   |                                     |   |  |   |                                   |                                 |
| Cash and investments   | -                                   | -   | -  | -   | -                                 | -                               |
| <b>Total cash and investment assets - ending</b>   | <u>\$ 7,500</u>                     | <u>\$ 48,671</u>                              | <u>\$ 171,673</u>                          | <u>\$ -</u>                                   | <u>\$ (1)</u>                     | <u>\$ (4,991)</u>               |
| <b>Cash and Investment Fund Balance - Ending</b>   |                                     |   |  |   |                                   |                                 |
| <b>Restricted for:</b>   |                                     |   |  |   |                                   |                                 |
| Debt service   | \$ -                                | \$ -  | \$ -                                       | \$ -  | \$ -                              | \$ -                            |
| Unrestricted   | <u>7,500</u>                        | <u>48,671</u>                                 | <u>171,673</u>                             | <u>-</u>                                      | <u>(1)</u>                        | <u>(4,991)</u>                  |
| <b>Total cash and investment fund balance - ending</b>   | <u>\$ 7,500</u>                     | <u>\$ 48,671</u>                              | <u>\$ 171,673</u>                          | <u>\$ -</u>                                   | <u>\$ (1)</u>                     | <u>\$ (4,991)</u>               |

KOKOMO-CENTER TOWNSHIP CONSOLIDATED 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)

|   | Preschool<br>08 | Preschool<br>07-08 | Adult<br>Education<br>08 | Adult<br>Education<br>07-08 | Safe &<br>Drug Free<br>Schools<br>06-08 | Safe &<br>Drug Free<br>Schools<br>07-09 |
|---|-----------------|--------------------|--------------------------|-----------------------------|---|---|
| <b>Receipts:</b>  |                 |                    |                          |                             |   |   |
| Local sources   | \$ -            | \$ -               | \$ -                     | \$ -                        | \$ -                                    | \$ -                                    |
| State sources   | -               | -                  | -                        | -                           | -                                       | -                                       |
| Federal sources   | 16,668          | -                  | 75,983                   | -                           | -                                       | 38,466                                  |
| Temporary loans   | -               | -                  | -                        | -                           | -                                       | -                                       |
| Other   | -               | -                  | -                        | -                           | -                                       | -                                       |
| <b>Total receipts</b>   | <b>16,668</b>   | <b>-</b>           | <b>75,983</b>            | <b>-</b>                    | <b>-</b>                                | <b>38,466</b>                           |
| <b>Disbursements:</b>   |                 |                    |                          |                             |   |   |
| <b>Current:</b>   |                 |                    |                          |                             |   |   |
| Instruction   | 8,997           | 19,650             | 21,869                   | 4,677                       | -                                       | -                                       |
| Support services  | 7,424           | 10,030             | 46,400                   | 1,651                       | 23,286                                  | 52,670                                  |
| Noninstructional services   | -               | -                  | -                        | -                           | -                                       | -                                       |
| Facilities acquisition and construction   | -               | -                  | -                        | -                           | -                                       | -                                       |
| Debt services   | -               | -                  | -                        | -                           | -                                       | -                                       |
| Nonprogrammed charges   | 246             | 2,966              | -                        | -                           | 793                                     | -                                       |
| <b>Total disbursements</b>  | <b>16,667</b>   | <b>32,646</b>      | <b>68,269</b>            | <b>6,328</b>                | <b>24,079</b>                           | <b>52,670</b>                           |
| Excess (deficiency) of receipts over disbursements  | 1               | (32,646)           | 7,714                    | (6,328)                     | (24,079)                                | (14,204)                                |
| <b>Other financing sources (uses):</b>  |                 |                    |                          |                             |   |   |
| Transfers in  | -               | -                  | -                        | -                           | 15,000                                  | 14,603                                  |
| Transfers out   | -               | -                  | -                        | -                           | -                                       | -                                       |
| <b>Total other financing sources (uses)</b>   | <b>-</b>        | <b>-</b>           | <b>-</b>                 | <b>-</b>                    | <b>15,000</b>                           | <b>14,603</b>                           |
| Excess (deficiency) of receipts and other financing sources over disbursements and other financing uses | 1               | (32,646)           | 7,714                    | (6,328)                     | (9,079)                                 | 399                                     |
| Cash and investments - beginning  | -               | 32,646             | -                        | 6,328                       | 9,079                                   | -                                       |
| <b>Cash and investments - ending</b>  | <b>\$ 1</b>     | <b>\$ -</b>        | <b>\$ 7,714</b>          | <b>\$ -</b>                 | <b>\$ -</b>                             | <b>\$ 399</b>                           |
| <b>Cash and Investment Assets - Ending</b>  |                 |                    |                          |                             |   |   |
| Cash and investments  | \$ 1            | \$ -               | \$ 7,714                 | \$ -                        | \$ -                                    | \$ 399                                  |
| Restricted assets:  |                 |                    |                          |                             |   |   |
| Cash and investments  | -               | -                  | -                        | -                           | -                                       | -                                       |
| <b>Total cash and investment assets - ending</b>  | <b>\$ 1</b>     | <b>\$ -</b>        | <b>\$ 7,714</b>          | <b>\$ -</b>                 | <b>\$ -</b>                             | <b>\$ 399</b>                           |
| <b>Cash and Investment Fund Balance - Ending</b>  |                 |                    |                          |                             |   |   |
| Restricted for:   |                 |                    |                          |                             |   |   |
| Debt service  | \$ -            | \$ -               | \$ -                     | \$ -                        | \$ -                                    | \$ -                                    |
| Unrestricted  | 1               | -                  | 7,714                    | -                           | -                                       | 399                                     |
| <b>Total cash and investment fund balance - ending</b>  | <b>\$ 1</b>     | <b>\$ -</b>        | <b>\$ 7,714</b>          | <b>\$ -</b>                 | <b>\$ -</b>                             | <b>\$ 399</b>                           |

KOKOMO-CENTER TOWNSHIP CONSOLIDATED 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)

|   | Safe &<br>Drug Free<br>Schools<br>09-10 | Carl Perkins<br>Grant<br>08-09 | DWD<br>Technokats<br>CPR-7-05 | DWD<br>Technokats<br>08-09 | Wired<br>Entrepreneurship<br>Grant | Wired<br>Initiative<br>Grant |
|---|---|--------------------------------|-------------------------------|----------------------------|------------------------------------|------------------------------|
| <b>Receipts:</b>  |   |                                |                               |                            |                                    |                              |
| Local sources   | \$ -                                    | \$ 199                         | \$ -                          | \$ -                       | \$ -                               | \$ 150                       |
| State sources   | -                                       | -                              | -                             | -                          | -                                  | -                            |
| Federal sources   | 6,644                                   | 215,114                        | 7,500                         | 7,500                      | 18,719                             | 14,990                       |
| Temporary loans   | -                                       | -                              | -                             | -                          | -                                  | -                            |
| Other   | -                                       | -                              | -                             | -                          | -                                  | -                            |
| <b>Total receipts</b>   | <b>6,644</b>                            | <b>215,313</b>                 | <b>7,500</b>                  | <b>7,500</b>               | <b>18,719</b>                      | <b>15,140</b>                |
| <b>Disbursements:</b>   |   |                                |                               |                            |                                    |                              |
| <b>Current:</b>   |   |                                |                               |                            |                                    |                              |
| Instruction   | -                                       | 213,065                        | 7,500                         | 7,500                      | 17,923                             | 15,140                       |
| Support services  | 6,462                                   | -                              | -                             | -                          | -                                  | -                            |
| Noninstructional services   | -                                       | -                              | -                             | -                          | -                                  | -                            |
| Facilities acquisition and construction   | -                                       | -                              | -                             | -                          | -                                  | -                            |
| Debt services   | -                                       | -                              | -                             | -                          | -                                  | -                            |
| Nonprogrammed charges   | -                                       | -                              | -                             | -                          | -                                  | -                            |
| <b>Total disbursements</b>  | <b>6,462</b>                            | <b>213,065</b>                 | <b>7,500</b>                  | <b>7,500</b>               | <b>17,923</b>                      | <b>15,140</b>                |
| Excess (deficiency) of receipts over disbursements  | 182                                     | 2,248                          | -                             | -                          | 796                                | -                            |
| <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 | 182                                     | 2,248                          | -                             | -                          | 796                                | -                            |
| Cash and investments - beginning  | -                                       | -                              | -                             | -                          | (796)                              | -                            |
| <b>Cash and investments - ending</b>  | <b>\$ 182</b>                           | <b>\$ 2,248</b>                | <b>\$ -</b>                   | <b>\$ -</b>                | <b>\$ -</b>                        | <b>\$ -</b>                  |
| <b>Cash and Investment Assets - Ending</b>  |   |                                |                               |                            |                                    |                              |
| Cash and investments  | \$ 182                                  | \$ 2,248                       | \$ -                          | \$ -                       | \$ -                               | \$ -                         |
| Restricted assets:  |   |                                |                               |                            |                                    |                              |
| Cash and investments  | -                                       | -                              | -                             | -                          | -                                  | -                            |
| <b>Total cash and investment assets - ending</b>  | <b>\$ 182</b>                           | <b>\$ 2,248</b>                | <b>\$ -</b>                   | <b>\$ -</b>                | <b>\$ -</b>                        | <b>\$ -</b>                  |
| <b>Cash and Investment Fund Balance - Ending</b>  |   |                                |                               |                            |                                    |                              |
| Restricted for:   |   |                                |                               |                            |                                    |                              |
| Debt service  | \$ -                                    | \$ -                           | \$ -                          | \$ -                       | \$ -                               | \$ -                         |
| Unrestricted  | 182                                     | 2,248                          | -                             | -                          | -                                  | -                            |
| <b>Total cash and investment fund balance - ending</b>  | <b>\$ 182</b>                           | <b>\$ 2,248</b>                | <b>\$ -</b>                   | <b>\$ -</b>                | <b>\$ -</b>                        | <b>\$ -</b>                  |

KOKOMO-CENTER TOWNSHIP CONSOLIDATED 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)

|   | Carl Perkins<br>Grant<br>07-08 | Moving<br>Forward Grant<br>08 | DWD<br>Grant<br>CPS-6-95 | Title IIA<br>Improving<br>Teacher Quality<br>06-08 | Title IIA<br>Improving<br>Teacher Quality<br>07-09 | Title IIA<br>Improving<br>Teacher Quality<br>08-10 |
|---|--------------------------------|-------------------------------|--------------------------|--|--|--|
| <b>Receipts:</b>  |                                |                               |                          |  |  |  |
| Local sources   | \$ 22                          | \$ 150                        | \$ -                     | \$ -   | \$ 398   | \$ -   |
| State sources   | -                              | -                             | -                        | -  | -  | -  |
| Federal sources   | 57,872                         | 75,000                        | 4,600                    | 42,197   | 230,000  | 155,638  |
| Temporary loans   | -                              | -                             | -                        | -  | -  | -  |
| Other   | -                              | -                             | -                        | -  | -  | -  |
| <b>Total receipts</b>   | <b>57,894</b>                  | <b>75,150</b>                 | <b>4,600</b>             | <b>42,197</b>                                      | <b>230,398</b>                                     | <b>155,638</b>                                     |
| <b>Disbursements:</b>   |                                |                               |                          |  |  |  |
| <b>Current:</b>   |                                |                               |                          |  |  |  |
| Instruction   | 68,903                         | 40,790                        | 1,864                    | -  | 181,503  | 136,776  |
| Support services  | 504                            | -                             | -                        | 17,593   | 68,338   | -  |
| Noninstructional services   | -                              | -                             | -                        | -  | -  | -  |
| Facilities acquisition and construction   | -                              | -                             | -                        | -  | -  | -  |
| Debt services   | -                              | -                             | -                        | -  | -  | -  |
| Nonprogrammed charges   | -                              | -                             | -                        | 1,477  | -  | -  |
| <b>Total disbursements</b>  | <b>69,407</b>                  | <b>40,790</b>                 | <b>1,864</b>             | <b>19,070</b>                                      | <b>249,841</b>                                     | <b>136,776</b>                                     |
| Excess (deficiency) of receipts over disbursements  | (11,513)                       | 34,360                        | 2,736                    | 23,127   | (19,443)   | 18,862   |
| <b>Other financing sources (uses):</b>  |                                |                               |                          |  |  |  |
| Transfers in  | -                              | -                             | -                        | -  | -  | -  |
| Transfers out   | -                              | -                             | -                        | (64,639)   | (62,703)   | -  |
| <b>Total other financing sources (uses)</b>   | <b>-</b>                       | <b>-</b>                      | <b>-</b>                 | <b>(64,639)</b>                                    | <b>(62,703)</b>                                    | <b>-</b>   |
| Excess (deficiency) of receipts and other financing sources over disbursements and other financing uses | (11,513)                       | 34,360                        | 2,736                    | (41,512)   | (82,146)   | 18,862   |
| Cash and investments - beginning  | 11,513                         | (34,360)                      | (2,736)                  | 41,512   | 82,441   | -  |
| Cash and investments - ending   | \$ -                           | \$ -                          | \$ -                     | \$ -   | \$ 295   | \$ 18,862  |
| <b>Cash and Investment Assets - Ending</b>  |                                |                               |                          |  |  |  |
| Cash and investments  | \$ -                           | \$ -                          | \$ -                     | \$ -   | \$ 295   | \$ 18,862  |
| Restricted assets:  |                                |                               |                          |  |  |  |
| Cash and investments  | -                              | -                             | -                        | -  | -  | -  |
| <b>Total cash and investment assets - ending</b>  | <b>\$ -</b>                    | <b>\$ -</b>                   | <b>\$ -</b>              | <b>\$ -</b>  | <b>\$ 295</b>                                      | <b>\$ 18,862</b>                                   |
| <b>Cash and Investment Fund Balance - Ending</b>  |                                |                               |                          |  |  |  |
| Restricted for:   |                                |                               |                          |  |  |  |
| Debt service  | \$ -                           | \$ -                          | \$ -                     | \$ -   | \$ -   | \$ -   |
| Unrestricted  | -                              | -                             | -                        | -  | 295  | 18,862   |
| <b>Total cash and investment fund balance - ending</b>  | <b>\$ -</b>                    | <b>\$ -</b>                   | <b>\$ -</b>              | <b>\$ -</b>  | <b>\$ 295</b>                                      | <b>\$ 18,862</b>                                   |

KOKOMO-CENTER TOWNSHIP CONSOLIDATED 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 III<br>English<br>Proficiency | Title III<br>English<br>Proficiency | Headstart<br>08 | Headstart<br>2009 | Title I<br>07-08 |
|---|-------------------------------------|-------------------------------------|-----------------|-------------------|------------------|
| <b>Receipts:</b>  |                                     |                                     |                 |                   |                  |
| Local sources   | \$ -                                | \$ -                                | \$ 1,106        | \$ 510            | \$ -             |
| State sources   | -                                   | -                                   | -               | -                 | -                |
| Federal sources   | -                                   | 12,000                              | 1,110,119       | 858,873           | 330,000          |
| Temporary loans   | -                                   | -                                   | -               | -                 | -                |
| Other   | -                                   | -                                   | -               | -                 | -                |
|   | <hr/>                               | <hr/>                               | <hr/>           | <hr/>             | <hr/>            |
| Total receipts  | -                                   | 12,000                              | 1,111,225       | 859,383           | 330,000          |
| <b>Disbursements:</b>   |                                     |                                     |                 |                   |                  |
| <b>Current:</b>   |                                     |                                     |                 |                   |                  |
| Instruction   | 6,399                               | 11,527                              | 711,208         | 546,561           | 445,500          |
| Support services  | -                                   | -                                   | 333,847         | 200,941           | 98,721           |
| Noninstructional services   | -                                   | -                                   | 3,175           | 2,204             | 3,993            |
| Facilities acquisition and construction   | -                                   | -                                   | -               | -                 | -                |
| Debt services   | -                                   | -                                   | -               | -                 | -                |
| Nonprogrammed charges   | -                                   | -                                   | -               | -                 | 30,258           |
|   | <hr/>                               | <hr/>                               | <hr/>           | <hr/>             | <hr/>            |
| Total disbursements   | 6,399                               | 11,527                              | 1,048,230       | 749,706           | 578,472          |
| Excess (deficiency) of receipts over disbursements  | <hr/>                               | <hr/>                               | <hr/>           | <hr/>             | <hr/>            |
|   | (6,399)                             | 473                                 | 62,995          | 109,677           | (248,472)        |
| <b>Other financing sources (uses):</b>  |                                     |                                     |                 |                   |                  |
| Transfers in  | -                                   | -                                   | -               | -                 | -                |
| Transfers out   | -                                   | -                                   | -               | -                 | (357,117)        |
|   | <hr/>                               | <hr/>                               | <hr/>           | <hr/>             | <hr/>            |
| Total other financing sources (uses)  | -                                   | -                                   | -               | -                 | (357,117)        |
| Excess (deficiency) of receipts and other financing sources over disbursements and other financing uses | <hr/>                               | <hr/>                               | <hr/>           | <hr/>             | <hr/>            |
|   | (6,399)                             | 473                                 | 62,995          | 109,677           | (605,589)        |
| Cash and investments - beginning  | <hr/>                               | <hr/>                               | <hr/>           | <hr/>             | <hr/>            |
|   | 6,399                               | -                                   | (62,995)        | -                 | 605,589          |
| Cash and investments - ending   | <hr/>                               | <hr/>                               | <hr/>           | <hr/>             | <hr/>            |
|   | \$ -                                | \$ 473                              | \$ -            | \$ 109,677        | \$ -             |
| <b>Cash and Investment Assets - Ending</b>  |                                     |                                     |                 |                   |                  |
| Cash and investments  | \$ -                                | \$ 473                              | \$ -            | \$ 109,677        | \$ -             |
| Restricted assets:  |                                     |                                     |                 |                   |                  |
| Cash and investments  | -                                   | -                                   | -               | -                 | -                |
|   | <hr/>                               | <hr/>                               | <hr/>           | <hr/>             | <hr/>            |
| Total cash and investment assets - ending   | \$ -                                | \$ 473                              | \$ -            | \$ 109,677        | \$ -             |
| <b>Cash and Investment Fund Balance - Ending</b>  |                                     |                                     |                 |                   |                  |
| Restricted for:   |                                     |                                     |                 |                   |                  |
| Debt service  | \$ -                                | \$ -                                | \$ -            | \$ -              | \$ -             |
| Unrestricted  | -                                   | 473                                 | -               | 109,677           | -                |
|   | <hr/>                               | <hr/>                               | <hr/>           | <hr/>             | <hr/>            |
| Total cash and investment fund balance - ending   | \$ -                                | \$ 473                              | \$ -            | \$ 109,677        | \$ -             |

KOKOMO-CENTER TOWNSHIP CONSOLIDATED 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<br>Kinsey Grant<br>07-08 | Retirement Bond<br>Debt Service<br>Fund | Transportation<br>Bus<br>Replacement | KACC/KHS<br>Building<br>Additional<br>Construction | Totals              |
|---|----------------------------------|---|--------------------------------------|--|---------------------|
| <b>Receipts:</b>  |                                  |   |                                      |  |                     |
| Local sources   | \$ -                             | \$ 429,425                              | \$ 549,978                           | \$ 60,459  | \$ 5,248,261        |
| State sources   | -                                | -                                       | -                                    | -  | 1,170,935           |
| Federal sources   | -                                | -                                       | -                                    | -  | 12,075,782          |
| Temporary loans   | -                                | -                                       | -                                    | -  | 996,400             |
| Other   | -                                | -                                       | -                                    | -  | 2,826               |
| <b>Total receipts</b>   | <b>-</b>                         | <b>429,425</b>                          | <b>549,978</b>                       | <b>60,459</b>                                      | <b>19,494,204</b>   |
| <b>Disbursements:</b>   |                                  |   |                                      |  |                     |
| <b>Current:</b>   |                                  |   |                                      |  |                     |
| Instruction   | 16,915                           | -                                       | -                                    | -  | 7,260,598           |
| Support services  | 1,060                            | -                                       | 471,438                              | -  | 7,779,570           |
| Noninstructional services   | -                                | -                                       | -                                    | -  | 2,974,307           |
| Facilities acquisition and construction   | -                                | -                                       | -                                    | 1,702,577  | 1,702,577           |
| Debt services   | -                                | 212,415                                 | -                                    | -  | 1,205,415           |
| Nonprogrammed charges   | 716                              | -                                       | -                                    | -  | 102,493             |
| <b>Total disbursements</b>  | <b>18,691</b>                    | <b>212,415</b>                          | <b>471,438</b>                       | <b>1,702,577</b>                                   | <b>21,024,960</b>   |
| Excess (deficiency) of receipts over disbursements  | (18,691)                         | 217,010                                 | 78,540                               | (1,642,118)  | (1,530,756)         |
| <b>Other financing sources (uses):</b>  |                                  |   |                                      |  |                     |
| Transfers in  | -                                | -                                       | -                                    | -  | 560,620             |
| Transfers out   | (1,229)                          | -                                       | -                                    | -  | (531,088)           |
| <b>Total other financing sources (uses)</b>   | <b>(1,229)</b>                   | <b>-</b>                                | <b>-</b>                             | <b>-</b>   | <b>29,532</b>       |
| Excess (deficiency) of receipts and other financing sources over disbursements and other financing uses | (19,920)                         | 217,010                                 | 78,540                               | (1,642,118)  | (1,501,224)         |
| Cash and investments - beginning  | 19,921                           | (47,714)                                | 123,606                              | 2,398,411  | 5,163,770           |
| Cash and investments - ending   | <u>\$ 1</u>                      | <u>\$ 169,296</u>                       | <u>\$ 202,146</u>                    | <u>\$ 756,293</u>                                  | <u>\$ 3,662,546</u> |
| <b>Cash and Investment Assets - Ending</b>  |                                  |   |                                      |  |                     |
| Cash and investments  | \$ 1                             | \$ -                                    | \$ 202,146                           | \$ 756,293   | \$ 3,493,250        |
| Restricted assets:  |                                  |   |                                      |  |                     |
| Cash and investments  | -                                | 169,296                                 | -                                    | -  | 169,296             |
| <b>Total cash and investment assets - ending</b>  | <u>\$ 1</u>                      | <u>\$ 169,296</u>                       | <u>\$ 202,146</u>                    | <u>\$ 756,293</u>                                  | <u>\$ 3,662,546</u> |
| <b>Cash and Investment Fund Balance - Ending</b>  |                                  |   |                                      |  |                     |
| Restricted for:   |                                  |   |                                      |  |                     |
| Debt service  | \$ -                             | \$ 169,296                              | \$ -                                 | \$ -   | \$ 169,296          |
| Unrestricted  | 1                                | -                                       | 202,146                              | 756,293  | 3,493,250           |
| <b>Total cash and investment fund balance - ending</b>  | <u>\$ 1</u>                      | <u>\$ 169,296</u>                       | <u>\$ 202,146</u>                    | <u>\$ 756,293</u>                                  | <u>\$ 3,662,546</u> |

KOKOMO-CENTER TOWNSHIP CONSOLIDATED 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<br>Operating | Special<br>Education<br>Preschool | School<br>Lunch<br>Fund | Textbook<br>Rental<br>Fund | Levy<br>Excess   | Joint<br>Services  |
|--|-----------------------------|-----------------------------------|-------------------------|----------------------------|------------------|--------------------|
| <b>Receipts:</b>   |                             |                                   |                         |                            |                  |                    |
| Local sources  | \$ 3,341,557                | \$ -                              | \$ 841,875              | \$ 251,618                 | \$ 93,573        | \$ -               |
| Intermediate sources   | -                           | -                                 | -                       | -                          | -                | -                  |
| State sources  | -                           | 169,125                           | 15,674                  | 268,364                    | -                | -                  |
| Federal sources  | -                           | -                                 | 2,159,758               | -                          | -                | -                  |
| Temporary loans  | 795,900                     | -                                 | -                       | -                          | -                | -                  |
| Other  | 4,849                       | -                                 | -                       | 24,965                     | -                | -                  |
| <b>Total receipts</b>  | <b>4,142,306</b>            | <b>169,125</b>                    | <b>3,017,307</b>        | <b>544,947</b>             | <b>93,573</b>    | <b>-</b>           |
| <b>Disbursements:</b>  |                             |                                   |                         |                            |                  |                    |
| <b>Current:</b>  |                             |                                   |                         |                            |                  |                    |
| Instruction  | -                           | 103,096                           | -                       | -                          | -                | 779                |
| Support services   | 2,350,123                   | 121,046                           | 2,694                   | 678,865                    | -                | 14,088             |
| Noninstructional services  | -                           | -                                 | 2,702,441               | -                          | -                | -                  |
| Facilities acquisition and construction  | -                           | -                                 | -                       | -                          | -                | -                  |
| Debt services  | 996,400                     | -                                 | -                       | -                          | -                | -                  |
| Nonprogrammed charges  | -                           | -                                 | 55,000                  | -                          | -                | -                  |
| <b>Total disbursements</b>   | <b>3,346,523</b>            | <b>224,142</b>                    | <b>2,760,135</b>        | <b>678,865</b>             | <b>-</b>         | <b>14,867</b>      |
| <b>Excess (deficiency) of receipts over disbursements</b>  | <b>795,783</b>              | <b>(55,017)</b>                   | <b>257,172</b>          | <b>(133,918)</b>           | <b>93,573</b>    | <b>(14,867)</b>    |
| <b>Other financing sources (uses):</b>   |                             |                                   |                         |                            |                  |                    |
| Transfers in   | 9,459                       | -                                 | -                       | 34,116                     | -                | -                  |
| Transfers out  | -                           | (180,490)                         | -                       | -                          | -                | -                  |
| <b>Total other financing sources (uses)</b>  | <b>9,459</b>                | <b>(180,490)</b>                  | <b>-</b>                | <b>34,116</b>              | <b>-</b>         | <b>-</b>           |
| <b>Excess (deficiency) of receipts and other financing sources over disbursements and other financing uses</b> | <b>805,242</b>              | <b>(235,507)</b>                  | <b>257,172</b>          | <b>(99,802)</b>            | <b>93,573</b>    | <b>(14,867)</b>    |
| <b>Cash and investments - beginning</b>  | <b>518,450</b>              | <b>235,507</b>                    | <b>261,237</b>          | <b>16,882</b>              | <b>-</b>         | <b>-</b>           |
| <b>Cash and investments - ending</b>   | <b>\$ 1,323,692</b>         | <b>\$ -</b>                       | <b>\$ 518,409</b>       | <b>\$ (82,920)</b>         | <b>\$ 93,573</b> | <b>\$ (14,867)</b> |
| <b>Cash and Investment Assets - Ending</b>   |                             |                                   |                         |                            |                  |                    |
| Cash and investments   | \$ 1,323,692                | \$ -                              | \$ 518,409              | \$ (82,920)                | \$ 93,573        | \$ (14,867)        |
| Restricted assets:   |                             |                                   |                         |                            |                  |                    |
| Cash and investments   | -                           | -                                 | -                       | -                          | -                | -                  |
| <b>Total cash and investment assets - ending</b>   | <b>\$ 1,323,692</b>         | <b>\$ -</b>                       | <b>\$ 518,409</b>       | <b>\$ (82,920)</b>         | <b>\$ 93,573</b> | <b>\$ (14,867)</b> |
| <b>Cash and Investment Fund Balance - Ending</b>   |                             |                                   |                         |                            |                  |                    |
| Restricted for:  |                             |                                   |                         |                            |                  |                    |
| Debt service   | \$ -                        | \$ -                              | \$ -                    | \$ -                       | \$ -             | \$ -               |
| Unrestricted   | 1,323,692                   | -                                 | 518,409                 | (82,920)                   | 93,573           | (14,867)           |
| <b>Total cash and investment fund balance - ending</b>   | <b>\$ 1,323,692</b>         | <b>\$ -</b>                       | <b>\$ 518,409</b>       | <b>\$ (82,920)</b>         | <b>\$ 93,573</b> | <b>\$ (14,867)</b> |

KOKOMO-CENTER TOWNSHIP CONSOLIDATED 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)

|  | Alternative<br>Education<br>Fund | Alternative<br>Education 08<br>Fund | Alternative<br>Education 09<br>Fund | Alternative<br>Education 10<br>Fund | Safe Haven<br>09-10<br>Fund | Ready Schools<br>Columbian 08-09<br>Fund |
|--|----------------------------------|-------------------------------------|-------------------------------------|-------------------------------------|-----------------------------|--|
| <b>Receipts:</b>   |                                  |                                     |                                     |                                     |                             |  |
| Local sources  | \$ -                             | \$ -                                | \$ -                                | \$ -                                | \$ -                        | \$ -                                     |
| Intermediate sources   | -                                | -                                   | -                                   | -                                   | -                           | -  |
| State sources  | -                                | -                                   | -                                   | 76,263                              | 12,000                      | -  |
| Federal sources  | -                                | -                                   | -                                   | -                                   | -                           | -  |
| Temporary loans  | -                                | -                                   | -                                   | -                                   | -                           | -  |
| Other  | -                                | -                                   | -                                   | -                                   | -                           | -  |
| <b>Total receipts</b>  | <u>-</u>                         | <u>-</u>                            | <u>-</u>                            | <u>76,263</u>                       | <u>12,000</u>               | <u>-</u>                                 |
| <b>Disbursements:</b>  |                                  |                                     |                                     |                                     |                             |  |
| <b>Current:</b>  |                                  |                                     |                                     |                                     |                             |  |
| Instruction  | 5,513                            | 298                                 | 70,810                              | 37,172                              | -                           | -  |
| Support services   | -                                | -                                   | -                                   | -                                   | 12,000                      | 113                                      |
| Noninstructional services  | -                                | -                                   | -                                   | -                                   | -                           | -  |
| Facilities acquisition and construction  | -                                | -                                   | -                                   | -                                   | -                           | -  |
| Debt services  | -                                | -                                   | -                                   | -                                   | -                           | -  |
| Nonprogrammed charges  | -                                | -                                   | -                                   | -                                   | -                           | -  |
| <b>Total disbursements</b>   | <u>5,513</u>                     | <u>298</u>                          | <u>70,810</u>                       | <u>37,172</u>                       | <u>12,000</u>               | <u>113</u>                               |
| <b>Excess (deficiency) of receipts over disbursements</b>  | <u>(5,513)</u>                   | <u>(298)</u>                        | <u>(70,810)</u>                     | <u>39,091</u>                       | <u>-</u>                    | <u>(113)</u>                             |
| <b>Other financing sources (uses):</b>   |                                  |                                     |                                     |                                     |                             |  |
| Transfers in   | -                                | -                                   | -                                   | -                                   | -                           | -  |
| Transfers out  | -                                | -                                   | -                                   | -                                   | -                           | -  |
| <b>Total other financing sources (uses)</b>  | <u>-</u>                         | <u>-</u>                            | <u>-</u>                            | <u>-</u>                            | <u>-</u>                    | <u>-</u>                                 |
| <b>Excess (deficiency) of receipts and other financing sources over disbursements and other financing uses</b> | <u>(5,513)</u>                   | <u>(298)</u>                        | <u>(70,810)</u>                     | <u>39,091</u>                       | <u>-</u>                    | <u>(113)</u>                             |
| <b>Cash and investments - beginning</b>  | <u>18,336</u>                    | <u>2,436</u>                        | <u>70,860</u>                       | <u>-</u>                            | <u>-</u>                    | <u>113</u>                               |
| <b>Cash and investments - ending</b>   | <u>\$ 12,823</u>                 | <u>\$ 2,138</u>                     | <u>\$ 50</u>                        | <u>\$ 39,091</u>                    | <u>\$ -</u>                 | <u>\$ -</u>                              |
| <b><u>Cash and Investment Assets - Ending</u></b>  |                                  |                                     |                                     |                                     |                             |  |
| Cash and investments   | \$ 12,823                        | \$ 2,138                            | \$ 50                               | \$ 39,091                           | \$ -                        | \$ -                                     |
| Restricted assets:   |                                  |                                     |                                     |                                     |                             |  |
| Cash and investments   | -                                | -                                   | -                                   | -                                   | -                           | -  |
| <b>Total cash and investment assets - ending</b>   | <u>\$ 12,823</u>                 | <u>\$ 2,138</u>                     | <u>\$ 50</u>                        | <u>\$ 39,091</u>                    | <u>\$ -</u>                 | <u>\$ -</u>                              |
| <b><u>Cash and Investment Fund Balance - Ending</u></b>  |                                  |                                     |                                     |                                     |                             |  |
| Restricted for:  |                                  |                                     |                                     |                                     |                             |  |
| Debt service   | \$ -                             | \$ -                                | \$ -                                | \$ -                                | \$ -                        | \$ -                                     |
| Unrestricted   | <u>12,823</u>                    | <u>2,138</u>                        | <u>50</u>                           | <u>39,091</u>                       | <u>-</u>                    | <u>-</u>                                 |
| <b>Total cash and investment fund balance - ending</b>   | <u>\$ 12,823</u>                 | <u>\$ 2,138</u>                     | <u>\$ 50</u>                        | <u>\$ 39,091</u>                    | <u>\$ -</u>                 | <u>\$ -</u>                              |

KOKOMO-CENTER TOWNSHIP CONSOLIDATED 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)

|  | Early Intervention<br>08-09<br>Fund | Early Intervention<br>09-10<br>Fund | Ready Schools<br>Wallace 09-10<br>Fund | Reading<br>Recovery 08<br>Fund | Safe & Drug Free<br>National<br>Conference<br>Fund | High Ability<br>Gifted and<br>Talented<br>Fund |
|--|-------------------------------------|-------------------------------------|--|--------------------------------|--|--|
| <b>Receipts:</b>   |                                     |                                     |  |                                |  |  |
| Local sources  | \$ -                                | \$ 6,268                            | \$ -                                   | \$ -                           | \$ -   | \$ -   |
| Intermediate sources   | -                                   | -                                   | -                                      | -                              | -  | -  |
| State sources  | -                                   | 226,504                             | 11,640                                 | -                              | -  | -  |
| Federal sources  | -                                   | -                                   | -                                      | -                              | -  | -  |
| Temporary loans  | -                                   | -                                   | -                                      | -                              | -  | -  |
| Other  | -                                   | -                                   | -                                      | -                              | -  | -  |
| <b>Total receipts</b>  | <b>-</b>                            | <b>232,772</b>                      | <b>11,640</b>                          | <b>-</b>                       | <b>-</b>   | <b>-</b>                                       |
| <b>Disbursements:</b>  |                                     |                                     |  |                                |  |  |
| <b>Current:</b>  |                                     |                                     |  |                                |  |  |
| Instruction  | -                                   | 195,595                             | 4,072                                  | -                              | -  | 30,896   |
| Support services   | 2                                   | 22,430                              | 5,455                                  | 86                             | -  | -  |
| Noninstructional services  | -                                   | 14,747                              | -                                      | -                              | -  | -  |
| Facilities acquisition and construction  | -                                   | -                                   | -                                      | -                              | -  | -  |
| Debt services  | -                                   | -                                   | -                                      | -                              | -  | -  |
| Nonprogrammed charges  | -                                   | -                                   | -                                      | -                              | -  | -  |
| <b>Total disbursements</b>   | <b>2</b>                            | <b>232,772</b>                      | <b>9,527</b>                           | <b>86</b>                      | <b>-</b>   | <b>30,896</b>                                  |
| <b>Excess (deficiency) of receipts over disbursements</b>  | <b>(2)</b>                          | <b>-</b>                            | <b>2,113</b>                           | <b>(86)</b>                    | <b>-</b>   | <b>(30,896)</b>                                |
| <b>Other financing sources (uses):</b>   |                                     |                                     |  |                                |  |  |
| Transfers in   | -                                   | -                                   | -                                      | -                              | -  | -  |
| Transfers out  | -                                   | -                                   | -                                      | -                              | -  | -  |
| <b>Total other financing sources (uses)</b>  | <b>-</b>                            | <b>-</b>                            | <b>-</b>                               | <b>-</b>                       | <b>-</b>   | <b>-</b>                                       |
| <b>Excess (deficiency) of receipts and other financing sources over disbursements and other financing uses</b> | <b>(2)</b>                          | <b>-</b>                            | <b>2,113</b>                           | <b>(86)</b>                    | <b>-</b>   | <b>(30,896)</b>                                |
| <b>Cash and investments - beginning</b>  | <b>2</b>                            | <b>-</b>                            | <b>-</b>                               | <b>86</b>                      | <b>922</b>   | <b>30,896</b>                                  |
| <b>Cash and investments - ending</b>   | <b>\$ -</b>                         | <b>\$ -</b>                         | <b>\$ 2,113</b>                        | <b>\$ -</b>                    | <b>\$ 922</b>                                      | <b>\$ -</b>                                    |
| <b>Cash and Investment Assets - Ending</b>   |                                     |                                     |  |                                |  |  |
| Cash and investments   | \$ -                                | \$ -                                | \$ 2,113                               | \$ -                           | \$ 922   | \$ -   |
| <b>Restricted assets:</b>  |                                     |                                     |  |                                |  |  |
| Cash and investments   | -                                   | -                                   | -                                      | -                              | -  | -  |
| <b>Total cash and investment assets - ending</b>   | <b>\$ -</b>                         | <b>\$ -</b>                         | <b>\$ 2,113</b>                        | <b>\$ -</b>                    | <b>\$ 922</b>                                      | <b>\$ -</b>                                    |
| <b>Cash and Investment Fund Balance - Ending</b>   |                                     |                                     |  |                                |  |  |
| <b>Restricted for:</b>   |                                     |                                     |  |                                |  |  |
| Debt service   | \$ -                                | \$ -                                | \$ -                                   | \$ -                           | \$ -   | \$ -   |
| Unrestricted   | -                                   | -                                   | 2,113                                  | -                              | 922  | -  |
| <b>Total cash and investment fund balance - ending</b>   | <b>\$ -</b>                         | <b>\$ -</b>                         | <b>\$ 2,113</b>                        | <b>\$ -</b>                    | <b>\$ 922</b>                                      | <b>\$ -</b>                                    |

KOKOMO-CENTER TOWNSHIP CONSOLIDATED 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)

|   | High Ability<br>Gifted and<br>Talented<br>Fund | High Ability<br>Making a<br>Difference<br>Fund | Indiana<br>Heritage<br>Fund | Fresh Fruit<br>& Vegetable<br>Elwood Haynes<br>08-09 Grant Fund | Fresh Fruit<br>& Vegetable<br>Bon Air 09<br>Grant Fund | Fresh Fruit<br>& Vegetable<br>Elwood Haynes<br>09 Grant Fund |
|---|--|--|-----------------------------|---|--|--|
| <b>Receipts:</b>  |  |  |                             |   |  |  |
| Local sources   | \$ -   | \$ -   | \$ 5,608                    | \$ -  | \$ -   | \$ -   |
| Intermediate sources  | -  | -  | -                           | -   | -  | -  |
| State sources   | 54,676   | 10,950   | -                           | -   | -  | -  |
| Federal sources   | -  | -  | -                           | 2,241   | 7,140  | 5,558  |
| Temporary loans   | -  | -  | -                           | -   | -  | -  |
| Other   | -  | -  | -                           | -   | -  | -  |
| <b>Total receipts</b>   | <b>54,676</b>                                  | <b>10,950</b>                                  | <b>5,608</b>                | <b>2,241</b>  | <b>7,140</b>   | <b>5,558</b>   |
| <b>Disbursements:</b>   |  |  |                             |   |  |  |
| <b>Current:</b>   |  |  |                             |   |  |  |
| Instruction   | 6,510  | -  | -                           | -   | -  | -  |
| Support services  | -  | -  | 6,894                       | 9   | -  | -  |
| Noninstructional services   | -  | -  | -                           | -   | 7,140  | 5,558  |
| Facilities acquisition and construction   | -  | -  | -                           | -   | -  | -  |
| Debt services   | -  | -  | -                           | -   | -  | -  |
| Nonprogrammed charges   | -  | -  | -                           | -   | -  | -  |
| <b>Total disbursements</b>  | <b>6,510</b>                                   | <b>-</b>                                       | <b>6,894</b>                | <b>9</b>  | <b>7,140</b>   | <b>5,558</b>   |
| Excess (deficiency) of receipts over disbursements  | 48,166   | 10,950   | (1,286)                     | 2,232   | -  | -  |
| <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 | 48,166   | 10,950   | (1,286)                     | 2,232   | -  | -  |
| Cash and investments - beginning  | -  | -  | 6,788                       | (2,232)   | -  | -  |
| <b>Cash and investments - ending</b>  | <b>\$ 48,166</b>                               | <b>\$ 10,950</b>                               | <b>\$ 5,502</b>             | <b>\$ -</b>   | <b>\$ -</b>  | <b>\$ -</b>  |
| <b>Cash and Investment Assets - Ending</b>  |  |  |                             |   |  |  |
| Cash and investments  | \$ 48,166                                      | \$ 10,950                                      | \$ 5,502                    | \$ -  | \$ -   | \$ -   |
| Restricted assets:  |  |  |                             |   |  |  |
| Cash and investments  | -  | -  | -                           | -   | -  | -  |
| <b>Total cash and investment assets - ending</b>  | <b>\$ 48,166</b>                               | <b>\$ 10,950</b>                               | <b>\$ 5,502</b>             | <b>\$ -</b>   | <b>\$ -</b>  | <b>\$ -</b>  |
| <b>Cash and Investment Fund Balance - Ending</b>  |  |  |                             |   |  |  |
| Restricted for:   |  |  |                             |   |  |  |
| Debt service  | \$ -   | \$ -   | \$ -                        | \$ -  | \$ -   | \$ -   |
| Unrestricted  | 48,166   | 10,950   | 5,502                       | -   | -  | -  |
| <b>Total cash and investment fund balance - ending</b>  | <b>\$ 48,166</b>                               | <b>\$ 10,950</b>                               | <b>\$ 5,502</b>             | <b>\$ -</b>   | <b>\$ -</b>  | <b>\$ -</b>  |

KOKOMO-CENTER TOWNSHIP CONSOLIDATED 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)

|   | Fresh Fruit<br>& Vegetable<br>Pettit Park 09<br>Grant Fund | Fresh Fruit<br>& Vegetable<br>Washington 09<br>Grant Fund | Fresh Fruit<br>& Vegetable<br>Bon Air 09-10<br>Grant Fund | Fresh Fruit<br>& Vegetable<br>Elwood Haynes<br>09-10 Grant Fund | Fresh Fruit<br>& Vegetable<br>Pettit Park 09-10<br>Grant Fund | Fresh Fruit<br>& Vegetable<br>Washington 09-10<br>Grant Fund |
|---|--|---|---|---|---|--|
| <b>Receipts:</b>  |  |   |   |   |   |  |
| Local sources   | \$ 97  | \$ -  | \$ -  | \$ -  | \$ 30   | \$ -   |
| Intermediate sources  | -  | -   | -   | -   | -   | -  |
| State sources   | -  | -   | -   | -   | -   | -  |
| Federal sources   | 4,929  | 3,061   | 23,274  | 23,972  | 18,424  | 12,566   |
| Temporary loans   | -  | -   | -   | -   | -   | -  |
| Other   | -  | -   | -   | -   | -   | -  |
| <b>Total receipts</b>   | <b>5,026</b>   | <b>3,061</b>  | <b>23,274</b>   | <b>23,972</b>   | <b>18,454</b>   | <b>12,566</b>  |
| <b>Disbursements:</b>   |  |   |   |   |   |  |
| <b>Current:</b>   |  |   |   |   |   |  |
| Instruction   | -  | -   | -   | -   | -   | -  |
| Support services  | -  | -   | -   | -   | -   | -  |
| Noninstructional services   | 5,026  | 3,061   | 26,137  | 27,098  | 20,376  | 14,385   |
| Facilities acquisition and construction   | -  | -   | -   | -   | -   | -  |
| Debt services   | -  | -   | -   | -   | -   | -  |
| Nonprogrammed charges   | -  | -   | -   | -   | -   | -  |
| <b>Total disbursements</b>  | <b>5,026</b>   | <b>3,061</b>  | <b>26,137</b>   | <b>27,098</b>   | <b>20,376</b>   | <b>14,385</b>  |
| Excess (deficiency) of receipts over disbursements  | -  | -   | (2,863)   | (3,126)   | (1,922)   | (1,819)  |
| <b>Other financing sources (uses):</b>  |  |   |   |   |   |  |
| Transfers in  | -  | -   | -   | -   | -   | -  |
| Transfers out   | -  | -   | -   | -   | -   | -  |
| <b>Total other financing sources (uses)</b>   | <b>-</b>   | <b>-</b>  | <b>-</b>  | <b>-</b>  | <b>-</b>  | <b>-</b>   |
| Excess (deficiency) of receipts and other financing sources over disbursements and other financing uses | -  | -   | (2,863)   | (3,126)   | (1,922)   | (1,819)  |
| Cash and investments - beginning  | -  | -   | -   | -   | -   | -  |
| Cash and investments - ending   | \$ -   | \$ -  | \$ (2,863)  | \$ (3,126)  | \$ (1,922)  | \$ (1,819)   |
| <b>Cash and Investment Assets - Ending</b>  |  |   |   |   |   |  |
| Cash and investments  | \$ -   | \$ -  | \$ (2,863)  | \$ (3,126)  | \$ (1,922)  | \$ (1,819)   |
| <b>Restricted assets:</b>   |  |   |   |   |   |  |
| Cash and investments  | -  | -   | -   | -   | -   | -  |
| <b>Total cash and investment assets - ending</b>  | <b>\$ -</b>  | <b>\$ -</b>   | <b>\$ (2,863)</b>   | <b>\$ (3,126)</b>   | <b>\$ (1,922)</b>   | <b>\$ (1,819)</b>  |
| <b>Cash and Investment Fund Balance - Ending</b>  |  |   |   |   |   |  |
| <b>Restricted for:</b>  |  |   |   |   |   |  |
| Debt service  | \$ -   | \$ -  | \$ -  | \$ -  | \$ -  | \$ -   |
| Unrestricted  | -  | -   | (2,863)   | (3,126)   | (1,922)   | (1,819)  |
| <b>Total cash and investment fund balance - ending</b>  | <b>\$ -</b>  | <b>\$ -</b>   | <b>\$ (2,863)</b>   | <b>\$ (3,126)</b>   | <b>\$ (1,922)</b>   | <b>\$ (1,819)</b>  |

KOKOMO-CENTER TOWNSHIP CONSOLIDATED 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)

|   | Fresh Fruit<br>& Vegetable<br>Darrough Chappel<br>08-09 Grant Fund | Non-English<br>Speaking<br>Program<br>08-09 | English<br>Proficiency<br>Program<br>Fund | School<br>Technology<br>Fund | Motorcycle<br>Education<br>Fund | Headstart<br>Body Start<br>Grant |
|---|--|---|---|------------------------------|---------------------------------|----------------------------------|
| Receipts:   |  |   |   |                              |                                 |                                  |
| Local sources   | \$ -   | \$ -  | \$ -                                      | \$ 348,120                   | \$ 7,900                        | \$ -                             |
| Intermediate sources  | -  | -   | -   | -                            | -                               | 5,000                            |
| State sources   | -  | -   | 15,482                                    | -                            | 24,525                          | -                                |
| Federal sources   | 1,902  | -   | -   | -                            | -                               | -                                |
| Temporary loans   | -  | -   | -   | -                            | -                               | -                                |
| Other   | -  | -   | -   | -                            | -                               | -                                |
| <b>Total receipts</b>   | <b>1,902</b>   | <b>-</b>                                    | <b>15,482</b>                             | <b>348,120</b>               | <b>32,425</b>                   | <b>5,000</b>                     |
| Disbursements:  |  |   |   |                              |                                 |                                  |
| Current:  |  |   |   |                              |                                 |                                  |
| Instruction   | -  | 1,507                                       | 9,908                                     | -                            | 25,564                          | -                                |
| Support services  | -  | -   | -   | 181,792                      | 100                             | -                                |
| Noninstructional services   | -  | -   | -   | -                            | -                               | -                                |
| Facilities acquisition and construction   | -  | -   | -   | -                            | -                               | 5,000                            |
| Debt services   | -  | -   | -   | -                            | -                               | -                                |
| Nonprogrammed charges   | -  | -   | -   | -                            | -                               | -                                |
| <b>Total disbursements</b>  | <b>-</b>   | <b>1,507</b>                                | <b>9,908</b>                              | <b>181,792</b>               | <b>25,664</b>                   | <b>5,000</b>                     |
| Excess (deficiency) of receipts over disbursements  | 1,902  | (1,507)                                     | 5,574                                     | 166,328                      | 6,761                           | -                                |
| Other financing sources (uses):   |  |   |   |                              |                                 |                                  |
| 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 | 1,902  | (1,507)                                     | 5,574                                     | 166,328                      | 6,761                           | -                                |
| Cash and investments - beginning  | (1,902)  | 1,507                                       | -   | 430,786                      | 151,695                         | -                                |
| Cash and investments - ending   | \$ -   | \$ -  | \$ 5,574                                  | \$ 597,114                   | \$ 158,456                      | \$ -                             |
| <b>Cash and Investment Assets - Ending</b>  |  |   |   |                              |                                 |                                  |
| Cash and investments  | \$ -   | \$ -  | \$ 5,574                                  | \$ 597,114                   | \$ 158,456                      | \$ -                             |
| Restricted assets:  |  |   |   |                              |                                 |                                  |
| Cash and investments  | -  | -   | -   | -                            | -                               | -                                |
| <b>Total cash and investment assets - ending</b>  | <b>\$ -</b>  | <b>\$ -</b>                                 | <b>\$ 5,574</b>                           | <b>\$ 597,114</b>            | <b>\$ 158,456</b>               | <b>\$ -</b>                      |
| <b>Cash and Investment Fund Balance - Ending</b>  |  |   |   |                              |                                 |                                  |
| Restricted for:   |  |   |   |                              |                                 |                                  |
| Debt service  | \$ -   | \$ -  | \$ -                                      | \$ -                         | \$ -                            | \$ -                             |
| Unrestricted  | -  | -   | 5,574                                     | 597,114                      | 158,456                         | -                                |
| <b>Total cash and investment fund balance - ending</b>  | <b>\$ -</b>  | <b>\$ -</b>                                 | <b>\$ 5,574</b>                           | <b>\$ 597,114</b>            | <b>\$ 158,456</b>               | <b>\$ -</b>                      |

KOKOMO-CENTER TOWNSHIP CONSOLIDATED 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)

|   | Criminal<br>Background<br>Check | Tongue Fu<br>Presentation<br>Fund | Asbestos<br>School<br>Litigation<br>Fund | Title I<br>08-09 | Title I<br>Kinsey Grant<br>08-09 | Title I<br>09-10 |
|---|---------------------------------|-----------------------------------|--|------------------|----------------------------------|------------------|
| <b>Receipts:</b>  |                                 |                                   |  |                  |                                  |                  |
| Local sources   | \$ 10,254                       | \$ 5,720                          | \$ -                                     | \$ -             | \$ -                             | \$ -             |
| Intermediate sources  | -                               | -                                 | -  | -                | -                                | -                |
| State sources   | -                               | -                                 | -  | -                | -                                | -                |
| Federal sources   | -                               | -                                 | -  | 670,000          | 10,000                           | 1,192,925        |
| Temporary loans   | -                               | -                                 | -  | -                | -                                | -                |
| Other   | -                               | -                                 | -  | -                | -                                | -                |
| <b>Total receipts</b>   | <b>10,254</b>                   | <b>5,720</b>                      | <b>-</b>                                 | <b>670,000</b>   | <b>10,000</b>                    | <b>1,192,925</b> |
| <b>Disbursements:</b>   |                                 |                                   |  |                  |                                  |                  |
| <b>Current:</b>   |                                 |                                   |  |                  |                                  |                  |
| Instruction   | -                               | -                                 | -  | 404,205          | 28,211                           | 921,240          |
| Support services  | 10,198                          | 3,972                             | -  | 200,841          | 776                              | 473,695          |
| Noninstructional services   | -                               | -                                 | -  | -                | -                                | 21,867           |
| Facilities acquisition and construction   | -                               | -                                 | -  | -                | -                                | -                |
| Debt services   | -                               | -                                 | -  | -                | -                                | -                |
| Nonprogrammed charges   | -                               | -                                 | -  | 38,539           | 1,510                            | -                |
| <b>Total disbursements</b>  | <b>10,198</b>                   | <b>3,972</b>                      | <b>-</b>                                 | <b>643,585</b>   | <b>30,497</b>                    | <b>1,416,802</b> |
| Excess (deficiency) of receipts over disbursements  | 56                              | 1,748                             | -  | 26,415           | (20,497)                         | (223,877)        |
| <b>Other financing sources (uses):</b>  |                                 |                                   |  |                  |                                  |                  |
| Transfers in  | -                               | -                                 | -  | -                | -                                | 269,208          |
| Transfers out   | -                               | -                                 | -  | (278,667)        | (1,879)                          | -                |
| <b>Total other financing sources (uses)</b>   | <b>-</b>                        | <b>-</b>                          | <b>-</b>                                 | <b>(278,667)</b> | <b>(1,879)</b>                   | <b>269,208</b>   |
| Excess (deficiency) of receipts and other financing sources over disbursements and other financing uses | 56                              | 1,748                             | -  | (252,252)        | (22,376)                         | 45,331           |
| Cash and investments - beginning  | -                               | -                                 | 68,776                                   | 252,252          | 22,376                           | -                |
| Cash and investments - ending   | \$ 56                           | \$ 1,748                          | \$ 68,776                                | \$ -             | \$ -                             | \$ 45,331        |
| <b>Cash and Investment Assets - Ending</b>  |                                 |                                   |  |                  |                                  |                  |
| Cash and investments  | \$ 56                           | \$ 1,748                          | \$ 68,776                                | \$ -             | \$ -                             | \$ 45,331        |
| Restricted assets:  |                                 |                                   |  |                  |                                  |                  |
| Cash and investments  | -                               | -                                 | -  | -                | -                                | -                |
| <b>Total cash and investment assets - ending</b>  | <b>\$ 56</b>                    | <b>\$ 1,748</b>                   | <b>\$ 68,776</b>                         | <b>\$ -</b>      | <b>\$ -</b>                      | <b>\$ 45,331</b> |
| <b>Cash and Investment Fund Balance - Ending</b>  |                                 |                                   |  |                  |                                  |                  |
| Restricted for:   |                                 |                                   |  |                  |                                  |                  |
| Debt service  | \$ -                            | \$ -                              | \$ -                                     | \$ -             | \$ -                             | \$ -             |
| Unrestricted  | 56                              | 1,748                             | 68,776                                   | -                | -                                | 45,331           |
| <b>Total cash and investment fund balance - ending</b>  | <b>\$ 56</b>                    | <b>\$ 1,748</b>                   | <b>\$ 68,776</b>                         | <b>\$ -</b>      | <b>\$ -</b>                      | <b>\$ 45,331</b> |

KOKOMO-CENTER TOWNSHIP CONSOLIDATED 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<br>Kinsey Grant<br>Fund | Title I Bon Air<br>School<br>Improvement<br>Fund | Title I<br>Academic<br>Improvement<br>Fund | Title I Sycamore<br>School<br>Improvement<br>Fund | Title V<br>Innovative<br>Program<br>07-09 | McKinney<br>Vento<br>Homeless 08-09 |
|---|---------------------------------|--|--|---|---|-------------------------------------|
| <b>Receipts:</b>  |                                 |  |  |   |   |                                     |
| Local sources   | \$ -                            | \$ -   | \$ -                                       | \$ -  | \$ -                                      | \$ -                                |
| Intermediate sources  | -                               | -  | -  | -   | -   | -                                   |
| State sources   | -                               | -  | -  | -   | -   | -                                   |
| Federal sources   | 193,202                         | -  | 19,295                                     | 25,000  | 17,496                                    | -                                   |
| Temporary loans   | -                               | -  | -  | -   | -   | -                                   |
| Other   | -                               | -  | -  | -   | -   | -                                   |
| <b>Total receipts</b>   | <b>193,202</b>                  | <b>-</b>   | <b>19,295</b>                              | <b>25,000</b>                                     | <b>17,496</b>                             | <b>-</b>                            |
| <b>Disbursements:</b>   |                                 |  |  |   |   |                                     |
| <b>Current:</b>   |                                 |  |  |   |   |                                     |
| Instruction   | 111,382                         | 48,048   | 17,270                                     | 4,717   | -   | -                                   |
| Support services  | 1,192                           | 38,221   | -  | 5,943   | 18,132                                    | 7,500                               |
| Noninstructional services   | -                               | -  | -  | 404   | -   | -                                   |
| Facilities acquisition and construction   | -                               | -  | -  | -   | -   | -                                   |
| Debt services   | -                               | -  | -  | -   | -   | -                                   |
| Nonprogrammed charges   | -                               | -  | -  | -   | 967                                       | -                                   |
| <b>Total disbursements</b>  | <b>112,574</b>                  | <b>86,269</b>                                    | <b>17,270</b>                              | <b>11,064</b>                                     | <b>19,099</b>                             | <b>7,500</b>                        |
| Excess (deficiency) of receipts over disbursements  | 80,628                          | (86,269)   | 2,025                                      | 13,936  | (1,603)                                   | (7,500)                             |
| <b>Other financing sources (uses):</b>  |                                 |  |  |   |   |                                     |
| Transfers in  | 1,879                           | -  | -  | -   | 1,539                                     | -                                   |
| Transfers out   | -                               | -  | -  | -   | -   | -                                   |
| <b>Total other financing sources (uses)</b>   | <b>1,879</b>                    | <b>-</b>   | <b>-</b>                                   | <b>-</b>  | <b>1,539</b>                              | <b>-</b>                            |
| Excess (deficiency) of receipts and other financing sources over disbursements and other financing uses | 82,507                          | (86,269)   | 2,025                                      | 13,936  | (64)                                      | (7,500)                             |
| Cash and investments - beginning  | -                               | 86,269   | -  | -   | 64  | 7,500                               |
| Cash and investments - ending   | \$ 82,507                       | \$ -   | \$ 2,025                                   | \$ 13,936   | \$ -                                      | \$ -                                |
| <b>Cash and Investment Assets - Ending</b>  |                                 |  |  |   |   |                                     |
| Cash and investments  | \$ 82,507                       | \$ -   | \$ 2,025                                   | \$ 13,936   | \$ -                                      | \$ -                                |
| Restricted assets:  |                                 |  |  |   |   |                                     |
| Cash and investments  | -                               | -  | -  | -   | -   | -                                   |
| <b>Total cash and investment assets - ending</b>  | <b>\$ 82,507</b>                | <b>\$ -</b>                                      | <b>\$ 2,025</b>                            | <b>\$ 13,936</b>                                  | <b>\$ -</b>                               | <b>\$ -</b>                         |
| <b>Cash and Investment Fund Balance - Ending</b>  |                                 |  |  |   |   |                                     |
| Restricted for:   |                                 |  |  |   |   |                                     |
| Debt service  | \$ -                            | \$ -   | \$ -                                       | \$ -  | \$ -                                      | \$ -                                |
| Unrestricted  | 82,507                          | -  | 2,025                                      | 13,936  | -   | -                                   |
| <b>Total cash and investment fund balance - ending</b>  | <b>\$ 82,507</b>                | <b>\$ -</b>                                      | <b>\$ 2,025</b>                            | <b>\$ 13,936</b>                                  | <b>\$ -</b>                               | <b>\$ -</b>                         |

KOKOMO-CENTER TOWNSHIP CONSOLIDATED 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<br>Part B<br>Pass Through<br>08-09 | Special Ed<br>Part B<br>Carryover<br>08-09 | Special Ed<br>Part B<br>Pass Through<br>09-10 | Special Ed<br>Carry-Over<br>09-10 | Preschool<br>Carryover<br>08-09 | Preschool<br>09-10 |
|---|---|--|---|-----------------------------------|---------------------------------|--------------------|
| <b>Receipts:</b>  |   |  |   |                                   |                                 |                    |
| Local sources   | \$ -  | \$ -                                       | \$ 336  | \$ -                              | \$ -                            | \$ -               |
| Intermediate sources  | -   | -  | -   | -                                 | -                               | -                  |
| State sources   | -   | -  | -   | -                                 | -                               | -                  |
| Federal sources   | 728,000                                       | 279,000                                    | 2,130,355                                     | 1,258,559                         | 58,000                          | 16,519             |
| Temporary loans   | -   | -  | -   | -                                 | -                               | -                  |
| Other   | -   | -  | -   | -                                 | -                               | -                  |
| <b>Total receipts</b>   | <u>728,000</u>                                | <u>279,000</u>                             | <u>2,130,691</u>                              | <u>1,258,559</u>                  | <u>58,000</u>                   | <u>16,519</u>      |
| <b>Disbursements:</b>   |   |  |   |                                   |                                 |                    |
| <b>Current:</b>   |   |  |   |                                   |                                 |                    |
| Instruction   | 452,818                                       | 237,782                                    | 1,486,531                                     | 623,497                           | 29,724                          | -                  |
| Support services  | 282,015                                       | 184,324                                    | 798,532                                       | 479,527                           | 20,374                          | 3,709              |
| Noninstructional services   | -   | -  | -   | -                                 | -                               | -                  |
| Facilities acquisition and construction   | -   | -  | -   | -                                 | -                               | -                  |
| Debt services   | -   | -  | -   | -                                 | -                               | -                  |
| Nonprogrammed charges   | 39,392  | 28,567                                     | -   | -                                 | 2,912                           | -                  |
| <b>Total disbursements</b>  | <u>774,225</u>                                | <u>450,673</u>                             | <u>2,285,063</u>                              | <u>1,103,024</u>                  | <u>53,010</u>                   | <u>3,709</u>       |
| Excess (deficiency) of receipts over disbursements  | <u>(46,225)</u>                               | <u>(171,673)</u>                           | <u>(154,372)</u>                              | <u>155,535</u>                    | <u>4,990</u>                    | <u>12,810</u>      |
| <b>Other financing sources (uses):</b>  |   |  |   |                                   |                                 |                    |
| Transfers in  | -   | -  | -   | 2,446                             | -                               | -                  |
| Transfers out   | (2,446)                                       | -  | -   | -                                 | -                               | (12,810)           |
| <b>Total other financing sources (uses)</b>   | <u>(2,446)</u>                                | <u>-</u>                                   | <u>-</u>                                      | <u>2,446</u>                      | <u>-</u>                        | <u>(12,810)</u>    |
| Excess (deficiency) of receipts and other financing sources over disbursements and other financing uses | (48,671)                                      | (171,673)                                  | (154,372)                                     | 157,981                           | 4,990                           | -                  |
| Cash and investments - beginning  | <u>48,671</u>                                 | <u>171,673</u>                             | <u>-</u>                                      | <u>-</u>                          | <u>(4,991)</u>                  | <u>-</u>           |
| Cash and investments - ending   | <u>\$ -</u>                                   | <u>\$ -</u>                                | <u>\$ (154,372)</u>                           | <u>\$ 157,981</u>                 | <u>\$ (1)</u>                   | <u>\$ -</u>        |
| <b><u>Cash and Investment Assets - Ending</u></b>   |   |  |   |                                   |                                 |                    |
| Cash and investments  | \$ -  | \$ -                                       | \$ (154,372)                                  | \$ 157,981                        | \$ (1)                          | \$ -               |
| Restricted assets:  |   |  |   |                                   |                                 |                    |
| Cash and investments  | -   | -  | -   | -                                 | -                               | -                  |
| <b>Total cash and investment assets - ending</b>  | <u>\$ -</u>                                   | <u>\$ -</u>                                | <u>\$ (154,372)</u>                           | <u>\$ 157,981</u>                 | <u>\$ (1)</u>                   | <u>\$ -</u>        |
| <b><u>Cash and Investment Fund Balance - Ending</u></b>   |   |  |   |                                   |                                 |                    |
| Restricted for:   |   |  |   |                                   |                                 |                    |
| Debt service  | \$ -  | \$ -                                       | \$ -  | \$ -                              | \$ -                            | \$ -               |
| Unrestricted  | -   | -  | (154,372)                                     | 157,981                           | (1)                             | -                  |
| <b>Total cash and investment fund balance - ending</b>  | <u>\$ -</u>                                   | <u>\$ -</u>                                | <u>\$ (154,372)</u>                           | <u>\$ 157,981</u>                 | <u>\$ (1)</u>                   | <u>\$ -</u>        |

KOKOMO-CENTER TOWNSHIP CONSOLIDATED 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)

|  | Preschool<br>Carryover<br>09-10 | Adult<br>Education<br>08 | Adult<br>Education<br>09 | Safe &<br>Drug Free<br>Schools<br>07-09 | Safe &<br>Drug Free<br>Schools<br>09-10 | Safe &<br>Drug Free<br>Schools<br>09-11 |
|--|---------------------------------|--------------------------|--------------------------|---|---|---|
| <b>Receipts:</b>   |                                 |                          |                          |   |   |   |
| Local sources  | \$ -                            | \$ -                     | \$ -                     | \$ 1,081                                | \$ -                                    | \$ -                                    |
| Intermediate sources   | -                               | -                        | -                        | -                                       | -                                       | -                                       |
| State sources  | -                               | -                        | -                        | -                                       | -                                       | -                                       |
| Federal sources  | 137,542                         | -                        | 92,232                   | -                                       | 26,000                                  | -                                       |
| Temporary loans  | -                               | -                        | -                        | -                                       | -                                       | -                                       |
| Other  | -                               | -                        | -                        | -                                       | -                                       | -                                       |
| <b>Total receipts</b>  | <u>137,542</u>                  | <u>-</u>                 | <u>92,232</u>            | <u>1,081</u>                            | <u>26,000</u>                           | <u>-</u>                                |
| <b>Disbursements:</b>  |                                 |                          |                          |   |   |   |
| <b>Current:</b>  |                                 |                          |                          |   |   |   |
| Instruction  | 75,380                          | 6,194                    | 15,356                   | -                                       | -                                       | -                                       |
| Support services   | 73,292                          | 1,520                    | 59,148                   | 15,779                                  | 9,679                                   | 1,951                                   |
| Noninstructional services  | -                               | -                        | -                        | -                                       | -                                       | -                                       |
| Facilities acquisition and construction  | -                               | -                        | -                        | -                                       | -                                       | -                                       |
| Debt services  | -                               | -                        | -                        | -                                       | -                                       | -                                       |
| Nonprogrammed charges  | -                               | -                        | -                        | 2,162                                   | -                                       | -                                       |
| <b>Total disbursements</b>   | <u>148,672</u>                  | <u>7,714</u>             | <u>74,504</u>            | <u>17,941</u>                           | <u>9,679</u>                            | <u>1,951</u>                            |
| <b>Excess (deficiency) of receipts over disbursements</b>  | <u>(11,130)</u>                 | <u>(7,714)</u>           | <u>17,728</u>            | <u>(16,860)</u>                         | <u>16,321</u>                           | <u>(1,951)</u>                          |
| <b>Other financing sources (uses):</b>   |                                 |                          |                          |   |   |   |
| Transfers in   | 12,810                          | -                        | -                        | 16,461                                  | -                                       | -                                       |
| Transfers out  | -                               | -                        | -                        | -                                       | -                                       | -                                       |
| <b>Total other financing sources (uses)</b>  | <u>12,810</u>                   | <u>-</u>                 | <u>-</u>                 | <u>16,461</u>                           | <u>-</u>                                | <u>-</u>                                |
| <b>Excess (deficiency) of receipts and other financing sources over disbursements and other financing uses</b> | <u>1,680</u>                    | <u>(7,714)</u>           | <u>17,728</u>            | <u>(399)</u>                            | <u>16,321</u>                           | <u>(1,951)</u>                          |
| <b>Cash and investments - beginning</b>  | <u>-</u>                        | <u>7,714</u>             | <u>-</u>                 | <u>399</u>                              | <u>182</u>                              | <u>-</u>                                |
| <b>Cash and investments - ending</b>   | <u>\$ 1,680</u>                 | <u>\$ -</u>              | <u>\$ 17,728</u>         | <u>\$ -</u>                             | <u>\$ 16,503</u>                        | <u>\$ (1,951)</u>                       |
| <b><u>Cash and Investment Assets - Ending</u></b>  |                                 |                          |                          |   |   |   |
| Cash and investments   | \$ 1,680                        | \$ -                     | \$ 17,728                | \$ -                                    | \$ 16,503                               | \$ (1,951)                              |
| Restricted assets:   |                                 |                          |                          |   |   |   |
| Cash and investments   | -                               | -                        | -                        | -                                       | -                                       | -                                       |
| <b>Total cash and investment assets - ending</b>   | <u>\$ 1,680</u>                 | <u>\$ -</u>              | <u>\$ 17,728</u>         | <u>\$ -</u>                             | <u>\$ 16,503</u>                        | <u>\$ (1,951)</u>                       |
| <b><u>Cash and Investment Fund Balance - Ending</u></b>  |                                 |                          |                          |   |   |   |
| Restricted for:  |                                 |                          |                          |   |   |   |
| Debt service   | \$ -                            | \$ -                     | \$ -                     | \$ -                                    | \$ -                                    | \$ -                                    |
| Unrestricted   | 1,680                           | -                        | 17,728                   | -                                       | 16,503                                  | (1,951)                                 |
| <b>Total cash and investment fund balance - ending</b>   | <u>\$ 1,680</u>                 | <u>\$ -</u>              | <u>\$ 17,728</u>         | <u>\$ -</u>                             | <u>\$ 16,503</u>                        | <u>\$ (1,951)</u>                       |

KOKOMO-CENTER TOWNSHIP CONSOLIDATED 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)

|   | Carl Perkins<br>Grant<br>08-09 | Carl Perkins<br>Grant<br>09-10 | DWD<br>Technokats<br>09-10 | Title IIA<br>Improving<br>Teacher Quality<br>07-09 | Title IIA<br>Improving<br>Teacher Quality<br>08-10 | Title IIA<br>Improving<br>Teacher Quality<br>09-11 |
|---|--------------------------------|--------------------------------|----------------------------|--|--|--|
| <b>Receipts:</b>  |                                |                                |                            |  |  |  |
| Local sources   | \$ 1                           | \$ 83                          | \$ -                       | \$ -   | \$ -   | \$ -   |
| Intermediate sources  | -                              | -                              | -                          | -  | -  | -  |
| State sources   | -                              | -                              | -                          | -  | -  | -  |
| Federal sources   | 63,051                         | 190,293                        | 5,000                      | 48,261   | 268,000  | 137,675  |
| Temporary loans   | -                              | -                              | -                          | -  | -  | -  |
| Other   | -                              | -                              | -                          | -  | -  | -  |
| <b>Total receipts</b>   | <u>63,052</u>                  | <u>190,376</u>                 | <u>5,000</u>               | <u>48,261</u>                                      | <u>268,000</u>                                     | <u>137,675</u>                                     |
| <b>Disbursements:</b>   |                                |                                |                            |  |  |  |
| <b>Current:</b>   |                                |                                |                            |  |  |  |
| Instruction   | 65,100                         | 166,500                        | -                          | -  | 161,101  | 138,979  |
| Support services  | 201                            | -                              | -                          | 29,079   | 55,348   | -  |
| Noninstructional services   | -                              | -                              | -                          | -  | -  | -  |
| Facilities acquisition and construction   | -                              | -                              | -                          | -  | -  | -  |
| Debt services   | -                              | -                              | -                          | -  | -  | -  |
| Nonprogrammed charges   | -                              | -                              | -                          | 1,477  | -  | -  |
| <b>Total disbursements</b>  | <u>65,301</u>                  | <u>166,500</u>                 | <u>-</u>                   | <u>30,556</u>                                      | <u>216,449</u>                                     | <u>138,979</u>                                     |
| Excess (deficiency) of receipts over disbursements  | <u>(2,249)</u>                 | <u>23,876</u>                  | <u>5,000</u>               | <u>17,705</u>                                      | <u>51,551</u>                                      | <u>(1,304)</u>                                     |
| <b>Other financing sources (uses):</b>  |                                |                                |                            |  |  |  |
| Transfers in  | -                              | -                              | -                          | -  | -  | -  |
| Transfers out   | -                              | -                              | -                          | (18,000)   | -  | -  |
| <b>Total other financing sources (uses)</b>   | <u>-</u>                       | <u>-</u>                       | <u>-</u>                   | <u>(18,000)</u>                                    | <u>-</u>   | <u>-</u>   |
| Excess (deficiency) of receipts and other financing sources over disbursements and other financing uses | <u>(2,249)</u>                 | <u>23,876</u>                  | <u>5,000</u>               | <u>(295)</u>                                       | <u>51,551</u>                                      | <u>(1,304)</u>                                     |
| Cash and investments - beginning  | <u>2,249</u>                   | <u>-</u>                       | <u>-</u>                   | <u>295</u>   | <u>18,862</u>                                      | <u>-</u>   |
| Cash and investments - ending   | <u>\$ -</u>                    | <u>\$ 23,876</u>               | <u>\$ 5,000</u>            | <u>\$ -</u>  | <u>\$ 70,413</u>                                   | <u>\$ (1,304)</u>                                  |
| <b>Cash and Investment Assets - Ending</b>  |                                |                                |                            |  |  |  |
| Cash and investments  | \$ -                           | \$ 23,876                      | \$ 5,000                   | \$ -   | \$ 70,413  | \$ (1,304)   |
| Restricted assets:  |                                |                                |                            |  |  |  |
| Cash and investments  | -                              | -                              | -                          | -  | -  | -  |
| <b>Total cash and investment assets - ending</b>  | <u>\$ -</u>                    | <u>\$ 23,876</u>               | <u>\$ 5,000</u>            | <u>\$ -</u>  | <u>\$ 70,413</u>                                   | <u>\$ (1,304)</u>                                  |
| <b>Cash and Investment Fund Balance - Ending</b>  |                                |                                |                            |  |  |  |
| Restricted for:   |                                |                                |                            |  |  |  |
| Debt service  | \$ -                           | \$ -                           | \$ -                       | \$ -   | \$ -   | \$ -   |
| Unrestricted  | -                              | 23,876                         | 5,000                      | -  | 70,413   | (1,304)  |
| <b>Total cash and investment fund balance - ending</b>  | <u>\$ -</u>                    | <u>\$ 23,876</u>               | <u>\$ 5,000</u>            | <u>\$ -</u>  | <u>\$ 70,413</u>                                   | <u>\$ (1,304)</u>                                  |

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

|  | Title II<br>Part D<br>Technology | Title III<br>English<br>Proficiency | Title III<br>English<br>Proficiency | Headstart<br>2009 | Headstart<br>2010 | Headstart<br>Expansion<br>09-10 |
|--|----------------------------------|-------------------------------------|-------------------------------------|-------------------|-------------------|---------------------------------|
| <b>Receipts:</b>   |                                  |                                     |                                     |                   |                   |                                 |
| Local sources  | \$ -                             | \$ -                                | \$ -                                | \$ -              | \$ -              | \$ -                            |
| Intermediate sources   | -                                | -                                   | -                                   | -                 | -                 | -                               |
| State sources  | -                                | -                                   | -                                   | -                 | -                 | -                               |
| Federal sources  | 147,475                          | -                                   | 13,000                              | 960,899           | 728,485           | 367,794                         |
| Temporary loans  | -                                | -                                   | -                                   | -                 | -                 | -                               |
| Other  | -                                | -                                   | -                                   | -                 | -                 | -                               |
| <b>Total receipts</b>  | <u>147,475</u>                   | <u>-</u>                            | <u>13,000</u>                       | <u>960,899</u>    | <u>728,485</u>    | <u>367,794</u>                  |
| <b>Disbursements:</b>  |                                  |                                     |                                     |                   |                   |                                 |
| <b>Current:</b>  |                                  |                                     |                                     |                   |                   |                                 |
| Instruction  | -                                | 253                                 | 7,538                               | 718,157           | 516,309           | 311,754                         |
| Support services   | 119,336                          | -                                   | -                                   | 335,088           | 209,662           | 54,705                          |
| Noninstructional services  | -                                | -                                   | -                                   | 5,332             | 2,515             | -                               |
| Facilities acquisition and construction  | -                                | -                                   | -                                   | 12,000            | -                 | -                               |
| Debt services  | -                                | -                                   | -                                   | -                 | -                 | -                               |
| Nonprogrammed charges  | -                                | 220                                 | -                                   | -                 | -                 | -                               |
| <b>Total disbursements</b>   | <u>119,336</u>                   | <u>473</u>                          | <u>7,538</u>                        | <u>1,070,577</u>  | <u>728,486</u>    | <u>366,459</u>                  |
| <b>Excess (deficiency) of receipts over disbursements</b>  | <u>28,139</u>                    | <u>(473)</u>                        | <u>5,462</u>                        | <u>(109,678)</u>  | <u>(1)</u>        | <u>1,335</u>                    |
| <b>Other financing sources (uses):</b>   |                                  |                                     |                                     |                   |                   |                                 |
| Transfers in   | -                                | -                                   | -                                   | -                 | -                 | -                               |
| Transfers out  | -                                | -                                   | -                                   | -                 | -                 | -                               |
| <b>Total other financing sources (uses)</b>  | <u>-</u>                         | <u>-</u>                            | <u>-</u>                            | <u>-</u>          | <u>-</u>          | <u>-</u>                        |
| <b>Excess (deficiency) of receipts and other financing sources over disbursements and other financing uses</b> | <u>28,139</u>                    | <u>(473)</u>                        | <u>5,462</u>                        | <u>(109,678)</u>  | <u>(1)</u>        | <u>1,335</u>                    |
| <b>Cash and investments - beginning</b>  | <u>-</u>                         | <u>473</u>                          | <u>-</u>                            | <u>109,677</u>    | <u>-</u>          | <u>-</u>                        |
| <b>Cash and investments - ending</b>   | <u>\$ 28,139</u>                 | <u>\$ -</u>                         | <u>\$ 5,462</u>                     | <u>\$ (1)</u>     | <u>\$ (1)</u>     | <u>\$ 1,335</u>                 |
| <b><u>Cash and Investment Assets - Ending</u></b>  |                                  |                                     |                                     |                   |                   |                                 |
| Cash and investments   | \$ 28,139                        | \$ -                                | \$ 5,462                            | \$ (1)            | \$ (1)            | \$ 1,335                        |
| Restricted assets:   |                                  |                                     |                                     |                   |                   |                                 |
| Cash and investments   | -                                | -                                   | -                                   | -                 | -                 | -                               |
| <b>Total cash and investment assets - ending</b>   | <u>\$ 28,139</u>                 | <u>\$ -</u>                         | <u>\$ 5,462</u>                     | <u>\$ (1)</u>     | <u>\$ (1)</u>     | <u>\$ 1,335</u>                 |
| <b><u>Cash and Investment Fund Balance - Ending</u></b>  |                                  |                                     |                                     |                   |                   |                                 |
| Restricted for:  |                                  |                                     |                                     |                   |                   |                                 |
| Debt service   | \$ -                             | \$ -                                | \$ -                                | \$ -              | \$ -              | \$ -                            |
| Unrestricted   | <u>28,139</u>                    | <u>-</u>                            | <u>5,462</u>                        | <u>(1)</u>        | <u>(1)</u>        | <u>1,335</u>                    |
| <b>Total cash and investment fund balance - ending</b>   | <u>\$ 28,139</u>                 | <u>\$ -</u>                         | <u>\$ 5,462</u>                     | <u>\$ (1)</u>     | <u>\$ (1)</u>     | <u>\$ 1,335</u>                 |

KOKOMO-CENTER TOWNSHIP CONSOLIDATED 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<br>Grants to LEAs<br>Stimulus | Special Ed<br>Part B<br>Pass Through<br>Stimulus | Preschool<br>Section 619<br>Stimulus | Education<br>Technology<br>Stimulus | School<br>Lunch<br>Equipment<br>Stimulus | Head Start<br>Stimulus   |
|---|---------------------------------------|--|--------------------------------------|-------------------------------------|--|--------------------------|
| <b>Receipts:</b>  |                                       |  |                                      |                                     |  |                          |
| Local sources   | \$ -                                  | \$ -   | \$ -                                 | \$ -                                | \$ -                                     | \$ -                     |
| Intermediate sources  | -                                     | -  | -                                    | -                                   | -  | -                        |
| State sources   | -                                     | -  | -                                    | -                                   | -  | -                        |
| Federal sources   | 866,219                               | 2,224,888  | 149,473                              | 305,478                             | 16,523                                   | 82,831                   |
| Temporary loans   | -                                     | -  | -                                    | -                                   | -  | -                        |
| Other   | -                                     | -  | -                                    | -                                   | -  | -                        |
| <b>Total receipts</b>   | <b>866,219</b>                        | <b>2,224,888</b>                                 | <b>149,473</b>                       | <b>305,478</b>                      | <b>16,523</b>                            | <b>82,831</b>            |
| <b>Disbursements:</b>   |                                       |  |                                      |                                     |  |                          |
| <b>Current:</b>   |                                       |  |                                      |                                     |  |                          |
| Instruction   | 447,705                               | 338,357  | 29,685                               | 198,647                             | -  | 52,070                   |
| Support services  | 442,953                               | 325,103  | 67,500                               | 121,618                             | -  | 14,365                   |
| Noninstructional services   | 15,380                                | -  | -                                    | -                                   | 16,523                                   | 3,740                    |
| Facilities acquisition and construction   | -                                     | -  | -                                    | -                                   | -  | 13,991                   |
| Debt services   | -                                     | -  | -                                    | -                                   | -  | -                        |
| Nonprogrammed charges   | -                                     | 1,630,118  | 59,432                               | -                                   | -  | -                        |
| <b>Total disbursements</b>  | <b>906,038</b>                        | <b>2,293,578</b>                                 | <b>156,617</b>                       | <b>320,265</b>                      | <b>16,523</b>                            | <b>84,166</b>            |
| Excess (deficiency) of receipts over disbursements  | (39,819)                              | (68,690)   | (7,144)                              | (14,787)                            | -  | (1,335)                  |
| <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 | (39,819)                              | (68,690)   | (7,144)                              | (14,787)                            | -  | (1,335)                  |
| Cash and investments - beginning  | -                                     | -  | -                                    | -                                   | -  | -                        |
| Cash and investments - ending   | <u>\$ (39,819)</u>                    | <u>\$ (68,690)</u>                               | <u>\$ (7,144)</u>                    | <u>\$ (14,787)</u>                  | <u>\$ -</u>                              | <u>\$ (1,335)</u>        |
| <b>Cash and Investment Assets - Ending</b>  |                                       |  |                                      |                                     |  |                          |
| Cash and investments  | \$ (39,819)                           | \$ (68,690)                                      | \$ (7,144)                           | \$ (14,787)                         | \$ -                                     | \$ (1,335)               |
| Restricted assets:  |                                       |  |                                      |                                     |  |                          |
| Cash and investments  | -                                     | -  | -                                    | -                                   | -  | -                        |
| <b>Total cash and investment assets - ending</b>  | <b><u>\$ (39,819)</u></b>             | <b><u>\$ (68,690)</u></b>                        | <b><u>\$ (7,144)</u></b>             | <b><u>\$ (14,787)</u></b>           | <b><u>\$ -</u></b>                       | <b><u>\$ (1,335)</u></b> |
| <b>Cash and Investment Fund Balance - Ending</b>  |                                       |  |                                      |                                     |  |                          |
| Restricted for:   |                                       |  |                                      |                                     |  |                          |
| Debt service  | \$ -                                  | \$ -   | \$ -                                 | \$ -                                | \$ -                                     | \$ -                     |
| Unrestricted  | <u>(39,819)</u>                       | <u>(68,690)</u>                                  | <u>(7,144)</u>                       | <u>(14,787)</u>                     | <u>-</u>                                 | <u>(1,335)</u>           |
| <b>Total cash and investment fund balance - ending</b>  | <b><u>\$ (39,819)</u></b>             | <b><u>\$ (68,690)</u></b>                        | <b><u>\$ (7,144)</u></b>             | <b><u>\$ (14,787)</u></b>           | <b><u>\$ -</u></b>                       | <b><u>\$ (1,335)</u></b> |

KOKOMO-CENTER TOWNSHIP CONSOLIDATED 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<br>Kinsey Center<br>Stimulus | Retirement Bond<br>Debt Service<br>Fund | Transportation<br>Bus<br>Replacement | KACC/KHS<br>Building<br>Additional<br>Construction | Totals              |
|---|--------------------------------------|---|--------------------------------------|--|---------------------|
| <b>Receipts:</b>  |                                      |   |                                      |  |                     |
| Local sources   | \$ -                                 | \$ 473,587                              | \$ 710,126                           | \$ 1,648   | \$ 6,099,482        |
| Intermediate sources  | -                                    | -                                       | -                                    | -  | 5,000               |
| State sources   | -                                    | -                                       | -                                    | -  | 885,203             |
| Federal sources   | 120,990                              | -                                       | -                                    | -  | 15,813,285          |
| Temporary loans   | -                                    | -                                       | -                                    | -  | 795,900             |
| Other   | -                                    | -                                       | -                                    | -  | 29,814              |
| <b>Total receipts</b>   | <u>120,990</u>                       | <u>473,587</u>                          | <u>710,126</u>                       | <u>1,648</u>                                       | <u>23,628,684</u>   |
| <b>Disbursements:</b>   |                                      |   |                                      |  |                     |
| <b>Current:</b>   |                                      |   |                                      |  |                     |
| Instruction   | 18,635                               | -                                       | -                                    | -  | 8,124,865           |
| Support services  | 47,431                               | -                                       | 407,854                              | -  | 8,316,260           |
| Noninstructional services   | -                                    | -                                       | -                                    | -  | 2,891,730           |
| Facilities acquisition and construction   | -                                    | -                                       | -                                    | 154,884  | 185,875             |
| Debt services   | -                                    | 630,608                                 | -                                    | -  | 1,627,008           |
| Nonprogrammed charges   | -                                    | -                                       | -                                    | -  | 1,860,296           |
| <b>Total disbursements</b>  | <u>66,066</u>                        | <u>630,608</u>                          | <u>407,854</u>                       | <u>154,884</u>                                     | <u>23,006,034</u>   |
| Excess (deficiency) of receipts over disbursements  | <u>54,924</u>                        | <u>(157,021)</u>                        | <u>302,272</u>                       | <u>(153,236)</u>                                   | <u>622,650</u>      |
| <b>Other financing sources (uses):</b>  |                                      |   |                                      |  |                     |
| Transfers in  | -                                    | -                                       | -                                    | -  | 347,918             |
| Transfers out   | -                                    | -                                       | -                                    | -  | (494,292)           |
| <b>Total other financing sources (uses)</b>   | <u>-</u>                             | <u>-</u>                                | <u>-</u>                             | <u>-</u>   | <u>(146,374)</u>    |
| Excess (deficiency) of receipts and other financing sources over disbursements and other financing uses | <u>54,924</u>                        | <u>(157,021)</u>                        | <u>302,272</u>                       | <u>(153,236)</u>                                   | <u>476,276</u>      |
| Cash and investments - beginning  | <u>-</u>                             | <u>169,297</u>                          | <u>202,146</u>                       | <u>756,293</u>                                     | <u>3,662,546</u>    |
| Cash and investments - ending   | <u>\$ 54,924</u>                     | <u>\$ 12,276</u>                        | <u>\$ 504,418</u>                    | <u>\$ 603,057</u>                                  | <u>\$ 4,138,822</u> |
| <b><u>Cash and Investment Assets - Ending</u></b>   |                                      |   |                                      |  |                     |
| Cash and investments  | \$ 54,924                            | \$ -                                    | \$ 504,418                           | \$ 603,057   | \$ 4,126,546        |
| Restricted assets:  |                                      |   |                                      |  |                     |
| Cash and investments  | -                                    | 12,276                                  | -                                    | -  | 12,276              |
| <b>Total cash and investment assets - ending</b>  | <u>\$ 54,924</u>                     | <u>\$ 12,276</u>                        | <u>\$ 504,418</u>                    | <u>\$ 603,057</u>                                  | <u>\$ 4,138,822</u> |
| <b><u>Cash and Investment Fund Balance - Ending</u></b>   |                                      |   |                                      |  |                     |
| Restricted for:   |                                      |   |                                      |  |                     |
| Debt service  | \$ -                                 | \$ 12,276                               | \$ -                                 | \$ -   | \$ 12,276           |
| Unrestricted  | <u>54,924</u>                        | <u>-</u>                                | <u>504,418</u>                       | <u>603,057</u>                                     | <u>4,126,546</u>    |
| <b>Total cash and investment fund balance - ending</b>  | <u>\$ 54,924</u>                     | <u>\$ 12,276</u>                        | <u>\$ 504,418</u>                    | <u>\$ 603,057</u>                                  | <u>\$ 4,138,822</u> |

KOKOMO-CENTER TOWNSHIP CONSOLIDATED 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

|   | Donation<br>Fund | McKinley -<br>Youth Outdoor<br>Program | McKinley<br>Donation Fund | KHS<br>Nurse Office<br>Snacks/St. Joe | McKinley -<br>Walmart<br>Volunteer Grant | Kindergarten<br>Round-Up<br>T-Shirts | Life Skills -<br>Golden<br>Corral Award |
|---|------------------|--|---------------------------|---------------------------------------|--|--------------------------------------|---|
| Additions:  |                  |  |                           |                                       |  |                                      |   |
| Contributions:  |                  |  |                           |                                       |  |                                      |   |
| Other   | \$ 9,049         | \$ -                                   | \$ -                      | \$ 5,000                              | \$ 250                                   | \$ 800                               | \$ 2,500                                |
| Investment earnings:  |                  |  |                           |                                       |  |                                      |   |
| Interest  | -                | -                                      | -                         | -                                     | -  | -                                    | -                                       |
| Total additions   | <u>9,049</u>     | <u>-</u>                               | <u>-</u>                  | <u>5,000</u>                          | <u>250</u>                               | <u>800</u>                           | <u>2,500</u>                            |
| Deductions:   |                  |  |                           |                                       |  |                                      |   |
| Administrative and general                                      | <u>8,283</u>     | <u>736</u>                             | <u>229</u>                | <u>470</u>                            | <u>250</u>                               | <u>900</u>                           | <u>-</u>                                |
| Excess (deficiency) of total additions<br>over total deductions | 766              | (736)                                  | (229)                     | 4,530                                 | -  | (100)                                | 2,500                                   |
| Cash and investment fund balance - beginning                    | <u>2,181</u>     | <u>736</u>                             | <u>769</u>                | <u>-</u>                              | <u>-</u>                                 | <u>-</u>                             | <u>-</u>                                |
| Cash and investments - June 30                                  | <u>\$ 2,947</u>  | <u>\$ -</u>                            | <u>\$ 540</u>             | <u>\$ 4,530</u>                       | <u>\$ -</u>                              | <u>\$ (100)</u>                      | <u>\$ 2,500</u>                         |
| Net assets:   |                  |  |                           |                                       |  |                                      |   |
| Cash and investments  | <u>\$ 2,947</u>  | <u>\$ -</u>                            | <u>\$ 540</u>             | <u>\$ 4,530</u>                       | <u>\$ -</u>                              | <u>\$ (100)</u>                      | <u>\$ 2,500</u>                         |
| Total net assets - cash and investment basis held in trust      | <u>\$ 2,947</u>  | <u>\$ -</u>                            | <u>\$ 540</u>             | <u>\$ 4,530</u>                       | <u>\$ -</u>                              | <u>\$ (100)</u>                      | <u>\$ 2,500</u>                         |

KOKOMO-CENTER TOWNSHIP CONSOLIDATED 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  
 (Continued)

|   | Student<br>Leadership<br>Summit | Target Reading-<br>Washington<br>School | Powerschool<br>User Group<br>Training | Stitches From<br>Heart Down<br>to Sole | Healthy Kids<br>Mini Grant | Reading Zone<br>Grant-LPMS | Families<br>of Distinction<br>Grant |
|---|---------------------------------|---|---------------------------------------|--|----------------------------|----------------------------|-------------------------------------|
| Additions:  |                                 |   |                                       |  |                            |                            |                                     |
| Contributions:  |                                 |   |                                       |  |                            |                            |                                     |
| Other   | \$ 6,364                        | \$ -                                    | \$ 1,275                              | \$ -                                   | \$ -                       | \$ -                       | \$ -                                |
| Investment earnings:  |                                 |   |                                       |  |                            |                            |                                     |
| Interest  | -                               | -                                       | -                                     | -                                      | -                          | -                          | -                                   |
| Total additions   | <u>6,364</u>                    | <u>-</u>                                | <u>1,275</u>                          | <u>-</u>                               | <u>-</u>                   | <u>-</u>                   | <u>-</u>                            |
| Deductions:   |                                 |   |                                       |  |                            |                            |                                     |
| Administrative and general                                      | <u>4,934</u>                    | <u>80</u>                               | <u>510</u>                            | <u>589</u>                             | <u>-</u>                   | <u>2,275</u>               | <u>2</u>                            |
| Excess (deficiency) of total additions<br>over total deductions | 1,430                           | (80)                                    | 765                                   | (589)                                  | -                          | (2,275)                    | (2)                                 |
| Cash and investment fund balance - beginning                    | <u>1,242</u>                    | <u>80</u>                               | <u>-</u>                              | <u>4,533</u>                           | <u>27</u>                  | <u>2,500</u>               | <u>2</u>                            |
| Cash and investments - June 30                                  | <u>\$ 2,672</u>                 | <u>\$ -</u>                             | <u>\$ 765</u>                         | <u>\$ 3,944</u>                        | <u>\$ 27</u>               | <u>\$ 225</u>              | <u>\$ -</u>                         |
| Net assets:   |                                 |   |                                       |  |                            |                            |                                     |
| Cash and investments  | <u>\$ 2,672</u>                 | <u>\$ -</u>                             | <u>\$ 765</u>                         | <u>\$ 3,944</u>                        | <u>\$ 27</u>               | <u>\$ 225</u>              | <u>\$ -</u>                         |
| Total net assets - cash and investment basis held in trust      | <u>\$ 2,672</u>                 | <u>\$ -</u>                             | <u>\$ 765</u>                         | <u>\$ 3,944</u>                        | <u>\$ 27</u>               | <u>\$ 225</u>              | <u>\$ -</u>                         |

KOKOMO-CENTER TOWNSHIP CONSOLIDATED 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  
 (Continued)

|   | Families<br>of Distinction<br>HS 07-08 | Families<br>of Distinction<br>HS 08-09 | Dad's<br>Celebration<br>HS 08-09 | McKinley -<br>Ready to Read<br>Program | CVS Grant<br>HeadStart<br>Families | Wellness<br>Grant |
|---|--|--|----------------------------------|--|------------------------------------|-------------------|
| Additions:  |  |  |                                  |  |                                    |                   |
| Contributions:  |  |  |                                  |  |                                    |                   |
| Other   | \$ -                                   | \$ 500                                 | \$ 480                           | \$ -                                   | \$ -                               | \$ -              |
| Investment earnings:  |  |  |                                  |  |                                    |                   |
| Interest  | -                                      | -                                      | -                                | -                                      | -                                  | -                 |
| Total additions   | -                                      | 500                                    | 480                              | -                                      | -                                  | -                 |
| Deductions:   |  |  |                                  |  |                                    |                   |
| Administrative and general                                      | 1,479                                  | 500                                    | 480                              | -                                      | 429                                | -                 |
| Excess (deficiency) of total additions<br>over total deductions | (1,479)                                | -                                      | -                                | -                                      | (429)                              | -                 |
| Cash and investment fund balance - beginning                    | 1,500                                  | -                                      | -                                | 29                                     | 429                                | 130               |
| Cash and investments - June 30                                  | <u>\$ 21</u>                           | <u>\$ -</u>                            | <u>\$ -</u>                      | <u>\$ 29</u>                           | <u>\$ -</u>                        | <u>\$ 130</u>     |
| Net assets:   |  |  |                                  |  |                                    |                   |
| Cash and investments  | \$ 21                                  | \$ -                                   | \$ -                             | \$ 29                                  | \$ -                               | \$ 130            |
| Total net assets - cash and investment basis held in trust      | <u>\$ 21</u>                           | <u>\$ -</u>                            | <u>\$ -</u>                      | <u>\$ 29</u>                           | <u>\$ -</u>                        | <u>\$ 130</u>     |

KOKOMO-CENTER TOWNSHIP CONSOLIDATED 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  
 (Continued)

|   | School Health<br>Program | C T Havens<br>Trust | Stan Mohr<br>Memorial<br>Fund | Computer<br>Warranty<br>Refunds | Curriculum<br>Award<br>Fund | Totals           |
|---|--------------------------|---------------------|-------------------------------|---------------------------------|-----------------------------|------------------|
| Additions:  |                          |                     |                               |                                 |                             |                  |
| Contributions:  |                          |                     |                               |                                 |                             |                  |
| Other   | \$ -                     | \$ -                | \$ -                          | \$ 1,540                        | \$ 850                      | \$ 28,608        |
| Investment earnings:  |                          |                     |                               |                                 |                             |                  |
| Interest  | -                        | 7                   | 5                             | -                               | -                           | 12               |
| Total additions   | -                        | 7                   | 5                             | 1,540                           | 850                         | 28,620           |
| Deductions:   |                          |                     |                               |                                 |                             |                  |
| Administrative and general                                      | 500                      | -                   | -                             | -                               | 916                         | 23,562           |
| Excess (deficiency) of total additions<br>over total deductions | (500)                    | 7                   | 5                             | 1,540                           | (66)                        | 5,058            |
| Cash and investment fund balance - beginning                    | 500                      | 746                 | 553                           | -                               | 297                         | 16,254           |
| Cash and investments - June 30                                  | <u>\$ -</u>              | <u>\$ 753</u>       | <u>\$ 558</u>                 | <u>\$ 1,540</u>                 | <u>\$ 231</u>               | <u>\$ 21,312</u> |
| Net assets:   |                          |                     |                               |                                 |                             |                  |
| Cash and investments  | \$ -                     | \$ 753              | \$ 558                        | \$ 1,540                        | \$ 231                      | \$ 21,312        |
| Total net assets - cash and investment basis held in trust      | <u>\$ -</u>              | <u>\$ 753</u>       | <u>\$ 558</u>                 | <u>\$ 1,540</u>                 | <u>\$ 231</u>               | <u>\$ 21,312</u> |

KOKOMO-CENTER TOWNSHIP CONSOLIDATED 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

|   | Donation<br>Fund | McKinley<br>Donation Fund | KHS<br>Nurse Office<br>Snacks/St. Joe | Kindergarten<br>Round-Up<br>T-Shirts | Life Skills -<br>Golden<br>Corral Award | Bon Air<br>Elementary<br>Kroger Donation |
|---|------------------|---------------------------|---------------------------------------|--------------------------------------|---|--|
| Additions:  |                  |                           |                                       |                                      |   |  |
| Contributions:  |                  |                           |                                       |                                      |   |  |
| Other   | \$ 8,223         | \$ -                      | \$ -                                  | \$ 1,400                             | \$ 500                                  | \$ 5,000                                 |
| Investment earnings:  |                  |                           |                                       |                                      |   |  |
| Interest  | -                | -                         | -                                     | -                                    | -                                       | -  |
| Total additions   | <u>8,223</u>     | <u>-</u>                  | <u>-</u>                              | <u>1,400</u>                         | <u>500</u>                              | <u>5,000</u>                             |
| Deductions:   |                  |                           |                                       |                                      |   |  |
| Administrative and general                                      | <u>5,350</u>     | <u>540</u>                | <u>4,100</u>                          | <u>1,278</u>                         | <u>2,075</u>                            | <u>-</u>                                 |
| Excess (deficiency) of total additions<br>over total deductions | 2,873            | (540)                     | (4,100)                               | 122                                  | (1,575)                                 | 5,000                                    |
| Cash and investment fund balance - beginning                    | <u>2,947</u>     | <u>540</u>                | <u>4,530</u>                          | <u>(100)</u>                         | <u>2,500</u>                            | <u>-</u>                                 |
| Cash and investments - June 30                                  | <u>\$ 5,820</u>  | <u>\$ -</u>               | <u>\$ 430</u>                         | <u>\$ 22</u>                         | <u>\$ 925</u>                           | <u>\$ 5,000</u>                          |
| Net assets:   |                  |                           |                                       |                                      |   |  |
| Cash and investments  | <u>\$ 5,820</u>  | <u>\$ -</u>               | <u>\$ 430</u>                         | <u>\$ 22</u>                         | <u>\$ 925</u>                           | <u>\$ 5,000</u>                          |
| Total net assets - cash and investment basis held in trust      | <u>\$ 5,820</u>  | <u>\$ -</u>               | <u>\$ 430</u>                         | <u>\$ 22</u>                         | <u>\$ 925</u>                           | <u>\$ 5,000</u>                          |

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

|   | CMS<br>Fruit<br>Donation | McKinley<br>Walmart Grant | Student<br>Leadership<br>Summit | CMS<br>Health Fair<br>Anthem Donation | Powerschool<br>User Group<br>Training | Stitches From<br>Heart Down<br>to Sole |
|---|--------------------------|---------------------------|---------------------------------|---------------------------------------|---------------------------------------|--|
| Additions:  |                          |                           |                                 |                                       |                                       |  |
| Contributions:  |                          |                           |                                 |                                       |                                       |  |
| Other   | \$ 300                   | \$ 1,650                  | \$ 5,615                        | \$ 1,500                              | \$ 4,125                              | \$ -                                   |
| Investment earnings:  |                          |                           |                                 |                                       |                                       |  |
| Interest  | -                        | -                         | -                               | -                                     | -                                     | -                                      |
| Total additions   | <u>300</u>               | <u>1,650</u>              | <u>5,615</u>                    | <u>1,500</u>                          | <u>4,125</u>                          | <u>-</u>                               |
| Deductions:   |                          |                           |                                 |                                       |                                       |  |
| Administrative and general                                      | <u>300</u>               | <u>381</u>                | <u>4,862</u>                    | <u>1,189</u>                          | <u>3,368</u>                          | <u>819</u>                             |
| Excess (deficiency) of total additions<br>over total deductions | -                        | 1,269                     | 753                             | 311                                   | 757                                   | (819)                                  |
| Cash and investment fund balance - beginning                    | <u>-</u>                 | <u>-</u>                  | <u>2,671</u>                    | <u>-</u>                              | <u>765</u>                            | <u>3,944</u>                           |
| Cash and investments - June 30                                  | <u>\$ -</u>              | <u>\$ 1,269</u>           | <u>\$ 3,424</u>                 | <u>\$ 311</u>                         | <u>\$ 1,522</u>                       | <u>\$ 3,125</u>                        |
| Net assets:   |                          |                           |                                 |                                       |                                       |  |
| Cash and investments  | <u>\$ -</u>              | <u>\$ 1,269</u>           | <u>\$ 3,424</u>                 | <u>\$ 311</u>                         | <u>\$ 1,522</u>                       | <u>\$ 3,125</u>                        |
| Total net assets - cash and investment basis held in trust      | <u>\$ -</u>              | <u>\$ 1,269</u>           | <u>\$ 3,424</u>                 | <u>\$ 311</u>                         | <u>\$ 1,522</u>                       | <u>\$ 3,125</u>                        |

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

|   | Healthy Kids<br>Mini Grant | Reading Zone<br>Grant - LPMS | Families<br>of Distinction<br>HS 07-08 | McKinley -<br>Ready to Read<br>Program | Wellness<br>Grant |
|---|----------------------------|------------------------------|--|--|-------------------|
| Additions:  |                            |                              |  |  |                   |
| Contributions:  |                            |                              |  |  |                   |
| Other   | \$ -                       | \$ -                         | \$ -                                   | \$ -                                   | \$ -              |
| Investment earnings:  |                            |                              |  |  |                   |
| Interest  | -                          | -                            | -                                      | -                                      | -                 |
| Total additions   | -                          | -                            | -                                      | -                                      | -                 |
| Deductions:   |                            |                              |  |  |                   |
| Administrative and general                                      | 27                         | 225                          | 15                                     | 29                                     | 130               |
| Excess (deficiency) of total additions<br>over total deductions | (27)                       | (225)                        | (15)                                   | (29)                                   | (130)             |
| Cash and investment fund balance - beginning                    | 27                         | 225                          | 21                                     | 29                                     | 130               |
| Cash and investments - June 30                                  | <u>\$ -</u>                | <u>\$ -</u>                  | <u>\$ 6</u>                            | <u>\$ -</u>                            | <u>\$ -</u>       |
| Net assets:   |                            |                              |  |  |                   |
| Cash and investments  | \$ -                       | \$ -                         | \$ 6                                   | \$ -                                   | \$ -              |
| Total net assets - cash and investment basis held in trust      | <u>\$ -</u>                | <u>\$ -</u>                  | <u>\$ 6</u>                            | <u>\$ -</u>                            | <u>\$ -</u>       |

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

|   | C T Havens<br>Trust | Stan Mohr<br>Memorial<br>Fund | Computer<br>Warranty<br>Refunds | Curriculum<br>Award<br>Fund | Totals           |
|---|---------------------|-------------------------------|---------------------------------|-----------------------------|------------------|
| Additions:  |                     |                               |                                 |                             |                  |
| Contributions:  |                     |                               |                                 |                             |                  |
| Other   | \$ -                | \$ -                          | \$ -                            | \$ 500                      | \$ 28,813        |
| Investment earnings:  |                     |                               |                                 |                             |                  |
| Interest  | 2                   | 1                             | -                               | -                           | 3                |
| Total additions   | <u>2</u>            | <u>1</u>                      | <u>-</u>                        | <u>500</u>                  | <u>28,816</u>    |
| Deductions:   |                     |                               |                                 |                             |                  |
| Administrative and general                                      | -                   | -                             | -                               | 731                         | 25,419           |
| Excess (deficiency) of total additions<br>over total deductions | 2                   | 1                             | -                               | (231)                       | 3,397            |
| Cash and investment fund balance - beginning                    | <u>753</u>          | <u>559</u>                    | <u>1,540</u>                    | <u>231</u>                  | <u>21,312</u>    |
| Cash and investments - June 30                                  | <u>\$ 755</u>       | <u>\$ 560</u>                 | <u>\$ 1,540</u>                 | <u>\$ -</u>                 | <u>\$ 24,709</u> |
| Net assets:   |                     |                               |                                 |                             |                  |
| Cash and investments  | <u>\$ 755</u>       | <u>\$ 560</u>                 | <u>\$ 1,540</u>                 | <u>\$ -</u>                 | <u>\$ 24,709</u> |
| Total net assets - cash and investment basis held in trust      | <u>\$ 755</u>       | <u>\$ 560</u>                 | <u>\$ 1,540</u>                 | <u>\$ -</u>                 | <u>\$ 24,709</u> |

KOKOMO-CENTER TOWNSHIP CONSOLIDATED SCHOOL CORPORATION  
 SUPPLEMENTARY INFORMATION  
 SCHEDULE OF CAPITAL ASSETS  
 For The Year Ended June 30, 2010

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

| <u>Primary Government</u>  | <u>Ending<br/>Balance</u> |
|--|---------------------------|
| Governmental activities:   |                           |
| Capital assets, not being depreciated:                                 |                           |
| Land   | \$ 992,754                |
| Buildings  | 95,159,450                |
| Improvements other than buildings                                      | 4,195,927                 |
| Machinery and equipment  | <u>16,621,407</u>         |
| Total governmental activities, capital<br>assets not being depreciated | <u>\$ 116,969,538</u>     |

KOKOMO-CENTER TOWNSHIP CONSOLIDATED SCHOOL CORPORATION  
 SUPPLEMENTARY INFORMATION  
 SCHEDULE OF LONG-TERM DEBT  
 June 30, 2010

The School has entered into the following debt:

| Description of Debt                       | Ending<br>Principal<br>Balance | Principal and<br>Interest Due<br>Within One<br>Year |
|---|--------------------------------|---|
| Governmental activities:                  |                                |   |
| Capital leases:                           |                                |   |
| Kokomo Center Schools Building Corp Lease | \$ 27,125,000                  | \$ 3,558,000  |
| Copier Lease/Shearer-DeLage Landen        | 175,480                        | 58,493  |
| Copier Lease/KON                          | 569,048                        | 174,824   |
| Notes and loans payable:                  |                                |   |
| 2010 Tax Anticipation Warrants            | 795,900                        | 803,115   |
| Rainy Day Loan                            | 1,626,298                      | -   |
| Bonds payable:                            |                                |   |
| General obligation bonds:                 |                                |   |
| KACC/KHS Additions/Construction Project   | 7,325,000                      | 940,594   |
| Retirement Severance Bonds                | 3,560,000                      | 424,255   |
| Total governmental activities debt        | <u>\$ 41,176,726</u>           | <u>\$ 5,959,281</u>                                 |

KOKOMO-CENTER TOWNSHIP CONSOLIDATED SCHOOL CORPORATION  
AUDIT RESULTS AND COMMENTS

OVERDRAWN FUND BALANCES

The Kindergarten Round-Up T-Shirt Fund, two Fresh Fruit & Vegetable Grant Funds and the Preschool Carryover 08-09 Fund were overdrawn at year end of the 2008-2009 school year.

The Textbook Rental Fund, Joint Services Fund and several grant funds (four Fresh Fruit & Vegetable Funds, Special Ed Pass Through 09-10 Fund, Safe & Drug Free Schools 09-11 Fund, Title IIA Improving Teacher Quality 09-11 Fund, Title I Grants to LEAs Stimulus Fund, Special Ed Part B Pass Through Stimulus Fund, Preschool Section 619 Stimulus Fund, Education Technology Stimulus Fund) were overdrawn at year end of the 2009-2010 school year.

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

CREDIT CARD POLICY

The Kokomo-Center Township Consolidated School Corporation has a credit card policy; however, the policy does not specify the purposes for which the credit card may be used.

The State Board of Accounts will not take exception to the use of credit cards by a governmental unit provided the following criteria are observed:

- (1) The governing board must authorize credit card use through an ordinance or resolution, which has been approved in the minutes.
- (2) Issuance and use should be handled by an official or employee designated by the board.
- (3) The purposes for which the credit card may be used must be specifically stated in the ordinance or resolution.
- (4) When the purpose for which the credit card has been issued has been accomplished, the card should be returned to the custody of the responsible person.
- (5) The designated responsible official or employee should maintain an accounting system or log which would include the names of individuals requesting usage of the cards, their position, estimated amounts to be charged, fund and account numbers to be charged, date the card is issued and returned, etc.
- (6) Credit cards should not be used to bypass the accounting system. One reason that purchase orders are issued is to provide the fiscal officer with the means to encumber and track appropriations to provide the governing board and other officials with timely and accurate accounting information and monitoring of the accounting system.
- (7) Payment should not be made on the basis of a statement or a credit card slip only. Procedures for payments should be no different than for any other claim. Supporting documents such as paid bills and receipts must be available. Additionally, any interest or penalty incurred due to late filing or furnishing of documentation by an officer or employee should be the responsibility of that officer or employee.
- (8) If properly authorized, an annual fee may be paid.

(Accounting and Uniform Compliance Guidelines Manual for Indiana Public School Corporations, Chapter 9)

SUPPLEMENTAL AUDIT OF  
FEDERAL AWARDS



**STATE OF INDIANA**  
AN EQUAL OPPORTUNITY EMPLOYER

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

Telephone: (317) 232-2513  
Fax: (317) 232-4711  
Web Site: [www.in.gov/sboa](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 KOKOMO-CENTER TOWNSHIP CONSOLIDATED  
SCHOOL CORPORATION, HOWARD COUNTY, INDIANA

Compliance

We have audited the compliance of the Kokomo-Center Township Consolidated 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.

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

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

The School Corporation's response to the findings identified in our audit is described in the accompanying Official Response. 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 board of school trustees, and federal awarding agencies and pass-through entities and is not intended to be and should not be used by anyone other than these specified parties. In accordance with Indiana Code 5-11-5-1, this report is a part of the public records of the State Board of Accounts and of the office examined.

STATE BOARD OF ACCOUNTS

December 16, 2010

KOKOMO-CENTER TOWNSHIP CONSOLIDATED SCHOOL CORPORATION  
SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS  
For The Years Ended June 30, 2009 and 2010

| Federal Grantor Agency/Pass-Through Entity<br>Cluster Title/Program Title/Project Title | Federal<br>CFDA<br>Number | Pass-Through<br>Entity (or Other)<br>Identifying<br>Number | Total<br>Federal Awards<br>Expended<br>06-30-09 | Total<br>Federal Awards<br>Expended<br>06-30-10 |
|---|---------------------------|--|---|---|
| <b>U.S. DEPARTMENT OF AGRICULTURE</b>   |                           |  |   |   |
| Pass-Through Indiana Department of Education  |                           |  |   |   |
| Child Nutrition Cluster   |                           |  |   |   |
| School Breakfast Program  | 10.553                    | 3500   | \$ 445,513                                      | \$ 453,403                                      |
| National School Lunch Program   | 10.555                    | 3500   | 1,469,570                                       | 1,688,369                                       |
| Summer Food Service Program for Children  | 10.559                    | 3500   | <u>11,595</u>                                   | <u>11,765</u>                                   |
| Total for Child Nutrition Cluster   |                           |  | <u>1,926,678</u>                                | <u>2,153,537</u>                                |
| Child and Adult Care Food Program   | 10.558                    |  |   |   |
| Headstart Snack Program   |                           | 3500   | <u>11,278</u>                                   | <u>16,326</u>                                   |
| ARRA-Child Nutrition Discretionary Grants Limited Availability                          | 10.579                    |  |   |   |
| School Lunch Equipment-Stimulus   |                           | 3500   | <u>-</u>  | <u>16,523</u>                                   |
| Fresh Fruit and Vegetable Program (FFVP)  | 10.582                    |  |   |   |
| FFVP - Elwood Haynes Elementary 07-08   |                           | FY 07-08   | 4,783   | -   |
| FFVP - Elwood Haynes Elementary Start-up September 08                                   |                           | Sept 08  | 3,722   | -   |
| FFVP - Elwood Haynes Elementary 08-09   |                           | FY 08-09   | 21,331  | 9   |
| FFVP - Darrough Chapel Elementary Start-up September 08                                 |                           | Sept 08  | 2,423   | -   |
| FFVP - Darrough Chapel Elementary 08-09   |                           | FY 08-09   | 16,238  | -   |
| FFVP - Bon Air Elementary Start-up September 09   |                           | Sept 09  | -   | 7,140   |
| FFVP - Elwood Haynes Elementary Start-up September 09                                   |                           | Sept 09  | -   | 5,558   |
| FFVP - Pettit Park Elementary Start-up September 09                                     |                           | Sept 09  | -   | 5,026   |
| FFVP - Washington Elementary Start-up September 09                                      |                           | Sept 09  | -   | 3,061   |
| FFVP - Bon Air Elementary 09-10   |                           | FY 09-10   | -   | 26,137  |
| FFVP - Elwood Haynes Elementary 09-10   |                           | FY 09-10   | -   | 27,098  |
| FFVP - Pettit Park Elementary 09-10   |                           | FY 09-10   | -   | 20,376  |
| FFVP - Washington Elementary 09-10  |                           | FY 09-10   | <u>-</u>  | <u>14,385</u>                                   |
| Total for program   |                           |  | <u>48,497</u>                                   | <u>108,790</u>                                  |
| Total for federal grantor agency  |                           |  | <u>1,986,453</u>                                | <u>2,295,176</u>                                |
| <b>U.S. DEPARTMENT OF EDUCATION</b>   |                           |  |   |   |
| Pass-Through Indiana Department of Education  |                           |  |   |   |
| Title I, Part A Cluster   |                           |  |   |   |
| Title I Grants to Local Educational Agencies  | 84.010                    |  |   |   |
| Title I 08-09   |                           | 09-3500  | 1,849,095                                       | 643,585   |
| Title I, Part D Kinsey Grant 08-09  |                           | 09-3500  | 119,227   | 30,496  |
| Title I 09-10   |                           | 10-3500  | -   | 1,416,802                                       |
| Title I, Part D Kinsey Grant 09-10  |                           | 10-3500  | -   | 112,574   |
| Title I Bon Air School Improvement 07-08  |                           | FY 07-08   | 12,431  | -   |
| Title I Bon Air School Improvement 08-09  |                           | FY 08-09   | 147,731   | 86,269  |
| Title I Bon Air School Improvement 09-10  |                           | FY 09-10   | -   | 17,270  |
| Title I Distinguished School Award - Sycamore Elementary 09-10                          |                           | FY 09-10   | -   | 11,063  |
| Title I 07-08   |                           | 08-3500  | 578,472   | -   |
| Title I, Part D Kinsey Grant 07-08  |                           | 08-3500  | <u>18,691</u>                                   | <u>-</u>  |
| Total for program   |                           |  | <u>2,725,647</u>                                | <u>2,318,059</u>                                |
| ARRA-Title I Grants to Local Educational Agencies, Recovery Act                         | 84.389                    |  |   |   |
| Title I Grants to LEA - Stimulus  |                           | 10-3500  | -   | 906,038   |
| Title I, Part D Kinsey - Stimulus   |                           | 10-3500  | <u>-</u>  | <u>66,066</u>                                   |
| Total for program   |                           |  | <u>-</u>  | <u>972,104</u>                                  |
| Total for Title I, Part A Cluster   |                           |  | <u>2,725,647</u>                                | <u>3,290,163</u>                                |
| Special Education Cluster   |                           |  |   |   |
| Special Education - Grants to States  | 84.027                    |  |   |   |
| Special Education, Part B IDEA Pass Through 08-09                                       |                           | 14209-035-PN01   | 1,859,842                                       | 774,224   |
| Special Education, Part B Carry-Over 08-09  |                           | 14208-035-PY02   | 1,404,429                                       | 450,673   |
| Special Education, Part B IDEA Pass Through 09-10                                       |                           | 14210-035-PN01   | -   | 2,285,063                                       |
| Special Education, Part B Carry-Over 09-10  |                           | 14209-035-PY02   | -   | 1,103,024                                       |
| Special Education, Part B IDEA Pass Through 07-08                                       |                           | 14208-035-PN01   | 648,110   | -   |
| Special Education, Part B Carry-Over 07-08  |                           | 14207-035-PY02   | <u>529,385</u>                                  | <u>-</u>  |
| Total for program   |                           |  | <u>4,441,766</u>                                | <u>4,612,984</u>                                |
| Special Education - Preschool Grants  | 84.173                    |  |   |   |
| Special Education Preschool Carryover 08-09   |                           | 45708-039-PY02   | 149,026   | 53,009  |
| Special Education Preschool 09-10   |                           | 45709-039-PN01   | -   | 3,709   |
| Special Education Preschool Carryover 09-10   |                           | 45709-039-PY02   | -   | 148,671   |
| Special Education Preschool 08-09   |                           | 45708-039-PN01   | 16,668  | -   |
| Special Education Preschool Carryover 07-08   |                           | 45707-039-PY02   | <u>32,646</u>                                   | <u>-</u>  |
| Total for program   |                           |  | <u>198,340</u>                                  | <u>205,389</u>                                  |

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

KOKOMO-CENTER TOWNSHIP CONSOLIDATED SCHOOL CORPORATION  
SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS  
For The Years Ended June 30, 2009 and 2010  
(Continued)

| Federal Grantor Agency/Pass-Through Entity<br>Cluster Title/Program Title/Project Title                        | Federal<br>CFDA<br>Number | Pass-Through<br>Entity (or Other)<br>Identifying<br>Number | Total<br>Federal Awards<br>Expended<br>06-30-09 | Total<br>Federal Awards<br>Expended<br>06-30-10 |
|--|---------------------------|--|---|---|
| <b>U.S. DEPARTMENT OF EDUCATION (continued)</b>  |                           |  |   |   |
| Pass-Through Indiana Department of Education (continued)   |                           |  |   |   |
| Special Education Cluster (continued)  |                           |  |   |   |
| ARRA - Special Education - Grants to States, Recovery Act<br>Special Education, Part B Stimulus                | 84.391                    | 33310-035-SN01   | -   | 2,293,578                                       |
| ARRA - Special Education - Preschool Grants, Recovery Act<br>Special Education Preschool, Section 619 Stimulus | 84.392                    | 44410-035-SN01   | -   | 156,616   |
| Total for Special Education Cluster  |                           |  | <u>4,640,106</u>                                | <u>7,268,567</u>                                |
| Educational Technology State Grants Cluster  |                           |  |   |   |
| Educational Technology State Grants<br>Title II, Part D Technology   | 84.318                    | C109S3500  | -   | 119,336   |
| ARRA - Education Technology State Grants, Recovery Act<br>Title II, Part D Technology, Stimulus                | 84.386                    | C209S3500  | -   | 320,265   |
| Total for Educational Technology State Grants Cluster  |                           |  | -   | <u>439,601</u>                                  |
| Adult Education - Basic Grants to States   |                           |  |   |   |
| Adult Education 2008-09  | 84.002                    | FY 08-09   | 68,269  | 7,714   |
| Adult Education 2009-10  |                           | FY 09-10   | -   | 74,504  |
| Adult Education 2007-08  |                           | FY 07-08   | <u>6,328</u>                                    | <u>-</u>  |
| Total for program  |                           |  | <u>74,597</u>                                   | <u>82,218</u>                                   |
| Pass-Through Indiana Department of Workforce Development   |                           |  |   |   |
| Career and Technical Education - Basic Grants to States  |                           |  |   |   |
| Carl Perkins Grant 08-09   | 84.048                    | 09-4700-3500   | 213,064   | 65,301  |
| Carl Perkins Grant 08-09   |                           | 10-4700-3500   | -   | 166,500   |
| DWD TechnoKats 07-08   |                           | C1-8-CPR-7-95  | 7,500   | -   |
| DWD TechnoKats 08-09   |                           | C1-9-CPR-8-95  | 7,500   | -   |
| Wired Entrepreneurship Grant   |                           | WIRED-5-59   | 17,923  | -   |
| Wired Initiative Grant   |                           | WIRED-5-59   | 15,139  | -   |
| Carl Perkins Grant 08-09   |                           | 08-4700-3500   | 69,406  | -   |
| Moving Forward Grant 08  |                           | C1-8-CPS-7-95  | 40,790  | -   |
| DWD Grant CPS-6-95   |                           | CPS-6-95   | <u>1,864</u>                                    | <u>-</u>  |
| Total for program  |                           |  | <u>373,186</u>                                  | <u>231,801</u>                                  |
| Pass-Through Indiana Department of Education   |                           |  |   |   |
| Safe and Drug-Free Schools and Communities - State Grants  |                           |  |   |   |
| Title IV Safe and Drug-Free Schools 06-08  | 84.186                    | 06-3500  | 24,079  | -   |
| Title IV Safe and Drug-Free Schools 07-09  |                           | 07-3500  | 52,670  | 17,941  |
| Title IV Safe and Drug-Free Schools 08-10  |                           | 08-3500  | 6,462   | 9,679   |
| Title IV Safe and Drug-Free Schools 09-11  |                           | 09-3500  | -   | <u>1,951</u>                                    |
| Total for program  |                           |  | <u>83,211</u>                                   | <u>29,571</u>                                   |
| State Grants for Innovative Programs   |                           |  |   |   |
| Title V Innovative Program 07-09   | 84.298                    | 07-3500  | 47,974  | 19,099  |
| Title V Innovative Program 06-08   |                           | 06-3500  | <u>6,792</u>                                    | <u>-</u>  |
| Total for program  |                           |  | <u>54,766</u>                                   | <u>19,099</u>                                   |
| English Language Acquisition Grants  |                           |  |   |   |
| Title III, English Proficiency 07-08   | 84.365                    | FY 07-08   | 6,399   | -   |
| Title III, English Proficiency 08-09   |                           | FY 08-09   | 11,527  | 473   |
| Title III, English Proficiency 09-10   |                           | FY 09-10   | -   | <u>7,538</u>                                    |
| Total for program  |                           |  | <u>17,926</u>                                   | <u>8,011</u>                                    |
| Improving Teacher Quality State Grants   |                           |  |   |   |
| Improving Teacher Quality, Title II, Part A 06-08  | 84.367                    | 06-3500  | 19,070  | -   |
| Improving Teacher Quality, Title II, Part A 07-09  |                           | 07-9555  | 249,841   | 30,556  |
| Improving Teacher Quality, Title II, Part A 08-10  |                           | 08-3500  | 136,776   | 216,449   |
| Improving Teacher Quality, Title II, Part A 09-11  |                           | 09-3500  | -   | <u>138,979</u>                                  |
| Total for program  |                           |  | <u>405,687</u>                                  | <u>385,984</u>                                  |

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

KOKOMO-CENTER TOWNSHIP CONSOLIDATED SCHOOL CORPORATION  
 SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS  
 For The Years Ended June 30, 2009 and 2010  
 (Continued)

| Federal Grantor Agency/Pass-Through Entity<br>Cluster Title/Program Title/Project Title         | Federal<br>CFDA<br>Number | Pass-Through<br>Entity (or Other)<br>Identifying<br>Number | Total<br>Federal Awards<br>Expended<br>06-30-09 | Total<br>Federal Awards<br>Expended<br>06-30-10 |
|---|---------------------------|--|---|---|
| <u>U.S. DEPARTMENT OF EDUCATION (continued)</u>   |                           |  |   |   |
| Pass-Through Indiana Department of Education (continued)  |                           |  |   |   |
| Education of Homeless Children and Youth Cluster  |                           |  |   |   |
| ARRA - Education for Homeless Children and Youth, Recovery Act<br>McKinney-Vento Homeless 08-09 | 84.387                    | FY 08-09   | -   | 7,500   |
| State Fiscal Stabilization Fund Cluster   |                           |  |   |   |
| ARRA - State Fiscal Stabilization Fund (SFSF) - Education State Grants, Recovery Act            | 84.394                    |  | 1,979,707                                       | -   |
| Fiscal Stabilization - Stimulus   |                           | FY 08-09   | -   | -   |
| Fiscal Stabilization - Stimulus   |                           | FY 09-10   | -   | 3,202,466                                       |
| Total for program   |                           |  | <u>1,979,707</u>                                | <u>3,202,466</u>                                |
| Total for federal grantor agency  |                           |  | <u>10,354,833</u>                               | <u>14,964,981</u>                               |
| <u>U.S. DEPARTMENT OF HEALTH AND HUMAN SERVICES</u>   |                           |  |   |   |
| Direct Grant  |                           |  |   |   |
| Head Start Cluster  |                           |  |   |   |
| Head Start  |                           |  |   |   |
| Head Start 2008   | 93.600                    | 05-CH404318  | 1,048,230                                       | -   |
| Head Start 2009   |                           | 05-CH404319  | 749,705   | 1,070,577                                       |
| Head Start 2010   |                           | 05-CH404320  | -   | 728,485   |
| Total for program   |                           |  | <u>1,797,935</u>                                | <u>1,799,062</u>                                |
| ARRA - Head Start   |                           |  |   |   |
| Headstart Expansion   | 93.708                    | 05-SH4043  | -   | 366,459   |
| Headstart - Quality Improvement & COLA  |                           | 05-SE4043  | -   | 84,166  |
| Total for program   |                           |  | <u>-</u>  | <u>450,625</u>                                  |
| Total for Headstart Cluster   |                           |  | <u>1,797,935</u>                                | <u>2,249,687</u>                                |
| Total for federal grantor agency  |                           |  | <u>1,797,935</u>                                | <u>2,249,687</u>                                |
| Total federal awards expended   |                           |  | <u>\$ 14,139,221</u>                            | <u>\$ 19,509,844</u>                            |

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

KOKOMO-CENTER TOWNSHIP CONSOLIDATED 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 Kokomo-Center Township Consolidated 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. Subrecipients

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

| Program Title                                      | Federal<br>CFDA<br>Number | 2010         |
|--|---------------------------|--------------|
| Special Education - Grants to States, Recovery Act | 84.391                    | \$ 1,617,285 |
| Special Education - Preschool Grants, Recovery Act | 84.392                    | 58,019       |

III. Noncash Assistance

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

| Program Title                 | Federal<br>CFDA<br>Number | 2009      | 2010      |
|-------------------------------|---------------------------|-----------|-----------|
| School Breakfast Program      | 10.553                    | \$ 36,068 | \$ 30,773 |
| National School Lunch Program | 10.555                    | 117,226   | 113,954   |

KOKOMO-CENTER TOWNSHIP CONSOLIDATED SCHOOL CORPORATION  
SCHEDULE OF FINDINGS AND QUESTIONED COSTS

Section I – Summary of Auditor's Results

Financial Statements:

Type of auditor's report issued: Unqualified

Internal control over financial reporting:

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

Noncompliance material to financial statements noted? no

Federal Awards:

Internal control over major programs:

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

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

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

Identification of Major Programs:

Name of Federal Program or Cluster

Child Nutrition Cluster  
Title I, Part A Cluster  
Special Education Cluster  
State Fiscal Stabilization Fund Cluster  
Head Start Cluster

Dollar threshold used to distinguish between Type A and Type B programs: \$1,009,472

Auditee qualified as low-risk auditee? yes

Section II – Financial Statement Findings

No matters are reportable.

Section III – Federal Award Findings and Questioned Costs

No matters are reportable.

KOKOMO-CENTER TOWNSHIP CONSOLIDATED SCHOOL CORPORATION  
SUMMARY SCHEDULE OF PRIOR AUDIT FINDINGS

No matters are reportable.

KOKOMO-CENTER TOWNSHIP CONSOLIDATED SCHOOL CORPORATION  
EXIT CONFERENCE

The contents of this report were discussed on January 3, 2011, with Jeff Hauswald, Superintendent of Schools; Wayne Luttrell, President of the School Board; Eric Rody, Treasurer; and Gerri Smalling, Deputy Treasurer. The official response has been made a part of this report and may be found on pages 75 and 76.

# **Kokomo-Center Township Consolidated School Corporation**

*Where Potential Becomes Reality*

---

[erody@kokomo.k12.in.us](mailto:erody@kokomo.k12.in.us) P. O. Box 2188 Kokomo, Indiana 46904-2188 (765) 455-8000 FAX (765) 455-8018

January 7, 2011

Mr. Charles Nemeth  
Indiana State Board of Accounts  
302 West Washington Street  
Room E 418  
Indianapolis, IN 46204-2765

Re: OFFICIAL RESPONSE

Dear Mr. Nemeth:

The Kokomo-Center Schools Business Office offers the following response to our recent audit completed by Lori Danford, Lead Auditor. On January 3, 2011, the comments were discussed with the Superintendent, Treasurer, and Deputy Treasurer. Following are our comments regarding the audit results and comments discussed with us and shown in the report.

## **Overdrawn Fund Balances**

Ms. Danford pointed out in the report a few funds that had overdrawn fund balances during each of the two years in the audit. We submit the following information regarding those funds.

In the 2008-09 fiscal year, the Kindergarten Round-up T-shirt Fund, a donation fund, had purchased student t-shirts and was waiting on the final donation of \$100 which was received in July 2009. The Fresh Fruit and Vegetable Funds are reimbursable grants. Thus, a claim is filed at the beginning of each month requesting reimbursement for the expenses from the previous month. These funds always have negative cash balances while working through the reimbursement process. The Special Ed Preschool Carryover grant is a federal grant. The process was that the school corporation would submit a cash request at the beginning of the grant period for the entire year estimating expenses for each month. We then received the cash in July 2009, and thus the fund showed a negative balance as of June 30, 2009.

In the 2009-10 fiscal year, Kokomo Area Special Education Coop (KASEC) Joint Services fund was a new fund that Kokomo-Center Schools started using in 2010 to track KASEC expenses that cannot be charged to the Federal Grants. Kokomo-Center Schools is the LEA for the special education coop. These expenses were then billed out to the co-op schools at the end of the 2009-10 school year and the money was receipted into this fund to cover the expenses. This fund will carry a negative balance because the billing cycle takes place at the end of a school year when all expenses are known. The Fresh Fruit & Vegetable grant operates the same as described above in the 2008-09 fiscal year. The Special Ed Preschool Carryover grant operates in the same manner as described above in the 2008-09 fiscal year. With regards to the Safe & Drug Free & Title IIA grants, previously a school corporation would submit a cash request at the beginning of the grant period for the entire year estimating expenses for each month.

Effective July 1, 2010, all federal grants were moved to reimbursable grants where the corporation requests reimbursement twice monthly and can project expenses for 15 days. Mid-way through the year, the Stimulus Funds were changed so that a cash request was submitted at the beginning of each month based on previous expenses. Since we are not authorized to earn interest on the stimulus funds or any federal funds, we must keep the balance negative or zero.

In all cases, the school corporation accepts the recommendation of Ms. Danford and will continue to monitor the cash position of each of these funds in an effort to minimize and possibly eliminate the overdrawn positions.

### Credit Cards

The school corporation does have a policy allowing for the use of credit cards. While the policy does permit the use of such cards, it does not further breakdown authorized uses of the cards for specific reasons. The policy does recognize that travel expenses are the most common reason that credit cards should be used.

The policy does state that cards for administrators may only be issued to the Superintendent, Assistant Superintendent, and the Business Manager. Each board member is issued a card for travel purposes only. The cards are kept in the corporation vault room safe and issued only when traveling will occur.

Ms. Danford felt that our policy should be strengthened and reinforced with more restrictive administrative guidelines indicating the types of expenses that are permitted. She has also recommended that some travel guidelines should be established, such as a per diem for meals, when anyone is traveling for school purposes, as well as the log sheet for checking out a card for any of the permitted uses.

Since the last audit, we have required storing the credit cards and/or store cards in our vault until needed. We have further implemented a log sheet for checking out credit cards and required all detailed receipts be turned in when returning the card. While we have strengthened our procedures since the last audit, the actual written policy and guidelines have not been established to match these procedures.

We accept these suggestions from Ms. Danford and will certainly work with our board to establish a more detailed policy and administrative guideline for credit card use.

Please accept this letter as response to the audit results and comments as noted in the 2008-2010 audit report. Thank you.

Sincerely,



Mr. Jeff Hauswald  
Superintendent



Eric L. Rody  
Director of Business Affairs