

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

AUDIT REPORT
OF
METROPOLITAN SCHOOL DISTRICT OF WARREN COUNTY
WARREN COUNTY, INDIANA
July 1, 2008 to June 30, 2010



FILED
02/28/2011

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SCHEDULE OF OFFICIALS

<u>Office</u>	<u>Official</u>	<u>Term</u>
Treasurer	Nanette Ware	07-01-08 to 06-30-11
Superintendent of Schools	Ralph Shrader	07-01-08 to 06-30-11
President of the School Board	Steve Magner Andy Briles	07-01-08 to 06-30-09 07-01-09 to 06-30-11



STATE OF INDIANA
AN EQUAL OPPORTUNITY EMPLOYER

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

TO: THE OFFICIALS OF THE METROPOLITAN SCHOOL DISTRICT
OF WARREN COUNTY, WARREN COUNTY, INDIANA

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

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

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

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

In accordance with Government Auditing Standards, we have also issued a report dated January 5, 2011, on our consideration of the School Corporation's internal control over financial reporting and our tests of its compliance with certain provisions of laws, regulations, contracts, grant agreements, and other matters. The purpose of that report is to describe the scope of our testing of internal control over financial reporting and compliance and the results of that testing and not to provide an opinion on the internal control over financial reporting or on compliance. That report is an integral part of an audit performed in accordance with Government Auditing Standards and should be considered in assessing the results of our audit.

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

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

The Schedule of Funding Progress is not a required part of the basic financial statements but is supplementary information required by accounting principles generally accepted in the United States of America. We have applied certain limited procedures, which consisted principally of inquiries of management, regarding the methods of measurement and presentation of the required supplementary information. However, we did not audit the information and express no opinion on it.

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

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

STATE BOARD OF ACCOUNTS

January 5, 2011



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

TO: THE OFFICIALS OF THE METROPOLITAN SCHOOL DISTRICT
OF WARREN COUNTY, WARREN COUNTY, INDIANA

We have audited the financial statements of the governmental activities, each major fund, and the aggregate remaining fund information of the Metropolitan School District of Warren County (School Corporation), as of and for the years ended June 30, 2009 and 2010, which collectively comprise the School Corporation's basic financial statements and have issued our report thereon dated January 5, 2011. We conducted our audit in accordance with auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in Government Auditing Standards, issued by the Comptroller General of the United States.

Internal Control Over Financial Reporting

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

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

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

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

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

Compliance and Other Matters

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

We noted certain matters that we reported to management in a separate letter dated January 5, 2011.

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

This report is intended solely for the information and use of the School Corporation's management, 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 5, 2011

METROPOLITAN SCHOOL DISTRICT OF WARREN COUNTY
STATEMENT OF ACTIVITIES AND NET ASSETS - CASH AND INVESTMENT BASIS
For the Year Ended June 30, 2009

<u>Functions/Programs</u>	<u>Disbursements</u>	<u>Program Receipts</u>		<u>Totals</u>
		<u>Charges for Services</u>	<u>Operating Grants and Contributions</u>	<u>Net (Disbursement) Receipts and Changes in Net Assets</u>
Governmental activities:				
Instruction	\$ 6,086,639	\$ -	\$ 169,777	\$ (5,916,862)
Support services	4,105,293	400,413	234,239	(3,470,641)
Noninstructional services	797,012	-	-	(797,012)
Facilities acquisition and construction	657,654	-	-	(657,654)
Debt service	2,393,792	-	-	(2,393,792)
Nonprogrammed charges	436,569	-	-	(436,569)
Total governmental activities	<u>\$ 14,476,959</u>	<u>\$ 400,413</u>	<u>\$ 404,016</u>	<u>(13,672,530)</u>
General receipts:				
Property taxes				5,342,683
Other local sources				1,095,885
State aid				5,597,558
Grants and contributions not restricted to specific programs				1,761,802
Sale of property				17,373
Investment earnings				115,010
Other				142,454
Total general receipts				<u>14,072,765</u>
Change in net assets				400,235
Net assets - beginning				<u>1,510,460</u>
Net assets - ending				<u>\$ 1,910,695</u>
<u>Assets</u>				
Cash and investments				<u>\$ 1,910,695</u>
Total assets				<u>\$ 1,910,695</u>
<u>Net Assets</u>				
Unrestricted				<u>\$ 1,910,695</u>
Total net assets				<u>\$ 1,910,695</u>

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

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

<u>Functions/Programs</u>	<u>Disbursements</u>	<u>Program Receipts</u>		<u>Totals</u>
		<u>Charges for Services</u>	<u>Operating Grants and Contributions</u>	<u>Net (Disbursement) Receipts and Changes in Net Assets</u>
Governmental activities:				
Instruction	\$ 5,917,565	\$ -	\$ 145,608	\$ (5,771,957)
Support services	4,009,702	368,787	272,413	(3,368,502)
Noninstructional services	819,971	-	-	(819,971)
Facilities acquisition and construction	1,069,629	-	-	(1,069,629)
Debt service	901,001	-	-	(901,001)
Nonprogrammed charges	487,254	-	-	(487,254)
Total governmental activities	<u>\$ 13,205,122</u>	<u>\$ 368,787</u>	<u>\$ 418,021</u>	<u>(12,418,314)</u>
General receipts:				
Property taxes				4,310,081
Other local sources				850,797
State aid				7,310,132
Grants and contributions not restricted to specific programs				1,434,531
Sale of property				500
Investment earnings				86,466
Other				144,683
Total general receipts				<u>14,137,190</u>
Change in net assets				1,718,876
Net assets - beginning				<u>1,910,696</u>
Net assets - ending				<u>\$ 3,629,572</u>
<u>Assets</u>				
Cash and investments				\$ 3,161,381
Restricted assets:				
Cash and investments				<u>468,191</u>
Total assets				<u>\$ 3,629,572</u>
<u>Net Assets</u>				
Restricted for:				
Debt service				\$ 468,191
Unrestricted				<u>3,161,381</u>
Total net assets				<u>\$ 3,629,572</u>

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

METROPOLITAN SCHOOL DISTRICT OF WARREN COUNTY
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	Rainy Day	CAPE Grant Interest	Fiscal Stabilization	Debt Service	Capital Projects	Other	Totals
Receipts:								
Local sources	\$ 2,957,582	\$ -	\$ 82,230	\$ -	\$ 940,945	\$ 1,233,342	\$ 1,729,669	\$ 6,943,768
Intermediate sources	9,434	-	-	-	-	-	788	10,222
State sources	5,773,941	-	-	-	-	-	209,991	5,983,932
Federal sources	-	-	-	636,951	-	-	1,142,494	1,779,445
Interfund loans	-	-	-	-	92,372	351,825	67,297	511,494
Other	30,000	-	5,502	-	-	-	106,952	142,454
Total receipts	8,770,957	-	87,732	636,951	1,033,317	1,585,167	3,257,191	15,371,315
Disbursements:								
Current:								
Instruction	4,670,748	-	-	244,470	-	-	1,171,421	6,086,639
Support services	2,280,400	-	31,726	94,201	-	543,289	1,155,677	4,105,293
Noninstructional services	132,926	-	68,068	5,498	-	-	590,520	797,012
Facilities acquisition and construction	1,250	-	9,663	-	-	606,424	40,317	657,654
Debt services	896,042	-	-	-	1,037,750	310,000	150,000	2,393,792
Nonprogrammed charges	353,164	-	-	1,500	-	-	81,905	436,569
Interfund loans	511,494	-	-	-	-	-	-	511,494
Total disbursements	8,846,024	-	109,457	345,669	1,037,750	1,459,713	3,189,840	14,988,453
Excess (deficiency) of receipts over disbursements	(75,067)	-	(21,725)	291,282	(4,433)	125,454	67,351	382,862
Other financing sources (uses):								
Sale of capital assets	373	-	-	-	-	-	17,000	17,373
Transfers in	-	393,162	-	-	-	-	-	393,162
Transfers out	-	-	-	-	-	(128,193)	(264,969)	(393,162)
Total other financing sources (uses)	373	393,162	-	-	-	(128,193)	(247,969)	17,373
Excess (deficiency) of receipts and other financing sources over disbursements and other financing uses	(74,694)	393,162	(21,725)	291,282	(4,433)	(2,739)	(180,618)	400,235
Cash and investments - beginning	456,796	-	234,800	-	4,433	2,739	811,692	1,510,460
Cash and investments - ending	\$ 382,102	\$ 393,162	\$ 213,075	\$ 291,282	\$ -	\$ -	\$ 631,074	\$ 1,910,695
Cash and Investment Assets - Ending								
Cash and investments	\$ 382,102	\$ 393,162	\$ 213,075	\$ 291,282	\$ -	\$ -	\$ 631,074	\$ 1,910,695
Restricted assets:								
Cash and investments	-	-	-	-	-	-	-	-
Total cash and investment assets - ending	\$ 382,102	\$ 393,162	\$ 213,075	\$ 291,282	\$ -	\$ -	\$ 631,074	\$ 1,910,695
Cash and Investment Fund Balance - Ending								
Restricted for:								
Debt service	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Other purposes	-	-	-	-	-	-	-	-
Unrestricted	382,102	393,162	213,075	291,282	-	-	631,074	1,910,695
Total cash and investment fund balance - ending	\$ 382,102	\$ 393,162	\$ 213,075	\$ 291,282	\$ -	\$ -	\$ 631,074	\$ 1,910,695

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

METROPOLITAN SCHOOL DISTRICT OF WARREN COUNTY
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	Rainy Day	CAPE Grant Interest	Fiscal Stabilization	Debt Service	Capital Projects	Other	Totals
Receipts:								
Local sources	\$ 127,331	\$ -	\$ 69,737	\$ -	\$ 1,461,564	\$ 1,802,817	\$ 2,145,467	\$ 5,606,916
Intermediate sources	8,746	-	-	-	-	-	469	9,215
State sources	7,433,333	-	-	-	-	-	246,823	7,680,156
Federal sources	-	-	-	258,813	-	-	1,223,715	1,482,528
Interfund loans	511,494	-	-	-	-	-	115,047	626,541
Other	59,281	-	33	-	-	-	85,369	144,683
Total receipts	8,140,185	-	69,770	258,813	1,461,564	1,802,817	3,816,890	15,550,039
Disbursements:								
Current:								
Instruction	4,156,276	-	-	550,096	-	-	1,211,193	5,917,565
Support services	2,284,961	-	4,189	-	-	427,898	1,292,654	4,009,702
Noninstructional services	155,913	-	72,335	-	-	-	591,723	819,971
Facilities acquisition and construction	315	287,286	9,261	-	-	715,525	57,242	1,069,629
Debt services	-	-	-	-	901,001	-	-	901,001
Nonprogrammed charges	347,843	-	-	-	-	-	139,411	487,254
Interfund loans	-	115,047	-	-	92,372	351,825	67,297	626,541
Total disbursements	6,945,308	402,333	85,785	550,096	993,373	1,495,248	3,359,520	13,831,663
Excess (deficiency) of receipts over disbursements	1,194,877	(402,333)	(16,015)	(291,283)	468,191	307,569	457,370	1,718,376
Other financing sources (uses):								
Sale of capital assets	-	-	-	-	-	-	500	500
Transfers in	18,637	349,125	-	-	-	-	-	367,762
Transfers out	-	-	-	-	-	(28,270)	(339,492)	(367,762)
Total other financing sources (uses)	18,637	349,125	-	-	-	(28,270)	(338,992)	500
Excess (deficiency) of receipts and other financing sources over disbursements and other financing uses	1,213,514	(53,208)	(16,015)	(291,283)	468,191	279,299	118,378	1,718,876
Cash and investments - beginning	382,101	393,162	213,075	291,283	-	-	631,075	1,910,696
Cash and investments - ending	\$ 1,595,615	\$ 339,954	\$ 197,060	\$ -	\$ 468,191	\$ 279,299	\$ 749,453	\$ 3,629,572
<u>Cash and Investment Assets - Ending</u>								
Cash and investments	\$ 1,595,615	\$ 339,954	\$ 197,060	\$ -	\$ -	\$ 279,299	\$ 749,453	\$ 3,161,381
Restricted assets:								
Cash and investments	-	-	-	-	468,191	-	-	468,191
Total cash and investment assets - ending	\$ 1,595,615	\$ 339,954	\$ 197,060	\$ -	\$ 468,191	\$ 279,299	\$ 749,453	\$ 3,629,572
<u>Cash and Investment Fund Balance - Ending</u>								
Restricted for:								
Debt service	\$ -	\$ -	\$ -	\$ -	\$ 468,191	\$ -	\$ -	\$ 468,191
Other purposes	-	-	-	-	-	-	-	-
Unrestricted	1,595,615	339,954	197,060	-	-	279,299	749,453	3,161,381
Total cash and investment fund balance - ending	\$ 1,595,615	\$ 339,954	\$ 197,060	\$ -	\$ 468,191	\$ 279,299	\$ 749,453	\$ 3,629,572

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

METROPOLITAN SCHOOL DISTRICT OF WARREN COUNTY
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 Funds
Additions:		
Contributions:		
Other	\$ 211,524	
Investment earnings:		
Interest	11,171	
Dividends	77,274	
Total investment earnings	88,445	
Total additions	299,969	
Deductions:		
Administrative and general	39,704	
Total deductions	39,704	
Excess (deficiency) of total additions over total deductions	260,265	
Cash and investment fund balance - beginning	187,974	
Cash and investment fund balance - ending	\$ 448,239	\$ -
Net assets:		
Cash and investments	\$ 448,239	
Total net assets - cash and investment basis held in trust	\$ 448,239	

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

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

	Private-Purpose Trust Funds	Agency Funds
Additions:		
Contributions:		
Other	\$ 137,755	
Investment earnings:		
Interest	3,543	
Dividends	64,659	
Total investment earnings	68,202	
Total additions	205,957	
Deductions:		
Administrative and general	99,271	
Total deductions	99,271	
Excess (deficiency) of total additions over total deductions	106,686	
Cash and investment fund balance - beginning	448,239	
Cash and investment fund balance - ending	\$ 554,925	\$ -
Net assets:		
Cash and investments	\$ 554,925	
Total net assets - cash and investment basis held in trust	\$ 554,925	

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

METROPOLITAN SCHOOL DISTRICT OF WARREN COUNTY
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: Metropolitan School District of Warren County

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 Wabash Valley/West Central Indiana Insurance Trust which was created to provide a common and unified program of group insurance. The School Corporation is required to make contributions to the plan based on the number of participants. Complete financial statements for the Wabash Valley/West Central Indiana Insurance Trust can be obtained from Logansport Community School Corporation, 2829 George Street, Logansport, IN 46947.

The School Corporation is a participant in a joint venture to operate West Central Indiana Cooperative which was created to provide instruction and vocational programs for handicapped children. Costs of the Cooperative are divided among the participants based on enrollment in the programs. Complete financial statements for the West Central Indiana Cooperative can be obtained from Crawfordsville Community Schools, 1000 Fairview Avenue, Crawfordsville, IN 47933.

The School Corporation is a participant in a joint venture to operate Vocational Cooperative Services Program which was created to provide vocational programs for students. The administrative costs are divided equally among participants while program costs are based upon enrollment in each program. Complete financial statements for the Vocational Cooperative Services Program can be obtained from Crawfordsville Community Schools, 1000 Fairview Avenue, Crawfordsville, IN 47933.

The School Corporation is a participant in a joint venture to operate the Bi-County Opportunity Center which was created to provide an alternative instructional setting for at risk students who have failed academically and/or socially in grades 6-12. The School Corporations are obligated by contract to remit an equal share of the net operating cost of the program. The Bi-County Opportunity Center's continued existence depends on continued funding by the participating School Corporations. Complete financial statements for the Bi-County Opportunity Center are included in this report.

METROPOLITAN SCHOOL DISTRICT OF WARREN COUNTY
NOTES TO FINANCIAL STATEMENTS
(Continued)

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. Governmental activities generally are financed through taxes, intergovernmental revenues, and other nonexchange revenues.

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 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 Rainy Day Fund is used to account for funds in accordance with IC 36-1-8-5.1 and a locally adopted resolution.

The Cape Grant Interest Fund is used to account for interest earned on grant money received and is used for the expenditures of the Learning Center located at the Williamsport-Washington Township Public Library.

The Fiscal Stabilization Fund is used to account for funds received under the American Recovery and Reinvestment Act.

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

The Capital Projects Fund accounts for planned construction, repair, replacement or remodeling of buildings; and the purchase, lease, upgrade, maintenance, or repair of computer equipment.

Additionally, the School Corporation reports the following fund types:

The private-purpose trust fund reports a trust arrangement under which principal and income benefit the annual disbursement of scholarship funds to eligible students and for the benefit of the Pine Village Elementary School.

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

METROPOLITAN SCHOOL DISTRICT OF WARREN COUNTY
NOTES TO FINANCIAL STATEMENTS
(Continued)

C. Measurement Focus and Basis of Accounting

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

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.

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

D. Assets and Cash and Investment Balances

1. Restricted Assets

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

2. Cash and Investments

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

3. Property Taxes

Normally, property taxes levied are collected by the County Treasurer and are distributed to the School Corporation in June and in December. State statute (IC 6-1.1-17-16) requires the Indiana Department of Local Government Finance to establish property tax rates and levies by February 15. Taxable property is assessed at 100% of the true tax value (determined in accordance with rules and regulations adopted by the Indiana Department of Local Government Finance). Ordinarily, taxes may be paid in two equal installments which may become delinquent if not paid by May 10 and November 10, respectively. In 2008 and 2009, the first installments were due August 29 and July 17 due to assessment issues.

4. Capital Assets

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

METROPOLITAN SCHOOL DISTRICT OF WARREN COUNTY
NOTES TO FINANCIAL STATEMENTS
(Continued)

5. Long-Term Debt

Long-term debt arising from cash basis transactions of governmental 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, (2) operating grants and contributions, and (3) capital grants and contributions, including special assessments. Internally dedicated resources are reported as general receipts rather than as program receipts. Likewise, general receipts include all taxes.

F. Internal and Interfund Activities

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

Fund Financial Statements

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

METROPOLITAN SCHOOL DISTRICT OF WARREN COUNTY
NOTES TO FINANCIAL STATEMENTS
(Continued)

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.

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:

METROPOLITAN SCHOOL DISTRICT OF WARREN COUNTY
NOTES TO FINANCIAL STATEMENTS
(Continued)

Fund	2009	2010
Bi-County Opportunity Center 08-09	\$ 51,341	\$ -
Extra Curricular Activities	174	-
Title I 08-09	10,723	-
Title I 09-10	-	11,800
Reading First 08-09	2,627	-
Special Federal	-	31,417
Education Preschool Handicap	-	1,094
Title I Stimulus	-	3,753
Special Education Part B Stimulus	-	61,651
Preschool Special Education Stimulus	-	5,089

Cash and investment deficits arose primarily from disbursements exceeding receipts due to the timing of grant reimbursement and reimbursements from other schools; these deficits are to be repaid from future receipts.

III. Detailed Notes on All Funds

A. Deposits and Investments

1. Deposits

Custodial credit risk is the risk that in the event of a bank failure, the government's deposits may not be returned to it. IC 5-13-8-1 allows a political subdivision of the State of Indiana to deposit public funds in a financial institution only if the financial institution is a depository eligible to receive state funds and has a principal office or branch that qualifies to receive public funds of the political subdivision. The School Corporation does not have a deposit policy for custodial credit risk. At June 30, 2010, the School Corporation had deposit balances in the amount of \$4,637,402.

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

2. Investments

As of June 30, 2010, the School Corporation did not have any investments.

Statutory Authorization for Investments

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

METROPOLITAN SCHOOL DISTRICT OF WARREN COUNTY
 NOTES TO FINANCIAL STATEMENTS
 (Continued)

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

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

Investment Custodial Credit Risk

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

B. Interfund Transfers

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

<u>Transfer From</u>	<u>Transfer To</u>	<u>2009</u>	<u>2010</u>
Capital Projects Fund	Rainy Day Fund	\$ 128,193	\$ 28,270
Other Governmental Funds	General Fund	-	18,637
	Rainy Day Fund	<u>264,969</u>	<u>320,855</u>
Totals		<u>\$ 393,162</u>	<u>\$ 367,762</u>

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

METROPOLITAN SCHOOL DISTRICT OF WARREN COUNTY
NOTES TO FINANCIAL STATEMENTS
(Continued)

IV. Other Information

A. Risk Management

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

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

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

Medical Benefits to Employees, Retirees, and Dependents

During 1992, the School Corporation joined with other governmental entities to form the Wabash Valley/West Central Indiana Insurance Trust, a public entity risk pool currently operating as a common risk management and insurance program for 17 member governmental entities. 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 \$200,000 per insured event. The risk pool obtains independent coverage for insured events in excess of the \$200,000 limit.

B. Holding Corporations

The School Corporation has entered into a capital lease with Warren County 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 \$441,000 and \$440,500, respectively.

The School Corporation has entered into a capital lease with Seeger 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 \$430,500 and \$431,500, respectively.

C. Termination Benefits

Upon retirement, certified employees are paid \$45 for each unused sick day up to a maximum of 185 days and \$225 for each year of service. Classified professional employees are paid \$10 for each unused sick day up to a maximum of 60 days. During the years ended June 30, 2008 and 2009, disbursements were \$49,879 and \$26,010, respectively, for termination benefits.

METROPOLITAN SCHOOL DISTRICT OF WARREN COUNTY
NOTES TO FINANCIAL STATEMENTS
(Continued)

D. Postemployment Benefits

In addition to the pension benefits described below, the School Corporation provides postemployment severance benefits, as authorized by Indiana Code 5-10-8, to all employees who retire from the School Corporation on or after attaining age 55 with at least 30 years of service for full benefits. Currently, 17 retirees meet these eligibility requirements. The School Corporation provides 100% of these postemployment benefits. Disbursements for those postemployment benefits are recognized on a pay-as-you-go basis. During the years ended June 30, 2007, and June 30, 2008, disbursements of \$138,049 and \$115,449, respectively.

E. Pension Plans

1. Agent Multiple-Employer Defined Benefit Pension Plan

Public Employees' Retirement Fund

Plan Description

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

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

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

Funding Policy

The contribution requirements of plan members for PERF are established by the Board of Trustees of PERF. The total contributions made to PERF by the School Corporation during the period were \$107,999.

METROPOLITAN SCHOOL DISTRICT OF WARREN COUNTY
NOTES TO FINANCIAL STATEMENTS
(Continued)

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

Teachers' Retirement Fund

Plan Description

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

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

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

Funding Policy

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

The School Corporation's contributions to the plan during the period were \$313,586.

METROPOLITAN SCHOOL DISTRICT OF WARREN COUNTY
 REQUIRED SUPPLEMENTARY INFORMATION
 SCHEDULE OF FUNDING PROGRESS

Public Employees' Retirement Fund

Actuarial Valuation Date	Actuarial Value of Assets (a)	Actuarial Accrued Liability (AAL) (b)	Excess of Assets Over (Unfunded) AAL (a-b)	Funded Ratio (a/b)	Covered Payroll (c)	Excess (Unfunded) AAL as a Percentage of Covered Payroll ((a-b)/c)
07-01-07	\$ 932,898	\$ 1,252,873	\$ (319,975)	74%	\$ 1,153,929	(28%)
07-01-08	1,116,473	1,447,120	(330,647)	77%	1,276,272	(26%)
07-01-09	1,280,139	1,532,430	(252,291)	84%	1,168,503	(22%)

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

	Transportation Operating	Preschool Special Education	School Lunch	Free Textbook	Vocational Horticulture	Bi-County Opportunity Center 07-08
Receipts:						
Local sources	\$ 781,205	\$ 7,263	\$ 343,615	\$ 136,900	\$ -	\$ 38,331
Intermediate sources	-	-	-	-	-	-
State sources	-	40,853	7,752	27,458	-	-
Federal sources	-	-	186,257	-	-	-
Interfund loans	65,909	-	-	-	-	-
Other	10,917	-	-	-	1,857	4,431
Total receipts	858,031	48,116	537,624	164,358	1,857	42,762
Disbursements:						
Current:						
Instruction	-	-	-	-	796	-
Support services	712,525	15,098	529	171,334	-	-
Noninstructional services	-	-	535,149	-	-	-
Facilities acquisition and construction	-	-	-	-	-	-
Debt services	150,000	-	-	-	-	-
Nonprogrammed charges	-	16,659	-	-	-	-
Total disbursements	862,525	31,757	535,678	171,334	796	-
Excess (deficiency) of receipts over disbursements	(4,494)	16,359	1,946	(6,976)	1,061	42,762
Other financing sources (uses):						
Sale of capital assets	-	-	-	-	-	-
Transfers out	-	-	-	-	-	-
Total other financing sources (uses)	-	-	-	-	-	-
Excess (deficiency) of receipts and other financing sources over disbursements and other financing uses	(4,494)	16,359	1,946	(6,976)	1,061	42,762
Cash and investments - beginning	4,494	37,997	103,324	122,340	800	(42,762)
Cash and investments - ending	\$ -	\$ 54,356	\$ 105,270	\$ 115,364	\$ 1,861	\$ -
Cash and Investment Assets - Ending						
Cash and investments	\$ -	\$ 54,356	\$ 105,270	\$ 115,364	\$ 1,861	\$ -
Restricted assets:						
Cash and investments	-	-	-	-	-	-
Total cash and investment assets - ending	\$ -	\$ 54,356	\$ 105,270	\$ 115,364	\$ 1,861	\$ -
Cash and Investment Fund Balance - Ending						
Restricted for:						
Debt service	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Other purposes	-	-	-	-	-	-
Unrestricted	-	54,356	105,270	115,364	1,861	-
Total cash and investment fund balance - ending	\$ -	\$ 54,356	\$ 105,270	\$ 115,364	\$ 1,861	\$ -

METROPOLITAN SCHOOL DISTRICT OF WARREN COUNTY
 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)

	Bi-County Opportunity Center 08-09	Educational License Plates	Alternative Education	Before/After School Child Care	PAC	Lilly Endowment CAPE Grant
Receipts:						
Local sources	\$ 44,862	\$ -	\$ -	\$ 13,566	\$ 1,179	\$ -
Intermediate sources	-	788	-	-	-	-
State sources	9,221	-	-	-	-	-
Federal sources	-	-	-	-	-	-
Interfund loans	-	-	-	-	-	-
Other	85,167	-	-	230	-	-
Total receipts	<u>139,250</u>	<u>788</u>	<u>-</u>	<u>13,796</u>	<u>1,179</u>	<u>-</u>
Disbursements:						
Current:						
Instruction	172,706	-	1,860	-	-	94,851
Support services	785	-	-	-	-	103,457
Noninstructional services	-	-	-	15,455	313	15,906
Facilities acquisition and construction	17,100	-	-	-	-	-
Debt services	-	-	-	-	-	-
Nonprogrammed charges	-	-	-	-	-	-
Total disbursements	<u>190,591</u>	<u>-</u>	<u>1,860</u>	<u>15,455</u>	<u>313</u>	<u>214,214</u>
Excess (deficiency) of receipts over disbursements	<u>(51,341)</u>	<u>788</u>	<u>(1,860)</u>	<u>(1,659)</u>	<u>866</u>	<u>(214,214)</u>
Other financing sources (uses):						
Sale of capital assets	-	-	-	-	-	-
Transfers out	-	-	-	-	-	-
Total other financing sources (uses)	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Excess (deficiency) of receipts and other financing sources over disbursements and other financing uses	<u>(51,341)</u>	<u>788</u>	<u>(1,860)</u>	<u>(1,659)</u>	<u>866</u>	<u>(214,214)</u>
Cash and investments - beginning	<u>-</u>	<u>8,098</u>	<u>1,860</u>	<u>2,794</u>	<u>13,956</u>	<u>394,075</u>
Cash and investments - ending	<u>\$ (51,341)</u>	<u>\$ 8,886</u>	<u>\$ -</u>	<u>\$ 1,135</u>	<u>\$ 14,822</u>	<u>\$ 179,861</u>
Cash and Investment Assets - Ending						
Cash and investments	\$ (51,341)	\$ 8,886	\$ -	\$ 1,135	\$ 14,822	\$ 179,861
Restricted assets:						
Cash and investments	-	-	-	-	-	-
Total cash and investment assets - ending	<u>\$ (51,341)</u>	<u>\$ 8,886</u>	<u>\$ -</u>	<u>\$ 1,135</u>	<u>\$ 14,822</u>	<u>\$ 179,861</u>
Cash and Investment Fund Balance - Ending						
Restricted for:						
Debt service	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Other purposes	-	-	-	-	-	-
Unrestricted	(51,341)	8,886	-	1,135	14,822	179,861
Total cash and investment fund balance - ending	<u>\$ (51,341)</u>	<u>\$ 8,886</u>	<u>\$ -</u>	<u>\$ 1,135</u>	<u>\$ 14,822</u>	<u>\$ 179,861</u>

METROPOLITAN SCHOOL DISTRICT OF WARREN COUNTY
 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)

	Professional Development CAPE Grant	County Drug Grant	Gifted/Talented 07-08	Gifted/Talented 08-09	Common School Technology Year 1	Common School Technology Year 2
Receipts:						
Local sources	\$ 15,825	\$ 5,200	\$ -	\$ -	\$ -	\$ -
Intermediate sources	-	-	-	-	-	-
State sources	-	-	-	30,978	27,396	-
Federal sources	-	-	-	-	-	-
Interfund loans	-	-	-	-	-	-
Other	-	-	-	-	-	-
Total receipts	15,825	5,200	-	30,978	27,396	-
Disbursements:						
Current:						
Instruction	-	-	950	29,953	7,980	-
Support services	-	2,538	-	-	-	-
Noninstructional services	-	-	-	-	-	-
Facilities acquisition and construction	-	-	-	-	19,416	-
Debt services	-	-	-	-	-	-
Nonprogrammed charges	-	-	-	-	-	-
Total disbursements	-	2,538	950	29,953	27,396	-
Excess (deficiency) of receipts over disbursements	15,825	2,662	(950)	1,025	-	-
Other financing sources (uses):						
Sale of capital assets	-	-	-	-	-	-
Transfers out	-	-	-	-	-	-
Total other financing sources (uses)	-	-	-	-	-	-
Excess (deficiency) of receipts and other financing sources over disbursements and other financing uses	15,825	2,662	(950)	1,025	-	-
Cash and investments - beginning	-	6,292	950	-	-	-
Cash and investments - ending	\$ 15,825	\$ 8,954	\$ -	\$ 1,025	\$ -	\$ -
Cash and Investment Assets - Ending						
Cash and investments	\$ 15,825	\$ 8,954	\$ -	\$ 1,025	\$ -	\$ -
Restricted assets:						
Cash and investments	-	-	-	-	-	-
Total cash and investment assets - ending	\$ 15,825	\$ 8,954	\$ -	\$ 1,025	\$ -	\$ -
Cash and Investment Fund Balance - Ending						
Restricted for:						
Debt service	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Other purposes	-	-	-	-	-	-
Unrestricted	15,825	8,954	-	1,025	-	-
Total cash and investment fund balance - ending	\$ 15,825	\$ 8,954	\$ -	\$ 1,025	\$ -	\$ -

METROPOLITAN SCHOOL DISTRICT OF WARREN COUNTY
 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)

	Discretionary School Advisor	State Medicaid	Extra Curricular Activities	Non-English Speaking Program	Technology	Learning Center
Receipts:						
Local sources	\$ -	\$ -	\$ 11,972	\$ -	\$ -	\$ 19,911
Intermediate sources	-	-	-	-	-	-
State sources	3,500	-	-	-	11,594	-
Federal sources	-	-	-	-	-	-
Interfund loans	-	-	-	-	-	-
Other	-	-	-	-	-	-
Total receipts	<u>3,500</u>	<u>-</u>	<u>11,972</u>	<u>-</u>	<u>11,594</u>	<u>19,911</u>
Disbursements:						
Current:						
Instruction	3,500	-	-	-	-	5,376
Support services	-	12,772	-	-	-	-
Noninstructional services	-	-	12,146	-	-	-
Facilities acquisition and construction	-	-	-	-	2,361	-
Debt services	-	-	-	-	-	-
Nonprogrammed charges	-	-	-	-	-	-
Total disbursements	<u>3,500</u>	<u>12,772</u>	<u>12,146</u>	<u>-</u>	<u>2,361</u>	<u>5,376</u>
Excess (deficiency) of receipts over disbursements	<u>-</u>	<u>(12,772)</u>	<u>(174)</u>	<u>-</u>	<u>9,233</u>	<u>14,535</u>
Other financing sources (uses):						
Sale of capital assets	-	-	-	-	-	-
Transfers out	-	-	-	-	-	-
Total other financing sources (uses)	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Excess (deficiency) of receipts and other financing sources over disbursements and other financing uses	<u>-</u>	<u>(12,772)</u>	<u>(174)</u>	<u>-</u>	<u>9,233</u>	<u>14,535</u>
Cash and investments - beginning	<u>-</u>	<u>12,772</u>	<u>-</u>	<u>180</u>	<u>4,364</u>	<u>47,199</u>
Cash and investments - ending	<u>\$ -</u>	<u>\$ -</u>	<u>\$ (174)</u>	<u>\$ 180</u>	<u>\$ 13,597</u>	<u>\$ 61,734</u>
Cash and Investment Assets - Ending						
Cash and investments	\$ -	\$ -	\$ (174)	\$ 180	\$ 13,597	\$ 61,734
Restricted assets:						
Cash and investments	-	-	-	-	-	-
Total cash and investment assets - ending	<u>\$ -</u>	<u>\$ -</u>	<u>\$ (174)</u>	<u>\$ 180</u>	<u>\$ 13,597</u>	<u>\$ 61,734</u>
Cash and Investment Fund Balance - Ending						
Restricted for:						
Debt service	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Other purposes	-	-	-	-	-	-
Unrestricted	-	-	(174)	180	13,597	61,734
Total cash and investment fund balance - ending	<u>\$ -</u>	<u>\$ -</u>	<u>\$ (174)</u>	<u>\$ 180</u>	<u>\$ 13,597</u>	<u>\$ 61,734</u>

METROPOLITAN SCHOOL DISTRICT OF WARREN COUNTY
 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)

	Learning Center Fire	Fountain County GED Program	Wellness Program	Title I 08-09	Title I 07-08	Title V, Part A 08-09
Receipts:						
Local sources	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Intermediate sources	-	-	-	-	-	-
State sources	-	-	-	-	-	-
Federal sources	-	-	-	128,296	14,000	966
Interfund loans	-	-	-	-	-	-
Other	-	-	4,350	-	-	-
Total receipts	<u>-</u>	<u>-</u>	<u>4,350</u>	<u>128,296</u>	<u>14,000</u>	<u>966</u>
Disbursements:						
Current:						
Instruction	-	-	-	139,019	-	-
Support services	-	-	3,807	-	-	-
Noninstructional services	11,061	-	-	-	-	-
Facilities acquisition and construction	-	-	-	-	-	-
Debt services	-	-	-	-	-	-
Nonprogrammed charges	-	-	-	-	-	-
Total disbursements	<u>11,061</u>	<u>-</u>	<u>3,807</u>	<u>139,019</u>	<u>-</u>	<u>-</u>
Excess (deficiency) of receipts over disbursements	<u>(11,061)</u>	<u>-</u>	<u>543</u>	<u>(10,723)</u>	<u>14,000</u>	<u>966</u>
Other financing sources (uses):						
Sale of capital assets	-	-	-	-	-	-
Transfers out	-	-	-	-	-	-
Total other financing sources (uses)	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Excess (deficiency) of receipts and other financing sources over disbursements and other financing uses	<u>(11,061)</u>	<u>-</u>	<u>543</u>	<u>(10,723)</u>	<u>14,000</u>	<u>966</u>
Cash and investments - beginning	<u>44,140</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>(14,000)</u>	<u>(966)</u>
Cash and investments - ending	<u>\$ 33,079</u>	<u>\$ -</u>	<u>\$ 543</u>	<u>\$ (10,723)</u>	<u>\$ -</u>	<u>\$ -</u>
Cash and Investment Assets - Ending						
Cash and investments	\$ 33,079	\$ -	\$ 543	\$ (10,723)	\$ -	\$ -
Restricted assets:						
Cash and investments	-	-	-	-	-	-
Total cash and investment assets - ending	<u>\$ 33,079</u>	<u>\$ -</u>	<u>\$ 543</u>	<u>\$ (10,723)</u>	<u>\$ -</u>	<u>\$ -</u>
Cash and Investment Fund Balance - Ending						
Restricted for:						
Debt service	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Other purposes	-	-	-	-	-	-
Unrestricted	<u>33,079</u>	<u>-</u>	<u>543</u>	<u>(10,723)</u>	<u>-</u>	<u>-</u>
Total cash and investment fund balance - ending	<u>\$ 33,079</u>	<u>\$ -</u>	<u>\$ 543</u>	<u>\$ (10,723)</u>	<u>\$ -</u>	<u>\$ -</u>

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

	Special Federal	Education Preschool Handicap	Adult Education 07-08	Adult Education 08-09	Disabled/ Handicapped	Drug Free Schools 06-07
Receipts:						
Local sources	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Intermediate sources	-	-	-	-	-	-
State sources	-	-	-	-	-	-
Federal sources	286,535	10,842	-	28,000	13,253	-
Interfund loans	-	-	-	-	-	-
Other	-	-	-	-	-	-
Total receipts	<u>286,535</u>	<u>10,842</u>	<u>-</u>	<u>28,000</u>	<u>13,253</u>	<u>-</u>
Disbursements:						
Current:						
Instruction	244,456	-	1,266	22,954	11,923	-
Support services	-	-	125	3,493	-	3,545
Noninstructional services	-	-	108	382	-	-
Facilities acquisition and construction	-	-	-	-	-	-
Debt services	-	-	-	-	-	-
Nonprogrammed charges	42,079	14,259	-	-	-	-
Total disbursements	<u>286,535</u>	<u>14,259</u>	<u>1,499</u>	<u>26,829</u>	<u>11,923</u>	<u>3,545</u>
Excess (deficiency) of receipts over disbursements	<u>-</u>	<u>(3,417)</u>	<u>(1,499)</u>	<u>1,171</u>	<u>1,330</u>	<u>(3,545)</u>
Other financing sources (uses):						
Sale of capital assets	-	-	-	-	-	-
Transfers out	-	-	-	-	-	-
Total other financing sources (uses)	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Excess (deficiency) of receipts and other financing sources over disbursements and other financing uses	<u>-</u>	<u>(3,417)</u>	<u>(1,499)</u>	<u>1,171</u>	<u>1,330</u>	<u>(3,545)</u>
Cash and investments - beginning	<u>-</u>	<u>11,024</u>	<u>1,499</u>	<u>-</u>	<u>-</u>	<u>3,545</u>
Cash and investments - ending	<u>\$ -</u>	<u>\$ 7,607</u>	<u>\$ -</u>	<u>\$ 1,171</u>	<u>\$ 1,330</u>	<u>\$ -</u>
Cash and Investment Assets - Ending						
Cash and investments	\$ -	\$ 7,607	\$ -	\$ 1,171	\$ 1,330	\$ -
Restricted assets:						
Cash and investments	-	-	-	-	-	-
Total cash and investment assets - ending	<u>\$ -</u>	<u>\$ 7,607</u>	<u>\$ -</u>	<u>\$ 1,171</u>	<u>\$ 1,330</u>	<u>\$ -</u>
Cash and Investment Fund Balance - Ending						
Restricted for:						
Debt service	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Other purposes	-	-	-	-	-	-
Unrestricted	-	7,607	-	1,171	1,330	-
Total cash and investment fund balance - ending	<u>\$ -</u>	<u>\$ 7,607</u>	<u>\$ -</u>	<u>\$ 1,171</u>	<u>\$ 1,330</u>	<u>\$ -</u>

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

	Drug Free Schools 07-08	College Prep	Federal Medicaid	Project Lead the Way 08-09	Title II	PEP 07-08
Receipts:						
Local sources	\$ -	\$ 8,225	\$ -	\$ -	\$ -	\$ -
Intermediate sources	-	-	-	-	-	-
State sources	-	-	-	51,239	-	-
Federal sources	4,107	-	-	-	47,841	17,409
Interfund loans	-	-	-	-	-	-
Other	-	-	-	-	-	-
Total receipts	<u>4,107</u>	<u>8,225</u>	<u>-</u>	<u>51,239</u>	<u>47,841</u>	<u>17,409</u>
Disbursements:						
Current:						
Instruction	-	-	1,975	51,239	33,454	13,143
Support services	3,249	-	-	-	4,474	4,266
Noninstructional services	-	-	-	-	-	-
Facilities acquisition and construction	-	-	-	-	-	-
Debt services	-	-	-	-	-	-
Nonprogrammed charges	-	-	-	-	-	-
Total disbursements	<u>3,249</u>	<u>-</u>	<u>1,975</u>	<u>51,239</u>	<u>37,928</u>	<u>17,409</u>
Excess (deficiency) of receipts over disbursements	<u>858</u>	<u>8,225</u>	<u>(1,975)</u>	<u>-</u>	<u>9,913</u>	<u>-</u>
Other financing sources (uses):						
Sale of capital assets	-	-	-	-	-	-
Transfers out	-	-	-	-	-	-
Total other financing sources (uses)	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Excess (deficiency) of receipts and other financing sources over disbursements and other financing uses	<u>858</u>	<u>8,225</u>	<u>(1,975)</u>	<u>-</u>	<u>9,913</u>	<u>-</u>
Cash and investments - beginning	<u>-</u>	<u>-</u>	<u>7,581</u>	<u>-</u>	<u>8,330</u>	<u>-</u>
Cash and investments - ending	<u>\$ 858</u>	<u>\$ 8,225</u>	<u>\$ 5,606</u>	<u>\$ -</u>	<u>\$ 18,243</u>	<u>\$ -</u>
Cash and Investment Assets - Ending						
Cash and investments	\$ 858	\$ 8,225	\$ 5,606	\$ -	\$ 18,243	\$ -
Restricted assets:						
Cash and investments	-	-	-	-	-	-
Total cash and investment assets - ending	<u>\$ 858</u>	<u>\$ 8,225</u>	<u>\$ 5,606</u>	<u>\$ -</u>	<u>\$ 18,243</u>	<u>\$ -</u>
Cash and Investment Fund Balance - Ending						
Restricted for:						
Debt service	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Other purposes	-	-	-	-	-	-
Unrestricted	858	8,225	5,606	-	18,243	-
Total cash and investment fund balance - ending	<u>\$ 858</u>	<u>\$ 8,225</u>	<u>\$ 5,606</u>	<u>\$ -</u>	<u>\$ 18,243</u>	<u>\$ -</u>

METROPOLITAN SCHOOL DISTRICT OF WARREN COUNTY
 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)

	PEP 08-09	Reading First 08-09	Title I Stimulus	School Bus Replacement	Construction	Totals
Receipts:						
Local sources	\$ -	\$ -	\$ -	\$ 301,455	\$ 160	\$ 1,729,669
Intermediate sources	-	-	-	-	-	788
State sources	-	-	-	-	-	209,991
Federal sources	114,722	275,673	14,593	-	-	1,142,494
Interfund loans	-	-	-	1,388	-	67,297
Other	-	-	-	-	-	106,952
Total receipts	<u>114,722</u>	<u>275,673</u>	<u>14,593</u>	<u>302,843</u>	<u>160</u>	<u>3,257,191</u>
Disbursements:						
Current:						
Instruction	91,784	242,236	-	-	-	1,171,421
Support services	22,938	29,535	-	61,207	-	1,155,677
Noninstructional services	-	-	-	-	-	590,520
Facilities acquisition and construction	-	-	-	-	1,440	40,317
Debt services	-	-	-	-	-	150,000
Nonprogrammed charges	-	8,908	-	-	-	81,905
Total disbursements	<u>114,722</u>	<u>280,679</u>	<u>-</u>	<u>61,207</u>	<u>1,440</u>	<u>3,189,840</u>
Excess (deficiency) of receipts over disbursements	<u>-</u>	<u>(5,006)</u>	<u>14,593</u>	<u>241,636</u>	<u>(1,280)</u>	<u>67,351</u>
Other financing sources (uses):						
Sale of capital assets	-	-	-	17,000	-	17,000
Transfers out	-	-	-	(264,969)	-	(264,969)
Total other financing sources (uses)	<u>-</u>	<u>-</u>	<u>-</u>	<u>(247,969)</u>	<u>-</u>	<u>(247,969)</u>
Excess (deficiency) of receipts and other financing sources over disbursements and other financing uses	<u>-</u>	<u>(5,006)</u>	<u>14,593</u>	<u>(6,333)</u>	<u>(1,280)</u>	<u>(180,618)</u>
Cash and investments - beginning	<u>-</u>	<u>2,379</u>	<u>-</u>	<u>6,333</u>	<u>23,094</u>	<u>811,692</u>
Cash and investments - ending	<u>\$ -</u>	<u>\$ (2,627)</u>	<u>\$ 14,593</u>	<u>\$ -</u>	<u>\$ 21,814</u>	<u>\$ 631,074</u>
Cash and Investment Assets - Ending						
Cash and investments	\$ -	\$ (2,627)	\$ 14,593	\$ -	\$ 21,814	\$ 631,074
Restricted assets:						
Cash and investments	-	-	-	-	-	-
Total cash and investment assets - ending	<u>\$ -</u>	<u>\$ (2,627)</u>	<u>\$ 14,593</u>	<u>\$ -</u>	<u>\$ 21,814</u>	<u>\$ 631,074</u>
Cash and Investment Fund Balance - Ending						
Restricted for:						
Debt service	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Other purposes	-	-	-	-	-	-
Unrestricted	<u>-</u>	<u>(2,627)</u>	<u>14,593</u>	<u>-</u>	<u>21,814</u>	<u>631,074</u>
Total cash and investment fund balance - ending	<u>\$ -</u>	<u>\$ (2,627)</u>	<u>\$ 14,593</u>	<u>\$ -</u>	<u>\$ 21,814</u>	<u>\$ 631,074</u>

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

	Transportation Operating	Preschool Special Education	School Lunch	Free Textbook	Vocational Horticulture	Bi-County Opportunity Center 08-09	Educational License Plates
Receipts:							
Local sources	\$ 1,193,112	\$ -	\$ 328,413	\$ 130,837	\$ -	\$ 17,158	\$ -
Intermediate sources	-	-	-	-	-	-	469
State sources	-	26,125	7,850	34,223	-	-	-
Federal sources	-	-	230,340	-	-	-	-
Interfund loans	-	-	-	-	-	-	-
Other	452	-	-	-	2,915	45,105	-
Total receipts	1,193,564	26,125	566,603	165,060	2,915	62,263	469
Disbursements:							
Current:							
Instruction	-	-	-	-	2,344	66	-
Support services	791,388	9,495	512	139,523	-	-	-
Noninstructional services	-	-	535,889	-	-	-	-
Facilities acquisition and construction	-	-	-	-	-	-	-
Nonprogrammed charges	-	52,349	-	-	-	-	-
Interfund loans	65,909	-	-	-	-	-	-
Total disbursements	857,297	61,844	536,401	139,523	2,344	66	-
Excess (deficiency) of receipts over disbursements	336,267	(35,719)	30,202	25,537	571	62,197	469
Other financing sources (uses):							
Sale of capital assets	-	-	-	-	-	-	-
Transfers out	(40,504)	(18,637)	-	-	-	-	-
Total other financing sources (uses)	(40,504)	(18,637)	-	-	-	-	-
Excess (deficiency) of receipts and other financing sources over disbursements and other financing uses	295,763	(54,356)	30,202	25,537	571	62,197	469
Cash and investments - beginning	-	54,356	105,270	115,364	1,862	(51,342)	8,886
Cash and investments - ending	\$ 295,763	\$ -	\$ 135,472	\$ 140,901	\$ 2,433	\$ 10,855	\$ 9,355
Cash and Investment Assets - Ending							
Cash and investments	\$ 295,763	\$ -	\$ 135,472	\$ 140,901	\$ 2,433	\$ 10,855	\$ 9,355
Restricted assets:							
Cash and investments	-	-	-	-	-	-	-
Total cash and investment assets - ending	\$ 295,763	\$ -	\$ 135,472	\$ 140,901	\$ 2,433	\$ 10,855	\$ 9,355
Cash and Investment Fund Balance - Ending							
Restricted for:							
Debt service	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Other purposes	-	-	-	-	-	-	-
Unrestricted	295,763	-	135,472	140,901	2,433	10,855	9,355
Total cash and investment fund balance - ending	\$ 295,763	\$ -	\$ 135,472	\$ 140,901	\$ 2,433	\$ 10,855	\$ 9,355

METROPOLITAN SCHOOL DISTRICT OF WARREN COUNTY
 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)

	Before/After School Childcare	PAC	Lilly Endowment CAPE Grant	Professional Development CAPE Grant	County Drug Grant	Gifted/Talented 09-10	Gifted/Talented 08-09
Receipts:							
Local sources	\$ -	\$ 962	\$ -	\$ 6,292	\$ 4,875	\$ -	\$ -
Intermediate sources	-	-	-	-	-	-	-
State sources	-	-	-	-	-	30,538	-
Federal sources	-	-	-	-	-	-	-
Interfund loans	-	-	-	-	-	-	-
Other	48	500	-	-	-	-	-
Total receipts	48	1,462	-	6,292	4,875	30,538	-
Disbursements:							
Current:							
Instruction	-	-	107,839	-	-	30,538	1,025
Support services	-	-	60,646	927	3,557	-	-
Noninstructional services	688	879	11,377	-	-	-	-
Facilities acquisition and construction	-	-	-	-	-	-	-
Nonprogrammed charges	-	-	-	-	-	-	-
Interfund loans	-	-	-	-	-	-	-
Total disbursements	688	879	179,862	927	3,557	30,538	1,025
Excess (deficiency) of receipts over disbursements	(640)	583	(179,862)	5,365	1,318	-	(1,025)
Other financing sources (uses):							
Sale of capital assets	-	-	-	-	-	-	-
Transfers out	-	-	-	-	-	-	-
Total other financing sources (uses)	-	-	-	-	-	-	-
Excess (deficiency) of receipts and other financing sources over disbursements and other financing uses	(640)	583	(179,862)	5,365	1,318	-	(1,025)
Cash and investments - beginning	1,135	14,822	179,862	15,825	8,954	-	1,025
Cash and investments - ending	\$ 495	\$ 15,405	\$ -	\$ 21,190	\$ 10,272	\$ -	\$ -
Cash and Investment Assets - Ending							
Cash and investments	\$ 495	\$ 15,405	\$ -	\$ 21,190	\$ 10,272	\$ -	\$ -
Restricted assets:							
Cash and investments	-	-	-	-	-	-	-
Total cash and investment assets - ending	\$ 495	\$ 15,405	\$ -	\$ 21,190	\$ 10,272	\$ -	\$ -
Cash and Investment Fund Balance - Ending							
Restricted for:							
Debt service	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Other purposes	-	-	-	-	-	-	-
Unrestricted	495	15,405	-	21,190	10,272	-	-
Total cash and investment fund balance - ending	\$ 495	\$ 15,405	\$ -	\$ 21,190	\$ 10,272	\$ -	\$ -

METROPOLITAN SCHOOL DISTRICT OF WARREN COUNTY
 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)

	Common School Technology Year 2	Extra Curricular Activities	Non-English Speaking Program	Technology	Learning Center	Learning Center Fire
Receipts:						
Local sources	\$ -	\$ 9,373	\$ -	\$ -	\$ 14,979	\$ -
Intermediate sources	-	-	-	-	-	-
State sources	24,840	-	-	10,681	-	-
Federal sources	-	-	-	-	-	-
Interfund loans	-	-	-	-	-	-
Other	-	-	-	-	33,079	-
Total receipts	24,840	9,373	-	10,681	48,058	-
Disbursements:						
Current:						
Instruction	-	-	180	-	4,257	-
Support services	-	-	-	-	-	-
Noninstructional services	-	9,198	-	-	-	33,079
Facilities acquisition and construction	24,840	-	-	10,587	-	-
Nonprogrammed charges	-	-	-	-	-	-
Interfund loans	-	-	-	-	-	-
Total disbursements	24,840	9,198	180	10,587	4,257	33,079
Excess (deficiency) of receipts over disbursements	-	175	(180)	94	43,801	(33,079)
Other financing sources (uses):						
Sale of capital assets	-	-	-	-	-	-
Transfers out	-	-	-	-	-	-
Total other financing sources (uses)	-	-	-	-	-	-
Excess (deficiency) of receipts and other financing sources over disbursements and other financing uses	-	175	(180)	94	43,801	(33,079)
Cash and investments - beginning	-	(175)	180	13,597	61,734	33,079
Cash and investments - ending	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 13,691</u>	<u>\$ 105,535</u>	<u>\$ -</u>
Cash and Investment Assets - Ending						
Cash and investments	\$ -	\$ -	\$ -	\$ 13,691	\$ 105,535	\$ -
Restricted assets:						
Cash and investments	-	-	-	-	-	-
Total cash and investment assets - ending	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 13,691</u>	<u>\$ 105,535</u>	<u>\$ -</u>
Cash and Investment Fund Balance - Ending						
Restricted for:						
Debt service	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Other purposes	-	-	-	-	-	-
Unrestricted	-	-	-	13,691	105,535	-
Total cash and investment fund balance - ending	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 13,691</u>	<u>\$ 105,535</u>	<u>\$ -</u>

METROPOLITAN SCHOOL DISTRICT OF WARREN COUNTY
 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)

	Fountain County GED Program	Excess PTRC Distribution	Wellness Program	Title I 08-09	Title I 09-10	Title V, Part A 09-10
Receipts:						
Local sources	\$ 16,584	\$ -	\$ -	\$ -	\$ -	\$ -
Intermediate sources	-	-	-	-	-	-
State sources	-	47,566	-	-	-	-
Federal sources	-	-	-	12,557	120,653	767
Interfund loans	-	-	-	-	-	-
Other	-	-	3,270	-	-	-
Total receipts	16,584	47,566	3,270	12,557	120,653	767
Disbursements:						
Current:						
Instruction	10,580	-	-	1,834	132,453	-
Support services	-	-	3,268	-	-	767
Noninstructional services	-	-	-	-	-	-
Facilities acquisition and construction	-	-	-	-	-	-
Nonprogrammed charges	-	-	-	-	-	-
Interfund loans	-	-	-	-	-	-
Total disbursements	10,580	-	3,268	1,834	132,453	767
Excess (deficiency) of receipts over disbursements	6,004	47,566	2	10,723	(11,800)	-
Other financing sources (uses):						
Sale of capital assets	-	-	-	-	-	-
Transfers out	-	-	-	-	-	-
Total other financing sources (uses)	-	-	-	-	-	-
Excess (deficiency) of receipts and other financing sources over disbursements and other financing uses	6,004	47,566	2	10,723	(11,800)	-
Cash and investments - beginning	-	-	543	(10,723)	-	-
Cash and investments - ending	<u>\$ 6,004</u>	<u>\$ 47,566</u>	<u>\$ 545</u>	<u>\$ -</u>	<u>\$ (11,800)</u>	<u>\$ -</u>
Cash and Investment Assets - Ending						
Cash and investments	\$ 6,004	\$ 47,566	\$ 545	\$ -	\$ (11,800)	\$ -
Restricted assets:						
Cash and investments	-	-	-	-	-	-
Total cash and investment assets - ending	<u>\$ 6,004</u>	<u>\$ 47,566</u>	<u>\$ 545</u>	<u>\$ -</u>	<u>\$ (11,800)</u>	<u>\$ -</u>
Cash and Investment Fund Balance - Ending						
Restricted for:						
Debt service	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Other purposes	-	-	-	-	-	-
Unrestricted	6,004	47,566	545	-	(11,800)	-
Total cash and investment fund balance - ending	<u>\$ 6,004</u>	<u>\$ 47,566</u>	<u>\$ 545</u>	<u>\$ -</u>	<u>\$ (11,800)</u>	<u>\$ -</u>

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

	Special Federal	Education Preschool Handicap	Adult Education 09-10	Adult Education 08-09	Disabled/ Handicapped	Drug Free Schools 07-08
Receipts:						
Local sources	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Intermediate sources	-	-	-	-	-	-
State sources	-	-	-	-	-	-
Federal sources	270,148	9,865	28,000	-	11,000	-
Interfund loans	-	-	-	-	-	-
Other	-	-	-	-	-	-
Total receipts	<u>270,148</u>	<u>9,865</u>	<u>28,000</u>	<u>-</u>	<u>11,000</u>	<u>-</u>
Disbursements:						
Current:						
Instruction	248,617	-	19,760	1,171	12,330	-
Support services	-	-	2,308	-	-	858
Noninstructional services	-	-	613	-	-	-
Facilities acquisition and construction	-	-	-	-	-	-
Nonprogrammed charges	52,948	18,566	-	-	-	-
Interfund loans	-	-	-	-	-	-
Total disbursements	<u>301,565</u>	<u>18,566</u>	<u>22,681</u>	<u>1,171</u>	<u>12,330</u>	<u>858</u>
Excess (deficiency) of receipts over disbursements	<u>(31,417)</u>	<u>(8,701)</u>	<u>5,319</u>	<u>(1,171)</u>	<u>(1,330)</u>	<u>(858)</u>
Other financing sources (uses):						
Sale of capital assets	-	-	-	-	-	-
Transfers out	-	-	-	-	-	-
Total other financing sources (uses)	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Excess (deficiency) of receipts and other financing sources over disbursements and other financing uses	<u>(31,417)</u>	<u>(8,701)</u>	<u>5,319</u>	<u>(1,171)</u>	<u>(1,330)</u>	<u>(858)</u>
Cash and investments - beginning	<u>-</u>	<u>7,607</u>	<u>-</u>	<u>1,171</u>	<u>1,330</u>	<u>858</u>
Cash and investments - ending	<u>\$ (31,417)</u>	<u>\$ (1,094)</u>	<u>\$ 5,319</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>
Cash and Investment Assets - Ending						
Cash and investments	\$ (31,417)	\$ (1,094)	\$ 5,319	\$ -	\$ -	\$ -
Restricted assets:						
Cash and investments	-	-	-	-	-	-
Total cash and investment assets - ending	<u>\$ (31,417)</u>	<u>\$ (1,094)</u>	<u>\$ 5,319</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>
Cash and Investment Fund Balance - Ending						
Restricted for:						
Debt service	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Other purposes	-	-	-	-	-	-
Unrestricted	<u>(31,417)</u>	<u>(1,094)</u>	<u>5,319</u>	<u>-</u>	<u>-</u>	<u>-</u>
Total cash and investment fund balance - ending	<u>\$ (31,417)</u>	<u>\$ (1,094)</u>	<u>\$ 5,319</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>

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

	Drug Free Schools 08-09	Drug Free Schools 09-10	College Prep	Federal Medicaid	Project Lead the Way 09-10	CJI Juvenile Accountability 08-09
Receipts:						
Local sources	\$ -	\$ -	\$ 8,062	\$ -	\$ -	\$ -
Intermediate sources	-	-	-	-	-	-
State sources	-	-	-	-	15,000	25,000
Federal sources	3,232	3,859	-	-	-	-
Interfund loans	-	-	-	-	-	-
Other	-	-	-	-	-	-
Total receipts	<u>3,232</u>	<u>3,859</u>	<u>8,062</u>	<u>-</u>	<u>15,000</u>	<u>25,000</u>
Disbursements:						
Current:						
Instruction	-	-	-	1,107	15,000	25,000
Support services	2,586	45	-	-	-	-
Noninstructional services	-	-	-	-	-	-
Facilities acquisition and construction	-	-	-	-	-	-
Nonprogrammed charges	-	-	-	-	-	-
Interfund loans	-	-	-	-	-	-
Total disbursements	<u>2,586</u>	<u>45</u>	<u>-</u>	<u>1,107</u>	<u>15,000</u>	<u>25,000</u>
Excess (deficiency) of receipts over disbursements	<u>646</u>	<u>3,814</u>	<u>8,062</u>	<u>(1,107)</u>	<u>-</u>	<u>-</u>
Other financing sources (uses):						
Sale of capital assets	-	-	-	-	-	-
Transfers out	-	-	-	-	-	-
Total other financing sources (uses)	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Excess (deficiency) of receipts and other financing sources over disbursements and other financing uses	<u>646</u>	<u>3,814</u>	<u>8,062</u>	<u>(1,107)</u>	<u>-</u>	<u>-</u>
Cash and investments - beginning	<u>-</u>	<u>-</u>	<u>8,225</u>	<u>5,606</u>	<u>-</u>	<u>-</u>
Cash and investments - ending	<u>\$ 646</u>	<u>\$ 3,814</u>	<u>\$ 16,287</u>	<u>\$ 4,499</u>	<u>\$ -</u>	<u>\$ -</u>
Cash and Investment Assets - Ending						
Cash and investments	\$ 646	\$ 3,814	\$ 16,287	\$ 4,499	\$ -	\$ -
Restricted assets:						
Cash and investments	-	-	-	-	-	-
Total cash and investment assets - ending	<u>\$ 646</u>	<u>\$ 3,814</u>	<u>\$ 16,287</u>	<u>\$ 4,499</u>	<u>\$ -</u>	<u>\$ -</u>
Cash and Investment Fund Balance - Ending						
Restricted for:						
Debt service	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Other purposes	-	-	-	-	-	-
Unrestricted	<u>646</u>	<u>3,814</u>	<u>16,287</u>	<u>4,499</u>	<u>-</u>	<u>-</u>
Total cash and investment fund balance - ending	<u>\$ 646</u>	<u>\$ 3,814</u>	<u>\$ 16,287</u>	<u>\$ 4,499</u>	<u>\$ -</u>	<u>\$ -</u>

METROPOLITAN SCHOOL DISTRICT OF WARREN COUNTY
 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)

	CJI Juvenile Accountability 09-10	Title II	Title II, Part A 09-10	Title II, Part D 09-10	PEP 08-09	Reading First 08-09
Receipts:						
Local sources	\$ -	\$ -	\$ -	\$ -	\$ 100	\$ -
Intermediate sources	-	-	-	-	-	-
State sources	25,000	-	-	-	-	-
Federal sources	-	-	48,840	7,853	30,346	193,569
Interfund loans	-	-	-	-	-	-
Other	-	-	-	-	-	-
Total receipts	<u>25,000</u>	<u>-</u>	<u>48,840</u>	<u>7,853</u>	<u>30,446</u>	<u>193,569</u>
Disbursements:						
Current:						
Instruction	25,000	6,798	42,219	-	30,196	165,285
Support services	-	5,315	1,200	-	250	11,303
Noninstructional services	-	-	-	-	-	-
Facilities acquisition and construction	-	-	-	-	-	-
Nonprogrammed charges	-	-	-	7,853	-	7,695
Interfund loans	-	-	-	-	-	-
Total disbursements	<u>25,000</u>	<u>12,113</u>	<u>43,419</u>	<u>7,853</u>	<u>30,446</u>	<u>184,283</u>
Excess (deficiency) of receipts over disbursements	<u>-</u>	<u>(12,113)</u>	<u>5,421</u>	<u>-</u>	<u>-</u>	<u>9,286</u>
Other financing sources (uses):						
Sale of capital assets	-	-	-	-	-	-
Transfers out	-	-	-	-	-	-
Total other financing sources (uses)	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Excess (deficiency) of receipts and other financing sources over disbursements and other financing uses	<u>-</u>	<u>(12,113)</u>	<u>5,421</u>	<u>-</u>	<u>-</u>	<u>9,286</u>
Cash and investments - beginning	<u>-</u>	<u>18,243</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>(2,627)</u>
Cash and investments - ending	<u>\$ -</u>	<u>\$ 6,130</u>	<u>\$ 5,421</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 6,659</u>
Cash and Investment Assets - Ending						
Cash and investments	\$ -	\$ 6,130	\$ 5,421	\$ -	\$ -	\$ 6,659
Restricted assets:						
Cash and investments	-	-	-	-	-	-
Total cash and investment assets - ending	<u>\$ -</u>	<u>\$ 6,130</u>	<u>\$ 5,421</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 6,659</u>
Cash and Investment Fund Balance - Ending						
Restricted for:						
Debt service	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Other purposes	-	-	-	-	-	-
Unrestricted	-	6,130	5,421	-	-	6,659
Total cash and investment fund balance - ending	<u>\$ -</u>	<u>\$ 6,130</u>	<u>\$ 5,421</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 6,659</u>

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

	Title I Stimulus	Special Education Part B Stimulus	Preschool Special Education Stimulus	School Bus Replacement	Construction	Totals
Receipts:						
Local sources	\$ -	\$ -	\$ -	\$ 414,720	\$ -	\$ 2,145,467
Intermediate sources	-	-	-	-	-	469
State sources	-	-	-	-	-	246,823
Federal sources	47,600	199,997	5,089	-	-	1,223,715
Interfund loans	-	-	-	115,047	-	115,047
Other	-	-	-	-	-	85,369
Total receipts	47,600	199,997	5,089	529,767	-	3,816,890
Disbursements:						
Current:						
Instruction	65,946	261,648	-	-	-	1,211,193
Support services	-	-	10,178	248,528	-	1,292,654
Noninstructional services	-	-	-	-	-	591,723
Facilities acquisition and construction	-	-	-	-	21,815	57,242
Nonprogrammed charges	-	-	-	-	-	139,411
Interfund loans	-	-	-	1,388	-	67,297
Total disbursements	65,946	261,648	10,178	249,916	21,815	3,359,520
Excess (deficiency) of receipts over disbursements	(18,346)	(61,651)	(5,089)	279,851	(21,815)	457,370
Other financing sources (uses):						
Sale of capital assets	-	-	-	500	-	500
Transfers out	-	-	-	(280,351)	-	(339,492)
Total other financing sources (uses)	-	-	-	(279,851)	-	(338,992)
Excess (deficiency) of receipts and other financing sources over disbursements and other financing uses	(18,346)	(61,651)	(5,089)	-	(21,815)	118,378
Cash and investments - beginning	14,593	-	-	-	21,815	631,075
Cash and investments - ending	\$ (3,753)	\$ (61,651)	\$ (5,089)	\$ -	\$ -	\$ 749,453
Cash and Investment Assets - Ending						
Cash and investments	\$ (3,753)	\$ (61,651)	\$ (5,089)	\$ -	\$ -	\$ 749,453
Restricted assets:						
Cash and investments	-	-	-	-	-	-
Total cash and investment assets - ending	\$ (3,753)	\$ (61,651)	\$ (5,089)	\$ -	\$ -	\$ 749,453
Cash and Investment Fund Balance - Ending						
Restricted for:						
Debt service	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Other purposes	-	-	-	-	-	-
Unrestricted	(3,753)	(61,651)	(5,089)	-	-	749,453
Total cash and investment fund balance - ending	\$ (3,753)	\$ (61,651)	\$ (5,089)	\$ -	\$ -	\$ 749,453

METROPOLITAN SCHOOL DISTRICT OF WARREN COUNTY
 COMBINING SCHEDULE OF ADDITIONS, DEDUCTIONS, AND CHANGES IN CASH AND INVESTMENT BALANCES
 PRIVATE-PURPOSE TRUST FUNDS
 For the Year Ended June 30, 2009

	<u>Seeger Scholarship</u>	<u>Steinbaugh Scholarship</u>	<u>Citizens Martindale</u>	<u>Ridenour</u>	<u>Harman</u>	<u>Montgomery Martindale</u>	<u>Totals</u>
Additions:							
Contributions:							
Other	\$ 175,986	\$ 10,072	\$ 12,733	\$ -	\$ -	\$ 12,733	\$ 211,524
Investment earnings:							
Interest	4,977	1,811	55	3,698	156	474	11,171
Dividends	71,067	6,207	-	-	-	-	77,274
Total investment earnings	<u>76,044</u>	<u>8,018</u>	<u>55</u>	<u>3,698</u>	<u>156</u>	<u>474</u>	<u>88,445</u>
Total additions	<u>252,030</u>	<u>18,090</u>	<u>12,788</u>	<u>3,698</u>	<u>156</u>	<u>13,207</u>	<u>299,969</u>
Deductions:							
Administrative and general	<u>6,850</u>	<u>250</u>	<u>25,240</u>	<u>1,283</u>	<u>6,081</u>	<u>-</u>	<u>39,704</u>
Excess (deficiency) of total additions over total deductions	245,180	17,840	(12,452)	2,415	(5,925)	13,207	260,265
Cash and investment fund balance - beginning	<u>-</u>	<u>-</u>	<u>16,203</u>	<u>5,461</u>	<u>97,956</u>	<u>68,354</u>	<u>187,974</u>
Cash and investments - June 30	<u>\$ 245,180</u>	<u>\$ 17,840</u>	<u>\$ 3,751</u>	<u>\$ 7,876</u>	<u>\$ 92,031</u>	<u>\$ 81,561</u>	<u>\$ 448,239</u>
Net assets:							
Cash and investments	<u>\$ 245,180</u>	<u>\$ 17,840</u>	<u>\$ 3,751</u>	<u>\$ 7,876</u>	<u>\$ 92,031</u>	<u>\$ 81,561</u>	<u>\$ 448,239</u>
Total net assets - cash and investment basis held in trust	<u>\$ 245,180</u>	<u>\$ 17,840</u>	<u>\$ 3,751</u>	<u>\$ 7,876</u>	<u>\$ 92,031</u>	<u>\$ 81,561</u>	<u>\$ 448,239</u>

METROPOLITAN SCHOOL DISTRICT OF WARREN COUNTY
 COMBINING SCHEDULE OF ADDITIONS, DEDUCTIONS, AND CHANGES IN CASH AND INVESTMENT BALANCES
 PRIVATE-PURPOSE TRUST FUNDS
 For the Year Ended June 30, 2010

	Seeger Scholarship	Steinbaugh Scholarship	Citizens Martindale	Ridenour	Harman	Montgomery Martindale	Totals
Additions:							
Contributions:							
Other	\$ 32,503	\$ -	\$ 1,786	\$ -	\$ 75,000	\$ 28,466	\$ 137,755
Investment earnings:							
Interest	1,840	133	-	1,570	-	-	3,543
Dividends	58,336	6,323	-	-	-	-	64,659
Total investment earnings	60,176	6,456	-	1,570	-	-	68,202
Total additions	92,679	6,456	1,786	1,570	75,000	28,466	205,957
Deductions:							
Administrative and general	43,125	2,900	5,538	3,943	24,182	19,583	99,271
Excess (deficiency) of total additions over total deductions	49,554	3,556	(3,752)	(2,373)	50,818	8,883	106,686
Cash and investment fund balance - beginning	245,180	17,840	3,752	7,876	92,031	81,560	448,239
Cash and investments - June 30	<u>\$ 294,734</u>	<u>\$ 21,396</u>	<u>\$ -</u>	<u>\$ 5,503</u>	<u>\$ 142,849</u>	<u>\$ 90,443</u>	<u>\$ 554,925</u>
Net assets:							
Cash and investments	\$ 294,734	\$ 21,396	\$ -	\$ 5,503	\$ 142,849	\$ 90,443	\$ 554,925
Total net assets - cash and investment basis held in trust	<u>\$ 294,734</u>	<u>\$ 21,396</u>	<u>\$ -</u>	<u>\$ 5,503</u>	<u>\$ 142,849</u>	<u>\$ 90,443</u>	<u>\$ 554,925</u>

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

	Payroll
Additions:	
Agency fund additions	\$ 2,444,994
Deductions:	
Agency fund deductions	2,444,994
Excess (deficiency) of total additions over total deductions	-
Cash and investment fund balance - beginning	-
Cash and investment fund balance - ending	\$ -

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

	<u>Payroll</u>
Additions: Agency fund additions	<u>\$ 1,803,019</u>
Deductions: Agency fund deductions	<u>1,803,019</u>
Excess (deficiency) of total additions over total deductions	-
Cash and investment fund balance - beginning	<u>-</u>
Cash and investment fund balance - ending	<u><u>\$ -</u></u>

METROPOLITAN SCHOOL DISTRICT OF WARREN COUNTY
 SUPPLEMENTARY INFORMATION
 SCHEDULE OF CAPITAL ASSETS
 For the Year Ended June 30, 2010

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

General infrastructure assets completed in the current and prior years have been reported.

<u>Primary Government</u>	<u>Ending Balance</u>
Governmental activities:	
Capital assets, not being depreciated:	
Land	\$ 760,000
Infrastructure	564,520
Buildings	69,846,229
Improvements other than buildings	1,905,288
Machinery and equipment	<u>4,155,514</u>
Total governmental activities, capital assets not being depreciated	<u>\$ 77,231,551</u>

METROPOLITAN SCHOOL DISTRICT OF WARREN COUNTY
 SUPPLEMENTARY INFORMATION
 SCHEDULE OF LONG-TERM DEBT
 For the Year Ended 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:		
High School Building	\$ 1,843,114	\$ 441,500
Fitness Center	3,900,280	432,000
Heating/Air conditioning equipment	1,478,296	459,000
Notes and loans payable	<u>33,246</u>	<u>33,246</u>
Total governmental activities debt	<u>\$ 7,254,936</u>	<u>\$ 1,365,746</u>

METROPOLITAN SCHOOL DISTRICT OF WARREN COUNTY
AUDIT RESULTS AND COMMENTS

PUBLIC RECORDS RETENTION

Pine Village Elementary failed to present for audit School Form 521 - Application for Free or Reduced Price Meals and Other Benefits for 2009-2010. The Extra-Curricular Account Treasurer stated that she shredded them.

IC 5-15-6-3(f) concerning destruction of public records, states in part: "Original records may be disposed of only with the approval of the commission according to guidelines established by the commission. . . ."

Supporting documentation such as receipts, canceled checks, tickets, invoices, bills, contracts, and other public records must be available for audit to provide supporting information for the validity and accountability of monies disbursed. Payments without supporting documentation may be the personal obligation of the responsible official or employee. (Accounting and Uniform Compliance Guidelines Manual for Indiana Public School Corporations, Chapter 9) (Accounting and Uniform Compliance Guidelines Manual for Extra-Curricular Accounts, Chapter 7)

EXCESSIVE CASH BALANCES - FEDERAL AND STATE AGENCIES - COMPLIANCE REQUIREMENTS

The School Corporation was not in compliance with cash management requirements of the Title I program because the School Corporation allowed an excessive cash balance to accumulate.

Political subdivisions are required to comply with all grant agreements, rules, regulations, bulletins, directives, letters, letter rulings and filing requirements concerning reports and other procedural matters of federal and state agencies, including opinions of the Attorney General of the State of Indiana, and court decisions. Governmental units should file accurate reports required by federal and state agencies. Noncompliance may require corrective action. (Accounting and Uniform Compliance Guidelines Manual for Indiana Public School Corporations, Chapter 9)

SUPPLEMENTAL AUDIT OF
FEDERAL AWARDS



STATE OF INDIANA
AN EQUAL OPPORTUNITY EMPLOYER

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

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

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

TO: THE OFFICIALS OF THE METROPOLITAN SCHOOL DISTRICT
OF WARREN COUNTY, WARREN COUNTY, INDIANA

Compliance

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

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

In our opinion, the School Corporation complied in all material respects with the requirements referred to above that are applicable to each of its major federal programs for the years ended June 30, 2009 and 2010. However, the results of our auditing procedures disclosed instances of noncompliance with those requirements which are required to be reported in accordance with OMB Circular A-133 and which are described in the accompanying Schedule of Findings and Questioned Costs as item 2010-1.
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

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)

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.

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.

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 Corrective Action Plan. We did not audit the School Corporation's response and, accordingly, we express no opinion on it.

This report is intended solely for the information and use of the School Corporation's management, 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 5, 2011

METROPOLITAN SCHOOL DISTRICT OF WARREN COUNTY
SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS
For The Years Ended June 30, 2009 and 2010

Federal Grantor Agency/Pass-Through Entity Cluster Title/Program Title/Project Title	Federal CFDA Number	Pass-Through Entity (or Other) Identifying Number	Total Federal Awards Expended 06-30-09	Total Federal Awards Expended 06-30-10
<u>U.S. DEPARTMENT OF AGRICULTURE</u>				
Pass-Through Indiana Department of Education Child Nutrition Cluster School Breakfast Program	10.553			
		FY 08-09	\$ 31,939	\$ -
		FY 09-10	-	38,928
Total for program			31,939	38,928
National School Lunch Program	10.555			
		FY 08-09	189,014	-
		FY 09-10	-	228,386
Total for program			189,014	228,386
Total for cluster			220,953	267,314
<u>U.S. DEPARTMENT OF JUSTICE</u>				
Pass-Through Indiana Criminal Justice Institute Juvenile Accountability Block Grants	16.523			
		06-JB-210	-	25,000
		07-JB-030	-	25,000
Total for program			-	50,000
<u>U.S. DEPARTMENT OF LABOR</u>				
Pass-Through Purdue University H-1B Job Training Grants	17.268			
		WIRED-5-59	31,239	-
<u>U.S. DEPARTMENT OF EDUCATION</u>				
Pass-Through Indiana Department of Education Title I, Part A Cluster Title I Grants to Local Educational Agencies	84.010			
		09-8115	139,019	-
		10-8115	-	132,453
Total for program			139,019	132,453
ARRA - Title I Grants to Local Educational Agencies	84.389			
		10-8115	-	65,946
Total for cluster			139,019	198,399
Pass-Through Crawfordsville Community Schools Special Education Cluster Special Education - Grants to States	84.027			
		FY 08-09	286,535	-
		FY 09-10	-	301,565
Total For Program			286,535	301,565
Special Education - Preschool Grants	84.173			
		FY 08-09	14,259	7,607
		FY 09-10	-	10,959
Total For Program			14,259	18,566
ARRA - Special Education - Grants to States	84.391			
		FY 09-10	-	261,648
ARRA - Special Education - Preschool Grants	84.392			
		FY 09-10	-	10,178
Total for cluster			300,794	591,957

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

METROPOLITAN SCHOOL DISTRICT OF WARREN COUNTY
SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS
For The Years Ended June 30, 2009 and 2010
(Continued)

Federal Grantor Agency/Pass-Through Entity Cluster Title/Program Title/Project Title	Federal CFDA Number	Pass-Through Entity (or Other) Identifying Number	Total Federal Awards Expended 06-30-09	Total Federal Awards Expended 06-30-10
<u>U.S. DEPARTMENT OF EDUCATION (continued)</u>				
Direct Grant				
Carol M. White Physical Education Program	84.215F			
		Q215F060039-07	17,409	-
		Q215F060039-08	114,722	30,446
Total For Program			<u>132,131</u>	<u>30,446</u>
Pass-Through Indiana Department of Education				
Adult Education - State Grant Program	84.002A			
		FY 08-8127	1,499	-
		FY 09-8127	26,829	1,171
		FY 10-8127	-	22,681
Total for program			<u>160,459</u>	<u>54,298</u>
Pass-Through Indiana Department of Education				
Safe and Drug-Free Schools and Communities - State Grants	84.186			
		8115-06	3,545	-
		8115-07	3,249	858
		8115-08	-	2,586
Total for program			<u>6,794</u>	<u>3,444</u>
Pass-Through Indiana Department of Workforce Development				
Tech-Prep Education	84.243			
		PLTW-8-129	20,000	-
		PLTW-9-129	-	15,000
Total for program			<u>20,000</u>	<u>15,000</u>
Pass-Through Indiana Department of Education				
State Grants for Innovative Programs	84.298			
		07-8115	-	767
Pass-Through Indiana Department of Education				
Reading First State Grants	84.357			
		SY 2007-2008	30,173	-
		SY 2008-2009	250,506	9,237
		SY 2009-2010	-	175,047
Total for program			<u>280,679</u>	<u>184,284</u>
Pass-Through Indiana Department of Education				
English Language Acquisition Grants	84.365			
		FY 06-07	-	180
Pass-Through Indiana Department of Education				
Improving Teacher Quality State Grants	84.367			
		07-8115	8,330	-
		08-8115	29,598	12,113
		09-8115	-	43,419
Total for program			<u>37,928</u>	<u>55,532</u>
Pass-Through Indiana Department of Education				
State Fiscal Stabilization Fund Cluster				
ARRA - State Fiscal Stabilization Fund (SFSF) - Education State Grants, Recovery Act	84.394			
		FY 08-09	345,668	-
		FY 09-10	-	550,096
Total for cluster			<u>345,668</u>	<u>550,096</u>
Total federal awards expended			<u>\$ 1,543,533</u>	<u>\$ 1,971,271</u>

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

METROPOLITAN SCHOOL DISTRICT OF WARREN COUNTY
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 Metropolitan School District of Warren County (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	\$ 32,339	\$ 34,660

METROPOLITAN SCHOOL DISTRICT OF WARREN COUNTY
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?	yes
--	-----

Identification of Major Programs:

CFDA Number	Name of Federal Program or Cluster
84.357	Title I, Part A Cluster Special Education Cluster Reading First State Grants 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.

METROPOLITAN SCHOOL DISTRICT OF WARREN COUNTY
SCHEDULE OF FINDINGS AND QUESTIONED COSTS
(Continued)

Section III – Federal Award Findings and Questioned Costs

FINDING 2010-1, CASH MANAGEMENT

Federal Agency: Department of Education
Federal Program: ARRA - Title I Grants to Local Educational Agencies
CFDA Number: 84.389
Federal Award Number: 10-8115
Pass-Through Entity: Indiana Department of Education

34 CFR 80.20 (b)(7) states in part: "Procedures for minimizing the time elapsing between the transfer of funds from the U.S. Treasury and disbursement by grantees and subgrantees must be followed whenever advance payment procedures are used. Grantees must establish reasonable procedures to ensure the receipt of reports on subgrantees' cash balances and cash disbursements in sufficient time to enable them to prepare complete and accurate cash transactions reports to the awarding agency. When advances are made by letter-of-credit or electronic transfer of funds methods, the grantee must make drawdowns as close as possible to the time of making disbursements. Grantees must monitor cash drawdowns by their subgrantees to assure that they conform substantially to the same standards of timing and amount as apply to advances to the grantees."

Amounts are drawn down in advance for the Title I program. When the application is made, a drawdown schedule is submitted. Cash requests were evenly distributed throughout the year. The School Corporation overestimated cash requirements for July and August of 2009. The problem was compounded in August when the State of Indiana advanced the August and September drawdowns together. The School Corporation requested that no additional funds be advanced to them for five consecutive months, beginning with the August monthly report submitted in September. The distribution was not decreased until December. This resulted in an excessive cash balance in the Title I ARRA fund for seven months.

Surplus cash indicates noncompliance with the cash management requirement as set forth by the grant agreement. Additionally, failure to minimize the cash on hand may cause future funding to be reduced by the pass-through agency or a reduction in the funding provided to the pass-through agency.

We recommend that the pass-through entity distribute funding as requested in the drawdown schedule. We further recommend that the pass-through entity review the monthly reports submitted by the subrecipients and decrease cash balances when requested or as otherwise necessary to ensure that the time between the receipt and disbursement of federal funds is minimized according to the grant requirements.

METROPOLITAN SCHOOL DISTRICT OF WARREN COUNTY
SUMMARY SCHEDULE OF PRIOR AUDIT FINDINGS

No matters are reportable.

Metropolitan School District of Warren County

101 N. Monroe, Box 207, Williamsport, IN 47993

Phone 765-762-3364 Fax 765-762-6623

Mr. Ralph D. Shrader, Superintendent
rshrader@msdwarco.k12.in.us

Mr. James P. Beyer, Asst. Superintendent
jbeyer@msdwarco.k12.in.us

CORRECTIVE ACTION PLAN

FINDING 2010-1, CASH MANAGEMENT

Federal Agency: Department of Education

Federal Program: Title I, Part A Cluster

CFDA Number: 84.389

Federal Award Number: 10-8115

Pass-Through Entity: Indiana Department of Education

Contact Person: Nanette Ware

Contact Information: 765-762-3364 or nware@msdwarco.k12.in.us

We will continue to monitor our cash flow balance and file the reports as required. However, this procedure has changed to a reimbursement basis and should not be a concern on our next audit.



Treasurer

12/16/10

Date

METROPOLITAN SCHOOL DISTRICT OF WARREN COUNTY
EXIT CONFERENCE

The contents of this report were discussed on January 5, 2011, with Ralph Shrader, Superintendent of Schools; Andy Briles, President of the School Board; and Nanette Ware, Treasurer. The officials concurred with our audit findings.