

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

AUDIT REPORT
OF
JAY SCHOOL CORPORATION
JAY COUNTY, INDIANA
July 1, 2008 to June 30, 2010



FILED

03/02/2011

TABLE OF CONTENTS

<u>Description</u>	<u>Page</u>
Schedule of Officials	2
Independent Auditor's Report on Financial Statements and Supplementary Schedule of Expenditures of Federal Awards	3-4
Report on Internal Control Over Financial Reporting and on Compliance and Other Matters Based on an Audit of Financial Statements Performed in Accordance With Government Auditing Standards	5-6
Basic Financial Statements:	
Government-Wide Financial Statements:	
Statement of Activities and Net Assets – Cash and Investment Basis	7-8
Fund Financial Statements:	
Governmental Funds:	
Statement of Assets and Fund Balances and Receipts, Disbursements, and Changes in Fund Balances – Cash and Investment Basis – Governmental Funds	9-10
Proprietary Fund:	
Statement of Assets and Fund Balances and Receipts, Disbursements, and Changes in Fund Balances – Cash and Investment Basis – Proprietary Fund	11-12
Fiduciary Funds:	
Statement of Additions, Deductions, and Changes in Cash and Investment Balances – Fiduciary Funds	13-14
Notes to Financial Statements	15-24
Supplementary Information:	
Combining Schedule of Assets and Fund Balances and Receipts, Disbursements, and Changes in Fund Balances – Cash and Investment Basis – Other Governmental Funds.....	25-42
Combining Schedule of Additions, Deductions, and Changes in Cash and Investment Balances – Private-Purpose Trust Funds	43-46
Schedule of Capital Assets.....	47
Schedule of Long-Term Debt	48
Audit Result and Comment:	
Overdrawn Cash Balances.....	49
Supplemental Audit of Federal Awards:	
Independent Auditor's Report on Compliance With Requirements Applicable to Each Major Program and Internal Control Over Compliance in Accordance With OMB Circular A-133.....	52-53
Schedule of Expenditures of Federal Awards	54-55
Notes to Schedule of Expenditures of Federal Awards.....	56
Schedule of Findings and Questioned Costs	57
Auditee Prepared Schedule:	
Summary Schedule of Prior Audit Findings	58
Exit Conference.....	59
Official Response	60

SCHEDULE OF OFFICIALS

<u>Office</u>	<u>Official</u>	<u>Term</u>
Treasurer	Bradley T. DeRome	01-01-08 to 12-31-11
Superintendent of Schools	Timothy D. Long	07-01-08 to 06-30-15
President of the School Board	Bryan Alexander Greg Wellman	01-01-08 to 12-31-10 01-01-11 to 12-31-11



STATE OF INDIANA
AN EQUAL OPPORTUNITY EMPLOYER

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

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

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

TO: THE OFFICIALS OF THE JAY SCHOOL CORPORATION, JAY COUNTY, INDIANA

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

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

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

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

In accordance with Government Auditing Standards, we have also issued a report dated February 10, 2011, on our consideration of the School Corporation's internal control over financial reporting and our tests of its compliance with certain provisions of laws, regulations, contracts, grant agreements, and other matters. The purpose of that report is to describe the scope of our testing of internal control over financial reporting and compliance and the results of that testing and not to provide an opinion on the internal control over financial reporting or on compliance. That report is an integral part of an audit performed in accordance with Government Auditing Standards and should be considered in assessing the results of our audit.

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

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

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

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

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

STATE BOARD OF ACCOUNTS

February 10, 2011



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

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 JAY SCHOOL CORPORATION, JAY COUNTY, INDIANA

We have audited the financial statements of the governmental activities, each major fund, and the aggregate remaining fund information of the Jay School Corporation (School Corporation), as of and for the years ended June 30, 2009 and 2010, which collectively comprise the School Corporation's basic financial statements and have issued our report thereon dated February 10, 2011. We conducted our audit in accordance with auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in Government Auditing Standards, issued by the Comptroller General of the United States.

Internal Control Over Financial Reporting

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

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

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

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

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

Compliance and Other Matters

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

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

February 10, 2011

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

<u>Functions/Programs</u>	<u>Disbursements</u>	<u>Program Receipts</u>		<u>Net (Disbursements) Receipts and Changes in Net Assets</u>
		<u>Charges for Services</u>	<u>Operating Grants and Contributions</u>	<u>Totals</u>
Governmental activities:				
Instruction	\$ 15,758,236	\$ -	\$ 443,191	\$ (15,315,045)
Support services	12,962,822	926,825	1,025,034	(11,010,963)
Noninstructional services	1,764,105	-	-	(1,764,105)
Facilities acquisition and construction	2,640,909	-	-	(2,640,909)
Debt service	9,620,923	-	-	(9,620,923)
Nonprogrammed charges	5,329,907	-	-	(5,329,907)
Total governmental activities	<u>\$ 48,076,902</u>	<u>\$ 926,825</u>	<u>\$ 1,468,225</u>	<u>(45,681,852)</u>
General receipts:				
Property taxes				14,982,490
Other local sources				3,026,572
State aid				18,416,790
Bonds and loans				4,334,888
Grants and contributions not restricted to specific programs				5,328,676
Sale of property				7,606
Investment earnings				74,137
Other				374,041
Total general receipts				<u>46,545,200</u>
Change in net assets				863,348
Net assets - beginning				<u>5,773,809</u>
Net assets - ending				<u>\$ 6,637,157</u>
<u>Assets</u>				
Cash and investments				\$ 4,203,653
Restricted assets:				
Cash and investments				<u>2,433,504</u>
Total assets				<u>\$ 6,637,157</u>
<u>Net Assets</u>				
Restricted for:				
Debt service				\$ 911,391
Other purposes				1,522,113
Unrestricted				<u>4,203,653</u>
Total net assets				<u>\$ 6,637,157</u>

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

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

<u>Functions/Programs</u>	<u>Disbursements</u>	<u>Program Receipts</u>		<u>Totals</u>
		<u>Charges for Services</u>	<u>Operating Grants and Contributions</u>	<u>Net (Disbursements) Receipts and Changes in Net Assets</u>
Governmental activities:				
Instruction	\$ 16,773,867	\$ -	\$ 392,255	\$ (16,381,612)
Support services	10,484,138	911,621	1,086,067	(8,486,450)
Noninstructional services	1,856,310	-	-	(1,856,310)
Facilities acquisition and construction	925,806	-	-	(925,806)
Debt service	5,880,835	-	-	(5,880,835)
Nonprogrammed charges	6,007,891	-	-	(6,007,891)
Total governmental activities	<u>\$ 41,928,847</u>	<u>\$ 911,621</u>	<u>\$ 1,478,322</u>	<u>(39,538,904)</u>
General receipts:				
Property taxes				12,091,924
Other local sources				3,047,836
State aid				22,779,496
Bonds and loans				1,000,000
Grants and contributions not restricted to specific programs				4,862,800
Sale of property				6,023
Investment earnings				45,708
Other				19,546
Total general receipts				<u>43,853,333</u>
Change in net assets				4,314,429
Net assets - beginning				<u>6,637,157</u>
Net assets - ending				<u>\$ 10,951,586</u>
<u>Assets</u>				
Cash and investments				\$ 6,601,695
Restricted assets:				
Cash and investments				<u>4,349,891</u>
Total assets				<u>\$ 10,951,586</u>
<u>Net Assets</u>				
Restricted for:				
Debt service				\$ 2,654,267
Other purposes				1,695,624
Unrestricted				<u>6,601,695</u>
Total net assets				<u>\$ 10,951,586</u>

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

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

	General	Textbook Rental	Debt Service	Capital Projects	Other	Totals
Receipts:						
Local sources	\$ 6,528,128	\$ 132,048	\$ 3,032,123	\$ 4,166,751	\$ 3,903,199	\$ 17,762,249
Intermediate sources	913	-	-	-	881	1,794
State sources	18,847,663	163,501	-	-	1,364,818	20,375,982
Federal sources	-	-	-	-	4,837,710	4,837,710
Temporary loans	2,500,000	-	-	1,834,888	-	4,334,888
Interfund loans	-	-	-	-	42,000	42,000
Other	-	184	-	-	373,857	374,041
Total receipts	27,876,704	295,733	3,032,123	6,001,639	10,522,465	47,728,664
Disbursements:						
Current:						
Instruction	14,668,608	-	-	-	3,462,637	18,131,245
Support services	7,271,160	415,008	-	1,405,217	5,535,814	14,627,199
Noninstructional services	413,730	-	-	-	1,507,175	1,920,905
Facilities acquisition and construction	-	-	-	2,473,766	167,143	2,640,909
Debt services	3,015,973	-	3,521,187	1,980,032	1,103,731	9,620,923
Nonprogrammed charges	34,793	-	-	-	-	34,793
Interfund loans	42,000	-	-	-	-	42,000
Total disbursements	25,446,264	415,008	3,521,187	5,859,015	11,776,500	47,017,974
Excess (deficiency) of receipts over disbursements	2,430,440	(119,275)	(489,064)	142,624	(1,254,035)	710,690
Other financing sources (uses):						
Sale of capital assets	7,606	-	-	-	-	7,606
Transfers in	-	67,379	-	-	118,757	186,136
Transfers out	-	-	(157,379)	-	(28,757)	(186,136)
Total other financing sources (uses)	7,606	67,379	(157,379)	-	90,000	7,606
Excess (deficiency) of receipts and other financing sources over disbursements and other financing uses	2,438,046	(51,896)	(646,443)	142,624	(1,164,035)	718,296
Cash and investments - beginning	(213,510)	764,909	1,334,377	102,721	2,408,251	4,396,748
Cash and investments - ending	<u>\$ 2,224,536</u>	<u>\$ 713,013</u>	<u>\$ 687,934</u>	<u>\$ 245,345</u>	<u>\$ 1,244,216</u>	5,115,044
Amounts reported for governmental activities in the Statement of Cash Activities and Net Assets - Cash and Investment Basis are different because:						
Internal service funds are used by management to charge the costs of certain services to individual funds. The assets of the internal service fund are included in governmental activities in the Statement of Activities and Net Assets - Cash and Investment Basis.						
						<u>1,522,113</u>
Net assets of governmental activities						<u>\$ 6,637,157</u>
Cash and Investment Assets - Ending						
Cash and investments	\$ 2,224,536	\$ 713,013	\$ -	\$ 245,345	\$ 1,020,759	\$ 4,203,653
Restricted assets:						
Cash and investments	-	-	687,934	-	223,457	911,391
Total cash and investment assets - ending	\$ 2,224,536	\$ 713,013	\$ 687,934	\$ 245,345	\$ 1,244,216	\$ 5,115,044
Cash and Investment Fund Balance - Ending						
Restricted for:						
Debt service	\$ -	\$ -	\$ 687,934	\$ -	\$ 223,457	\$ 911,391
Unrestricted	2,224,536	713,013	-	245,345	1,020,759	4,203,653
Total cash and investment fund balance - ending	\$ 2,224,536	\$ 713,013	\$ 687,934	\$ 245,345	\$ 1,244,216	\$ 5,115,044

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

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

	General	Textbook Rental	Debt Service	Capital Projects	Other	Totals
Receipts:						
Local sources	\$ 529,151	\$ 131,247	\$ 4,677,673	\$ 4,315,524	\$ 5,114,525	\$ 14,768,120
Intermediate sources	913	-	-	-	563	1,476
State sources	23,115,336	184,675	-	-	975,299	24,275,310
Federal sources	-	-	-	-	4,845,309	4,845,309
Temporary loans	-	-	-	1,000,000	-	1,000,000
Interfund loans	42,000	-	-	-	-	42,000
Other	-	6,566	-	-	12,980	19,546
Total receipts	23,687,400	322,488	4,677,673	5,315,524	10,948,676	44,951,761
Disbursements:						
Current:						
Instruction	16,109,407	-	-	-	3,494,392	19,603,799
Support services	7,343,883	281,590	-	1,690,272	2,988,393	12,304,138
Noninstructional services	435,522	-	-	-	1,574,788	2,010,310
Facilities acquisition and construction	-	-	-	690,244	235,562	925,806
Debt services	18,877	-	3,276,292	1,600,000	985,666	5,880,835
Nonprogrammed charges	49,978	-	-	-	-	49,978
Interfund loans	-	-	-	-	42,000	42,000
Total disbursements	23,957,667	281,590	3,276,292	3,980,516	9,320,801	40,816,866
Excess (deficiency) of receipts over disbursements	(270,267)	40,898	1,401,381	1,335,008	1,627,875	4,134,895
Other financing sources (uses):						
Sale of capital assets	6,023	-	-	-	-	6,023
Transfers in	161,015	-	-	-	236,597	397,612
Transfers out	-	-	-	-	(397,612)	(397,612)
Total other financing sources (uses)	167,038	-	-	-	(161,015)	6,023
Excess (deficiency) of receipts and other financing sources over disbursements and other financing uses	(103,229)	40,898	1,401,381	1,335,008	1,466,860	4,140,918
Cash and investments - beginning	2,224,535	713,012	687,934	245,345	1,244,218	5,115,044
Cash and investments - ending	<u>\$ 2,121,306</u>	<u>\$ 753,910</u>	<u>\$ 2,089,315</u>	<u>\$ 1,580,353</u>	<u>\$ 2,711,078</u>	9,255,962
Amounts reported for governmental activities in the Statement of Cash Activities and Net Assets - Cash and Investment Basis are different because:						
Internal service funds are used by management to charge the costs of certain services to individual funds. The assets of the internal service fund are included in governmental activities in the Statement of Activities and Net Assets - Cash and Investment Basis.						
						<u>1,695,624</u>
Net assets of governmental activities						<u>\$ 10,951,586</u>
Cash and Investment Assets - Ending						
Cash and investments	\$ 2,121,306	\$ 753,910	\$ -	\$ 1,580,353	\$ 2,146,126	\$ 6,601,695
Restricted assets:						
Cash and investments	-	-	2,089,315	-	564,952	2,654,267
Total cash and investment assets - ending	<u>\$ 2,121,306</u>	<u>\$ 753,910</u>	<u>\$ 2,089,315</u>	<u>\$ 1,580,353</u>	<u>\$ 2,711,078</u>	<u>\$ 9,255,962</u>
Cash and Investment Fund Balance - Ending						
Restricted for:						
Debt service	-	-	2,089,315	-	564,952	2,654,267
Unrestricted	2,121,306	753,910	-	1,580,353	2,146,126	6,601,695
Total cash and investment fund balance - ending	<u>\$ 2,121,306</u>	<u>\$ 753,910</u>	<u>\$ 2,089,315</u>	<u>\$ 1,580,353</u>	<u>\$ 2,711,078</u>	<u>\$ 9,255,962</u>

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

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

	Internal Service Fund
Operating receipts:	
Charges for services	\$ 5,440,166
Operating disbursements:	
Insurance claims and expense	5,295,114
Change in net assets	145,052
Cash and investment fund balance - beginning	1,377,061
Cash and investment fund balance - ending	\$ 1,522,113
<u>Cash and Investment Assets - Ending</u>	
Restricted assets:	
Cash and investments	\$ 1,522,113
<u>Cash and Investment Fund Balance - Ending</u>	
Restricted for:	
Other purposes	\$ 1,522,113

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

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

	Internal Service Fund
Operating receipts:	
Charges for services	\$ 6,131,424
Operating disbursements:	
Insurance claims and expense	5,957,913
Change in net assets	173,511
Cash and investment fund balance - beginning	1,522,113
Cash and investment fund balance - ending	\$ 1,695,624
<u>Cash and Investment Assets - Ending</u>	
Restricted assets:	
Cash and investments	\$ 1,695,624
<u>Cash and Investment Fund Balance - Ending</u>	
Restricted for:	
Other purposes	\$ 1,695,624

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

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

	Pension Trust Fund	Private-Purpose Trust Funds
Additions:		
Contributions:		
Miscellaneous	\$ 6,725	\$ 24,877
Investment earnings:		
Interest	55,744	-
Total additions	62,469	24,877
Deductions:		
Benefits	107,656	-
Administrative and general	-	22,220
Total deductions	107,656	22,220
Excess (deficiency) of total additions over total deductions	(45,187)	2,657
Cash and investment fund balance - beginning	1,095,890	10,697
Cash and investment fund balance - ending	\$ 1,050,703	\$ 13,354
Net assets:		
Cash and investments	\$ 1,050,703	\$ 13,354
Total net assets - cash and investment basis held in trust	\$ 1,050,703	\$ 13,354

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

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

	<u>Pension Trust Fund</u>	<u>Private-Purpose Trust Funds</u>
Additions:		
Contributions:		
Miscellaneous	\$ -	\$ 21,274
Investment earnings:		
Interest	<u>3,965</u>	<u>-</u>
Total additions	<u>3,965</u>	<u>21,274</u>
Deductions:		
Benefits	97,582	-
Administrative and general	<u>-</u>	<u>21,211</u>
Total deductions	<u>97,582</u>	<u>21,211</u>
Excess (deficiency) of total additions over total deductions	(93,617)	63
Cash and investment fund balance - beginning	<u>1,050,703</u>	<u>13,354</u>
Cash and investment fund balance - ending	<u>\$ 957,086</u>	<u>\$ 13,417</u>
Net assets:		
Cash and investments	<u>\$ 957,086</u>	<u>\$ 13,417</u>
Total net assets - cash and investment basis held in trust	<u>\$ 957,086</u>	<u>\$ 13,417</u>

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

JAY SCHOOL CORPORATION
NOTES TO FINANCIAL STATEMENTS

I. Summary of Significant Accounting Policies

A. Reporting Entity

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

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

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

Primary Government: Jay School Corporation

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

Joint Venture

The School Corporation is a participant in a joint venture to operate Area 18 Career and Technical Education Cooperative which was created to provide occupational training to students. The Area 18 Career and Technical Education Cooperative's continued existence depends on continued funding by its eight member School Corporations. Complete financial statements for the Area 18 Career and Technical Education Cooperative can be obtained from the Cooperative's administrative offices at 805 E. Harrison Street, Bluffton IN 46714.

B. Government-Wide and Fund Financial Statements

Government-Wide Financial Statements

The Statement of Activities and Net Assets – Cash and Investment Basis displays information about the reporting government as a whole. It includes all funds of the reporting entity except for fiduciary funds. The statement distinguishes between governmental and business-type activities. Governmental activities generally are financed through taxes, intergovernmental revenues, and other nonexchange revenues. Business-type activities are financed in whole or in part by fees charged to external parties for goods or services. The School Corporation does not have any business-type activities.

Fund Financial Statements

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

JAY SCHOOL CORPORATION
NOTES TO FINANCIAL STATEMENTS
(Continued)

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 Textbook Rental Fund is used to account for receipts and disbursements for the textbook rental program.

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 internal service fund (Self-Insurance Fund) accounts for the premiums and claims of employees' health insurance.

The pension trust fund (Retirement and Severance Bond Fund) accounts for postretirement or severance benefits held by the school cooperation in a trustee capacity.

The private-purpose trust funds account for donations used for purposes designated by the donors.

C. Measurement Focus and Basis of Accounting

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

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

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

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

JAY SCHOOL CORPORATION
NOTES TO FINANCIAL STATEMENTS
(Continued)

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

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

D. Assets and Cash and Investment Balances

1. Restricted Assets

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

2. Cash and Investments

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

3. Property Taxes

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

4. Capital Assets

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

5. Long-Term Debt

Long-term debt arising from cash basis transactions of governmental and proprietary funds is not reported as a liability in the basic financial statements. The debt proceeds are reported as other financing sources and payment of principal and interest reported as disbursements.

6. Equity Classification

Government-Wide Statements

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

JAY SCHOOL CORPORATION
NOTES TO FINANCIAL STATEMENTS
(Continued)

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

Fund Financial Statements

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

E. Receipts and Disbursements

1. Program Receipts

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

2. Operating Receipts and Disbursements

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

F. Internal and Interfund Activities

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

Fund Financial Statements

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

JAY SCHOOL CORPORATION
NOTES TO FINANCIAL STATEMENTS
(Continued)

Government-Wide Financial Statements

Interfund activity, if any, is eliminated or reclassified in the government-wide financial statements. 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. 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 Balance Deficits

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

JAY SCHOOL CORPORATION
NOTES TO FINANCIAL STATEMENTS
(Continued)

Fund	June 30, 2009	June 30, 2010
Preschool Handicapped FY 2009-10	\$ -	\$ 3,751
PLTW Engineering FY 2009-10	-	15,000
PLTW Biomedical	3,012	20,000
CTE First Robotics Grant	-	8,480
ARRA - Title I	19,563	-
ARRA - Special Education	3,009	-
ARRA - Preschool Handicapped	-	3,212
High School Professional Development	-	494

Cash and investment deficits arose primarily from disbursements posted to grant funds prior to receiving the corresponding grant proceeds.

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 \$11,922,089.

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 had no 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.

JAY SCHOOL CORPORATION
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.

B. Interfund Transfers

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

Transfer From	Transfer To	For the Year Ended June 30, 2009	For the Year Ended June 30, 2010
Debt Service Fund	Textbook Rental Fund	\$ 67,379	\$ -
	Other Governmental Funds	90,000	-
Other Governmental Funds	General Fund	-	161,015
	Other Governmental Funds	<u>28,757</u>	<u>236,597</u>
Totals		<u>\$ 186,136</u>	<u>\$ 397,612</u>

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

IV. Other Information

A. Risk Management

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

JAY SCHOOL CORPORATION
NOTES TO FINANCIAL STATEMENTS
(Continued)

The risks of torts; theft of, damage to, and destruction of assets; errors and omissions; job related illnesses or injuries to employees; and natural disasters are covered by commercial insurance from independent third parties. Settled claims from risks covered by commercial insurance have not exceeded commercial insurance coverage for the past three years. There were no significant reductions in insurance by major category of risk.

Medical Benefits to Employees, Retirees, and Dependents

The School Corporation has chosen to establish a risk-financing fund for risks associated with medical benefits for employees, retirees, and dependents. The risk-financing fund is accounted for in the Self-Insurance Fund, an internal service fund, where assets are set aside for claim settlements. The School Corporation purchases commercial insurance for claims in excess of coverage provided by the fund. Amounts are paid into the fund by all insured funds and are available to pay claims, claim reserves, and administrative costs of the program. Interfund premiums are based primarily upon the percentage of each fund's current year payroll as it relates to total payroll, and are reported as quasi-external interfund transactions.

B. Holding Corporation

The School Corporation has entered into a capital lease with Building Corporation of Jay Schools (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 2008-2009 and 2009-2010 totaled \$2,327,839 and \$2,774,139, respectively.

C. Subsequent Events

On November 22, 2010, the School Board approved a \$1,996,350 contract to renovate three schools. The project will be primarily funded by a \$2,000,000 loan from a local bank.

D. 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.

JAY SCHOOL CORPORATION
NOTES TO FINANCIAL STATEMENTS
(Continued)

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 two-year period were \$702,146.

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

JAY SCHOOL CORPORATION
NOTES TO FINANCIAL STATEMENTS
(Continued)

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 two-year period were \$1,073,377.

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

	Transportation Operating	Special Education Preschool	Rainy Day	School Lunch	Education License Plate	Early Intervention Grant
Receipts:						
Local sources	\$ 2,344,273	\$ 18,807	\$ -	\$ 642,484	\$ -	\$ -
Intermediate sources	-	-	-	-	881	-
State sources	-	250,500	-	19,277	-	161,900
Federal sources	-	-	-	795,965	-	-
Interfund loans	42,000	-	-	-	-	-
Other	5,077	-	-	8,016	-	-
Total receipts	2,391,350	269,307	-	1,465,742	881	161,900
Disbursements:						
Current:						
Instruction	-	260,941	-	-	-	-
Support services	2,103,117	-	378,415	-	-	166,261
Noninstructional services	-	-	-	1,483,149	-	-
Facilities acquisition and construction	-	-	-	-	-	-
Debt services	285,000	-	-	-	-	-
Total disbursements	2,388,117	260,941	378,415	1,483,149	-	166,261
Excess (deficiency) of receipts over disbursements	3,233	8,366	(378,415)	(17,407)	881	(4,361)
Other financing sources (uses):						
Transfers in	-	-	90,000	-	-	-
Transfers out	-	-	-	-	-	-
Total other financing sources (uses)	-	-	90,000	-	-	-
Excess (deficiency) of receipts and other financing sources over disbursements and other financing uses	3,233	8,366	(288,415)	(17,407)	881	(4,361)
Cash and investments - beginning	(2,928)	92,786	472,805	204,813	1,129	4,361
Cash and investments - ending	\$ 305	\$ 101,152	\$ 184,390	\$ 187,406	\$ 2,010	\$ -
Cash and Investment Assets - Ending						
Cash and investments	\$ 305	\$ 101,152	\$ 184,390	\$ 187,406	\$ 2,010	\$ -
Restricted assets:						
Cash and investments	-	-	-	-	-	-
Total cash and investment assets - ending	\$ 305	\$ 101,152	\$ 184,390	\$ 187,406	\$ 2,010	\$ -
Cash and Investment Fund Balance - Ending						
Restricted for:						
Debt service	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Unrestricted	305	101,152	184,390	187,406	2,010	-
Total cash and investment fund balance - ending	\$ 305	\$ 101,152	\$ 184,390	\$ 187,406	\$ 2,010	\$ -

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

	Reading Recovery	Gifted and Talented FY 2008-09	VIE Greenhouse	Animal Husbandry	Vocational Industrial Education	Vocational Home Economics
Receipts:						
Local sources	\$ -	\$ -	\$ 3,479	\$ 47	\$ 16,683	\$ 60
Intermediate sources	-	-	-	-	-	-
State sources	12,500	42,420	-	-	-	-
Federal sources	-	-	-	-	-	-
Interfund loans	-	-	-	-	-	-
Other	-	-	-	-	-	-
Total receipts	12,500	42,420	3,479	47	16,683	60
Disbursements:						
Current:						
Instruction	-	41,317	3,067	15	15,126	202
Support services	12,500	-	-	-	-	-
Noninstructional services	-	-	-	-	-	-
Facilities acquisition and construction	-	-	-	-	-	-
Debt services	-	-	-	-	-	-
Total disbursements	12,500	41,317	3,067	15	15,126	202
Excess (deficiency) of receipts over disbursements	-	1,103	412	32	1,557	(142)
Other financing sources (uses):						
Transfers in	-	-	-	-	-	-
Transfers out	-	-	-	-	-	-
Total other financing sources (uses)	-	-	-	-	-	-
Excess (deficiency) of receipts and other financing sources over disbursements and other financing uses	-	1,103	412	32	1,557	(142)
Cash and investments - beginning	-	-	1,049	-	(1,302)	2,178
Cash and investments - ending	\$ -	\$ 1,103	\$ 1,461	\$ 32	\$ 255	\$ 2,036
Cash and Investment Assets - Ending						
Cash and investments	\$ -	\$ 1,103	\$ 1,461	\$ 32	\$ 255	\$ 2,036
Restricted assets:						
Cash and investments	-	-	-	-	-	-
Total cash and investment assets - ending	\$ -	\$ 1,103	\$ 1,461	\$ 32	\$ 255	\$ 2,036
Cash and Investment Fund Balance - Ending						
Restricted for:						
Debt service	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Unrestricted	-	1,103	1,461	32	255	2,036
Total cash and investment fund balance - ending	\$ -	\$ 1,103	\$ 1,461	\$ 32	\$ 255	\$ 2,036

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

	Common School Fund Loan #A1320	Common School Fund Loan #A1361	Common School Fund Loan #A0578	Common School Fund Loan #A1374	Adult and Continuing Education	Drug Free Communities
Receipts:						
Local sources	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Intermediate sources	-	-	-	-	-	-
State sources	347,506	203,079	131,174	130,021	-	-
Federal sources	-	-	-	-	-	-
Interfund loans	-	-	-	-	-	-
Other	-	-	-	-	-	-
Total receipts	347,506	203,079	131,174	130,021	-	-
Disbursements:						
Current:						
Instruction	-	-	-	-	266	-
Support services	211,680	203,079	-	130,021	-	-
Noninstructional services	-	-	-	-	-	-
Facilities acquisition and construction	-	-	114,438	-	-	-
Debt services	-	-	-	-	-	-
Total disbursements	211,680	203,079	114,438	130,021	266	-
Excess (deficiency) of receipts over disbursements	135,826	-	16,736	-	(266)	-
Other financing sources (uses):						
Transfers in	-	-	-	-	-	-
Transfers out	-	-	-	-	-	-
Total other financing sources (uses)	-	-	-	-	-	-
Excess (deficiency) of receipts and other financing sources over disbursements and other financing uses	135,826	-	16,736	-	(266)	-
Cash and investments - beginning	(135,826)	-	-	-	2,966	250
Cash and investments - ending	\$ -	\$ -	\$ 16,736	\$ -	\$ 2,700	\$ 250
Cash and Investment Assets - Ending						
Cash and investments	\$ -	\$ -	\$ 16,736	\$ -	\$ 2,700	\$ 250
Restricted assets:						
Cash and investments	-	-	-	-	-	-
Total cash and investment assets - ending	\$ -	\$ -	\$ 16,736	\$ -	\$ 2,700	\$ 250
Cash and Investment Fund Balance - Ending						
Restricted for:						
Debt service	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Unrestricted	-	-	16,736	-	2,700	250
Total cash and investment fund balance - ending	\$ -	\$ -	\$ 16,736	\$ -	\$ 2,700	\$ 250

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

	ECA Coca-Cola	Administrative Office Concessions	Language Minority Program	Non-English Speaking FY 2008-09	School Technology	Technology Plan Grant
Receipts:						
Local sources	\$ 5,907	\$ 1,033	\$ -	\$ -	\$ -	\$ -
Intermediate sources	-	-	-	-	-	-
State sources	-	-	-	16,190	49,751	-
Federal sources	-	-	-	-	-	-
Interfund loans	-	-	-	-	-	-
Other	-	-	-	-	-	-
Total receipts	5,907	1,033	-	16,190	49,751	-
Disbursements:						
Current:						
Instruction	-	-	3,557	11,261	-	-
Support services	-	902	-	-	49,027	95,017
Noninstructional services	5,788	-	-	-	-	-
Facilities acquisition and construction	-	-	-	-	-	-
Debt services	-	-	-	-	-	-
Total disbursements	5,788	902	3,557	11,261	49,027	95,017
Excess (deficiency) of receipts over disbursements	119	131	(3,557)	4,929	724	(95,017)
Other financing sources (uses):						
Transfers in	-	-	-	-	-	-
Transfers out	-	-	-	-	-	-
Total other financing sources (uses)	-	-	-	-	-	-
Excess (deficiency) of receipts and other financing sources over disbursements and other financing uses	119	131	(3,557)	4,929	724	(95,017)
Cash and investments - beginning	4,948	-	3,557	-	56,605	95,017
Cash and investments - ending	\$ 5,067	\$ 131	\$ -	\$ 4,929	\$ 57,329	\$ -
Cash and Investment Assets - Ending						
Cash and investments	\$ 5,067	\$ 131	\$ -	\$ 4,929	\$ 57,329	\$ -
Restricted assets:						
Cash and investments	-	-	-	-	-	-
Total cash and investment assets - ending	\$ 5,067	\$ 131	\$ -	\$ 4,929	\$ 57,329	\$ -
Cash and Investment Fund Balance - Ending						
Restricted for:						
Debt service	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Unrestricted	5,067	131	-	4,929	57,329	-
Total cash and investment fund balance - ending	\$ 5,067	\$ 131	\$ -	\$ 4,929	\$ 57,329	\$ -

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

	Professional Development Grant	Recycling Learning Grant	Success Maker Software Program	Title I FY 2007-08	Title I FY 2008-09	Title V, Part A FY 2007-08
Receipts:						
Local sources	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Intermediate sources	-	-	-	-	-	-
State sources	-	500	-	-	-	-
Federal sources	-	-	-	94,000	741,954	2,463
Interfund loans	-	-	-	-	-	-
Other	-	-	298,960	-	-	-
Total receipts	-	500	298,960	94,000	741,954	2,463
Disbursements:						
Current:						
Instruction	-	-	-	148,760	636,169	4
Support services	-	-	298,960	60,943	22,688	-
Noninstructional services	-	-	-	1,130	3,145	-
Facilities acquisition and construction	-	-	-	-	-	-
Debt services	-	-	-	-	-	-
Total disbursements	-	-	298,960	210,833	662,002	4
Excess (deficiency) of receipts over disbursements	-	500	-	(116,833)	79,952	2,459
Other financing sources (uses):						
Transfers in	-	-	-	-	28,757	-
Transfers out	-	-	-	(28,757)	-	-
Total other financing sources (uses)	-	-	-	(28,757)	28,757	-
Excess (deficiency) of receipts and other financing sources over disbursements and other financing uses	-	500	-	(145,590)	108,709	2,459
Cash and investments - beginning	29	-	-	145,590	-	4
Cash and investments - ending	<u>\$ 29</u>	<u>\$ 500</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 108,709</u>	<u>\$ 2,463</u>
Cash and Investment Assets - Ending						
Cash and investments	\$ 29	\$ 500	\$ -	\$ -	\$ 108,709	\$ 2,463
Restricted assets:						
Cash and investments	-	-	-	-	-	-
Total cash and investment assets - ending	<u>\$ 29</u>	<u>\$ 500</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 108,709</u>	<u>\$ 2,463</u>
Cash and Investment Fund Balance - Ending						
Restricted for:						
Debt service	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Unrestricted	29	500	-	-	108,709	2,463
Total cash and investment fund balance - ending	<u>\$ 29</u>	<u>\$ 500</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 108,709</u>	<u>\$ 2,463</u>

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

	P.L. 105-17 FY 2007-08	P.L. 105-17 FY 2008-09	Preschool Handicapped FY 2007-08	Preschool Handicapped FY 2008-09	Adult Basic Education FY 2007-08	Adult Basic Education FY 2008-09
Receipts:						
Local sources	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Intermediate sources	-	-	-	-	-	-
State sources	-	-	-	-	-	-
Federal sources	-	819,977	-	45,836	-	26,136
Interfund loans	-	-	-	-	-	-
Other	-	-	-	-	-	-
Total receipts	-	819,977	-	45,836	-	26,136
Disbursements:						
Current:						
Instruction	62,200	739,372	2,595	44,933	5,531	9,899
Support services	1,754	42,412	-	-	1,250	10,534
Noninstructional services	-	-	-	-	-	-
Facilities acquisition and construction	-	-	-	-	-	-
Debt services	-	-	-	-	-	-
Total disbursements	63,954	781,784	2,595	44,933	6,781	20,433
Excess (deficiency) of receipts over disbursements	(63,954)	38,193	(2,595)	903	(6,781)	5,703
Other financing sources (uses):						
Transfers in	-	-	-	-	-	-
Transfers out	-	-	-	-	-	-
Total other financing sources (uses)	-	-	-	-	-	-
Excess (deficiency) of receipts and other financing sources over disbursements and other financing uses	(63,954)	38,193	(2,595)	903	(6,781)	5,703
Cash and investments - beginning	63,954	-	2,595	-	6,781	-
Cash and investments - ending	\$ -	\$ 38,193	\$ -	\$ 903	\$ -	\$ 5,703
Cash and Investment Assets - Ending						
Cash and investments	\$ -	\$ 38,193	\$ -	\$ 903	\$ -	\$ 5,703
Restricted assets:						
Cash and investments	-	-	-	-	-	-
Total cash and investment assets - ending	\$ -	\$ 38,193	\$ -	\$ 903	\$ -	\$ 5,703
Cash and Investment Fund Balance - Ending						
Restricted for:						
Debt service	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Unrestricted	-	38,193	-	903	-	5,703
Total cash and investment fund balance - ending	\$ -	\$ 38,193	\$ -	\$ 903	\$ -	\$ 5,703

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

	Title IV, Part A FY 2007-08	Title IV, Part A FY 2008-09	Project Lead the Way	PLTW Engineering FY 2008-09	PLTW Biomedical	Area 18 Leadership Academy
Receipts:						
Local sources	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Intermediate sources	-	-	-	-	-	-
State sources	-	-	-	-	-	-
Federal sources	-	13,674	25,000	20,000	-	-
Interfund loans	-	-	-	-	-	-
Other	-	-	-	-	-	-
Total receipts	-	13,674	25,000	20,000	-	-
Disbursements:						
Current:						
Instruction	5,486	8,487	19,600	13,923	132	-
Support services	-	-	-	-	2,880	-
Noninstructional services	-	-	-	-	-	-
Facilities acquisition and construction	-	-	-	-	-	-
Debt services	-	-	-	-	-	-
Total disbursements	5,486	8,487	19,600	13,923	3,012	-
Excess (deficiency) of receipts over disbursements	(5,486)	5,187	5,400	6,077	(3,012)	-
Other financing sources (uses):						
Transfers in	-	-	-	-	-	-
Transfers out	-	-	-	-	-	-
Total other financing sources (uses)	-	-	-	-	-	-
Excess (deficiency) of receipts and other financing sources over disbursements and other financing uses	(5,486)	5,187	5,400	6,077	(3,012)	-
Cash and investments - beginning	5,715	-	-	-	-	100
Cash and investments - ending	\$ 229	\$ 5,187	\$ 5,400	\$ 6,077	\$ (3,012)	\$ 100
Cash and Investment Assets - Ending						
Cash and investments	\$ 229	\$ 5,187	\$ 5,400	\$ 6,077	\$ (3,012)	\$ 100
Restricted assets:						
Cash and investments	-	-	-	-	-	-
Total cash and investment assets - ending	\$ 229	\$ 5,187	\$ 5,400	\$ 6,077	\$ (3,012)	\$ 100
Cash and Investment Fund Balance - Ending						
Restricted for:						
Debt service	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Unrestricted	229	5,187	5,400	6,077	(3,012)	100
Total cash and investment fund balance - ending	\$ 229	\$ 5,187	\$ 5,400	\$ 6,077	\$ (3,012)	\$ 100

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

	Area 18 Vocational FY 2008-09	Reading is Fundamental	Title II, Part A FY 2008-09	Title III FY 2008-09	ARRA - Fiscal Stabilization Basic Grant	ARRA - Title I
Receipts:						
Local sources	\$ -	\$ 3,031	\$ -	\$ -	\$ -	\$ -
Intermediate sources	-	-	-	-	-	-
State sources	-	-	-	-	-	-
Federal sources	72,115	-	188,900	15,600	1,976,090	-
Interfund loans	-	-	-	-	-	-
Other	-	-	-	-	-	-
Total receipts	<u>72,115</u>	<u>3,031</u>	<u>188,900</u>	<u>15,600</u>	<u>1,976,090</u>	<u>-</u>
Disbursements:						
Current:						
Instruction	55,854	-	120,750	15,600	1,232,027	2,554
Support services	-	3,136	-	-	702,240	17,009
Noninstructional services	-	-	-	-	13,963	-
Facilities acquisition and construction	-	-	-	-	-	-
Debt services	-	-	-	-	-	-
Total disbursements	<u>55,854</u>	<u>3,136</u>	<u>120,750</u>	<u>15,600</u>	<u>1,948,230</u>	<u>19,563</u>
Excess (deficiency) of receipts over disbursements	<u>16,261</u>	<u>(105)</u>	<u>68,150</u>	<u>-</u>	<u>27,860</u>	<u>(19,563)</u>
Other financing sources (uses):						
Transfers in	-	-	-	-	-	-
Transfers out	-	-	-	-	-	-
Total other financing sources (uses)	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Excess (deficiency) of receipts and other financing sources over disbursements and other financing uses	<u>16,261</u>	<u>(105)</u>	<u>68,150</u>	<u>-</u>	<u>27,860</u>	<u>(19,563)</u>
Cash and investments - beginning	<u>-</u>	<u>1,263</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Cash and investments - ending	<u>\$ 16,261</u>	<u>\$ 1,158</u>	<u>\$ 68,150</u>	<u>\$ -</u>	<u>\$ 27,860</u>	<u>\$ (19,563)</u>
<u>Cash and Investment Assets - Ending</u>						
Cash and investments	\$ 16,261	\$ 1,158	\$ 68,150	\$ -	\$ 27,860	\$ (19,563)
Restricted assets:						
Cash and investments	-	-	-	-	-	-
Total cash and investment assets - ending	<u>\$ 16,261</u>	<u>\$ 1,158</u>	<u>\$ 68,150</u>	<u>\$ -</u>	<u>\$ 27,860</u>	<u>\$ (19,563)</u>
<u>Cash and Investment Fund Balance - Ending</u>						
Restricted for:						
Debt service	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Unrestricted	16,261	1,158	68,150	-	27,860	(19,563)
Total cash and investment fund balance - ending	<u>\$ 16,261</u>	<u>\$ 1,158</u>	<u>\$ 68,150</u>	<u>\$ -</u>	<u>\$ 27,860</u>	<u>\$ (19,563)</u>

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

	ARRA - Special Education	Debt Service	Bus Replacement	Construction	Totals
Receipts:					
Local sources	\$ -	\$ 764,602	\$ 76,999	\$ 25,794	\$ 3,903,199
Intermediate sources	-	-	-	-	881
State sources	-	-	-	-	1,364,818
Federal sources	-	-	-	-	4,837,710
Interfund loans	-	-	-	-	42,000
Other	-	-	-	61,804	373,857
Total receipts	<u>-</u>	<u>764,602</u>	<u>76,999</u>	<u>87,598</u>	<u>10,522,465</u>
Disbursements:					
Current:					
Instruction	3,009	-	-	-	3,462,637
Support services	-	-	984,915	37,074	5,535,814
Noninstructional services	-	-	-	-	1,507,175
Facilities acquisition and construction	-	-	-	52,705	167,143
Debt services	-	818,731	-	-	1,103,731
Total disbursements	<u>3,009</u>	<u>818,731</u>	<u>984,915</u>	<u>89,779</u>	<u>11,776,500</u>
Excess (deficiency) of receipts over disbursements	<u>(3,009)</u>	<u>(54,129)</u>	<u>(907,916)</u>	<u>(2,181)</u>	<u>(1,254,035)</u>
Other financing sources (uses):					
Transfers in	-	-	-	-	118,757
Transfers out	-	-	-	-	(28,757)
Total other financing sources (uses)	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>90,000</u>
Excess (deficiency) of receipts and other financing sources over disbursements and other financing uses	<u>(3,009)</u>	<u>(54,129)</u>	<u>(907,916)</u>	<u>(2,181)</u>	<u>(1,164,035)</u>
Cash and investments - beginning	<u>-</u>	<u>277,586</u>	<u>1,100,045</u>	<u>2,181</u>	<u>2,408,251</u>
Cash and investments - ending	<u>\$ (3,009)</u>	<u>\$ 223,457</u>	<u>\$ 192,129</u>	<u>\$ -</u>	<u>\$ 1,244,216</u>
Cash and Investment Assets - Ending					
Cash and investments	\$ (3,009)	\$ -	\$ 192,129	\$ -	\$ 1,020,759
Restricted assets:					
Cash and investments	-	223,457	-	-	223,457
Total cash and investment assets - ending	<u>\$ (3,009)</u>	<u>\$ 223,457</u>	<u>\$ 192,129</u>	<u>\$ -</u>	<u>\$ 1,244,216</u>
Cash and Investment Fund Balance - Ending					
Restricted for:					
Debt service	\$ -	\$ 223,457	\$ -	\$ -	\$ 223,457
Unrestricted	<u>(3,009)</u>	<u>-</u>	<u>192,129</u>	<u>-</u>	<u>1,020,759</u>
Total cash and investment fund balance - ending	<u>\$ (3,009)</u>	<u>\$ 223,457</u>	<u>\$ 192,129</u>	<u>\$ -</u>	<u>\$ 1,244,216</u>

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

	Transportation Operating	Special Education Preschool	Rainy Day	School Lunch	Levy Excess	Education License Plate	Early Intervention Grant
Receipts:							
Local sources	\$ 2,693,914	\$ -	\$ -	\$ 564,193	\$ 59	\$ -	\$ -
Intermediate sources	-	-	-	-	-	563	-
State sources	-	152,625	-	18,182	-	-	309,158
Federal sources	-	-	-	883,210	-	-	-
Other	2,541	-	-	10,439	-	-	-
Total receipts	2,696,455	152,625	-	1,476,024	59	563	309,158
Disbursements:							
Current:							
Instruction	-	94,512	-	-	-	-	-
Support services	1,921,920	-	181,917	-	-	-	265,751
Noninstructional services	-	-	-	1,540,952	-	-	-
Facilities acquisition and construction	-	-	-	-	-	-	-
Debt services	-	-	-	-	-	-	-
Interfund loans	42,000	-	-	-	-	-	-
Total disbursements	1,963,920	94,512	181,917	1,540,952	-	-	265,751
Excess (deficiency) of receipts over disbursements	732,535	58,113	(181,917)	(64,928)	59	563	43,407
Other financing sources (uses):							
Transfers in	-	-	100,000	-	-	-	-
Transfers out	(100,000)	(159,265)	-	-	-	-	-
Total other financing sources (uses)	(100,000)	(159,265)	100,000	-	-	-	-
Excess (deficiency) of receipts and other financing sources over disbursements and other financing uses	632,535	(101,152)	(81,917)	(64,928)	59	563	43,407
Cash and investments - beginning	305	101,152	184,390	187,407	-	2,010	-
Cash and investments - ending	\$ 632,840	\$ -	\$ 102,473	\$ 122,479	\$ 59	\$ 2,573	\$ 43,407
Cash and Investment Assets - Ending							
Cash and investments	\$ 632,840	\$ -	\$ 102,473	\$ 122,479	\$ 59	\$ 2,573	\$ 43,407
Restricted assets:							
Cash and investments	-	-	-	-	-	-	-
Total cash and investment assets - ending	\$ 632,840	\$ -	\$ 102,473	\$ 122,479	\$ 59	\$ 2,573	\$ 43,407
Cash and Investment Fund Balance - Ending							
Restricted for:							
Debt service	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Unrestricted	632,840	-	102,473	122,479	59	2,573	43,407
Total cash and investment fund balance - ending	\$ 632,840	\$ -	\$ 102,473	\$ 122,479	\$ 59	\$ 2,573	\$ 43,407

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

	Gifted and Talented FY 2008-09	Gifted and Talented FY 2009-10	VIE Greenhouse	Animal Husbandry	Vocational Industrial Education	Vocational Home Economics	Common School Fund Loan #A0578
Receipts:							
Local sources	\$ -	\$ -	\$ 2,228	\$ -	\$ 13,137	\$ 175	\$ -
Intermediate sources	-	-	-	-	-	-	-
State sources	-	40,934	-	-	-	-	218,826
Federal sources	-	-	-	-	-	-	-
Other	-	-	-	-	-	-	-
Total receipts	-	40,934	2,228	-	13,137	175	218,826
Disbursements:							
Current:							
Instruction	1,103	40,040	2,814	23	12,641	178	-
Support services	-	-	-	-	-	-	-
Noninstructional services	-	-	-	-	-	-	-
Facilities acquisition and construction	-	-	-	-	-	-	235,562
Debt services	-	-	-	-	-	-	-
Interfund loans	-	-	-	-	-	-	-
Total disbursements	1,103	40,040	2,814	23	12,641	178	235,562
Excess (deficiency) of receipts over disbursements	(1,103)	894	(586)	(23)	496	(3)	(16,736)
Other financing sources (uses):							
Transfers in	-	-	-	-	-	-	-
Transfers out	-	-	-	-	-	-	-
Total other financing sources (uses)	-	-	-	-	-	-	-
Excess (deficiency) of receipts and other financing sources over disbursements and other financing uses	(1,103)	894	(586)	(23)	496	(3)	(16,736)
Cash and investments - beginning	1,103	-	1,461	32	256	2,036	16,736
Cash and investments - ending	\$ -	\$ 894	\$ 875	\$ 9	\$ 752	\$ 2,033	\$ -
Cash and Investment Assets - Ending							
Cash and investments	\$ -	\$ 894	\$ 875	\$ 9	\$ 752	\$ 2,033	\$ -
Restricted assets:							
Cash and investments	-	-	-	-	-	-	-
Total cash and investment assets - ending	\$ -	\$ 894	\$ 875	\$ 9	\$ 752	\$ 2,033	\$ -
Cash and Investment Fund Balance - Ending							
Restricted for:							
Debt service	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Unrestricted	-	894	875	9	752	2,033	-
Total cash and investment fund balance - ending	\$ -	\$ 894	\$ 875	\$ 9	\$ 752	\$ 2,033	\$ -

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

	Common School Fund Loan #A1374	Adult and Continuing Education	Drug Free Communities	ECA Coca-Cola	Administrative Office Concessions	Non-English Speaking FY 2008-09
Receipts:						
Local sources	\$ -	\$ -	\$ -	\$ 9,162	\$ 473	\$ -
Intermediate sources	-	-	-	-	-	-
State sources	169,979	-	-	-	-	-
Federal sources	-	-	-	-	-	-
Other	-	-	-	-	-	-
Total receipts	169,979	-	-	9,162	473	-
Disbursements:						
Current:						
Instruction	-	321	-	-	-	4,929
Support services	169,979	-	-	-	572	-
Noninstructional services	-	-	-	9,655	-	-
Facilities acquisition and construction	-	-	-	-	-	-
Debt services	-	-	-	-	-	-
Interfund loans	-	-	-	-	-	-
Total disbursements	169,979	321	-	9,655	572	4,929
Excess (deficiency) of receipts over disbursements	-	(321)	-	(493)	(99)	(4,929)
Other financing sources (uses):						
Transfers in	-	-	-	-	-	-
Transfers out	-	-	-	-	-	-
Total other financing sources (uses)	-	-	-	-	-	-
Excess (deficiency) of receipts and other financing sources over disbursements and other financing uses	-	(321)	-	(493)	(99)	(4,929)
Cash and investments - beginning	-	2,700	250	5,067	130	4,929
Cash and investments - ending	\$ -	\$ 2,379	\$ 250	\$ 4,574	\$ 31	\$ -
Cash and Investment Assets - Ending						
Cash and investments	\$ -	\$ 2,379	\$ 250	\$ 4,574	\$ 31	\$ -
Restricted assets:						
Cash and investments	-	-	-	-	-	-
Total cash and investment assets - ending	\$ -	\$ 2,379	\$ 250	\$ 4,574	\$ 31	\$ -
Cash and Investment Fund Balance - Ending						
Restricted for:						
Debt service	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Unrestricted	-	2,379	250	4,574	31	-
Total cash and investment fund balance - ending	\$ -	\$ 2,379	\$ 250	\$ 4,574	\$ 31	\$ -

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

	Non-English Speaking FY 2009-10	School Technology	Professional Development Grant	Recycling Learning Grant	Title I FY 2008-09	Title FY 2009-10
Receipts:						
Local sources	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Intermediate sources	-	-	-	-	-	-
State sources	15,482	49,613	-	500	-	-
Federal sources	-	-	-	-	168,692	828,090
Other	-	-	-	-	-	-
Total receipts	15,482	49,613	-	500	168,692	828,090
Disbursements:						
Current:						
Instruction	15,482	-	-	1,000	118,368	708,521
Support services	-	54,248	-	-	19,245	17,794
Noninstructional services	-	-	-	-	3,191	4,303
Facilities acquisition and construction	-	-	-	-	-	-
Debt services	-	-	-	-	-	-
Interfund loans	-	-	-	-	-	-
Total disbursements	15,482	54,248	-	1,000	140,804	730,618
Excess (deficiency) of receipts over disbursements	-	(4,635)	-	(500)	27,888	97,472
Other financing sources (uses):						
Transfers in	-	-	-	-	-	136,597
Transfers out	-	-	-	-	(136,597)	-
Total other financing sources (uses)	-	-	-	-	(136,597)	136,597
Excess (deficiency) of receipts and other financing sources over disbursements and other financing uses	-	(4,635)	-	(500)	(108,709)	234,069
Cash and investments - beginning	-	57,329	29	500	108,709	-
Cash and investments - ending	\$ -	\$ 52,694	\$ 29	\$ -	\$ -	\$ 234,069
Cash and Investment Assets - Ending						
Cash and investments	\$ -	\$ 52,694	\$ 29	\$ -	\$ -	\$ 234,069
Restricted assets:						
Cash and investments	-	-	-	-	-	-
Total cash and investment assets - ending	\$ -	\$ 52,694	\$ 29	\$ -	\$ -	\$ 234,069
Cash and Investment Fund Balance - Ending						
Restricted for:						
Debt service	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Unrestricted	-	52,694	29	-	-	234,069
Total cash and investment fund balance - ending	\$ -	\$ 52,694	\$ 29	\$ -	\$ -	\$ 234,069

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

	Title V, Part A FY 2007-08	P.L. 105-17 FY 2008-09	P.L. 105-17 FY 2009-10	Preschool Handicapped FY 2008-09	Preschool Handicapped FY 2009-10	Adult Basic Education FY 2008-09
Receipts:						
Local sources	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Intermediate sources	-	-	-	-	-	-
State sources	-	-	-	-	-	-
Federal sources	-	-	855,778	-	51,052	-
Other	-	-	-	-	-	-
Total receipts	-	-	855,778	-	51,052	-
Disbursements:						
Current:						
Instruction	2,463	35,883	709,435	903	54,803	5,431
Support services	-	2,310	63,624	-	-	272
Noninstructional services	-	-	-	-	-	-
Facilities acquisition and construction	-	-	-	-	-	-
Debt services	-	-	-	-	-	-
Interfund loans	-	-	-	-	-	-
Total disbursements	2,463	38,193	773,059	903	54,803	5,703
Excess (deficiency) of receipts over disbursements	(2,463)	(38,193)	82,719	(903)	(3,751)	(5,703)
Other financing sources (uses):						
Transfers in	-	-	-	-	-	-
Transfers out	-	-	-	-	-	-
Total other financing sources (uses)	-	-	-	-	-	-
Excess (deficiency) of receipts and other financing sources over disbursements and other financing uses	(2,463)	(38,193)	82,719	(903)	(3,751)	(5,703)
Cash and investments - beginning	2,463	38,193	-	903	-	5,703
Cash and investments - ending	\$ -	\$ -	\$ 82,719	\$ -	\$ (3,751)	\$ -
Cash and Investment Assets - Ending						
Cash and investments	\$ -	\$ -	\$ 82,719	\$ -	\$ (3,751)	\$ -
Restricted assets:						
Cash and investments	-	-	-	-	-	-
Total cash and investment assets - ending	\$ -	\$ -	\$ 82,719	\$ -	\$ (3,751)	\$ -
Cash and Investment Fund Balance - Ending						
Restricted for:						
Debt service	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Unrestricted	-	-	82,719	-	(3,751)	-
Total cash and investment fund balance - ending	\$ -	\$ -	\$ 82,719	\$ -	\$ (3,751)	\$ -

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

	Adult Basic Education FY 2009-10	Title IV, Part A FY 2007-08	Title IV, Part A FY 2008-09	Title IV, Part A FY 2009-10	Project Lead the Way	PLTW Engineering FY 2008-09
Receipts:						
Local sources	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Intermediate sources	-	-	-	-	-	-
State sources	-	-	-	-	-	-
Federal sources	33,605	-	-	17,917	-	-
Other	-	-	-	-	-	-
Total receipts	33,605	-	-	17,917	-	-
Disbursements:						
Current:						
Instruction	11,461	444	-	9,100	5,400	-
Support services	12,557	(215)	5,187	2,302	-	6,077
Noninstructional services	-	-	-	-	-	-
Facilities acquisition and construction	-	-	-	-	-	-
Debt services	-	-	-	-	-	-
Interfund loans	-	-	-	-	-	-
Total disbursements	24,018	229	5,187	11,402	5,400	6,077
Excess (deficiency) of receipts over disbursements	9,587	(229)	(5,187)	6,515	(5,400)	(6,077)
Other financing sources (uses):						
Transfers in	-	-	-	-	-	-
Transfers out	-	-	-	-	-	-
Total other financing sources (uses)	-	-	-	-	-	-
Excess (deficiency) of receipts and other financing sources over disbursements and other financing uses	9,587	(229)	(5,187)	6,515	(5,400)	(6,077)
Cash and investments - beginning	-	229	5,187	-	5,400	6,077
Cash and investments - ending	\$ 9,587	\$ -	\$ -	\$ 6,515	\$ -	\$ -
Cash and Investment Assets - Ending						
Cash and investments	\$ 9,587	\$ -	\$ -	\$ 6,515	\$ -	\$ -
Restricted assets:						
Cash and investments	-	-	-	-	-	-
Total cash and investment assets - ending	\$ 9,587	\$ -	\$ -	\$ 6,515	\$ -	\$ -
Cash and Investment Fund Balance - Ending						
Restricted for:						
Debt service	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Unrestricted	9,587	-	-	6,515	-	-
Total cash and investment fund balance - ending	\$ 9,587	\$ -	\$ -	\$ 6,515	\$ -	\$ -

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

	PLTW Engineering FY 2009-10	PLTW Biomedical	Area 18 Leadership Academy	CTE First Robotics Grant	Area 18 Vocational FY 2008-09	Area 18 Vocational FY 2009-10
Receipts:						
Local sources	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Intermediate sources	-	-	-	-	-	-
State sources	-	-	-	-	-	-
Federal sources	-	-	-	-	-	70,510
Other	-	-	-	-	-	-
Total receipts	-	-	-	-	-	70,510
Disbursements:						
Current:						
Instruction	13,999	15,988	-	8,480	16,261	70,510
Support services	251	-	-	-	-	-
Noninstructional services	-	-	-	-	-	-
Facilities acquisition and construction	-	-	-	-	-	-
Debt services	-	-	-	-	-	-
Interfund loans	-	-	-	-	-	-
Total disbursements	14,250	15,988	-	8,480	16,261	70,510
Excess (deficiency) of receipts over disbursements	(14,250)	(15,988)	-	(8,480)	(16,261)	-
Other financing sources (uses):						
Transfers in	-	-	-	-	-	-
Transfers out	(750)	(1,000)	-	-	-	-
Total other financing sources (uses)	(750)	(1,000)	-	-	-	-
Excess (deficiency) of receipts and other financing sources over disbursements and other financing uses	(15,000)	(16,988)	-	(8,480)	(16,261)	-
Cash and investments - beginning	-	(3,012)	100	-	16,261	-
Cash and investments - ending	<u>\$ (15,000)</u>	<u>\$ (20,000)</u>	<u>\$ 100</u>	<u>\$ (8,480)</u>	<u>\$ -</u>	<u>\$ -</u>
Cash and Investment Assets - Ending						
Cash and investments	\$ (15,000)	\$ (20,000)	\$ 100	\$ (8,480)	\$ -	\$ -
Restricted assets:						
Cash and investments	-	-	-	-	-	-
Total cash and investment assets - ending	<u>\$ (15,000)</u>	<u>\$ (20,000)</u>	<u>\$ 100</u>	<u>\$ (8,480)</u>	<u>\$ -</u>	<u>\$ -</u>
Cash and Investment Fund Balance - Ending						
Restricted for:						
Debt service	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Unrestricted	(15,000)	(20,000)	100	(8,480)	-	-
Total cash and investment fund balance - ending	<u>\$ (15,000)</u>	<u>\$ (20,000)</u>	<u>\$ 100</u>	<u>\$ (8,480)</u>	<u>\$ -</u>	<u>\$ -</u>

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

	Reading is Fundamental	Title II, Part A FY 2008-09	Title II, Part A FY 2009-10	Title III FY 2009-10	ARRA - Fiscal Stabilization Basic Grant	ARRA - Title I
Receipts:						
Local sources	\$ 11,561	\$ -	\$ -	\$ -	\$ 4,485	\$ -
Intermediate sources	-	-	-	-	-	-
State sources	-	-	-	-	-	-
Federal sources	-	-	192,230	14,040	737,900	391,126
Other	-	-	-	-	-	-
Total receipts	11,561	-	192,230	14,040	742,385	391,126
Disbursements:						
Current:						
Instruction	-	68,150	77,293	14,040	608,743	319,353
Support services	12,002	-	-	-	161,503	(2,953)
Noninstructional services	-	-	-	-	-	1,687
Facilities acquisition and construction	-	-	-	-	-	-
Debt services	-	-	-	-	-	-
Interfund loans	-	-	-	-	-	-
Total disbursements	12,002	68,150	77,293	14,040	770,246	318,087
Excess (deficiency) of receipts over disbursements	(441)	(68,150)	114,937	-	(27,861)	73,039
Other financing sources (uses):						
Transfers in	-	-	-	-	-	-
Transfers out	-	-	-	-	-	-
Total other financing sources (uses)	-	-	-	-	-	-
Excess (deficiency) of receipts and other financing sources over disbursements and other financing uses	(441)	(68,150)	114,937	-	(27,861)	73,039
Cash and investments - beginning	1,157	68,150	-	-	27,861	(19,563)
Cash and investments - ending	\$ 716	\$ -	\$ 114,937	\$ -	\$ -	\$ 53,476
Cash and Investment Assets - Ending						
Cash and investments	\$ 716	\$ -	\$ 114,937	\$ -	\$ -	\$ 53,476
Restricted assets:						
Cash and investments	-	-	-	-	-	-
Total cash and investment assets - ending	\$ 716	\$ -	\$ 114,937	\$ -	\$ -	\$ 53,476
Cash and Investment Fund Balance - Ending						
Restricted for:						
Debt service	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Unrestricted	716	-	114,937	-	-	53,476
Total cash and investment fund balance - ending	\$ 716	\$ -	\$ 114,937	\$ -	\$ -	\$ 53,476

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

	ARRA - Special Education	ARRA - Preschool Handicapped	ARRA - Food Service Equipment	Debt Service	Bus Replacement	Totals
Receipts:						
Local sources	\$ -	\$ -	\$ -	\$ 1,327,160	\$ 487,978	\$ 5,114,525
Intermediate sources	-	-	-	-	-	563
State sources	-	-	-	-	-	975,299
Federal sources	565,217	20,942	15,000	-	-	4,845,309
Other	-	-	-	-	-	12,980
Total receipts	565,217	20,942	15,000	1,327,160	487,978	10,948,676
Disbursements:						
Current:						
Instruction	422,166	24,154	-	-	-	3,494,392
Support services	94,050	-	-	-	-	2,988,393
Noninstructional services	-	-	15,000	-	-	1,574,788
Facilities acquisition and construction	-	-	-	-	-	235,562
Debt services	-	-	-	985,666	-	985,666
Interfund loans	-	-	-	-	-	42,000
Total disbursements	516,216	24,154	15,000	985,666	-	9,320,801
Excess (deficiency) of receipts over disbursements	49,001	(3,212)	-	341,494	487,978	1,627,875
Other financing sources (uses):						
Transfers in	-	-	-	-	-	236,597
Transfers out	-	-	-	-	-	(397,612)
Total other financing sources (uses)	-	-	-	-	-	(161,015)
Excess (deficiency) of receipts and other financing sources over disbursements and other financing uses	49,001	(3,212)	-	341,494	487,978	1,466,860
Cash and investments - beginning	(3,009)	-	-	223,458	192,129	1,244,218
Cash and investments - ending	\$ 45,992	\$ (3,212)	\$ -	\$ 564,952	\$ 680,107	\$ 2,711,078
Cash and Investment Assets - Ending						
Cash and investments	\$ 45,992	\$ (3,212)	\$ -	\$ -	\$ 680,107	\$ 2,146,126
Restricted assets:						
Cash and investments	-	-	-	564,952	-	564,952
Total cash and investment assets - ending	\$ 45,992	\$ (3,212)	\$ -	\$ 564,952	\$ 680,107	\$ 2,711,078
Cash and Investment Fund Balance - Ending						
Restricted for:						
Debt service	\$ -	\$ -	\$ -	\$ 564,952	\$ -	\$ 564,952
Unrestricted	45,992	(3,212)	-	-	680,107	2,146,126
Total cash and investment fund balance - ending	\$ 45,992	\$ (3,212)	\$ -	\$ 564,952	\$ 680,107	\$ 2,711,078

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

	<u>High School Professional Development</u>	<u>Patriots Remembered Donations</u>	<u>Westlawn Memorial Greenhouse</u>	<u>Character Counts Donation</u>	<u>Preschool Instructional Support</u>	<u>Elementary Donation</u>
Additions:						
Contributions:						
Other	\$ -	\$ -	\$ 12,650	\$ 500	\$ 5,020	\$ 3,665
Deductions:						
Administrative and general	<u>1,001</u>	<u>-</u>	<u>12,650</u>	<u>75</u>	<u>3,144</u>	<u>4,043</u>
Excess (deficiency) of total additions over total deductions	(1,001)	-	-	425	1,876	(378)
Cash and investment fund balance - beginning	<u>3,387</u>	<u>400</u>	<u>-</u>	<u>-</u>	<u>2,883</u>	<u>4,027</u>
Cash and investments - ending	<u>\$ 2,386</u>	<u>\$ 400</u>	<u>\$ -</u>	<u>\$ 425</u>	<u>\$ 4,759</u>	<u>\$ 3,649</u>
Net assets:						
Cash and investments	<u>\$ 2,386</u>	<u>\$ 400</u>	<u>\$ -</u>	<u>\$ 425</u>	<u>\$ 4,759</u>	<u>\$ 3,649</u>
Total net assets - cash and investment basis held in trust	<u>\$ 2,386</u>	<u>\$ 400</u>	<u>\$ -</u>	<u>\$ 425</u>	<u>\$ 4,759</u>	<u>\$ 3,649</u>

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

	Charity Gaming	Alternative Placement Donation	Employee Flu Vaccine	Graphic Arts Donation	Totals
Additions: Contributions: Other	\$ 1,307	\$ 150	\$ 1,485	\$ 100	\$ 24,877
Deductions: Administrative and general	<u>1,307</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>22,220</u>
Excess (deficiency) of total additions over total deductions	-	150	1,485	100	2,657
Cash and investment fund balance - beginning	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>10,697</u>
Cash and investments - ending	<u>\$ -</u>	<u>\$ 150</u>	<u>\$ 1,485</u>	<u>\$ 100</u>	<u>\$ 13,354</u>
Net assets: Cash and investments	<u>\$ -</u>	<u>\$ 150</u>	<u>\$ 1,485</u>	<u>\$ 100</u>	<u>\$ 13,354</u>
Total net assets - cash and investment basis held in trust	<u>\$ -</u>	<u>\$ 150</u>	<u>\$ 1,485</u>	<u>\$ 100</u>	<u>\$ 13,354</u>

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

	<u>High School Professional Development</u>	<u>Patriots Remembered Donations</u>	<u>Character Counts Donation</u>	<u>Autism Advocates Grant</u>	<u>Preschool Instructional Support</u>	<u>Preschool Child Development</u>	<u>Elementary Donation</u>
Additions:							
Contributions:							
Other	\$ 1,180	\$ -	\$ -	\$ 2,900	\$ 5,562	\$ 1,385	\$ 5,462
Deductions:							
Administrative and general	<u>4,060</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>8,702</u>	<u>204</u>	<u>5,133</u>
Excess (deficiency) of total additions over total deductions	(2,880)	-	-	2,900	(3,140)	1,181	329
Cash and investment fund balance - beginning	<u>2,386</u>	<u>400</u>	<u>425</u>	<u>-</u>	<u>4,758</u>	<u>-</u>	<u>3,650</u>
Cash and investments - ending	<u><u>\$ (494)</u></u>	<u><u>\$ 400</u></u>	<u><u>\$ 425</u></u>	<u><u>\$ 2,900</u></u>	<u><u>\$ 1,618</u></u>	<u><u>\$ 1,181</u></u>	<u><u>\$ 3,979</u></u>
Net assets:							
Cash and investments	<u><u>\$ (494)</u></u>	<u><u>\$ 400</u></u>	<u><u>\$ 425</u></u>	<u><u>\$ 2,900</u></u>	<u><u>\$ 1,618</u></u>	<u><u>\$ 1,181</u></u>	<u><u>\$ 3,979</u></u>
Total net assets - cash and investment basis held in trust	<u><u>\$ (494)</u></u>	<u><u>\$ 400</u></u>	<u><u>\$ 425</u></u>	<u><u>\$ 2,900</u></u>	<u><u>\$ 1,618</u></u>	<u><u>\$ 1,181</u></u>	<u><u>\$ 3,979</u></u>

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

	<u>Charity Gaming</u>	<u>Alternative Placement Donation</u>	<u>Employee Flu Vaccine</u>	<u>Graphic Arts Donation</u>	<u>Criminal Background Checks</u>	<u>Alternative School Donation</u>	<u>Totals</u>
Additions:							
Contributions:							
Other	\$ 814	\$ -	\$ 1,575	\$ -	\$ 2,296	\$ 100	\$ 21,274
Deductions:							
Administrative and general	<u>814</u>	<u>-</u>	<u>60</u>	<u>100</u>	<u>2,138</u>	<u>-</u>	<u>21,211</u>
Excess (deficiency) of total additions over total deductions	-	-	1,515	(100)	158	100	63
Cash and investment fund balance - beginning	<u>-</u>	<u>150</u>	<u>1,485</u>	<u>100</u>	<u>-</u>	<u>-</u>	<u>13,354</u>
Cash and investments - ending	<u>\$ -</u>	<u>\$ 150</u>	<u>\$ 3,000</u>	<u>\$ -</u>	<u>\$ 158</u>	<u>\$ 100</u>	<u>\$ 13,417</u>
Net assets:							
Cash and investments	<u>\$ -</u>	<u>\$ 150</u>	<u>\$ 3,000</u>	<u>\$ -</u>	<u>\$ 158</u>	<u>\$ 100</u>	<u>\$ 13,417</u>
Total net assets - cash and investment basis held in trust	<u>\$ -</u>	<u>\$ 150</u>	<u>\$ 3,000</u>	<u>\$ -</u>	<u>\$ 158</u>	<u>\$ 100</u>	<u>\$ 13,417</u>

JAY SCHOOL CORPORATION
 SUPPLEMENTARY INFORMATION
 SCHEDULE OF CAPITAL ASSETS
 June 30, 2010

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

<u>Primary Government</u>	<u>Ending Balance</u>
Governmental activities:	
Capital assets, not being depreciated:	
Land	\$ 712,287
Buildings	57,320,351
Improvements other than buildings	3,256,985
Machinery and equipment	<u>10,834,440</u>
Total governmental activities, capital assets not being depreciated	<u>\$ 72,124,063</u>

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

The School Corporation has entered into the following debt:

Description of Debt	Ending Principal Balance	Principal and Interest Due Within One Year
Governmental activities:		
Capital leases:		
2001 & 2002 School Building Project	\$ 22,025,000	\$ 1,398,000
2006 School Building Project	16,480,000	1,402,000
Loans payable:		
Common School Fund	1,305,189	263,639
Bonds payable:		
General obligation bonds:		
2000 Construction Project	1,750,000	392,075
2004 Pension and Severance	<u>9,865,000</u>	<u>976,829</u>
Total governmental activities debt	<u>\$ 51,425,189</u>	<u>\$ 4,432,543</u>

JAY SCHOOL CORPORATION
AUDIT RESULT AND COMMENT

OVERDRAWN CASH BALANCES

The cash balances of the following funds were overdrawn at June 30, 2009: PLTW Biomedical \$3,012, ARRA - Title I \$19,563, and ARRA - Special Education \$3,009.

The cash balances of the following funds were overdrawn at June 30, 2010: Preschool Handicapped FY 2009-10 \$3,751, PLTW Engineering FY 2009-10 \$15,000, PLTW Biomedical \$20,000, CTE First Robotics Grant \$8,480, ARRA - Preschool Handicapped \$3,212, and High School Professional Development \$494.

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

(This page intentionally left blank.)

SUPPLEMENTAL AUDIT OF
FEDERAL AWARDS



STATE OF INDIANA
AN EQUAL OPPORTUNITY EMPLOYER

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

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

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 JAY SCHOOL CORPORATION, JAY COUNTY, INDIANA

Compliance

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

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

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

Internal Control Over Compliance

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

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

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

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

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

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

February 10, 2011

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

Federal Grantor Agency/Pass-Through Entity Cluster Title/Program Title/Project Title	Federal CFDA Number	Pass-Through Entity (or Other) Identifying Number	Total Federal Awards Expended 06-30-09	Total Federal Awards Expended 06-30-10
<u>U.S. DEPARTMENT OF AGRICULTURE</u>				
Pass-Through Indiana Department of Education				
Child Nutrition Cluster				
School Breakfast Program	10.553			
		FY08-09	\$ 142,782	\$ -
		FY09-10	-	154,012
Total for program			<u>142,782</u>	<u>154,012</u>
National School Lunch Program	10.555			
		FY08-09	744,884	-
		FY09-10	-	824,792
Total for program			<u>744,884</u>	<u>824,792</u>
Total for cluster			<u>887,666</u>	<u>978,804</u>
ARRA - Child Nutrition Discretionary Grants Limited Availability	10.579	FY09-10	-	15,000
Total for federal grantor agency			<u>887,666</u>	<u>993,804</u>
<u>U.S. DEPARTMENT OF EDUCATION</u>				
Pass-Through Indiana Department of Education				
Title I, Part A Cluster				
Title I Grants to Local Educational Agencies	84.010			
		08-3945	210,833	-
		09-3945	662,001	140,804
		10-3945	-	730,617
Total for program			<u>872,834</u>	<u>871,421</u>
ARRA - Title I Grants to Local Educational Agencies, Recovery Act	84.389	10-3945	19,563	318,087
Total for cluster			<u>892,397</u>	<u>1,189,508</u>
Special Education Cluster				
Special Education - Grants to States	84.027			
		14208-031-PN01	63,954	-
		14209-031-PN01	781,784	38,193
		14210-031-PN01	-	773,059
Total for program			<u>845,738</u>	<u>811,252</u>
Special Education - Preschool Grants	84.173			
		45708-031-PN01	2,595	-
		45709-031-PN01	44,933	903
		45710-031-PN01	-	54,803
Total for program			<u>47,528</u>	<u>55,706</u>
ARRA - Special Education - Grants to States, Recovery Act	84.391	33310-031-SN01	3,009	516,217
ARRA - Special Education - Preschool Grants, Recovery Act	84.392	44410-031-SN01	-	24,154
Total for cluster			<u>896,275</u>	<u>1,407,329</u>

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

JAY SCHOOL CORPORATION
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.S. DEPARTMENT OF EDUCATION				
Pass-Through Indiana Department of Education State Fiscal Stabilization Fund Cluster ARRA - State Fiscal Stabilization Fund (SFSF) - Education State Grants, Recovery Act	84.394	10-3945	1,948,229	770,246
Pass-Through Muncie Community Schools Adult Education - Basic Grants to States	84.002	2008-8024P 2009-8024P 2010-8024P	6,781 20,433 -	- 5,702 24,018
Total for program			27,214	29,720
Pass-Through Bluffton-Harrison Metropolitan School District Career and Technical Education - Basic Grants to States	84.048	09-4700-8445 10-4700-8445	55,854 -	16,261 70,510
Total for program			55,854	86,771
Pass-Through Indiana Department of Education Safe and Drug-Free Schools and Communities - State Grants	84.186	07-3945 08-3945 09-3945	5,486 8,487 -	229 5,187 11,402
Total for program			13,973	16,818
Pass-Through Indiana Department of Workforce Development Tech-Prep Education	84.243	C1-08-PLTW-7-666 C1-09-PLTW-8-666 C1-10-PLTW-ENG-9-666 C1-10-PLTW-BIO-9-666 C1-10-PLTW-CPR-9-666	19,600 13,923 - 3,012 -	5,400 6,077 15,000 16,988 8,480
Total for program			36,535	51,945
Pass-Through Indiana Department of Education State Grants for Innovative Programs	84.298	07-3945	4	2,463
English Language Acquisition Grants	84.365	08-3945 09-3945	15,600 -	- 14,040
Total for program			15,600	14,040
Improving Teacher Quality State Grants	84.367	08-3945 09-3945	120,750 -	68,150 77,293
Total for program			120,750	145,443
Total for federal grantor agency			4,006,831	3,714,283
Total federal awards expended			\$ 4,894,497	\$ 4,708,087

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

JAY SCHOOL CORPORATION
NOTES TO SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS

I. Basis of Presentation

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

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

II. Noncash Assistance

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

Program Title	Federal CFDA Number	For the Year Ended June 30, 2009	For the Year Ended June 30, 2010
Child Nutrition Cluster:			
Food Commodities:			
National School Lunch Program	10.555	\$ <u>91,700</u>	\$ <u>95,594</u>

JAY SCHOOL CORPORATION
SCHEDULE OF FINDINGS AND QUESTIONED COSTS

Section I – Summary of Auditor's Results

Financial Statements:

Type of auditor's report issued: Unqualified

Internal control over financial reporting:

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

Noncompliance material to financial statements noted? no

Federal Awards:

Internal control over major programs:

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

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

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

Identification of Major Programs:

Name of Federal Program or Cluster

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

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

Auditee qualified as low-risk auditee? yes

Section II – Financial Statement Findings

No matters are reportable.

Section III – Federal Award Findings and Questioned Costs

No matters are reportable.

JAY SCHOOL CORPORATION
SUMMARY SCHEDULE OF PRIOR AUDIT FINDINGS

No matters are reportable.

JAY SCHOOL CORPORATION
EXIT CONFERENCE

The contents of this report were discussed on February 10, 2011, with Bradley T. DeRome, Treasurer; Timothy D. Long, Superintendent of Schools; Greg Wellman, President of the School Board; Violet Current, Deputy Treasurer; and Jane Carlin, former Deputy Treasurer. The official response has been made a part of this report and may be found on page 60.

The Jay School Corporation

1976 W. Tyson Road
PO. Box 1239
Portland, Indiana 47371
Phone 260) 726-9341
Fax (260) 726-4959



Date: February 11, 2011
To: State Board of Accounts
From: Brad DeRome

Subject: Jay School Corporation Audit (July 1, 2008 to June 30, 2010)

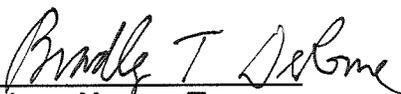
RE: Official Audit Response

1) Overdrawn Fund Balances

We acknowledge the balances for the noted funds were in a negative position at the audit closing period indicated. (Project Lead the Way Biomedical(PLTW), ARRA –Title 1 , ARRA-Special Education. Project Lead the Way Engineering, CTE Robotics Grant, ARRA Preschool Handicapped, and High School Professional Development.) , The funds were in a negative position due to the process in which we must file for reimbursement of these funds “after the fact”. We incur and spend the money, then we must file for reimbursement. Thus, we are not reimbursed for these expenditures until at least one month in arrears. This method of reimbursement for these funds will cause these funds to be in a negative position, and thus placing us at odds with your audit guidelines to avoid negative cash balances.

In this case, the negative cash balance was not indicative of financial problems, but a result of these now changed Federal and State guidelines on how these funds will be reimbursed

For the future, our only alternative to avoid “negative” cash balances in these types of Fund Balances would be to transfer funds from some other fund balances to artificially prop these funds up to be in a positive cash position. This will have the impact of creating a “ positive” cash balance in these funds, but it will not be a “true” picture of the activity in the fund balance in question.


Business Manager/Treasurer


Superintendent
