

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

AUDIT REPORT

OF

NEW PRAIRIE UNITED SCHOOL CORPORATION

LAPORTE COUNTY, INDIANA

July 1, 2008 to June 30, 2010



**FILED**

02/23/2011



TABLE OF CONTENTS

<u>Description</u>	<u>Page</u>
Schedule of Officials .....	2
Independent Auditor's Report on Financial Statements and Supplementary Schedule of Expenditures of Federal Awards .....	3-4
Report on Internal Control Over Financial Reporting and on Compliance and Other Matters Based on an Audit of Financial Statements Performed in Accordance With Government Auditing Standards .....	5-6
Basic Financial Statements:	
Government-Wide Financial Statements:	
Statement of Activities and Net Assets – Cash and Investment Basis .....	7-8
Fund Financial Statements:	
Governmental Funds:	
Statement of Assets and Fund Balances and Receipts, Disbursements, and Changes in Fund Balances – Cash and Investment Basis – Governmental Funds .....	9-10
Fiduciary Funds:	
Statement of Additions, Deductions, and Changes in Cash and Investment Balances – Fiduciary Funds .....	11-12
Notes to Financial Statements .....	13-22
Supplementary Information:	
Combining Schedule of Assets and Fund Balances and Receipts, Disbursements, and Changes in Fund Balances – Cash and Investment Basis – Other Governmental Funds.....	23-32
Combining Schedule of Additions, Deductions, and Changes in Cash and Investment Balances – Private-Purpose Trust Funds .....	33-35
Combining Schedule of Cash and Investment Balances – Agency Funds .....	36-37
Schedule of Capital Assets.....	38
Schedule of Long-Term Debt .....	39
Audit Results and Comments:	
Overdrawn Cash Balances .....	40
Payroll Withholding Fund.....	40
Supplemental Audit of Federal Awards:	
Independent Auditor's Report on Compliance With Requirements Applicable to Each Major Program and Internal Control Over Compliance in Accordance With OMB Circular A-133.....	42-43
Schedule of Expenditures of Federal Awards .....	44
Notes to Schedule of Expenditures of Federal Awards.....	45
Schedule of Findings and Questioned Costs .....	46
Auditee Prepared Schedule:	
Summary Schedule of Prior Audit Findings .....	47
Exit Conference.....	48
Official Response .....	49

SCHEDULE OF OFFICIALS

<u>Office</u>	<u>Official</u>	<u>Term</u>
Treasurer	Sharon K. Heirbrandt	07-01-08 to 06-30-11
Superintendent of Schools	Philip V. Bender Jim P. Dermody	07-01-08 to 06-30-10 07-01-10 to 06-30-13
President of the School Board	Richard A. Shail	01-01-08 to 12-31-11



**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 NEW PRAIRIE UNITED SCHOOL  
CORPORATION, LAPORTE COUNTY, INDIANA

We have audited the accompanying financial statements of the governmental activities, each major fund, and the aggregate remaining fund information of the New Prairie United 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 January 10, 2011, on our consideration of the School Corporation's internal control over financial reporting and our tests of its compliance with certain provisions of laws, regulations, contracts, grant agreements, and other matters. The purpose of that report is to describe the scope of our testing of internal control over financial reporting and compliance and the results of that testing and not to provide an opinion on the internal control over financial reporting or on compliance. That report is an integral part of an audit performed in accordance with Government Auditing Standards and should be considered in assessing the results of our audit.

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

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

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

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

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

January 10, 2011



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

TO: THE OFFICIALS OF THE NEW PRAIRIE UNITED SCHOOL  
CORPORATION, LAPORTE COUNTY, INDIANA

We have audited the financial statements of the governmental activities, each major fund, and the aggregate remaining fund information of the New Prairie United 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 January 10, 2011. We conducted our audit in accordance with auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in Government Auditing Standards, issued by the Comptroller General of the United States.

Internal Control Over Financial Reporting

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

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

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

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

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

Compliance and Other Matters

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

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

STATE BOARD OF ACCOUNTS

January 10, 2011

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

<u>Functions/Programs</u>	<u>Disbursements</u>	<u>Program Receipts</u>		<u>Net (Disbursement) Receipts and Changes in Net Assets</u>
		<u>Charges for Services</u>	<u>Operating Grants and Contributions</u>	<u>Totals</u>
Governmental activities:				
Instruction	\$ 10,333,137	\$ -	\$ 309,838	\$ (10,023,299)
Support services	8,113,110	661,972	467,703	(6,983,435)
Noninstructional services	1,229,440	-	-	(1,229,440)
Facilities acquisition and construction	4,273,542	-	-	(4,273,542)
Debt service	6,939,371	-	-	(6,939,371)
Nonprogrammed charges	966,861	-	-	(966,861)
<b>Total governmental activities</b>	<b><u>\$ 31,855,461</u></b>	<b><u>\$ 661,972</u></b>	<b><u>\$ 777,541</u></b>	<b><u>(30,415,948)</u></b>
General receipts:				
Property taxes				10,734,333
Other local sources				680,067
State aid				10,822,602
Bonds and loans				3,475,441
Grants and contributions not restricted to specific programs				1,713,631
Investment earnings				36,717
Other				71,303
<b>Total general receipts</b>				<b><u>27,534,094</u></b>
<b>Change in net assets</b>				<b>(2,881,854)</b>
<b>Net assets - beginning</b>				<b><u>7,161,499</u></b>
<b>Net assets - ending</b>				<b><u>\$ 4,279,645</u></b>
<u>Assets</u>				
Cash and investments				\$ 3,346,308
Restricted assets:				
Cash and investments				<u>933,337</u>
<b>Total assets</b>				<b><u>\$ 4,279,645</u></b>
<u>Net Assets</u>				
Restricted for:				
Debt service				\$ 933,337
Unrestricted				<u>3,346,308</u>
<b>Total net assets</b>				<b><u>\$ 4,279,645</u></b>

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

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

Functions/Programs	Disbursements	Program Receipts		Net (Disbursement) Receipts and Changes in Net Assets
		Charges for Services	Operating Grants and Contributions	Totals
Governmental activities:				
Instruction	\$ 10,622,108	\$ -	\$ 295,500	\$ (10,326,608)
Support services	8,093,134	628,968	610,130	(6,854,036)
Noninstructional services	1,213,717	-	-	(1,213,717)
Facilities acquisition and construction	2,712,512	-	-	(2,712,512)
Debt service	9,060,598	-	-	(9,060,598)
Nonprogrammed charges	1,885,885	-	-	(1,885,885)
<b>Total governmental activities</b>	<b>\$ 33,587,954</b>	<b>\$ 628,968</b>	<b>\$ 905,630</b>	<b>(32,053,356)</b>
General receipts:				
Property taxes				11,023,971
Other local sources				2,589,608
State aid				14,775,850
Bonds and loans				3,380,190
Grants and contributions not restricted to specific programs				1,099,651
Investment earnings				6,498
Other				171,282
<b>Total general receipts</b>				<b>33,047,050</b>
Change in net assets				993,694
Net assets - beginning				4,279,645
Net assets - ending				<b>\$ 5,273,339</b>
<u>Assets</u>				
Cash and investments				\$ 4,569,833
Restricted assets:				
Cash and investments				703,506
<b>Total assets</b>				<b>\$ 5,273,339</b>
<u>Net Assets</u>				
Restricted for:				
Debt service				\$ 703,506
Unrestricted				4,569,833
<b>Total net assets</b>				<b>\$ 5,273,339</b>

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

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

	General	Transportation Operating	School Lunch	ARRA Stimulus	Debt Service	Capital Projects	Other	Totals
<b>Receipts:</b>								
Local sources	\$ 4,727,054	\$ 1,332,286	\$ 630,819	\$ -	\$ 2,487,446	\$ 2,222,865	\$ 661,356	\$ 12,061,826
Intermediate sources	49,371	-	-	-	-	-	1,894	51,265
State sources	11,080,726	-	14,499	-	-	-	225,285	11,320,510
Federal sources	-	-	391,257	1,298,257	-	-	303,748	1,993,262
Temporary loans	-	1,150,545	-	-	2,080,018	-	244,878	3,475,441
Other	52,793	8,407	-	-	-	10,103	-	71,303
<b>Total receipts</b>	<b>15,909,944</b>	<b>2,491,238</b>	<b>1,036,575</b>	<b>1,298,257</b>	<b>4,567,464</b>	<b>2,232,968</b>	<b>1,437,161</b>	<b>28,973,607</b>
<b>Disbursements:</b>								
<b>Current:</b>								
Instruction	9,904,300	-	-	-	-	-	428,837	10,333,137
Support services	4,255,834	1,922,861	326	-	-	1,218,233	715,856	8,113,110
Noninstructional services	253,041	-	976,399	-	-	-	-	1,229,440
Facilities acquisition and construction	-	-	-	-	-	3,721,313	552,229	4,273,542
Debt services	2,492,378	-	-	-	4,231,348	-	215,645	6,939,371
Nonprogrammed charges	559,212	-	-	300,000	-	-	107,649	966,861
<b>Total disbursements</b>	<b>17,464,765</b>	<b>1,922,861</b>	<b>976,725</b>	<b>300,000</b>	<b>4,231,348</b>	<b>4,939,546</b>	<b>2,020,216</b>	<b>31,855,461</b>
Excess (deficiency) of receipts over disbursements	(1,554,821)	568,377	59,850	998,257	336,116	(2,706,578)	(583,055)	(2,881,854)
<b>Other financing sources (uses):</b>								
Transfers in	36,381	-	-	-	-	-	105,119	141,500
Transfers out	(16,415)	(4,379)	-	-	(34,997)	(7,527)	(78,182)	(141,500)
<b>Total other financing sources (uses)</b>	<b>19,966</b>	<b>(4,379)</b>	<b>-</b>	<b>-</b>	<b>(34,997)</b>	<b>(7,527)</b>	<b>26,937</b>	<b>-</b>
Excess (deficiency) of receipts and other financing sources over disbursements and other financing uses	(1,534,855)	563,998	59,850	998,257	301,119	(2,714,105)	(556,118)	(2,881,854)
Cash and investments - beginning	2,843,145	100,581	511,503	-	554,101	2,732,526	419,643	7,161,499
Cash and investments - ending	\$ 1,308,290	\$ 664,579	\$ 571,353	\$ 998,257	\$ 855,220	\$ 18,421	\$ (136,475)	\$ 4,279,645
<b>Cash and Investment Assets - Ending</b>								
Cash and investments	\$ 1,308,290	\$ 664,579	\$ 571,353	\$ 998,257	\$ -	\$ 18,421	\$ (214,592)	\$ 3,346,308
Restricted assets:								
Cash and investments	-	-	-	-	855,220	-	78,117	933,337
<b>Total cash and investment assets - ending</b>	<b>\$ 1,308,290</b>	<b>\$ 664,579</b>	<b>\$ 571,353</b>	<b>\$ 998,257</b>	<b>\$ 855,220</b>	<b>\$ 18,421</b>	<b>\$ (136,475)</b>	<b>\$ 4,279,645</b>
<b>Cash and Investment Fund Balance - Ending</b>								
Restricted for:								
Debt service	\$ -	\$ -	\$ -	\$ -	\$ 855,220	\$ -	\$ 78,117	\$ 933,337
Unrestricted	1,308,290	664,579	571,353	998,257	-	18,421	(214,592)	3,346,308
<b>Total cash and investment fund balance - ending</b>	<b>\$ 1,308,290</b>	<b>\$ 664,579</b>	<b>\$ 571,353</b>	<b>\$ 998,257</b>	<b>\$ 855,220</b>	<b>\$ 18,421</b>	<b>\$ (136,475)</b>	<b>\$ 4,279,645</b>

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

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

	General	Transportation Operating	School Lunch	ARRA Stimulus	Debt Service	Capital Projects	Other	Totals
<b>Receipts:</b>								
Local sources	\$ 1,317,737	\$ 2,497,326	\$ 596,257	\$ -	\$ 4,833,534	\$ 3,933,182	\$ 1,019,895	\$ 14,197,931
Intermediate sources	50,000	-	-	-	-	-	1,112	51,112
State sources	15,021,399	-	15,697	-	-	-	232,159	15,269,255
Federal sources	-	-	507,654	556,830	-	-	447,394	1,511,878
Temporary loans	-	369,180	-	-	1,432,975	1,404,751	173,284	3,380,190
Other	71,953	11,246	-	-	913	86,752	418	171,282
<b>Total receipts</b>	<b>16,461,089</b>	<b>2,877,752</b>	<b>1,119,608</b>	<b>556,830</b>	<b>6,267,422</b>	<b>5,424,685</b>	<b>1,874,262</b>	<b>34,581,648</b>
<b>Disbursements:</b>								
<b>Current:</b>								
Instruction	9,381,238	-	-	739,642	-	-	501,228	10,622,108
Support services	4,121,014	2,007,907	407	276,263	68,582	1,060,305	558,656	8,093,134
Noninstructional services	224,629	-	979,585	9,503	-	-	-	1,213,717
Facilities acquisition and construction	-	-	-	-	-	2,712,512	-	2,712,512
Debt services	489,549	1,255,735	-	-	6,406,036	380,580	528,698	9,060,598
Nonprogrammed charges	1,350,739	-	-	529,679	-	-	5,467	1,885,885
<b>Total disbursements</b>	<b>15,567,169</b>	<b>3,263,642</b>	<b>979,992</b>	<b>1,555,087</b>	<b>6,474,618</b>	<b>4,153,397</b>	<b>1,594,049</b>	<b>33,587,954</b>
<b>Excess (deficiency) of receipts over disbursements</b>	<b>893,920</b>	<b>(385,890)</b>	<b>139,616</b>	<b>(998,257)</b>	<b>(207,196)</b>	<b>1,271,288</b>	<b>280,213</b>	<b>993,694</b>
<b>Other financing sources (uses):</b>								
Transfers in	156,878	-	-	-	-	-	6,860	163,738
Transfers out	(1)	-	-	-	-	-	(163,737)	(163,738)
<b>Total other financing sources (uses)</b>	<b>156,877</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>(156,877)</b>	<b>-</b>
<b>Excess (deficiency) of receipts and other financing sources over disbursements and other financing uses</b>	<b>1,050,797</b>	<b>(385,890)</b>	<b>139,616</b>	<b>(998,257)</b>	<b>(207,196)</b>	<b>1,271,288</b>	<b>123,336</b>	<b>993,694</b>
<b>Cash and investments - beginning</b>	<b>1,308,290</b>	<b>664,579</b>	<b>571,353</b>	<b>998,257</b>	<b>855,220</b>	<b>18,421</b>	<b>(136,475)</b>	<b>4,279,645</b>
<b>Cash and investments - ending</b>	<b>\$ 2,359,087</b>	<b>\$ 278,689</b>	<b>\$ 710,969</b>	<b>\$ -</b>	<b>\$ 648,024</b>	<b>\$ 1,289,709</b>	<b>\$ (13,139)</b>	<b>\$ 5,273,339</b>
<b>Cash and Investment Assets - Ending</b>								
Cash and investments	\$ 2,359,087	\$ 278,689	\$ 710,969	\$ -	\$ -	\$ 1,289,709	\$ (68,621)	\$ 4,569,833
Restricted assets:								
Cash and investments	-	-	-	-	648,024	-	55,482	703,506
<b>Total cash and investment assets - ending</b>	<b>\$ 2,359,087</b>	<b>\$ 278,689</b>	<b>\$ 710,969</b>	<b>\$ -</b>	<b>\$ 648,024</b>	<b>\$ 1,289,709</b>	<b>\$ (13,139)</b>	<b>\$ 5,273,339</b>
<b>Cash and Investment Fund Balance - Ending</b>								
Restricted for:								
Debt service	\$ -	\$ -	\$ -	\$ -	\$ 648,024	\$ -	\$ 55,482	\$ 703,506
Unrestricted	2,359,087	278,689	710,969	-	-	1,289,709	(68,621)	4,569,833
<b>Total cash and investment fund balance - ending</b>	<b>\$ 2,359,087</b>	<b>\$ 278,689</b>	<b>\$ 710,969</b>	<b>\$ -</b>	<b>\$ 648,024</b>	<b>\$ 1,289,709</b>	<b>\$ (13,139)</b>	<b>\$ 5,273,339</b>

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

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

	Private-Purpose Trust Funds	Agency Fund
Additions:		
Contributions:		
Other	\$ 26,866	
Investment earnings:		
Interest	2,628	
Total additions	29,494	
Deductions:		
Administrative and general	178,244	
Deficiency of total additions under total deductions	(148,750)	
Cash and investment fund balance - beginning	168,655	
Cash and investment fund balance - ending	\$ 19,905	\$ 165,572
Net assets:		
Cash and investments	\$ 19,905	
Total net assets - cash and investment basis held in trust	\$ 19,905	

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

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

	Pension Trust Fund	Private-Purpose Trust Funds	Agency Fund
	(Retirement/ Severance)		
Additions:			
Contributions:			
Employer	\$ 63,000	\$ -	
Other	<u>-</u>	<u>27,206</u>	
Total contributions	<u>63,000</u>	<u>27,206</u>	
Investment earnings:			
Interest	<u>-</u>	<u>13</u>	
Total additions	<u>63,000</u>	<u>27,219</u>	
Deductions:			
Benefits	63,000	-	
Administrative and general	<u>-</u>	<u>27,162</u>	
Total deductions	<u>63,000</u>	<u>27,162</u>	
Excess of total additions over total deductions	-	57	
Cash and investment fund balance - beginning	<u>-</u>	<u>19,905</u>	
Cash and investment fund balance - ending	<u>\$ -</u>	<u>\$ 19,962</u>	<u>\$ 156,606</u>
Net assets:			
Cash and investments	<u>\$ -</u>	<u>\$ 19,962</u>	
Total net assets - cash and investment basis held in trust	<u>\$ -</u>	<u>\$ 19,962</u>	

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

NEW PRAIRIE UNITED 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: New Prairie United School Corporation

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

Joint Venture

The School Corporation is a participant in a joint venture to operate the South LaPorte County Special Education Cooperative (Cooperative) which was created to provide a free appropriate public education to students identified as disabled in accordance with State statute who are legal residents of the member school corporations. The Cooperative's continued existence depends on continued funding by the School Corporation. Complete financial statements for the Cooperative can be obtained from LaPorte Community School Corporation, 1921 "A" Street, LaPorte, IN 46350.

Related Organizations

The School Corporation's officials are also responsible for appointing the members of the boards of other organizations, but the School Corporation's accountability for these organizations does not extend beyond making the appointments. The School Corporation appoints two of the board members of the New Carlisle-Olive Township Public Library Board.

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.

NEW PRAIRIE UNITED SCHOOL CORPORATION  
NOTES TO FINANCIAL STATEMENTS  
(Continued)

Fund Financial Statements

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

The School Corporation reports the following major governmental funds:

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

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

The school lunch fund accounts for receipts and disbursements related to the food service program.

The ARRA stimulus fund accounts for financial resources provided by the Federal government to assist school corporations during the national economic recession.

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

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

Additionally, the School Corporation reports the following fund types:

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

The private-purpose trust funds report trust arrangements under which principal and income benefit certain individual students.

The agency fund accounts for assets held by the School Corporation as an agent for employee payroll withholdings and serve as control accounts for certain cash transactions during the time they are a liability to the School Corporation.

NEW PRAIRIE UNITED SCHOOL CORPORATION  
NOTES TO FINANCIAL STATEMENTS  
(Continued)

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.

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

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

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

NEW PRAIRIE UNITED SCHOOL CORPORATION  
NOTES TO FINANCIAL STATEMENTS  
(Continued)

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.

6. Equity Classification

Government-Wide Statements

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

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

Fund Financial Statements

Governmental fund equity is classified as fund balance.

E. Receipts and Disbursements

Program Receipts

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

F. Internal and Interfund Activities

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

NEW PRAIRIE UNITED SCHOOL CORPORATION  
NOTES TO FINANCIAL STATEMENTS  
(Continued)

Fund Financial Statements

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

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.

NEW PRAIRIE UNITED SCHOOL CORPORATION  
NOTES TO FINANCIAL STATEMENTS  
(Continued)

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

B. Cash and Investment Balance Deficits

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

Fund	2009	2010
Textbook Rental	\$ 441,827	\$ 391,889
Career/Tech Ed Business 08/09	23,953	-

Cash and investment deficits arose primarily from a large delinquent textbook rental receivable balance that the school corporation is currently pursuing the collection of, the acquisition of a large number of textbooks, and grant disbursements preceding grant receipts.

III. Detailed Notes on All Funds

A. Deposits

Custodial credit risk is the risk that in the event of a bank failure, the government's deposits may not be returned to it. IC 5-13-8-1 allows a political subdivision of the State of Indiana to deposit public funds in a financial institution only if the financial institution is a depository eligible to receive state funds and has a principal office or branch that qualifies to receive public funds of the political subdivision. The School Corporation does not have a deposit policy for custodial credit risk. At June 30, 2010, the School Corporation had deposit balances in the amount of \$5,449,908. The bank balances were insured by the Federal Deposit Insurance Corporation or the Public Deposit Insurance Fund, which covers all public funds held in approved depositories.

B. Interfund Transfers

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

Transfer From	Transfer To	2009	2010
General Fund	Other Governmental Funds	\$ 16,415	\$ 1
Transportation Operating Fund	Other Governmental Funds	4,379	-
Debt Service Fund	Other Governmental Funds	34,997	-
Capital Projects Fund	Other Governmental Funds	7,527	-
Other Governmental Funds	General Fund	36,381	156,878
Other Governmental Funds	Other Governmental Funds	41,801	6,859
Totals		<u>\$ 141,500</u>	<u>\$ 163,738</u>

NEW PRAIRIE UNITED SCHOOL CORPORATION  
NOTES TO FINANCIAL STATEMENTS  
(Continued)

The School Corporation typically uses transfers for cash flow purposes as provided by various statutory provisions. The special education preschool fund was closed to the general fund per State requirement.

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 and dependents (excluding postemployment benefits); and natural disasters.

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

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

During 1985, the School Corporation joined with other governmental entities in the Midwest Area School Employees' Insurance Trust, a public entity risk pool currently operating as a common risk management and insurance program for 17 member governmental entities. This risk pool was formed in 1985. The purpose of the risk pool is to provide a medium for the funding and administration of medical benefits to employees, retirees, and dependents. The School Corporation pays an annual premium to the risk pool for its medical benefits to employees, retirees, and dependents coverage. The risk pool is considered a self-sustaining risk pool that will provide coverage for its members for up to \$5,000,000 per insured event. The risk pool obtains independent coverage for insured events in excess of the \$250,000 limit.

B. Holding Corporation

The School Corporation has entered into capital leases with the New Prairie United School Building Corporation (the lessor). The lessor was organized as a not-for-profit corporation pursuant to state statute for the purpose of financing and constructing or reconstructing facilities for lease to the School Corporation. The lessor has been determined to be a related party of the School Corporation. Lease payments during the years 2009 and 2010 totaled \$2,055,000 and \$3,613,000, respectively.

C. Subsequent Events

School Construction Bonds

The School Corporation has received approval from the Indiana Department of Education to issue \$1,990,000 in Qualified School Construction Bonds. The proceeds of this bond issue will be used for cafeteria renovations and technology upgrades. Sale of the bonds is anticipated in January 2011.

NEW PRAIRIE UNITED SCHOOL CORPORATION  
NOTES TO FINANCIAL STATEMENTS  
(Continued)

County Property Tax Assessment

On May 23, 2008, the Indiana Department of Local Government Finance (DLGF) issued an order for a complete reassessment of LaPorte County residential, commercial, and industrial property for 2006 taxes payable 2007. The order was issued based upon a review by the DLGF that determined that there was a manipulation of data that led to the inaccuracies.

LaPorte County has not completed and settled an approved property tax cycle since the 2005 payable 2006 property tax year. Each subsequent year the County has sent out various forms of provisional bills with the notice that a reconciliation bill will be provided to taxpayers once assessments are approved and certified and final tax rates are established. These provisional bills were based upon the originally approved 2006 payable 2007 assessed values and tax rates, which were nullified by the DLGF order for a complete reassessment. These delays and uncertainties have resulted in a lower than budgeted property tax collection rate for the School Corporation. It is undeterminable how much property tax collections the School Corporation will receive once all the reconciliation bills have been distributed and the collections received. Provisional bills for taxes payable in 2010, based upon the 2006 payable 2007 tax rates, were mailed in June 2010 and were due in two installments, July 9, 2010, and November 10, 2010. Final settlement of these provisional collections did occur in December 2010.

D. Termination Benefits

The School Corporation annually contributes 1% of each certified employee's (teacher's) base salary into a 501(c)(9) trust account plan that the teacher may use upon retirement for health related costs. During the 2009-2010 school year, the School Corporation paid \$76,087 on behalf of 155 teachers into these trust accounts. The School Corporation contributed \$7,800 during the 2009-2010 school year into the same 501(c)(9) trust account for teachers that were not eligible for retirement/severance benefits as of June 30, 2004. The School Corporation offered, and seven teachers accepted, an additional severance benefit of \$18,000 payable over two years if the teacher retired during the 2009-2010 school year. Half of this amount or \$63,000 was paid in the 2009-2010 school year and the remainder will be paid during the 2010-2011 school year.

E. Temporary Loans

The School Corporation has temporary loans outstanding at June 30, 2009, and at June 30, 2010, for cash flow purposes in advance of property tax collections and/or state tuition support distributions in the following funds and amounts:

Fund	June 30, 2009	June 30, 2010
General	\$ 489,589	\$ -
Debt service	2,080,018	774,772
Retirement/severance bond debt service	124,203	55,031
Capital projects	-	1,024,171
Transportation operating	1,150,545	263,990
School bus replacement	133,298	-
Totals	<u>\$ 3,977,653</u>	<u>\$ 2,117,964</u>

NEW PRAIRIE UNITED SCHOOL CORPORATION  
NOTES TO FINANCIAL STATEMENTS  
(Continued)

F. Pension Plans

1. Agent Multiple-Employer Defined Benefit Pension Plan

Public Employees' Retirement Fund

Plan Description

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

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

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

Funding Policy

The contribution requirements of plan members for PERF are established by the Board of Trustees of PERF. The total contributions made to PERF by the School Corporation during the period were \$563,021.

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

NEW PRAIRIE UNITED SCHOOL CORPORATION  
NOTES TO FINANCIAL STATEMENTS  
(Continued)

to contribute to the plan. The TRF retirement benefit consists of the pension provided by employer contributions plus an annuity provided by the member's annuity savings account. The annuity savings account consists of member's contributions, set by state statute at 3% of compensation, plus the interest credited to the member's account. The School Corporation may elect to make the contributions on behalf of the member.

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

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

Funding Policy

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

The School Corporation's contributions to the plan during the periods ending June 30, 2009 and 2010, were \$587,726 and \$609,601, respectively.

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

	Special Education Preschool	Textbook Rental	Levy Excess	Carl Perkins Grant 08/09	Afternoons R.O.C.K. Grant	Educational License Plates
<b>Receipts:</b>						
Local sources	\$ 15,258	\$ 237,897	\$ -	\$ -	\$ 22,350	\$ -
Intermediate sources	-	-	-	-	-	1,894
State sources	77,273	61,947	-	-	-	-
Federal sources	-	-	-	8,500	-	-
Temporary loans	-	-	-	-	-	-
<b>Total receipts</b>	<b>92,531</b>	<b>299,844</b>	<b>-</b>	<b>8,500</b>	<b>22,350</b>	<b>1,894</b>
<b>Disbursements:</b>						
<b>Current:</b>						
Instruction	-	-	-	8,495	19,279	-
Support services	-	475,238	-	-	-	-
Facilities acquisition and construction	-	-	-	-	-	-
Debt services	-	-	-	-	-	-
Nonprogrammed charges	102,533	-	-	-	3,353	1,763
<b>Total disbursements</b>	<b>102,533</b>	<b>475,238</b>	<b>-</b>	<b>8,495</b>	<b>22,632</b>	<b>1,763</b>
<b>Excess (deficiency) of receipts over disbursements</b>	<b>(10,002)</b>	<b>(175,394)</b>	<b>-</b>	<b>5</b>	<b>(282)</b>	<b>131</b>
<b>Other financing sources (uses):</b>						
Transfers in	-	27,738	36,381	-	-	-
Transfers out	(59)	-	(36,381)	-	-	-
<b>Total other financing sources (uses)</b>	<b>(59)</b>	<b>27,738</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>(10,061)</b>	<b>(147,656)</b>	<b>-</b>	<b>5</b>	<b>(282)</b>	<b>131</b>
<b>Cash and investments - beginning</b>	<b>119,019</b>	<b>(294,171)</b>	<b>-</b>	<b>-</b>	<b>2,644</b>	<b>487</b>
<b>Cash and investments - ending</b>	<b>\$ 108,958</b>	<b>\$ (441,827)</b>	<b>\$ -</b>	<b>\$ 5</b>	<b>\$ 2,362</b>	<b>\$ 618</b>
<b><u>Cash and Investment Assets - Ending</u></b>						
Cash and investments	\$ 108,958	\$ (441,827)	\$ -	\$ 5	\$ 2,362	\$ 618
Restricted assets:						
Cash and investments	-	-	-	-	-	-
<b>Total cash and investment assets - ending</b>	<b>\$ 108,958</b>	<b>\$ (441,827)</b>	<b>\$ -</b>	<b>\$ 5</b>	<b>\$ 2,362</b>	<b>\$ 618</b>
<b><u>Cash and Investment Fund Balance - Ending</u></b>						
Restricted for:						
Debt service	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Unrestricted	108,958	(441,827)	-	5	2,362	618
<b>Total cash and investment fund balance - ending</b>	<b>\$ 108,958</b>	<b>\$ (441,827)</b>	<b>\$ -</b>	<b>\$ 5</b>	<b>\$ 2,362</b>	<b>\$ 618</b>

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

	Non-English Speaking Programs	High Ability Grant 2008/2009	Indiana Youth Inst Grant	High Ability Grant	Title I	Title V Innovative Programs
<b>Receipts:</b>						
Local sources	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Intermediate sources	-	-	-	-	-	-
State sources	14,241	37,471	200	-	-	-
Federal sources	-	-	-	-	184,319	560
Temporary loans	-	-	-	-	-	-
<b>Total receipts</b>	<b>14,241</b>	<b>37,471</b>	<b>200</b>	<b>-</b>	<b>184,319</b>	<b>560</b>
<b>Disbursements:</b>						
<b>Current:</b>						
Instruction	14,241	29,458	-	16,930	160,665	19,739
Support services	-	-	200	-	268	-
Facilities acquisition and construction	-	-	-	-	-	-
Debt services	-	-	-	-	-	-
Nonprogrammed charges	-	-	-	-	-	-
<b>Total disbursements</b>	<b>14,241</b>	<b>29,458</b>	<b>200</b>	<b>16,930</b>	<b>160,933</b>	<b>19,739</b>
<b>Excess (deficiency) of receipts over disbursements</b>	<b>-</b>	<b>8,013</b>	<b>-</b>	<b>(16,930)</b>	<b>23,386</b>	<b>(19,179)</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>-</b>	<b>8,013</b>	<b>-</b>	<b>(16,930)</b>	<b>23,386</b>	<b>(19,179)</b>
<b>Cash and investments - beginning</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>16,930</b>	<b>-</b>	<b>19,739</b>
<b>Cash and investments - ending</b>	<b>\$ -</b>	<b>\$ 8,013</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ 23,386</b>	<b>\$ 560</b>
<b><u>Cash and Investment Assets - Ending</u></b>						
Cash and investments	\$ -	\$ 8,013	\$ -	\$ -	\$ 23,386	\$ 560
Restricted assets:						
Cash and investments	-	-	-	-	-	-
<b>Total cash and investment assets - ending</b>	<b>\$ -</b>	<b>\$ 8,013</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ 23,386</b>	<b>\$ 560</b>
<b><u>Cash and Investment Fund Balance - Ending</u></b>						
Restricted for:						
Debt service	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Unrestricted	-	8,013	-	-	23,386	560
<b>Total cash and investment fund balance - ending</b>	<b>\$ -</b>	<b>\$ 8,013</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ 23,386</b>	<b>\$ 560</b>

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

	Title V Innovative 08/09	Title I FY08	Serve America High School Grant	Drug Free Schools 08/09	Vocational Ed High Schools That Work	Vocational and Technical Education
<b>Receipts:</b>						
Local sources	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Intermediate sources	-	-	-	-	-	-
State sources	-	-	-	-	-	16,559
Federal sources	-	-	-	4,511	-	-
Temporary loans	-	-	-	-	-	-
<b>Total receipts</b>	<u>-</u>	<u>-</u>	<u>-</u>	<u>4,511</u>	<u>-</u>	<u>16,559</u>
<b>Disbursements:</b>						
<b>Current:</b>						
Instruction	22,097	16,038	4,353	3,620	900	12,595
Support services	-	-	-	-	-	-
Facilities acquisition and construction	-	-	-	-	-	-
Debt services	-	-	-	-	-	-
Nonprogrammed charges	-	-	-	-	-	-
<b>Total disbursements</b>	<u>22,097</u>	<u>16,038</u>	<u>4,353</u>	<u>3,620</u>	<u>900</u>	<u>12,595</u>
<b>Excess (deficiency) of receipts over disbursements</b>	<u>(22,097)</u>	<u>(16,038)</u>	<u>(4,353)</u>	<u>891</u>	<u>(900)</u>	<u>3,964</u>
<b>Other financing sources (uses):</b>						
Transfers in	41,000	-	-	-	-	-
Transfers out	-	-	-	-	-	-
<b>Total other financing sources (uses)</b>	<u>41,000</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>18,903</u>	<u>(16,038)</u>	<u>(4,353)</u>	<u>891</u>	<u>(900)</u>	<u>3,964</u>
<b>Cash and investments - beginning</b>	<u>-</u>	<u>16,038</u>	<u>9,496</u>	<u>-</u>	<u>900</u>	<u>(4,147)</u>
<b>Cash and investments - ending</b>	<u>\$ 18,903</u>	<u>\$ -</u>	<u>\$ 5,143</u>	<u>\$ 891</u>	<u>\$ -</u>	<u>\$ (183)</u>
<b><u>Cash and Investment Assets - Ending</u></b>						
Cash and investments	\$ 18,903	\$ -	\$ 5,143	\$ 891	\$ -	\$ (183)
Restricted assets:						
Cash and investments	-	-	-	-	-	-
<b>Total cash and investment assets - ending</b>	<u>\$ 18,903</u>	<u>\$ -</u>	<u>\$ 5,143</u>	<u>\$ 891</u>	<u>\$ -</u>	<u>\$ (183)</u>
<b><u>Cash and Investment Fund Balance - Ending</u></b>						
<b>Restricted for:</b>						
Debt service	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Unrestricted	18,903	-	5,143	891	-	(183)
<b>Total cash and investment fund balance - ending</b>	<u>\$ 18,903</u>	<u>\$ -</u>	<u>\$ 5,143</u>	<u>\$ 891</u>	<u>\$ -</u>	<u>\$ (183)</u>

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

	Perkins Career and Technical Education	Career/Tech Ed Business 08/09	1st Robotics Grant	Title II Part A 2006/2007	Title II Part A 08/09	Title III Language Minority Grant
<b>Receipts:</b>						
Local sources	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Intermediate sources	-	-	-	-	-	-
State sources	10,340	-	7,254	-	-	-
Federal sources	-	-	-	-	82,201	10,950
Temporary loans	-	-	-	-	-	-
<b>Total receipts</b>	<b>10,340</b>	<b>-</b>	<b>7,254</b>	<b>-</b>	<b>82,201</b>	<b>10,950</b>
<b>Disbursements:</b>						
<b>Current:</b>						
Instruction	5,173	23,953	7,500	53,457	-	10,344
Support services	-	-	-	-	-	219
Facilities acquisition and construction	-	-	-	-	-	-
Debt services	-	-	-	-	-	-
Nonprogrammed charges	-	-	-	-	-	-
<b>Total disbursements</b>	<b>5,173</b>	<b>23,953</b>	<b>7,500</b>	<b>53,457</b>	<b>-</b>	<b>10,563</b>
<b>Excess (deficiency) of receipts over disbursements</b>	<b>5,167</b>	<b>(23,953)</b>	<b>(246)</b>	<b>(53,457)</b>	<b>82,201</b>	<b>387</b>
<b>Other financing sources (uses):</b>						
Transfers in	-	-	-	-	-	-
Transfers out	-	-	-	-	(41,000)	-
<b>Total other financing sources (uses)</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>(41,000)</b>	<b>-</b>
<b>Excess (deficiency) of receipts and other financing sources over disbursements and other financing uses</b>	<b>5,167</b>	<b>(23,953)</b>	<b>(246)</b>	<b>(53,457)</b>	<b>41,201</b>	<b>387</b>
<b>Cash and investments - beginning</b>	<b>(5,167)</b>	<b>-</b>	<b>-</b>	<b>62,553</b>	<b>-</b>	<b>2,203</b>
<b>Cash and investments - ending</b>	<b>\$ -</b>	<b>\$ (23,953)</b>	<b>\$ (246)</b>	<b>\$ 9,096</b>	<b>\$ 41,201</b>	<b>\$ 2,590</b>
<b><u>Cash and Investment Assets - Ending</u></b>						
Cash and investments	\$ -	\$ (23,953)	\$ (246)	\$ 9,096	\$ 41,201	\$ 2,590
Restricted assets:						
Cash and investments	-	-	-	-	-	-
<b>Total cash and investment assets - ending</b>	<b>\$ -</b>	<b>\$ (23,953)</b>	<b>\$ (246)</b>	<b>\$ 9,096</b>	<b>\$ 41,201</b>	<b>\$ 2,590</b>
<b><u>Cash and Investment Fund Balance - Ending</u></b>						
<b>Restricted for:</b>						
Debt service	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Unrestricted	-	(23,953)	(246)	9,096	41,201	2,590
<b>Total cash and investment fund balance - ending</b>	<b>\$ -</b>	<b>\$ (23,953)</b>	<b>\$ (246)</b>	<b>\$ 9,096</b>	<b>\$ 41,201</b>	<b>\$ 2,590</b>

NEW PRAIRIE UNITED 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 Grant Stimulus	Retirement/ Severance Bond Debt Service	School Bus Replacement	Construction	Totals
<b>Receipts:</b>					
Local sources	\$ -	\$ 108,899	\$ 276,952	\$ -	\$ 661,356
Intermediate sources	-	-	-	-	1,894
State sources	-	-	-	-	225,285
Federal sources	12,707	-	-	-	303,748
Temporary loans	-	111,580	133,298	-	244,878
<b>Total receipts</b>	<b>12,707</b>	<b>220,479</b>	<b>410,250</b>	<b>-</b>	<b>1,437,161</b>
<b>Disbursements:</b>					
<b>Current:</b>					
Instruction	-	-	-	-	428,837
Support services	1,950	-	237,981	-	715,856
Facilities acquisition and construction	-	-	-	552,229	552,229
Debt services	-	215,645	-	-	215,645
Nonprogrammed charges	-	-	-	-	107,649
<b>Total disbursements</b>	<b>1,950</b>	<b>215,645</b>	<b>237,981</b>	<b>552,229</b>	<b>2,020,216</b>
Excess (deficiency) of receipts over disbursements	10,757	4,834	172,269	(552,229)	(583,055)
<b>Other financing sources (uses):</b>					
Transfers in	-	-	-	-	105,119
Transfers out	-	(413)	(329)	-	(78,182)
<b>Total other financing sources (uses)</b>	<b>-</b>	<b>(413)</b>	<b>(329)</b>	<b>-</b>	<b>26,937</b>
Excess (deficiency) of receipts and other financing sources over disbursements and other financing uses	10,757	4,421	171,940	(552,229)	(556,118)
Cash and investments - beginning	-	73,696	(152,806)	552,229	419,643
Cash and investments - ending	\$ 10,757	\$ 78,117	\$ 19,134	\$ -	\$ (136,475)
<b><u>Cash and Investment Assets - Ending</u></b>					
Cash and investments	\$ 10,757	\$ -	\$ 19,134	\$ -	\$ (214,592)
Restricted assets:					
Cash and investments	-	78,117	-	-	78,117
<b>Total cash and investment assets - ending</b>	<b>\$ 10,757</b>	<b>\$ 78,117</b>	<b>\$ 19,134</b>	<b>\$ -</b>	<b>\$ (136,475)</b>
<b><u>Cash and Investment Fund Balance - Ending</u></b>					
Restricted for:					
Debt service	\$ -	\$ 78,117	\$ -	\$ -	\$ 78,117
Unrestricted	10,757	-	19,134	-	(214,592)
<b>Total cash and investment fund balance - ending</b>	<b>\$ 10,757</b>	<b>\$ 78,117</b>	<b>\$ 19,134</b>	<b>\$ -</b>	<b>\$ (136,475)</b>

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

	Special Education Preschool	Textbook Rental	Carl Perkins Grant 08/09	Afternoons R.O.C.K. Grant	Prairie View R.O.C.K.	Educational License Plates	LaPorte County Drug Free Grant
<b>Receipts:</b>							
Local sources	\$ 3,920	\$ 210,158	\$ -	\$ 17,525	\$ 7,480	\$ -	\$ 5,927
Intermediate sources	-	-	-	-	-	1,112	-
State sources	44,000	86,779	-	-	-	-	-
Federal sources	-	-	-	-	-	-	-
Temporary loans	-	-	-	-	-	-	-
Other	-	213	-	-	138	-	-
<b>Total receipts</b>	<b>47,920</b>	<b>297,150</b>	<b>-</b>	<b>17,525</b>	<b>7,618</b>	<b>1,112</b>	<b>5,927</b>
<b>Disbursements:</b>							
<b>Current:</b>							
Instruction	-	-	-	15,381	6,611	-	1,595
Support services	-	247,212	5	-	-	-	-
Debt services	-	-	-	-	-	-	-
Nonprogrammed charges	-	-	-	3,423	1,007	1,037	-
<b>Total disbursements</b>	<b>-</b>	<b>247,212</b>	<b>5</b>	<b>18,804</b>	<b>7,618</b>	<b>1,037</b>	<b>1,595</b>
<b>Excess (deficiency) of receipts over disbursements</b>	<b>47,920</b>	<b>49,938</b>	<b>(5)</b>	<b>(1,279)</b>	<b>-</b>	<b>75</b>	<b>4,332</b>
<b>Other financing sources (uses):</b>							
Transfers in	-	-	-	-	-	-	-
Transfers out	(156,878)	-	-	-	-	-	-
<b>Total other financing sources (uses)</b>	<b>(156,878)</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>(108,958)</b>	<b>49,938</b>	<b>(5)</b>	<b>(1,279)</b>	<b>-</b>	<b>75</b>	<b>4,332</b>
Cash and investments - beginning	108,958	(441,827)	5	2,362	-	618	-
Cash and investments - ending	\$ -	\$ (391,889)	\$ -	\$ 1,083	\$ -	\$ 693	\$ 4,332
<b><u>Cash and Investment Assets - Ending</u></b>							
Cash and investments	\$ -	\$ (391,889)	\$ -	\$ 1,083	\$ -	\$ 693	\$ 4,332
<b>Restricted assets:</b>							
Cash and investments	-	-	-	-	-	-	-
<b>Total cash and investment assets - ending</b>	<b>\$ -</b>	<b>\$ (391,889)</b>	<b>\$ -</b>	<b>\$ 1,083</b>	<b>\$ -</b>	<b>\$ 693</b>	<b>\$ 4,332</b>
<b><u>Cash and Investment Fund Balance - Ending</u></b>							
<b>Restricted for:</b>							
Debt service	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Unrestricted	-	(391,889)	-	1,083	-	693	4,332
<b>Total cash and investment fund balance - ending</b>	<b>\$ -</b>	<b>\$ (391,889)</b>	<b>\$ -</b>	<b>\$ 1,083</b>	<b>\$ -</b>	<b>\$ 693</b>	<b>\$ 4,332</b>

NEW PRAIRIE UNITED 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)

	Non-English Speaking Program	High Ability Grant 2008/2009	High Ability Grant 2009/2010	Title I 08/09	Title I 09/10	Title V Innovative Programs
<b>Receipts:</b>						
Local sources	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Intermediate sources	-	-	-	-	-	-
State sources	13,030	-	36,923	-	-	-
Federal sources	-	-	-	33,900	190,738	1,000
Temporary loans	-	-	-	-	-	-
Other	-	-	-	-	-	-
<b>Total receipts</b>	<b>13,030</b>	<b>-</b>	<b>36,923</b>	<b>33,900</b>	<b>190,738</b>	<b>1,000</b>
<b>Disbursements:</b>						
<b>Current:</b>						
Instruction	13,030	8,013	21,664	50,427	188,186	1,560
Support services	-	-	-	-	-	-
Debt services	-	-	-	-	-	-
Nonprogrammed charges	-	-	-	-	-	-
<b>Total disbursements</b>	<b>13,030</b>	<b>8,013</b>	<b>21,664</b>	<b>50,427</b>	<b>188,186</b>	<b>1,560</b>
Excess (deficiency) of receipts over disbursements	-	(8,013)	15,259	(16,527)	2,552	(560)
<b>Other financing sources (uses):</b>						
Transfers in	-	-	-	-	6,859	-
Transfers out	-	-	-	(6,859)	-	-
<b>Total other financing sources (uses)</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>(6,859)</b>	<b>6,859</b>	<b>-</b>
Excess (deficiency) of receipts and other financing sources over disbursements and other financing uses	-	(8,013)	15,259	(23,386)	9,411	(560)
Cash and investments - beginning	-	8,013	-	23,386	-	560
Cash and investments - ending	\$ -	\$ -	\$ 15,259	\$ -	\$ 9,411	\$ -
<b><u>Cash and Investment Assets - Ending</u></b>						
Cash and investments	\$ -	\$ -	\$ 15,259	\$ -	\$ 9,411	\$ -
<b>Restricted assets:</b>						
Cash and investments	-	-	-	-	-	-
<b>Total cash and investment assets - ending</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ 15,259</b>	<b>\$ -</b>	<b>\$ 9,411</b>	<b>\$ -</b>
<b><u>Cash and Investment Fund Balance - Ending</u></b>						
<b>Restricted for:</b>						
Debt service	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Unrestricted	-	-	15,259	-	9,411	-
<b>Total cash and investment fund balance - ending</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ 15,259</b>	<b>\$ -</b>	<b>\$ 9,411</b>	<b>\$ -</b>

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

	Title V Innovative 08/09	Serve America High School Grant	Drug Free Schools 08/09	Drug Free Title IV 09/10	Vocational and Technical Education	Career/Tech Ed Business 08/09
<b>Receipts:</b>						
Local sources	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Intermediate sources	-	-	-	-	-	-
State sources	-	-	-	-	2,541	28,640
Federal sources	-	-	-	7,438	-	-
Temporary loans	-	-	-	-	-	-
Other	-	-	-	-	-	-
<b>Total receipts</b>	<u>-</u>	<u>-</u>	<u>-</u>	<u>7,438</u>	<u>2,541</u>	<u>28,640</u>
<b>Disbursements:</b>						
<b>Current:</b>						
Instruction	18,903	5,143	891	6,834	2,358	4,688
Support services	-	-	-	-	-	-
Debt services	-	-	-	-	-	-
Nonprogrammed charges	-	-	-	-	-	-
<b>Total disbursements</b>	<u>18,903</u>	<u>5,143</u>	<u>891</u>	<u>6,834</u>	<u>2,358</u>	<u>4,688</u>
<b>Excess (deficiency) of receipts over disbursements</b>	<u>(18,903)</u>	<u>(5,143)</u>	<u>(891)</u>	<u>604</u>	<u>183</u>	<u>23,952</u>
<b>Other financing sources (uses):</b>						
Transfers in	-	-	-	-	-	1
Transfers out	-	-	-	-	-	-
<b>Total other financing sources (uses)</b>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>1</u>
<b>Excess (deficiency) of receipts and other financing sources over disbursements and other financing uses</b>	<u>(18,903)</u>	<u>(5,143)</u>	<u>(891)</u>	<u>604</u>	<u>183</u>	<u>23,953</u>
<b>Cash and investments - beginning</b>	<u>18,903</u>	<u>5,143</u>	<u>891</u>	<u>-</u>	<u>(183)</u>	<u>(23,953)</u>
<b>Cash and investments - ending</b>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 604</u>	<u>\$ -</u>	<u>\$ -</u>
<b><u>Cash and Investment Assets - Ending</u></b>						
Cash and investments	\$ -	\$ -	\$ -	\$ 604	\$ -	\$ -
Restricted assets:						
Cash and investments	-	-	-	-	-	-
<b>Total cash and investment assets - ending</b>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 604</u>	<u>\$ -</u>	<u>\$ -</u>
<b><u>Cash and Investment Fund Balance - Ending</u></b>						
<b>Restricted for:</b>						
Debt service	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Unrestricted	-	-	-	604	-	-
<b>Total cash and investment fund balance - ending</b>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 604</u>	<u>\$ -</u>	<u>\$ -</u>

NEW PRAIRIE UNITED 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)

	1st Robotics Grant 2009	1st Robotics Grant 2010	Career/Tech Ed Bio Med	Title II Part A 2006/6007	Title II Part A 08/09	Title II Part A 09/10
<b>Receipts:</b>						
Local sources	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Intermediate sources	-	-	-	-	-	-
State sources	246	5,000	15,000	-	-	-
Federal sources	-	-	-	-	-	86,268
Temporary loans	-	-	-	-	-	-
Other	-	-	-	-	-	-
<b>Total receipts</b>	<u>246</u>	<u>5,000</u>	<u>15,000</u>	<u>-</u>	<u>-</u>	<u>86,268</u>
<b>Disbursements:</b>						
<b>Current:</b>						
Instruction	-	5,000	15,000	9,096	29,301	29,111
Support services	-	-	-	-	-	99
Debt services	-	-	-	-	-	-
Nonprogrammed charges	-	-	-	-	-	-
<b>Total disbursements</b>	<u>-</u>	<u>5,000</u>	<u>15,000</u>	<u>9,096</u>	<u>29,301</u>	<u>29,210</u>
<b>Excess (deficiency) of receipts over disbursements</b>	<u>246</u>	<u>-</u>	<u>-</u>	<u>(9,096)</u>	<u>(29,301)</u>	<u>57,058</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>246</u>	<u>-</u>	<u>-</u>	<u>(9,096)</u>	<u>(29,301)</u>	<u>57,058</u>
<b>Cash and investments - beginning</b>	<u>(246)</u>	<u>-</u>	<u>-</u>	<u>9,096</u>	<u>41,201</u>	<u>-</u>
<b>Cash and investments - ending</b>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 11,900</u>	<u>\$ 57,058</u>
<b><u>Cash and Investment Assets - Ending</u></b>						
Cash and investments	\$ -	\$ -	\$ -	\$ -	\$ 11,900	\$ 57,058
Restricted assets:						
Cash and investments	-	-	-	-	-	-
<b>Total cash and investment assets - ending</b>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 11,900</u>	<u>\$ 57,058</u>
<b><u>Cash and Investment Fund Balance - Ending</u></b>						
<b>Restricted for:</b>						
Debt service	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Unrestricted	-	-	-	-	11,900	57,058
<b>Total cash and investment fund balance - ending</b>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 11,900</u>	<u>\$ 57,058</u>

NEW PRAIRIE UNITED 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 III Language Minority Grant	Title III 09/10	Title I Grant Stimulus	Retirement/ Severance Bond Debt Service	School Bus Replacement	Totals
<b>Receipts:</b>						
Local sources	\$ -	\$ -	\$ -	\$ 202,229	\$ 572,656	\$ 1,019,895
Intermediate sources	-	-	-	-	-	1,112
State sources	-	-	-	-	-	232,159
Federal sources	-	12,350	115,700	-	-	447,394
Temporary loans	-	-	-	73,686	99,598	173,284
Other	-	-	-	67	-	418
<b>Total receipts</b>	<b>-</b>	<b>12,350</b>	<b>115,700</b>	<b>275,982</b>	<b>672,254</b>	<b>1,874,262</b>
<b>Disbursements:</b>						
<b>Current:</b>						
Instruction	2,590	12,350	53,496	-	-	501,228
Support services	-	-	77,045	2,815	231,480	558,656
Debt services	-	-	-	295,802	232,896	528,698
Nonprogrammed charges	-	-	-	-	-	5,467
<b>Total disbursements</b>	<b>2,590</b>	<b>12,350</b>	<b>130,541</b>	<b>298,617</b>	<b>464,376</b>	<b>1,594,049</b>
Excess (deficiency) of receipts over disbursements	(2,590)	-	(14,841)	(22,635)	207,878	280,213
<b>Other financing sources (uses):</b>						
Transfers in	-	-	-	-	-	6,860
Transfers out	-	-	-	-	-	(163,737)
<b>Total other financing sources (uses)</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>(156,877)</b>
Excess (deficiency) of receipts and other financing sources over disbursements and other financing uses	(2,590)	-	(14,841)	(22,635)	207,878	123,336
Cash and investments - beginning	2,590	-	10,757	78,117	19,134	(136,475)
Cash and investments - ending	\$ -	\$ -	\$ (4,084)	\$ 55,482	\$ 227,012	\$ (13,139)
<b><u>Cash and Investment Assets - Ending</u></b>						
Cash and investments	\$ -	\$ -	\$ (4,084)	\$ -	\$ 227,012	\$ (68,621)
Restricted assets:						
Cash and investments	-	-	-	55,482	-	55,482
<b>Total cash and investment assets - ending</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ (4,084)</b>	<b>\$ 55,482</b>	<b>\$ 227,012</b>	<b>\$ (13,139)</b>
<b><u>Cash and Investment Fund Balance - Ending</u></b>						
<b>Restricted for:</b>						
Debt service	\$ -	\$ -	\$ -	\$ 55,482	\$ -	\$ 55,482
Unrestricted	-	-	(4,084)	-	227,012	(68,621)
<b>Total cash and investment fund balance - ending</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ (4,084)</b>	<b>\$ 55,482</b>	<b>\$ 227,012</b>	<b>\$ (13,139)</b>

NEW PRAIRIE UNITED 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

	Memorial Scholarship	Science Fair Gifts and Donations	Bridges Grant Olive Elementary	Elementary R.O.C.K.S.	Mentor Training Program	Totals
Additions:						
Contributions:						
Other	\$ 1,250	\$ 1,763	\$ 20,500	\$ 3,353	\$ -	\$ 26,866
Investment earnings:						
Interest	2,628	-	-	-	-	2,628
Total additions	<u>3,878</u>	<u>1,763</u>	<u>20,500</u>	<u>3,353</u>	<u>-</u>	<u>29,494</u>
Deductions:						
Administrative and general	160,856	408	12,983	3,100	897	178,244
Excess (deficiency) of total additions over total deductions	(156,978)	1,355	7,517	253	(897)	(148,750)
Cash and investment fund balance - beginning	161,342	3,801	2,444	171	897	168,655
Cash and investments - ending	<u>\$ 4,364</u>	<u>\$ 5,156</u>	<u>\$ 9,961</u>	<u>\$ 424</u>	<u>\$ -</u>	<u>\$ 19,905</u>
Net assets:						
Cash and investments	<u>\$ 4,364</u>	<u>\$ 5,156</u>	<u>\$ 9,961</u>	<u>\$ 424</u>	<u>\$ -</u>	<u>\$ 19,905</u>
Total net assets - cash and investment basis held in trust	<u>\$ 4,364</u>	<u>\$ 5,156</u>	<u>\$ 9,961</u>	<u>\$ 424</u>	<u>\$ -</u>	<u>\$ 19,905</u>

NEW PRAIRIE UNITED 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

	Memorial Scholarship	Activity Center Unity Foundation	Activity Center Donations	Science Fair Gifts and Donations	Arcelor Mittal Grant	Robotics Donation
Additions:						
Contributions:						
Other	\$ 1,592	\$ 2,000	\$ 100	\$ 1,804	\$ 5,500	\$ 250
Investment earnings:						
Interest	13	-	-	-	-	-
Total additions	<u>1,605</u>	<u>2,000</u>	<u>100</u>	<u>1,804</u>	<u>5,500</u>	<u>250</u>
Deductions:						
Administrative and general	<u>1,000</u>	<u>1,170</u>	<u>100</u>	<u>2,157</u>	<u>535</u>	<u>250</u>
Excess (deficiency) of total additions over total deductions	605	830	-	(353)	4,965	-
Cash and investment fund balance - beginning	<u>4,364</u>	<u>-</u>	<u>-</u>	<u>5,156</u>	<u>-</u>	<u>-</u>
Cash and investments - ending	<u>\$ 4,969</u>	<u>\$ 830</u>	<u>\$ -</u>	<u>\$ 4,803</u>	<u>\$ 4,965</u>	<u>\$ -</u>
Net assets:						
Cash and investments	<u>\$ 4,969</u>	<u>\$ 830</u>	<u>\$ -</u>	<u>\$ 4,803</u>	<u>\$ 4,965</u>	<u>\$ -</u>
Total net assets - cash and investment basis held in trust	<u>\$ 4,969</u>	<u>\$ 830</u>	<u>\$ -</u>	<u>\$ 4,803</u>	<u>\$ 4,965</u>	<u>\$ -</u>

NEW PRAIRIE UNITED 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)

	Bridges Grant Olive Elementary	Rolling Prairie Garden Club	Elementary R.O.C.K.S.	Unity Foundation Grant	Totals
Additions:					
Contributions:					
Other	\$ 8,180	\$ 1,350	\$ 4,430	\$ 2,000	\$ 27,206
Investment earnings:					
Interest	-	-	-	-	13
Total additions	<u>8,180</u>	<u>1,350</u>	<u>4,430</u>	<u>2,000</u>	<u>27,219</u>
Deductions:					
Administrative and general	<u>16,381</u>	-	<u>3,569</u>	<u>2,000</u>	<u>27,162</u>
Excess (deficiency) of total additions over total deductions	(8,201)	1,350	861	-	57
Cash and investment fund balance - beginning	<u>9,961</u>	-	<u>424</u>	-	<u>19,905</u>
Cash and investments - ending	<u>\$ 1,760</u>	<u>\$ 1,350</u>	<u>\$ 1,285</u>	<u>\$ -</u>	<u>\$ 19,962</u>
Net assets:					
Cash and investments	<u>\$ 1,760</u>	<u>\$ 1,350</u>	<u>\$ 1,285</u>	<u>\$ -</u>	<u>\$ 19,962</u>
Total net assets - cash and investment basis held in trust	<u>\$ 1,760</u>	<u>\$ 1,350</u>	<u>\$ 1,285</u>	<u>\$ -</u>	<u>\$ 19,962</u>

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

	<u>Payroll</u>
Additions:	
Agency fund additions	<u>\$ 3,862,775</u>
Deductions:	
Agency fund deductions	<u>3,866,500</u>
Deficiency of total additions under total deductions	(3,725)
Cash and investment fund balance - beginning	<u>169,297</u>
Cash and investment fund balance - ending	<u><u>\$ 165,572</u></u>

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

	Payroll
Additions:	
Agency fund additions	\$ 3,765,971
Deductions:	
Agency fund deductions	3,774,937
Deficiency of total additions under total deductions	(8,966)
Cash and investment fund balance - beginning	165,572
Cash and investment fund balance - ending	\$ 156,606

NEW PRAIRIE UNITED SCHOOL CORPORATION  
 SUPPLEMENTARY INFORMATION  
 SCHEDULE OF CAPITAL ASSETS  
 June 30, 2010

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

<u>Primary Government</u>	<u>Ending Balance</u>
Governmental activities:	
Capital assets, not being depreciated:	
Land	\$ 538,136
Buildings	60,991,332
Improvements other than buildings	3,450,621
Machinery and equipment	<u>8,518,653</u>
 Total governmental activities, capital assets not being depreciated	 <u><u>\$ 73,498,742</u></u>

NEW PRAIRIE UNITED SCHOOL CORPORATION  
 SUPPLEMENTARY INFORMATION  
 SCHEDULE OF LONG-TERM DEBT  
 June 30, 2010

The School Corporation has entered into the following debt:

Description of Debt	Ending Principal Balance	Principal and Interest Due Within One Year
Governmental activities:		
Capital leases:		
Elementary, junior/senior high, central office construction and renovations of 1995	\$ 17,310,000	\$ 2,048,975
Middle school construction of 2006	23,675,000	1,613,925
Bonds payable:		
General obligation bonds:		
Severance bonds of 2004	<u>1,165,000</u>	<u>151,580</u>
Total governmental activities debt	<u>\$ 42,150,000</u>	<u>\$ 3,814,480</u>

NEW PRAIRIE UNITED SCHOOL CORPORATION  
AUDIT RESULTS AND COMMENTS

OVERDRAWN CASH BALANCES

The cash balance of the Career/Tech Ed Business 08/09 Fund was overdrawn at June 30, 2009.

The cash balance of the textbook rental fund has been overdrawn for over six years. The schedule below illustrates the cash balances over the past seven years.

<u>Year Ending</u>		<u>Textbook Rental Fund</u>
06-30-04	\$	(119,443)
06-30-05		(147,005)
06-30-06		(311,554)
06-30-07		(383,905)
06-30-08		(294,172)
06-30-09		(441,827)
06-30-10		(391,889)

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

PAYROLL WITHHOLDING FUND

The Payroll Withholding Fund had a cash balance of \$156,606.54 at June 30, 2010. The School Corporation could not verify that the amount of cash in the Payroll Withholding Fund is equal to, more, or less than the actual liability owed to withholding agencies and/or vendors for the amount of withholdings made from employees paychecks not yet disbursed. Audit procedures performed for the period ending December 31, 2009, reveal that the Payroll Withholding Fund exceeds the liability by at least \$15,615.88.

Controls over the receipting, disbursing, recording, and accounting for the financial activities are necessary to avoid substantial risk of invalid transactions, inaccurate records and financial statements and incorrect decision making. (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

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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 NEW PRAIRIE UNITED SCHOOL  
CORPORATION, LAPORTE COUNTY, INDIANA

Compliance

We have audited the compliance of the New Prairie United 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 non-compliance 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 School Board, and federal awarding agencies and pass-through entities and is not intended to be and should not be used by anyone other than these specified parties. In accordance with Indiana Code 5-11-5-1, this report is a part of the public records of the State Board of Accounts and of the office examined.

STATE BOARD OF ACCOUNTS

January 10, 2011

NEW PRAIRIE UNITED SCHOOL CORPORATION  
SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS  
For The Years Ended June 30, 2009 and 2010

Federal Grantor Agency/Pass-Through Entity Cluster Title/Program Title/Project Title	Federal CFDA Number	Pass-Through Entity (or Other) Identifying Number	Total Federal Awards Expended 06-30-09	Total Federal Awards Expended 06-30-10
<b>U.S. DEPARTMENT OF AGRICULTURE</b>				
Pass-Through Indiana Department of Education Child Nutrition Cluster				
School Breakfast Program	10.553		\$ 58,311	\$ 80,212
National School Lunch Program	10.555		<u>382,160</u>	<u>479,411</u>
Total for federal grantor agency			<u>440,471</u>	<u>559,623</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	08-4805	16,038	-
		09-4805	160,933	50,427
		10-4805	<u>-</u>	<u>188,186</u>
Total for program			<u>176,971</u>	<u>238,613</u>
ARRA - Title I Grants to Local Educational Agencies, Recovery Act	84.389		<u>1,950</u>	<u>130,541</u>
Total for cluster			<u>178,921</u>	<u>369,154</u>
State Fiscal Stabilization Fund Cluster ARRA - State Fiscal Stabilization Fund (SFSF) - Education State Grants, Recovery Act	84.394		<u>300,000</u>	<u>1,555,087</u>
Career and Technical Education - Basic Grants to States	84.048	08-1303-4805	900	-
Pass-Through Indiana Department of Workforce Development Career and Technical Education - Basic Grants to States	84.048	CPR-9-207	-	4,964
		BIO-9-207	-	15,000
		BIO-6-207	12,595	-
		CPR-8-207	7,500	-
Pass-Through Michigan City Area Schools Career and Technical Education - Basic Grants to States	84.048	09-4700-4925	<u>8,495</u>	<u>-</u>
Total for program			<u>29,490</u>	<u>19,964</u>
Pass-Through Indiana Department of Education Safe and Drug-Free Schools and Communities - State Grants	84.186	FY 08-09	3,620	891
		FY 09-10	<u>-</u>	<u>6,834</u>
Total for program			<u>3,620</u>	<u>7,725</u>
Pass-Through Indiana Department of Workforce Development Tech-Prep Education	84.243	TP-7-207	5,173	-
		TP-8-207	<u>23,953</u>	<u>4,687</u>
Total for program			<u>29,126</u>	<u>4,687</u>
Pass-Through Indiana Department of Education State Grants for Innovative Programs	84.298	07-08	19,739	1,560
		08-09	<u>22,097</u>	<u>18,903</u>
Total for program			<u>41,836</u>	<u>20,463</u>
English Language Acquisition Grants	84.365	FY 07-08	2,203	-
		FY 08-09	10,563	387
		FY 09-10	<u>-</u>	<u>12,350</u>
Total for program			<u>12,766</u>	<u>12,737</u>
Improving Teacher Quality State Grants	84.367	06-4805	53,457	9,096
		08-4805	-	29,301
		09-4805	<u>-</u>	<u>29,210</u>
Total for program			<u>53,457</u>	<u>67,607</u>
Total for federal grantor agency			<u>649,216</u>	<u>2,057,424</u>
<b>CORPORATION FOR NATIONAL AND COMMUNITY SERVICE</b>				
Pass-Through Indiana Department of Education Learn and Serve America - School and Community Based Programs	94.004	46-4805	<u>4,353</u>	<u>5,143</u>
Total federal awards expended			<u>\$ 1,094,040</u>	<u>\$ 2,622,190</u>

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

NEW PRAIRIE UNITED 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 New Prairie United School Corporation (School Corporation) and is presented in accordance with the cash and investment basis of accounting used in the preparation of the financial statements. Accordingly, the amount of federal awards expended is based on when the disbursement related to the award occurs except when the federal award is received on a reimbursement basis. In these instances the federal awards are considered expended when the reimbursement is received.

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

II. Noncash Assistance

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

Program Title	Federal CFDA Number	2009	2010
National School Lunch Program	10.555	\$ 49,214	\$ 52,066

NEW PRAIRIE UNITED 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

Title 1, Part A Cluster  
State Fiscal Stabilization Fund Cluster

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

Auditee qualified as low-risk auditee? no

Section II – Financial Statement Findings

No matters are reportable.

Section III – Federal Award Findings and Questioned Costs

No matters are reportable.

NEW PRAIRIE UNITED SCHOOL CORPORATION  
SUMMARY SCHEDULE OF PRIOR AUDIT FINDINGS

No matters are reportable.

NEW PRAIRIE UNITED SCHOOL CORPORATION  
EXIT CONFERENCE

The contents of this report were discussed on January 10, 2011, with Sharon K. Heirbrandt, Treasurer; Kathryn Smith, Business Services; Keith Dennis, Director of Finance; Jim P. Dermody, Superintendent of Schools; and Richard A. Shail, President of the School Board. The official response has been made a part of this report and may be found on page 49.

# New Prairie United School Corporation



Mr. Jim Dermody, Superintendent  
Mrs. Joann Evans, Administrative Assistant  
5327 North Cougar Road, New Carlisle, Indiana 46552  
574-654-7273 219-778-2814 FAX 574-654-7274  
[www.npusc.k12.in.us](http://www.npusc.k12.in.us)

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January 14, 2011

State Board of Accounts  
Attn: John Pajakowski  
227 W. Jefferson Blvd Room 806  
South Bend, IN 46601

Dear Mr. Pajakowski:

New Prairie United School Corporation provides the following responses to the Audit Results and Comments for the period ending June 30, 2010.

## OVERDRAWN CASH BALANCES

Management response:

We concur with the finding. However, it is important to note that, the Career/Tech Ed Business Fund must be expended prior to submitting a reimbursement form to the State, therefore, resulting in an overdrawn cash balance. The textbook rental fund has been submitted to a collection agency and the schools are processing collections as well.

## PAYROLL WITHHOLDING FUND

We concur with the finding. We will continue to review the outstanding liabilities and transfer any excess cash balance by the end of February, 2011.

We appreciate the opportunity to respond to these results and comments

Sincerely,

A handwritten signature in blue ink, appearing to read 'Jim Dermody'.

Jim Dermody  
Superintendent