

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

AUDIT REPORT  
OF  
TRI-CREEK SCHOOL CORPORATION  
LAKE COUNTY, INDIANA  
July 1, 2008 to June 30, 2010



**FILED**  
03/02/2011



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SCHEDULE OF OFFICIALS

<u>Office</u>	<u>Official</u>	<u>Term</u>
Treasurer	Sandra K. Goss	07-01-08 to 06-30-11
Superintendent of Schools	Dr. Alice A. Neal	07-01-08 to 06-30-11
President of the School Board	Lon P. Childress Suzette A. Vauter Lon P. Childress	07-01-08 to 06-30-09 07-01-09 to 06-30-10 07-01-10 to 06-30-11



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

TO: THE OFFICIALS OF THE TRI-CREEK SCHOOL CORPORATION, LAKE COUNTY, INDIANA

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

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

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

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

In accordance with Government Auditing Standards, we have also issued a report dated January 20, 2011, on our consideration of the School Corporation's internal control over financial reporting and our tests of its compliance with certain provisions of laws, regulations, contracts, grant agreements, and other matters. The purpose of that report is to describe the scope of our testing of internal control over financial reporting and compliance and the results of that testing and not to provide an opinion on the internal control over financial reporting or on compliance. That report is an integral part of an audit performed in accordance with Government Auditing Standards and should be considered in assessing the results of our audit.

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

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

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

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

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

STATE BOARD OF ACCOUNTS

January 20, 2011



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

TO: THE OFFICIALS OF THE TRI-CREEK SCHOOL CORPORATION, LAKE COUNTY, INDIANA

We have audited the financial statements of the governmental activities, each major fund, and the aggregate remaining fund information of the Tri-Creek School Corporation (School Corporation), as of and for the years ended June 30, 2009 and 2010, which collectively comprise the School Corporation's basic financial statements and have issued our report thereon dated January 20, 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.

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

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

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

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

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

Compliance and Other Matters

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

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

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

STATE BOARD OF ACCOUNTS

January 20, 2011

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

<u>Functions/Programs</u>	<u>Disbursements</u>	<u>Program Receipts</u>		<u>Totals</u>
		<u>Charges for Services</u>	<u>Operating Grants and Contributions</u>	<u>Net (Disbursement) Receipts and Changes in Net Assets</u>
Governmental activities:				
Instruction	\$ 12,657,795	\$ -	\$ 250,008	\$ (12,407,787)
Support services	9,499,035	1,200,140	437,537	(7,861,358)
Noninstructional services	1,627,546	-	-	(1,627,546)
Facilities acquisition and construction	1,820,092	-	-	(1,820,092)
Debt service	6,764,957	-	-	(6,764,957)
Nonprogrammed charges	<u>1,505,178</u>	<u>-</u>	<u>-</u>	<u>(1,505,178)</u>
<b>Total governmental activities</b>	<b><u>\$ 33,874,603</u></b>	<b><u>\$ 1,200,140</u></b>	<b><u>\$ 687,545</u></b>	<b><u>(31,986,918)</u></b>
General receipts:				
Property taxes				16,021,636
Other local sources				3,822,150
State aid				13,881,019
Grants and contributions not restricted to specific programs				2,497,753
Sale of property				486
Investment earnings				121,662
Other				9,066
Interfund loans				<u>(134,173)</u>
<b>Total general receipts and interfund loans</b>				<b><u>36,219,599</u></b>
Change in net assets				4,232,681
Net assets - beginning				<u>9,063,143</u>
Net assets - ending				<b><u>\$ 13,295,824</u></b>
<b>Assets</b>				
Cash and investments				<b><u>\$ 13,295,824</u></b>
<b>Net Assets</b>				
Unrestricted				<b><u>\$ 13,295,824</u></b>

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

TRI-CREEK 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>	Program Receipts		<u>Totals</u>	Net (Disbursement) Receipts and Changes in Net Assets
		Charges for Services	Operating Grants and Contributions		
Governmental activities:					
Instruction	\$ 13,036,426	\$ -	\$ 362,331	\$ (12,674,095)	
Support services	9,813,822	1,197,840	436,740	(8,179,242)	
Noninstructional services	1,818,123	-	-	(1,818,123)	
Facilities acquisition and construction	1,268,268	-	-	(1,268,268)	
Debt service	8,895,025	-	-	(8,895,025)	
Nonprogrammed charges	<u>1,476,474</u>	<u>-</u>	<u>-</u>	<u>(1,476,474)</u>	
Total governmental activities	<u>\$ 36,308,138</u>	<u>\$ 1,197,840</u>	<u>\$ 799,071</u>	<u>(34,311,227)</u>	
General receipts:					
Property taxes				15,933,119	
Other local sources				2,414,875	
State aid				19,689,328	
Bonds and loans				2,011,000	
Grants and contributions not restricted to specific programs				1,960,412	
Sale of property				2,901	
Investment earnings				116,323	
Other				<u>3,181</u>	
Total general receipts				<u>42,131,139</u>	
Change in net assets				7,819,912	
Net assets - beginning				<u>13,295,824</u>	
Net assets - ending				<u>\$ 21,115,736</u>	
<u>Assets</u>					
Cash and investments				\$ 20,020,568	
Restricted assets:					
Cash and investments				<u>1,095,168</u>	
Total assets				<u>\$ 21,115,736</u>	
<u>Net Assets</u>					
Restricted for:					
Debt service				\$ 1,095,168	
Unrestricted				<u>20,020,568</u>	
Total net assets				<u>\$ 21,115,736</u>	

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

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

	General	Fiscal Stabilization	Non-Exempt Debt Service	Capital Projects	Other	Totals
<b>Receipts:</b>						
Local sources	\$ 8,522,410	\$ -	\$ 6,901,403	\$ 1,620,508	\$ 3,834,188	\$ 20,878,509
Intermediate sources	256,345	-	-	-	30,734	287,079
State sources	14,002,243	-	-	-	522,238	14,524,481
Federal sources	-	1,681,896	-	-	859,940	2,541,836
Interfund loans	4,445,128	-	3,797,150	-	420,345	8,662,623
Other	-	-	-	1,753	7,313	9,066
<b>Total receipts</b>	<b>27,226,126</b>	<b>1,681,896</b>	<b>10,698,553</b>	<b>1,622,261</b>	<b>5,674,758</b>	<b>46,903,594</b>
<b>Disbursements:</b>						
<b>Current:</b>						
Instruction	12,107,750	-	-	-	550,045	12,657,795
Support services	5,339,832	-	-	1,405,512	2,753,691	9,499,035
Noninstructional services	492,281	-	-	-	1,135,265	1,627,546
Facilities acquisition and construction	-	-	-	582,301	1,237,791	1,820,092
Debt services	-	-	6,521,860	-	243,097	6,764,957
Nonprogrammed charges	1,471,178	-	-	-	34,000	1,505,178
Interfund loans	4,178,840	-	4,182,793	-	435,163	8,796,796
<b>Total disbursements</b>	<b>23,589,881</b>	<b>-</b>	<b>10,704,653</b>	<b>1,987,813</b>	<b>6,389,052</b>	<b>42,671,399</b>
<b>Excess (deficiency) of receipts over disbursements</b>	<b>3,636,245</b>	<b>1,681,896</b>	<b>(6,100)</b>	<b>(365,552)</b>	<b>(714,294)</b>	<b>4,232,195</b>
<b>Other financing sources (uses):</b>						
Proceeds of long-term debt	-	-	-	-	-	-
Sale of capital assets	-	-	-	-	486	486
Transfers in	62,271	-	25,762	8,192	52,411	148,636
Transfers out	-	-	(19,662)	-	(128,974)	(148,636)
<b>Total other financing sources (uses)</b>	<b>62,271</b>	<b>-</b>	<b>6,100</b>	<b>8,192</b>	<b>(76,077)</b>	<b>486</b>
<b>Excess (deficiency) of receipts and other financing sources over disbursements and other financing uses</b>	<b>3,698,516</b>	<b>1,681,896</b>	<b>-</b>	<b>(357,360)</b>	<b>(790,371)</b>	<b>4,232,681</b>
<b>Cash and investments - beginning</b>	<b>2,148,284</b>	<b>-</b>	<b>-</b>	<b>1,970,823</b>	<b>4,944,036</b>	<b>9,063,143</b>
<b>Cash and investments - ending</b>	<b>\$ 5,846,800</b>	<b>\$ 1,681,896</b>	<b>\$ -</b>	<b>\$ 1,613,463</b>	<b>\$ 4,153,665</b>	<b>\$ 13,295,824</b>
<b><u>Cash and Investment Assets - Ending</u></b>						
<b>Cash and investments</b>	<b>\$ 5,846,800</b>	<b>\$ 1,681,896</b>	<b>\$ -</b>	<b>\$ 1,613,463</b>	<b>\$ 4,153,665</b>	<b>\$ 13,295,824</b>
<b><u>Cash and Investment Fund Balance - Ending</u></b>						
<b>Unrestricted</b>	<b>\$ 5,846,800</b>	<b>\$ 1,681,896</b>	<b>\$ -</b>	<b>\$ 1,613,463</b>	<b>\$ 4,153,665</b>	<b>\$ 13,295,824</b>

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

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

	General	Fiscal Stabilization	Non-Exempt Debt Service	Exempt Debt Service	Capital Projects	Other	Totals
<b>Receipts:</b>							
Local sources	\$ 1,335,696	\$ 158	\$ 4,501,987	\$ 6,757,165	\$ 2,538,447	\$ 4,196,475	\$ 19,329,928
Intermediate sources	311,080	-	-	-	-	21,150	332,230
State sources	19,822,667	-	-	-	-	411,333	20,234,000
Federal sources	200	750,042	-	-	-	1,464,568	2,214,810
Interfund loans	3,880,675	-	1,892,202	-	-	500,786	6,273,663
Other	96	-	-	-	1,814	1,271	3,181
<b>Total receipts</b>	<b>25,350,414</b>	<b>750,200</b>	<b>6,394,189</b>	<b>6,757,165</b>	<b>2,540,261</b>	<b>6,595,583</b>	<b>48,387,812</b>
<b>Disbursements:</b>							
<b>Current:</b>							
Instruction	10,835,234	1,420,213	-	-	-	780,979	13,036,426
Support services	5,483,217	405,100	-	-	1,231,951	2,693,554	9,813,822
Noninstructional services	511,916	14,335	-	-	-	1,291,872	1,818,123
Facilities acquisition and construction	-	-	-	-	394,025	874,243	1,268,268
Debt services	-	-	4,763,696	3,899,467	-	231,862	8,895,025
Nonprogrammed charges	876,886	592,448	-	-	-	7,140	1,476,474
Interfund loans	2,392,988	-	3,443,409	-	-	437,266	6,273,663
<b>Total disbursements</b>	<b>20,100,241</b>	<b>2,432,096</b>	<b>8,207,105</b>	<b>3,899,467</b>	<b>1,625,976</b>	<b>6,316,916</b>	<b>42,581,801</b>
Excess (deficiency) of receipts over disbursements	5,250,173	(1,681,896)	(1,812,916)	2,857,698	914,285	278,667	5,806,011
<b>Other financing sources (uses):</b>							
Proceeds of long-term debt	-	-	-	-	-	2,011,000	2,011,000
Sale of capital assets	-	-	-	-	-	2,901	2,901
Transfers in	17,600	-	1,830,516	-	-	56,266	1,904,382
Transfers out	-	-	(17,600)	(1,830,516)	-	(56,266)	(1,904,382)
<b>Total other financing sources (uses)</b>	<b>17,600</b>	<b>-</b>	<b>1,812,916</b>	<b>(1,830,516)</b>	<b>-</b>	<b>2,013,901</b>	<b>2,013,901</b>
Excess (deficiency) of receipts and other financing sources over disbursements and other financing uses	5,267,773	(1,681,896)	-	1,027,182	914,285	2,292,568	7,819,912
Cash and investments - beginning	5,846,800	1,681,896	-	-	1,613,463	4,153,665	13,295,824
Cash and investments - ending	\$ 11,114,573	\$ -	\$ -	\$ 1,027,182	\$ 2,527,748	\$ 6,446,233	\$ 21,115,736
<b>Cash and Investment Assets - Ending</b>							
Cash and investments	\$ 11,114,573	\$ -	\$ -	\$ -	\$ 2,527,748	\$ 6,378,247	\$ 20,020,568
Restricted assets:							
Cash and investments	-	-	-	1,027,182	-	67,986	1,095,168
<b>Total cash and investment assets - ending</b>	<b>\$ 11,114,573</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ 1,027,182</b>	<b>\$ 2,527,748</b>	<b>\$ 6,446,233</b>	<b>\$ 21,115,736</b>
<b>Cash and Investment Fund Balance - Ending</b>							
Restricted for:							
Debt service	\$ -	\$ -	\$ -	\$ 1,027,182	\$ -	\$ 67,986	\$ 1,095,168
Unrestricted	11,114,573	-	-	-	2,527,748	6,378,247	20,020,568
<b>Total cash and investment fund balance - ending</b>	<b>\$ 11,114,573</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ 1,027,182</b>	<b>\$ 2,527,748</b>	<b>\$ 6,446,233</b>	<b>\$ 21,115,736</b>

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

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

	Pension Trust Funds	Agency Fund
Additions:		
Contributions:		
Investment earnings:		
Interest	\$ 18,219	
Interfund loans	134,173	
Total additions	152,392	
Deductions:		
Benefits	269,914	
Excess (deficiency) of total additions over total deductions	(117,522)	
Cash and investment fund balance - beginning	1,634,723	
Cash and investment fund balance - ending	\$ 1,517,201	\$ 32,942
Net assets:		
Cash and investments	\$ 1,517,201	\$ 32,942
Total net assets - cash and investment basis held in trust	\$ 1,517,201	\$ 32,942

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

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

	Pension Trust Funds	Agency Fund
Additions:		
Contributions:		
Other	\$ 752	
Investment earnings:		
Interest	4,147	
Total additions	4,899	
Deductions:		
Benefits	293,851	
Excess (deficiency) of total additions over total deductions	(288,952)	
Cash and investment fund balance - beginning	1,517,201	
Cash and investment fund balance - ending	\$ 1,228,249	\$ 42,577
Net assets:		
Cash and investments	\$ 1,228,249	\$ 42,577
Total net assets - cash and investment basis held in trust	\$ 1,228,249	\$ 42,577

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

TRI-CREEK 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 Primary Government only.

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

Joint Venture

The School Corporation is a participant in a joint venture to operate the Northwest Indiana Special Education Cooperative (Cooperative) which was created to provide special education services to special needs students. The School Corporation is obligated by contract to share the costs of the Cooperative based upon Average Daily Membership, as well as a fee for each student that participates in the Cooperative. Complete financial statements for the Cooperative can be obtained from its administrative office at 2150 West 97th Avenue, Crown Point, Indiana 46307.

The School Corporation is a participant in a joint venture to operate the Northwest Indiana Educational Service Center (Service Center) which was created to provide cooperative purchasing, multi-media services, curriculum/staff development, technology services, and other educational services. The Service Center operates under the authority of the Northwest Indiana Public School Study Council. The School Corporation provides funding based upon Average Daily Membership determined annually. Complete financial statements for the Service Center can be obtained from the School Town of Highland administrative office at 2939 - 41st Street, Highland, Indiana 46322.

The School Corporation is a participant in the Northwest Indiana Public School Study Council (Study Council), a joint school services program established December 10, 1969 for the improvement of education and the study of problems and issues involved in public education. A board composed of a member from each participating school corporation governs the Study Council. The School Corporation pays \$1,000 annually to participate in the Study Council. Complete financial statements for the Study Council can be obtained from the Merrillville Community School Corporation administrative office at 6701 Delaware Street, Merrillville, Indiana 46410.

The School Corporation is a participant in a joint venture to operate the District 4 Vocational Education Cooperative (Cooperative) which was created to provide vocational education curriculum and curriculum support. The School Corporation is obligated by contract to remit a fee based upon high school enrollment to support administrative costs of the Cooperative. Hanover Community School Corporation, as the fiscal agent, receives and expends vocational education federal and state grants on behalf of the participating school corporations. Complete financial statements for the Cooperative can be obtained from the Hanover Community School Corporation administrative office at PO Box 645, Cedar Lake, Indiana 46303.

TRI-CREEK SCHOOL CORPORATION  
NOTES TO FINANCIAL STATEMENTS  
(Continued)

The School Corporation is a participant with other school corporations in Lake County in a joint venture to operate the Lake County Safe Schools Commission (Commission). The Commission was authorized in 1999 by Indiana Code 5-2-10-1 and established to improve school safety issues. The Commission is governed by a board composed of a member from each participating school corporation. Although the member schools may fund the Commission, the Commission has generated sufficient revenue without requesting member payments. Complete financial statements for the Commission can be obtained from the Lake Station Community School Corporation at 2500 Pike Street, Lake Station, Indiana 46405.

The School Corporation is a participant in a joint venture to operate the Northwest Indiana Natural Gas Cooperative (Gas Cooperative), which was created to procure natural gas in a more economical and efficient manner. The Gas Cooperative operates under the authority of the Northwest Indiana Educational Service Center (Service Center). The School Corporation provides funding for administrative costs of the Gas Cooperative based upon Average Daily Membership, not to exceed \$10,000 annually. Complete financial statements for the Gas Cooperative can be obtained from the Service Center administrative office at 2939 – 41<sup>st</sup> Street, Highland, Indiana 46322.

Related Organizations

The School Corporation's officials are also responsible for appointing the voting majority of the boards of other organizations, but the School Corporation's accountability for these organizations does not extend beyond making the appointments. The School Corporation appoints the voting majority of the Lowell Public Library.

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.

Fund Financial Statements

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

The School Corporation reports the following major governmental funds:

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

TRI-CREEK SCHOOL CORPORATION  
NOTES TO FINANCIAL STATEMENTS  
(Continued)

The Fiscal Stabilization Fund accounts for the financial resources received from the American Recovery and Reinvestment Act of 2009.

The Non-Exempt and Exempt Debt Service Funds account 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 Pension Trust Funds account for bonds and payments anticipated to be made to employees on or after the termination of employment or to pay postretirement or severance benefits held by the School Cooperation in a trustee capacity.

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

C. Measurement Focus and Basis of Accounting

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

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

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

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

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

D. Assets and Cash and Investment Balances

1. Restricted Assets

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

TRI-CREEK SCHOOL CORPORATION  
NOTES TO FINANCIAL STATEMENTS  
(Continued)

2. Cash and Investments

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

3. Property Taxes

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

4. Capital Assets

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

5. Long-Term Debt

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

6. Equity Classification

Government-Wide Statements

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

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

Fund Financial Statements

Governmental fund equity is classified as fund balance.

E. 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.

TRI-CREEK SCHOOL CORPORATION  
NOTES TO FINANCIAL STATEMENTS  
(Continued)

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

Government-Wide Financial Statements

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

Internal activities – Amounts reported as interfund transfers in the fund financial statements are eliminated in the government-wide Statement of Activities and Net Assets – Cash and Investment Basis. The effects of interfund loans 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

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.

TRI-CREEK SCHOOL CORPORATION  
NOTES TO FINANCIAL STATEMENTS  
(Continued)

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

III. Detailed Notes on All Funds

A. Deposits

Custodial credit risk is the risk that in the event of a bank failure, the government's deposits may not be returned to it. IC 5-13-8-1 allows a political subdivision of the State of Indiana to deposit public funds in a financial institution only if the financial institution is a depository eligible to receive state funds and has a principal office or branch that qualifies to receive public funds of the political subdivision. The unit's deposit policy for custodial credit risk is that all funds will be deposited at an approved depository. At June 30, 2010, the School Corporation had deposit balances in the amount of \$22,386,562. The bank balances were insured by the Federal Deposit Insurance Corporation or the Public Deposit Insurance Fund, which covers all public funds held in approved depositories.

B. Interfund Transfers

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

Transfer From	Transfer To	2009	2010
Debt Service Fund	General Fund	\$ 19,662	\$ 17,600
Non-Exempt Debt Service Fund	Exempt Debt Service Fund	-	1,830,516
Other Governmental Funds	General Fund	10,884	-
Other Governmental Funds	Other Governmental Funds	118,090	56,266
Totals		<u>\$ 148,636</u>	<u>\$ 1,904,382</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.

The risks of medical benefits to employees, retirees, and dependents; are covered by commercial insurance from independent third parties.

TRI-CREEK SCHOOL CORPORATION  
NOTES TO FINANCIAL STATEMENTS  
(Continued)

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

During 2008, the School Corporation joined with other governmental entities to form the Educational Service Centers Risk Funding Trust, a public entity risk pool currently operating as a common risk management and insurance program for 22 member governmental entities. The purpose of the risk pool is to provide a medium for the funding and administration of the risks of loss due to torts; thefts of, damage to, or destruction of assets; errors and omissions; job related illnesses or injuries to employees; and natural disasters. The School Corporation pays an annual premium to the risk pool for its torts; thefts of, damage to, or destruction of assets; errors and omissions; job related illnesses or injuries to employees; and natural disasters coverage. The risk pool is considered a self-sustaining risk pool that will provide coverage for its members for up to a maximum for each type of insured event. The risk pool obtains independent coverage for insured events in excess of the limits.

B. Holding Corporations

The School Corporation has entered into a capital lease with Tri-Creek South Nichols/Three Creeks School Building Corporation (the lessor). The lessor was organized as a not-for-profit corporation pursuant to state statute for the purpose of financing and constructing or reconstructing facilities for lease to the School Corporation. The lessor has been determined to be a related party of the School Corporation. Lease payments during the years 2009 and 2010 totaled \$619,991 and \$625,258, respectively.

The School Corporation has entered into a capital lease with Tri-Creek Middle School Building Corporation (the lessor). The lessor was organized as a not-for-profit corporation pursuant to state statute for the purpose of financing and constructing or reconstructing facilities for lease to the School Corporation. The lessor has been determined to be a related party of the School Corporation. Lease payments during the years 2009 and 2010 totaled \$915,000 and \$2,095,009, respectively.

The School Corporation has entered into a capital lease with Tri-Creek 2002 High School Building Corporation (the lessor). The lessor was organized as a not-for-profit corporation pursuant to state statute for the purpose of financing and constructing or reconstructing facilities for lease to the School Corporation. The lessor has been determined to be a related party of the School Corporation. Lease payments during the years ended June 30, 2009 and 2010, totaled \$3,318,023 and \$3,325,123, respectively.

C. Subsequent Events

Common School Fund Loan

In December 2010, the School Corporation was approved to receive an advance of \$344,600 from the Common School Fund. The loan is part of the Educational Technology Program of the Indiana State Board of Education and will be used to purchase laptop computers for students. The loan will be repaid within three years of the advance. As of January 20, 2010, the School Corporation had not received any of this loan.

TRI-CREEK SCHOOL CORPORATION  
NOTES TO FINANCIAL STATEMENTS  
(Continued)

Educational Jobs Fund

In August 2010, the School Corporation was notified by the Indiana Department of Education of federally enacted legislation that will provide Indiana one-time funding to be used for compensation, benefits and support services to retain existing employees, rehire former employees or hire new employees to provide childhood, elementary or secondary educational services. The School Corporation's Educational Jobs funding available for draw down between November 2010 and September 30, 2012, is \$628,337. As of January 20, 2010, the School Corporation had not made any draws.

D. Termination Benefits

Transition Incentive Program

The School Corporation offered a transition incentive program with the intention of reducing staff expenditures by inducing teachers eligible for retirement, whose salaries were greater than average, to retire by either June 30, 2010, or June 30, 2011. In addition to retirement benefits included in the collective bargaining agreements and board policies, teachers who elect to retire under this plan will be entitled to receive a lump sum payment into their VEBA account. The incentive is a Medicare bridge and stipend and the amount of the lump sum payment is based upon the number of years until the teacher is eligible for Medicare. Three teachers elected to retire by June 30, 2010, at a cost to the School Corporation of \$75,445.

E. Other Postemployment Benefits

In addition to the pension benefits described below, the School Corporation provides postemployment health insurance benefits, as authorized by Indiana Code 5-10-8, to all certified teachers and administrators who retire from the School Corporation on or after attaining age 55 with at least 20 years of service. Currently, 15 employees meet these eligibility requirements, 13 teachers and 2 administrators. The School Corporation and teachers provide 45% and 55%, respectively, of these postemployment benefits. The School Corporation provides 100% of these postemployment benefits for administrators. Disbursements for these postemployment benefits are recognized on a pay-as-you-go basis. For the years ended June 30, 2009 and 2010, \$76,797 and \$69,626, respectively, were recognized for postemployment benefits.

F. Pension Plans

1. Agent Multiple-Employer Defined Benefit Pension Plan

Public Employees' Retirement Fund

Plan Description

The School Corporation contributes to the Indiana Public Employees' Retirement Fund (PERF), a defined benefit pension plan. PERF is an agent multiple-employer public employee retirement system, which provides retirement benefits to plan members and beneficiaries. All full-time employees are eligible to participate in the defined benefit plan. State statutes (IC 5-10.2 and 5-10.3) govern, through the PERF Board, most requirements of the system and give the School Corporation authority to contribute to the plan. The PERF retirement benefit consists of the pension provided by employer contributions plus an annuity

TRI-CREEK SCHOOL CORPORATION  
NOTES TO FINANCIAL STATEMENTS  
(Continued)

provided by the member's annuity savings account. The annuity savings account consists of member's contributions, set by state statute at 3% of compensation, plus the interest credited to the member's account. The employer may elect to make the contributions on behalf of the member.

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

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

Funding Policy

The contribution requirements of plan members for PERF are established by the Board of Trustees of PERF. The total contributions made to PERF by the School Corporation during the period were \$379,907.

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

TRI-CREEK SCHOOL CORPORATION  
NOTES TO FINANCIAL STATEMENTS  
(Continued)

Funding Policy

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

The School Corporation's contributions to the plan during the period were \$1,358,853.

TRI-CREEK 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	Pre-School Special Ed	School Lunch	Textbook Rental	Excess Levy	Arts-In Residence State Grant	Education License Plate Donations
<b>Receipts:</b>							
Local sources	\$ 1,605,658	\$ 16,175	\$ 887,010	\$ 253,662	\$ 679	\$ -	\$ -
Intermediate sources	-	-	-	-	-	-	1,538
State sources	-	67,619	23,034	41,519	-	3,626	-
Federal sources	-	-	372,985	-	-	-	-
Interfund loans	-	-	-	-	-	-	-
Other	7,313	-	-	-	-	-	-
<b>Total receipts</b>	<u>1,612,971</u>	<u>83,794</u>	<u>1,283,029</u>	<u>295,181</u>	<u>679</u>	<u>3,626</u>	<u>1,538</u>
<b>Disbursements:</b>							
<b>Current:</b>							
Instruction	-	-	-	-	-	-	-
Support services	1,300,656	-	-	536,056	-	-	-
Noninstructional services	-	-	1,119,528	-	-	-	-
Facilities acquisition and construction	-	-	-	-	-	-	-
Debt services	-	-	-	-	-	-	-
Nonprogrammed charges	-	34,000	-	-	-	-	-
Interfund loans	-	-	-	-	-	-	-
<b>Total disbursements</b>	<u>1,300,656</u>	<u>34,000</u>	<u>1,119,528</u>	<u>536,056</u>	<u>-</u>	<u>-</u>	<u>-</u>
Excess (deficiency) of receipts over disbursements	<u>312,315</u>	<u>49,794</u>	<u>163,501</u>	<u>(240,875)</u>	<u>679</u>	<u>3,626</u>	<u>1,538</u>
<b>Other financing sources (uses):</b>							
Sale of capital assets	486	-	-	-	-	-	-
Transfers in	5,371	63	-	-	-	-	-
Transfers out	-	(10,884)	-	-	(72,965)	-	-
<b>Total other financing sources (uses)</b>	<u>5,857</u>	<u>(10,821)</u>	<u>-</u>	<u>-</u>	<u>(72,965)</u>	<u>-</u>	<u>-</u>
Excess (deficiency) of receipts and other financing sources over disbursements and other financing uses	318,172	38,973	163,501	(240,875)	(72,286)	3,626	1,538
Cash and investments - beginning	<u>959,341</u>	<u>6,648</u>	<u>1,141,887</u>	<u>459,905</u>	<u>72,286</u>	<u>-</u>	<u>10,929</u>
Cash and investments - ending	<u>\$ 1,277,513</u>	<u>\$ 45,621</u>	<u>\$ 1,305,388</u>	<u>\$ 219,030</u>	<u>\$ -</u>	<u>\$ 3,626</u>	<u>\$ 12,467</u>
<b>Cash and Investment Assets - Ending</b>							
Cash and investments	<u>\$ 1,277,513</u>	<u>\$ 45,621</u>	<u>\$ 1,305,388</u>	<u>\$ 219,030</u>	<u>\$ -</u>	<u>\$ 3,626</u>	<u>\$ 12,467</u>
Total cash and investment assets - ending	<u>\$ 1,277,513</u>	<u>\$ 45,621</u>	<u>\$ 1,305,388</u>	<u>\$ 219,030</u>	<u>\$ -</u>	<u>\$ 3,626</u>	<u>\$ 12,467</u>
<b>Cash and Investment Fund Balance - Ending</b>							
Unrestricted	<u>\$ 1,277,513</u>	<u>\$ 45,621</u>	<u>\$ 1,305,388</u>	<u>\$ 219,030</u>	<u>\$ -</u>	<u>\$ 3,626</u>	<u>\$ 12,467</u>
Total cash and investment fund balance - ending	<u>\$ 1,277,513</u>	<u>\$ 45,621</u>	<u>\$ 1,305,388</u>	<u>\$ 219,030</u>	<u>\$ -</u>	<u>\$ 3,626</u>	<u>\$ 12,467</u>

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

	Alternative School	Safe Haven Grant 2007-2008	Safe Haven Grant 2008-2009	Tri-Kappa Grant	Tri-Creek Education Foundation Grant	BP Fabric of America Grant	BP Art Grant Lake Prairie
<b>Receipts:</b>							
Local sources	\$ 7,462	\$ -	\$ -	\$ 650	\$ 1,227	\$ 1,418	\$ 1,734
Intermediate sources	-	-	-	-	-	-	-
State sources	16,229	7,726	1,312	-	-	-	-
Federal sources	-	-	-	-	-	-	-
Interfund loans	38,654	-	-	-	-	-	-
Other	-	-	-	-	-	-	-
<b>Total receipts</b>	<b>62,345</b>	<b>7,726</b>	<b>1,312</b>	<b>650</b>	<b>1,227</b>	<b>1,418</b>	<b>1,734</b>
<b>Disbursements:</b>							
<b>Current:</b>							
Instruction	35,982	-	-	-	1,227	-	1,104
Support services	-	-	1,312	-	-	-	48
Noninstructional services	-	-	-	-	-	-	-
Facilities acquisition and construction	-	-	-	-	-	-	-
Debt services	-	-	-	-	-	-	-
Nonprogrammed charges	-	-	-	-	-	-	-
Interfund loans	-	7,726	-	-	-	-	-
<b>Total disbursements</b>	<b>35,982</b>	<b>7,726</b>	<b>1,312</b>	<b>-</b>	<b>1,227</b>	<b>-</b>	<b>1,152</b>
Excess (deficiency) of receipts over disbursements	26,363	-	-	650	-	1,418	582
<b>Other financing sources (uses):</b>							
Sale of capital assets	-	-	-	-	-	-	-
Transfers in	-	-	-	-	-	-	-
Transfers out	-	-	-	-	-	-	-
<b>Total other financing sources (uses)</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>
Excess (deficiency) of receipts and other financing sources over disbursements and other financing uses	26,363	-	-	650	-	1,418	582
Cash and investments - beginning	3,292	-	-	-	-	-	-
Cash and investments - ending	\$ 29,655	\$ -	\$ -	\$ 650	\$ -	\$ 1,418	\$ 582
<b>Cash and Investment Assets - Ending</b>							
Cash and investments	\$ 29,655	\$ -	\$ -	\$ 650	\$ -	\$ 1,418	\$ 582
Total cash and investment assets - ending	\$ 29,655	\$ -	\$ -	\$ 650	\$ -	\$ 1,418	\$ 582
<b>Cash and Investment Fund Balance - Ending</b>							
Unrestricted	\$ 29,655	\$ -	\$ -	\$ 650	\$ -	\$ 1,418	\$ 582
Total cash and investment fund balance - ending	\$ 29,655	\$ -	\$ -	\$ 650	\$ -	\$ 1,418	\$ 582

TRI-CREEK 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)

	Artist-in-Residence Program	Parking Ticket Revenue	Lake County Drug Free Alliance Grant	Pepsi Marketing Rebate Fund 2002-2003	Pepsi Marketing Rebate Fund 2003-2004	Pepsi Marketing Rebate Fund 2004-2005
<b>Receipts:</b>						
Local sources	\$ -	\$ 475	\$ -	\$ -	\$ -	\$ -
Intermediate sources	-	-	-	-	-	-
State sources	-	-	-	-	-	-
Federal sources	-	-	-	-	-	-
Interfund loans	-	-	-	-	-	-
Other	-	-	-	-	-	-
<b>Total receipts</b>	<b>-</b>	<b>475</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>
<b>Disbursements:</b>						
<b>Current:</b>						
Instruction	531	-	-	810	990	-
Support services	10	-	-	-	-	-
Noninstructional services	-	-	-	-	-	4
Facilities acquisition and construction	-	-	-	-	-	-
Debt services	-	-	-	-	-	-
Nonprogrammed charges	-	-	-	-	-	-
Interfund loans	-	-	-	-	-	-
<b>Total disbursements</b>	<b>541</b>	<b>-</b>	<b>-</b>	<b>810</b>	<b>990</b>	<b>4</b>
Excess (deficiency) of receipts over disbursements	(541)	475	-	(810)	(990)	(4)
<b>Other financing sources (uses):</b>						
Sale of capital assets	-	-	-	-	-	-
Transfers in	-	-	-	-	-	-
Transfers out	-	-	-	-	-	-
<b>Total other financing sources (uses)</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>
Excess (deficiency) of receipts and other financing sources over disbursements and other financing uses	(541)	475	-	(810)	(990)	(4)
Cash and investments - beginning	541	2,776	60	810	990	4
Cash and investments - ending	\$ -	\$ 3,251	\$ 60	\$ -	\$ -	\$ -
<b>Cash and Investment Assets - Ending</b>						
Cash and investments	\$ -	\$ 3,251	\$ 60	\$ -	\$ -	\$ -
Total cash and investment assets - ending	\$ -	\$ 3,251	\$ 60	\$ -	\$ -	\$ -
<b>Cash and Investment Fund Balance - Ending</b>						
Unrestricted	\$ -	\$ 3,251	\$ 60	\$ -	\$ -	\$ -
Total cash and investment fund balance - ending	\$ -	\$ 3,251	\$ 60	\$ -	\$ -	\$ -

TRI-CREEK 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)

	Pepsi Marketing Rebate Fund 2005-2006	Pepsi Marketing Rebate Fund 2006-2007	Pepsi Marketing Rebate Fund 2007-2008	Pepsi Marketing Rebate Fund 2008-2009	Gifted/Talented High Ability 2008-2009	Gifted/Talented High Ability 2007-2008
<b>Receipts:</b>						
Local sources	\$ -	\$ -	\$ -	\$ 24,415	\$ -	\$ -
Intermediate sources	-	-	-	-	-	-
State sources	-	-	-	-	41,589	-
Federal sources	-	-	-	-	-	-
Interfund loans	-	-	-	-	-	-
Other	-	-	-	-	-	-
<b>Total receipts</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>24,415</b>	<b>41,589</b>	<b>-</b>
<b>Disbursements:</b>						
<b>Current:</b>						
Instruction	11,215	11,063	2,027	-	1,209	23,078
Support services	-	-	-	-	25,525	116
Noninstructional services	-	-	228	125	-	-
Facilities acquisition and construction	-	-	-	-	-	-
Debt services	-	-	-	-	-	-
Nonprogrammed charges	-	-	-	-	-	-
Interfund loans	-	-	-	-	-	-
<b>Total disbursements</b>	<b>11,215</b>	<b>11,063</b>	<b>2,255</b>	<b>125</b>	<b>26,734</b>	<b>23,194</b>
Excess (deficiency) of receipts over disbursements	(11,215)	(11,063)	(2,255)	24,290	14,855	(23,194)
<b>Other financing sources (uses):</b>						
Sale of capital assets	-	-	-	-	-	-
Transfers in	-	-	-	-	-	-
Transfers out	-	-	-	-	-	-
<b>Total other financing sources (uses)</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>
Excess (deficiency) of receipts and other financing sources over disbursements and other financing uses	(11,215)	(11,063)	(2,255)	24,290	14,855	(23,194)
Cash and investments - beginning	13,188	25,365	25,713	-	-	23,194
Cash and investments - ending	\$ 1,973	\$ 14,302	\$ 23,458	\$ 24,290	\$ 14,855	\$ -
<b>Cash and Investment Assets - Ending</b>						
Cash and investments	\$ 1,973	\$ 14,302	\$ 23,458	\$ 24,290	\$ 14,855	\$ -
Total cash and investment assets - ending	\$ 1,973	\$ 14,302	\$ 23,458	\$ 24,290	\$ 14,855	\$ -
<b>Cash and Investment Fund Balance - Ending</b>						
Unrestricted	\$ 1,973	\$ 14,302	\$ 23,458	\$ 24,290	\$ 14,855	\$ -
Total cash and investment fund balance - ending	\$ 1,973	\$ 14,302	\$ 23,458	\$ 24,290	\$ 14,855	\$ -

TRI-CREEK 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 Technology Advancement 2009	Common School Technology Advancement 2008-2009	Common School Technology Advancement 2008	Non-English Speaking Program 2007-2008	Non-English Speaking Program 2008-2009	School Technology 2007-2008
<b>Receipts:</b>						
Local sources	\$ -	\$ -	\$ -	\$ 2,000	\$ -	\$ 24,072
Intermediate sources	-	-	-	-	-	29,196
State sources	161,524	87,988	-	-	6,746	-
Federal sources	-	-	-	-	-	-
Interfund loans	-	-	-	-	-	-
Other	-	-	-	-	-	-
<b>Total receipts</b>	<b>161,524</b>	<b>87,988</b>	<b>-</b>	<b>2,000</b>	<b>6,746</b>	<b>53,268</b>
<b>Disbursements:</b>						
<b>Current:</b>						
Instruction	-	12,750	4,321	6,052	-	-
Support services	40,101	10,000	-	-	421	17,931
Noninstructional services	-	-	-	-	-	-
Facilities acquisition and construction	-	52,488	-	-	-	-
Debt services	-	-	-	-	-	-
Nonprogrammed charges	-	-	-	-	-	-
Interfund loans	121,423	12,750	-	-	-	-
<b>Total disbursements</b>	<b>161,524</b>	<b>87,988</b>	<b>4,321</b>	<b>6,052</b>	<b>421</b>	<b>17,931</b>
Excess (deficiency) of receipts over disbursements	-	-	(4,321)	(4,052)	6,325	35,337
<b>Other financing sources (uses):</b>						
Sale of capital assets	-	-	-	-	-	-
Transfers in	-	-	-	-	-	-
Transfers out	-	-	-	-	-	-
<b>Total other financing sources (uses)</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>
Excess (deficiency) of receipts and other financing sources over disbursements and other financing uses	-	-	(4,321)	(4,052)	6,325	35,337
Cash and investments - beginning	-	-	4,321	4,052	-	54,843
Cash and investments - ending	\$ -	\$ -	\$ -	\$ -	\$ 6,325	\$ 90,180
<b>Cash and Investment Assets - Ending</b>						
Cash and investments	\$ -	\$ -	\$ -	\$ -	\$ 6,325	\$ 90,180
Total cash and investment assets - ending	\$ -	\$ -	\$ -	\$ -	\$ 6,325	\$ 90,180
<b>Cash and Investment Fund Balance - Ending</b>						
Unrestricted	\$ -	\$ -	\$ -	\$ -	\$ 6,325	\$ 90,180
Total cash and investment fund balance - ending	\$ -	\$ -	\$ -	\$ -	\$ 6,325	\$ 90,180

TRI-CREEK 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)

	InACCESS Linux Grant	Access Indiana 2007-2008	2nd Grade Laptop Grant 2009	Title I, Part A 2007-2008	Title I, Part A 2008-2009	Title V, Part A Innovative Programs 2007
<b>Receipts:</b>						
Local sources	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Intermediate sources	-	-	-	-	-	-
State sources	2,500	-	29,700	-	-	-
Federal sources	-	-	-	26,000	303,383	-
Interfund loans	-	-	-	-	-	-
Other	-	-	-	-	-	-
<b>Total receipts</b>	<b>2,500</b>	<b>-</b>	<b>29,700</b>	<b>26,000</b>	<b>303,383</b>	<b>-</b>
<b>Disbursements:</b>						
<b>Current:</b>						
Instruction	-	-	29,700	38,902	268,627	-
Support services	-	-	-	26,965	42,637	223
Noninstructional services	-	-	-	46	15,334	-
Facilities acquisition and construction	-	-	-	-	-	-
Debt services	-	-	-	-	-	-
Nonprogrammed charges	-	-	-	-	-	-
Interfund loans	-	-	-	-	-	-
<b>Total disbursements</b>	<b>-</b>	<b>-</b>	<b>29,700</b>	<b>65,913</b>	<b>326,598</b>	<b>223</b>
Excess (deficiency) of receipts over disbursements	2,500	-	-	(39,913)	(23,215)	(223)
<b>Other financing sources (uses):</b>						
Sale of capital assets	-	-	-	-	-	-
Transfers in	-	-	-	-	45,125	-
Transfers out	-	-	-	(45,125)	-	-
<b>Total other financing sources (uses)</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>(45,125)</b>	<b>45,125</b>	<b>-</b>
Excess (deficiency) of receipts and other financing sources over disbursements and other financing uses	2,500	-	-	(85,038)	21,910	(223)
Cash and investments - beginning	-	1,176	-	85,038	-	223
Cash and investments - ending	<u>\$ 2,500</u>	<u>\$ 1,176</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 21,910</u>	<u>\$ -</u>
<b>Cash and Investment Assets - Ending</b>						
Cash and investments	<u>\$ 2,500</u>	<u>\$ 1,176</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 21,910</u>	<u>\$ -</u>
Total cash and investment assets - ending	<u>\$ 2,500</u>	<u>\$ 1,176</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 21,910</u>	<u>\$ -</u>
<b>Cash and Investment Fund Balance - Ending</b>						
Unrestricted	<u>\$ 2,500</u>	<u>\$ 1,176</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 21,910</u>	<u>\$ -</u>
Total cash and investment fund balance - ending	<u>\$ 2,500</u>	<u>\$ 1,176</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 21,910</u>	<u>\$ -</u>

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

	Title V, Part A Innovative Programs 2008	Learn & Serve Grant 2008-2009	Title IV Drug Free Schools 2008-2009	Title IV Drug Free Schools 2006-2007	Title IV Drug Free Schools 2007-2008	Carl Perkins Grant 2006-2007
<b>Receipts:</b>						
Local sources	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Intermediate sources	-	-	-	-	-	-
State sources	-	-	-	-	-	-
Federal sources	4,195	6,000	8,042	-	-	-
Interfund loans	-	-	-	-	-	-
Other	-	-	-	-	-	-
<b>Total receipts</b>	<b>4,195</b>	<b>6,000</b>	<b>8,042</b>	<b>-</b>	<b>-</b>	<b>-</b>
<b>Disbursements:</b>						
<b>Current:</b>						
Instruction	-	-	7,149	5,896	724	99
Support services	3,221	5,000	-	-	-	-
Noninstructional services	-	-	-	-	-	-
Facilities acquisition and construction	-	-	-	-	-	-
Debt services	-	-	-	-	-	-
Nonprogrammed charges	-	-	-	-	-	-
Interfund loans	-	-	-	-	-	-
<b>Total disbursements</b>	<b>3,221</b>	<b>5,000</b>	<b>7,149</b>	<b>5,896</b>	<b>724</b>	<b>99</b>
Excess (deficiency) of receipts over disbursements	974	1,000	893	(5,896)	(724)	(99)
<b>Other financing sources (uses):</b>						
Sale of capital assets	-	-	-	-	-	-
Transfers in	-	-	-	-	-	-
Transfers out	-	-	-	-	-	-
<b>Total other financing sources (uses)</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>
Excess (deficiency) of receipts and other financing sources over disbursements and other financing uses	974	1,000	893	(5,896)	(724)	(99)
Cash and investments - beginning	1,323	-	-	5,896	815	99
Cash and investments - ending	<u>\$ 2,297</u>	<u>\$ 1,000</u>	<u>\$ 893</u>	<u>\$ -</u>	<u>\$ 91</u>	<u>\$ -</u>
<b>Cash and Investment Assets - Ending</b>						
Cash and investments	<u>\$ 2,297</u>	<u>\$ 1,000</u>	<u>\$ 893</u>	<u>\$ -</u>	<u>\$ 91</u>	<u>\$ -</u>
Total cash and investment assets - ending	<u>\$ 2,297</u>	<u>\$ 1,000</u>	<u>\$ 893</u>	<u>\$ -</u>	<u>\$ 91</u>	<u>\$ -</u>
<b>Cash and Investment Fund Balance - Ending</b>						
Unrestricted	<u>\$ 2,297</u>	<u>\$ 1,000</u>	<u>\$ 893</u>	<u>\$ -</u>	<u>\$ 91</u>	<u>\$ -</u>
Total cash and investment fund balance - ending	<u>\$ 2,297</u>	<u>\$ 1,000</u>	<u>\$ 893</u>	<u>\$ -</u>	<u>\$ 91</u>	<u>\$ -</u>

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

	Carl Perkins Grant 2007-2008	Carl Perkins Grant 2008-2009	Tech_Prep Education	Small Learning Communities Grant	Title II, Part A Improving Teacher Quality 2005-2006	Title II, Part A Improving Teacher Quality 2006-2007
<b>Receipts:</b>						
Local sources	\$ -	\$ 300	\$ -	\$ -	\$ -	\$ -
Intermediate sources	-	-	-	-	-	-
State sources	17,058	14,068	-	-	-	-
Federal sources	-	-	30,000	46,822	-	-
Interfund loans	-	11,655	-	34,478	-	-
Other	-	-	-	-	-	-
<b>Total receipts</b>	<b>17,058</b>	<b>26,023</b>	<b>30,000</b>	<b>81,300</b>	<b>-</b>	<b>-</b>
<b>Disbursements:</b>						
<b>Current:</b>						
Instruction	3,659	24,387	18,264	2,014	-	-
Support services	1,749	-	-	68,578	-	403
Noninstructional services	-	-	-	-	-	-
Facilities acquisition and construction	-	-	-	-	-	-
Debt services	-	-	-	-	-	-
Nonprogrammed charges	-	-	-	-	-	-
Interfund loans	11,650	1,636	11,736	10,708	1	-
<b>Total disbursements</b>	<b>17,058</b>	<b>26,023</b>	<b>30,000</b>	<b>81,300</b>	<b>1</b>	<b>403</b>
Excess (deficiency) of receipts over disbursements	-	-	-	-	(1)	(403)
<b>Other financing sources (uses):</b>						
Sale of capital assets	-	-	-	-	-	-
Transfers in	-	-	-	-	-	-
Transfers out	-	-	-	-	-	-
<b>Total other financing sources (uses)</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>
Excess (deficiency) of receipts and other financing sources over disbursements and other financing uses	-	-	-	-	(1)	(403)
Cash and investments - beginning	-	-	-	-	1	403
Cash and investments - ending	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
<b>Cash and Investment Assets - Ending</b>						
Cash and investments	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Total cash and investment assets - ending	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
<b>Cash and Investment Fund Balance - Ending</b>						
Unrestricted	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Total cash and investment fund balance - ending	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -

TRI-CREEK 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 II, Part A Improving Teacher Quality 2007-2008	Title II, Part A Improving Teacher Quality 2008-2009	Title III Consortium 2006-2007	Title III Consortium 2007-2008	COPS Grant 2005-2010	Retirement/ Severance Bond
<b>Receipts:</b>						
Local sources	\$ -	\$ -	\$ -	\$ 1,048	\$ -	\$ 242,621
Intermediate sources	-	-	-	-	-	-
State sources	-	-	-	-	-	-
Federal sources	23,036	35,361	-	4,116	-	-
Interfund loans	-	-	-	1,164	36,063	20,851
Other	-	-	-	-	-	-
<b>Total receipts</b>	<b>23,036</b>	<b>35,361</b>	<b>-</b>	<b>6,328</b>	<b>36,063</b>	<b>263,472</b>
<b>Disbursements:</b>						
<b>Current:</b>						
Instruction	14,440	23,825	-	-	-	-
Support services	19,867	6,140	4,583	4,106	18,753	-
Noninstructional services	-	-	-	-	-	-
Facilities acquisition and construction	-	-	-	-	-	-
Debt services	-	-	-	-	-	243,097
Nonprogrammed charges	-	-	-	-	-	-
Interfund loans	-	-	-	1,164	17,310	20,795
<b>Total disbursements</b>	<b>34,307</b>	<b>29,965</b>	<b>4,583</b>	<b>5,270</b>	<b>36,063</b>	<b>263,892</b>
Excess (deficiency) of receipts over disbursements	(11,271)	5,396	(4,583)	1,058	-	(420)
<b>Other financing sources (uses):</b>						
Sale of capital assets	-	-	-	-	-	-
Transfers in	-	-	-	-	-	420
Transfers out	-	-	-	-	-	-
<b>Total other financing sources (uses)</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>420</b>
Excess (deficiency) of receipts and other financing sources over disbursements and other financing uses	(11,271)	5,396	(4,583)	1,058	-	-
Cash and investments - beginning	19,792	-	4,583	-	-	-
Cash and investments - ending	\$ 8,521	\$ 5,396	\$ -	\$ 1,058	\$ -	\$ -
<b>Cash and Investment Assets - Ending</b>						
Cash and investments	\$ 8,521	\$ 5,396	\$ -	\$ 1,058	\$ -	\$ -
Total cash and investment assets - ending	\$ 8,521	\$ 5,396	\$ -	\$ 1,058	\$ -	\$ -
<b>Cash and Investment Fund Balance - Ending</b>						
Unrestricted	\$ 8,521	\$ 5,396	\$ -	\$ 1,058	\$ -	\$ -
Total cash and investment fund balance - ending	\$ 8,521	\$ 5,396	\$ -	\$ 1,058	\$ -	\$ -

TRI-CREEK 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)

	School Bus Replacement	Elementary School Improvement	High School Construction	MS Construction	2006 GO Bonds	Totals
<b>Receipts:</b>						
Local sources	\$ 456,624	\$ -	\$ 470	\$ 292,990	\$ 13,498	\$ 3,834,188
Intermediate sources	-	-	-	-	-	30,734
State sources	-	-	-	-	-	522,238
Federal sources	-	-	-	-	-	859,940
Interfund loans	277,480	-	-	-	-	420,345
Other	-	-	-	-	-	7,313
<b>Total receipts</b>	<b>734,104</b>	<b>-</b>	<b>470</b>	<b>292,990</b>	<b>13,498</b>	<b>5,674,758</b>
<b>Disbursements:</b>						
<b>Current:</b>						
Instruction	-	-	-	-	-	550,045
Support services	537,226	-	82,064	-	-	2,753,691
Noninstructional services	-	-	-	-	-	1,135,265
Facilities acquisition and construction	-	-	88,316	292,990	803,997	1,237,791
Debt services	-	-	-	-	-	243,097
Nonprogrammed charges	-	-	-	-	-	34,000
Interfund loans	218,264	-	-	-	-	435,163
<b>Total disbursements</b>	<b>755,490</b>	<b>-</b>	<b>170,380</b>	<b>292,990</b>	<b>803,997</b>	<b>6,389,052</b>
Excess (deficiency) of receipts over disbursements	(21,386)	-	(169,910)	-	(790,499)	(714,294)
<b>Other financing sources (uses):</b>						
Sale of capital assets	-	-	-	-	-	486
Transfers in	1,432	-	-	-	-	52,411
Transfers out	-	-	-	-	-	(128,974)
<b>Total other financing sources (uses)</b>	<b>1,432</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>(76,077)</b>
Excess (deficiency) of receipts and other financing sources over disbursements and other financing uses	(19,954)	-	(169,910)	-	(790,499)	(790,371)
Cash and investments - beginning	19,954	219,764	207,068	-	1,567,756	4,944,036
Cash and investments - ending	\$ -	\$ 219,764	\$ 37,158	\$ -	\$ 777,257	\$ 4,153,665
<b>Cash and Investment Assets - Ending</b>						
Cash and investments	\$ -	\$ 219,764	\$ 37,158	\$ -	\$ 777,257	\$ 4,153,665
Total cash and investment assets - ending	\$ -	\$ 219,764	\$ 37,158	\$ -	\$ 777,257	\$ 4,153,665
<b>Cash and Investment Fund Balance - Ending</b>						
Unrestricted	\$ -	\$ 219,764	\$ 37,158	\$ -	\$ 777,257	\$ 4,153,665
Total cash and investment fund balance - ending	\$ -	\$ 219,764	\$ 37,158	\$ -	\$ 777,257	\$ 4,153,665

TRI-CREEK 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	Pre-School Special Ed	School Lunch	Textbook Rental	Arts-In Residence State Grant	Education License Plate Donations
<b>Receipts:</b>						
Local sources	\$ 2,207,760	\$ -	\$ 896,462	\$ 247,804	\$ -	\$ -
Intermediate sources	-	-	-	-	-	862
State sources	-	35,750	21,956	48,161	1,209	-
Federal sources	-	-	366,623	-	-	-
Interfund loans	-	-	-	-	-	-
Other	1,271	-	-	-	-	-
<b>Total receipts</b>	<b>2,209,031</b>	<b>35,750</b>	<b>1,285,041</b>	<b>295,965</b>	<b>1,209</b>	<b>862</b>
<b>Disbursements:</b>						
<b>Current:</b>						
Instruction	-	81,371	-	-	4,727	-
Support services	1,463,862	-	-	321,909	-	-
Noninstructional services	-	-	1,221,178	-	-	-
Facilities acquisition and construction	-	-	-	-	-	-
Debt services	-	-	-	-	-	-
Nonprogrammed charges	-	-	-	-	-	-
Interfund loans	-	-	-	-	-	-
<b>Total disbursements</b>	<b>1,463,862</b>	<b>81,371</b>	<b>1,221,178</b>	<b>321,909</b>	<b>4,727</b>	<b>-</b>
<b>Excess (deficiency) of receipts over disbursements</b>	<b>745,169</b>	<b>(45,621)</b>	<b>63,863</b>	<b>(25,944)</b>	<b>(3,518)</b>	<b>862</b>
<b>Other financing sources (uses):</b>						
Proceeds of long-term debt	-	-	-	-	-	-
Sale of capital assets	2,901	-	-	-	-	-
Transfers in	-	-	-	-	-	-
Transfers out	-	-	-	-	-	-
<b>Total other financing sources (uses)</b>	<b>2,901</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>
<b>Excess (deficiency) of receipts and other financing sources over disbursements and other financing uses</b>	<b>748,070</b>	<b>(45,621)</b>	<b>63,863</b>	<b>(25,944)</b>	<b>(3,518)</b>	<b>862</b>
<b>Cash and investments - beginning</b>	<b>1,277,513</b>	<b>45,621</b>	<b>1,305,388</b>	<b>219,030</b>	<b>3,626</b>	<b>12,467</b>
<b>Cash and investments - ending</b>	<b>\$ 2,025,583</b>	<b>\$ -</b>	<b>\$ 1,369,251</b>	<b>\$ 193,086</b>	<b>\$ 108</b>	<b>\$ 13,329</b>
<b>Cash and Investment Assets - Ending</b>						
Cash and investments	\$ 2,025,583	\$ -	\$ 1,369,251	\$ 193,086	\$ 108	\$ 13,329
Restricted assets:						
Cash and investments	-	-	-	-	-	-
<b>Total cash and investment assets - ending</b>	<b>\$ 2,025,583</b>	<b>\$ -</b>	<b>\$ 1,369,251</b>	<b>\$ 193,086</b>	<b>\$ 108</b>	<b>\$ 13,329</b>
<b>Cash and Investment Fund Balance - Ending</b>						
Restricted for:						
Debt service	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Unrestricted	2,025,583	-	1,369,251	193,086	108	13,329
<b>Total cash and investment fund balance - ending</b>	<b>\$ 2,025,583</b>	<b>\$ -</b>	<b>\$ 1,369,251</b>	<b>\$ 193,086</b>	<b>\$ 108</b>	<b>\$ 13,329</b>

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

	Alternative School	Safe Haven Grant 2007-2008	Tri-Kappa Grant	Women's Club Donations Library Books	BP Fabric of America Grant	BP Art Grant Lake Prairie
<b>Receipts:</b>						
Local sources	\$ -	\$ 600	\$ 500	\$ 250	\$ 600	\$ -
Intermediate sources	-	-	-	-	-	-
State sources	15,718	-	-	-	-	-
Federal sources	-	-	-	-	-	-
Interfund loans	-	-	-	-	-	-
Other	-	-	-	-	-	-
<b>Total receipts</b>	<u>15,718</u>	<u>600</u>	<u>500</u>	<u>250</u>	<u>600</u>	<u>-</u>
<b>Disbursements:</b>						
<b>Current:</b>						
Instruction	21,264	-	-	250	-	395
Support services	-	-	-	-	-	69
Noninstructional services	-	-	-	-	-	-
Facilities acquisition and construction	-	-	-	-	-	-
Debt services	-	-	-	-	-	-
Nonprogrammed charges	-	-	-	-	-	-
Interfund loans	-	-	-	-	-	-
<b>Total disbursements</b>	<u>21,264</u>	<u>-</u>	<u>-</u>	<u>250</u>	<u>-</u>	<u>464</u>
<b>Excess (deficiency) of receipts over disbursements</b>	<u>(5,546)</u>	<u>600</u>	<u>500</u>	<u>-</u>	<u>600</u>	<u>(464)</u>
<b>Other financing sources (uses):</b>						
Proceeds of long-term debt	-	-	-	-	-	-
Sale of capital assets	-	-	-	-	-	-
Transfers in	-	-	-	-	-	-
Transfers out	-	-	-	-	-	-
<b>Total other financing sources (uses)</b>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
<b>Excess (deficiency) of receipts and other financing sources over disbursements and other financing uses</b>	<u>(5,546)</u>	<u>600</u>	<u>500</u>	<u>-</u>	<u>600</u>	<u>(464)</u>
<b>Cash and investments - beginning</b>	<u>29,655</u>	<u>-</u>	<u>650</u>	<u>-</u>	<u>1,418</u>	<u>582</u>
<b>Cash and investments - ending</b>	<u>\$ 24,109</u>	<u>\$ 600</u>	<u>\$ 1,150</u>	<u>\$ -</u>	<u>\$ 2,018</u>	<u>\$ 118</u>
<b>Cash and Investment Assets - Ending</b>						
Cash and investments	\$ 24,109	\$ 600	\$ 1,150	\$ -	\$ 2,018	\$ 118
Restricted assets:						
Cash and investments	-	-	-	-	-	-
<b>Total cash and investment assets - ending</b>	<u>\$ 24,109</u>	<u>\$ 600</u>	<u>\$ 1,150</u>	<u>\$ -</u>	<u>\$ 2,018</u>	<u>\$ 118</u>
<b>Cash and Investment Fund Balance - Ending</b>						
Restricted for:						
Debt service	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Unrestricted	24,109	600	1,150	-	2,018	118
<b>Total cash and investment fund balance - ending</b>	<u>\$ 24,109</u>	<u>\$ 600</u>	<u>\$ 1,150</u>	<u>\$ -</u>	<u>\$ 2,018</u>	<u>\$ 118</u>

TRI-CREEK 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)

	Parking Ticket Revenue	Tri-Creek Education Foundation Grants	Lake County Drug Free Alliance Grant	Pepsi Marketing Rebate Fund 2005-2006	Pepsi Marketing Rebate Fund 2006-2007	Pepsi Marketing Rebate Fund 2007-2008
<b>Receipts:</b>						
Local sources	\$ 536	\$ 70,233	\$ -	\$ -	\$ 100	\$ -
Intermediate sources	-	-	-	-	-	-
State sources	-	-	-	-	-	-
Federal sources	-	-	-	-	-	-
Interfund loans	-	-	-	-	-	-
Other	-	-	-	-	-	-
<b>Total receipts</b>	<b>536</b>	<b>70,233</b>	<b>-</b>	<b>-</b>	<b>100</b>	<b>-</b>
<b>Disbursements:</b>						
<b>Current:</b>						
Instruction	-	12,400	-	-	7,994	6,385
Support services	-	198	-	-	-	-
Noninstructional services	-	51,408	-	-	-	-
Facilities acquisition and construction	-	-	-	-	-	-
Debt services	-	-	-	-	-	-
Nonprogrammed charges	-	-	-	-	-	-
Interfund loans	-	-	-	-	-	-
<b>Total disbursements</b>	<b>-</b>	<b>64,006</b>	<b>-</b>	<b>-</b>	<b>7,994</b>	<b>6,385</b>
<b>Excess (deficiency) of receipts over disbursements</b>	<b>536</b>	<b>6,227</b>	<b>-</b>	<b>-</b>	<b>(7,894)</b>	<b>(6,385)</b>
<b>Other financing sources (uses):</b>						
Proceeds of long-term debt	-	-	-	-	-	-
Sale of capital assets	-	-	-	-	-	-
Transfers in	-	-	-	-	-	-
Transfers out	-	-	-	-	-	-
<b>Total other financing sources (uses)</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>
<b>Excess (deficiency) of receipts and other financing sources over disbursements and other financing uses</b>	<b>536</b>	<b>6,227</b>	<b>-</b>	<b>-</b>	<b>(7,894)</b>	<b>(6,385)</b>
<b>Cash and investments - beginning</b>	<b>3,251</b>	<b>-</b>	<b>60</b>	<b>1,973</b>	<b>14,302</b>	<b>23,458</b>
<b>Cash and investments - ending</b>	<b>3,787</b>	<b>6,227</b>	<b>60</b>	<b>1,973</b>	<b>6,408</b>	<b>17,073</b>
<b>Cash and Investment Assets - Ending</b>						
Cash and investments	\$ 3,787	\$ 6,227	\$ 60	\$ 1,973	\$ 6,408	\$ 17,073
Restricted assets:						
Cash and investments	-	-	-	-	-	-
<b>Total cash and investment assets - ending</b>	<b>3,787</b>	<b>6,227</b>	<b>60</b>	<b>1,973</b>	<b>6,408</b>	<b>17,073</b>
<b>Cash and Investment Fund Balance - Ending</b>						
Restricted for:						
Debt service	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Unrestricted	3,787	6,227	60	1,973	6,408	17,073
<b>Total cash and investment fund balance - ending</b>	<b>3,787</b>	<b>6,227</b>	<b>60</b>	<b>1,973</b>	<b>6,408</b>	<b>17,073</b>

TRI-CREEK 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)

	Pepsi Marketing Rebate Fund 2008-2009	Pepsi Marketing Rebate Fund 2009-2010	Gifted/Talented High Ability 2008-2009	Gifted/Talented High Ability 2007-2008	Gifted/Talented High Ability 2009-2010	Tech Prep State Grant 2009-2010
<b>Receipts:</b>						
Local sources	\$ -	\$ 28,362	\$ -	\$ 3	\$ -	\$ -
Intermediate sources	-	-	-	-	-	-
State sources	-	-	-	-	41,016	-
Federal sources	-	-	-	-	-	2,222
Interfund loans	-	-	-	-	-	7,181
Other	-	-	-	-	-	-
<b>Total receipts</b>	<b>-</b>	<b>28,362</b>	<b>-</b>	<b>3</b>	<b>41,016</b>	<b>9,403</b>
<b>Disbursements:</b>						
<b>Current:</b>						
Instruction	1,441	-	2,139	-	17,620	383
Support services	-	4,181	12,716	-	-	7,929
Noninstructional services	338	-	-	-	-	-
Facilities acquisition and construction	-	-	-	-	-	-
Debt services	-	-	-	-	-	-
Nonprogrammed charges	-	-	-	-	-	-
Interfund loans	-	-	-	-	-	1,090
<b>Total disbursements</b>	<b>1,779</b>	<b>4,181</b>	<b>14,855</b>	<b>-</b>	<b>17,620</b>	<b>9,402</b>
Excess (deficiency) of receipts over disbursements	(1,779)	24,181	(14,855)	3	23,396	1
<b>Other financing sources (uses):</b>						
Proceeds of long-term debt	-	-	-	-	-	-
Sale of capital assets	-	-	-	-	-	-
Transfers in	-	-	-	-	-	-
Transfers out	-	-	-	-	-	-
<b>Total other financing sources (uses)</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>
Excess (deficiency) of receipts and other financing sources over disbursements and other financing uses	(1,779)	24,181	(14,855)	3	23,396	1
Cash and investments - beginning	24,290	-	14,855	-	-	-
Cash and investments - ending	\$ 22,511	\$ 24,181	\$ -	\$ 3	\$ 23,396	\$ 1
<b>Cash and Investment Assets - Ending</b>						
Cash and investments	\$ 22,511	\$ 24,181	\$ -	\$ 3	\$ 23,396	\$ 1
<b>Restricted assets:</b>						
Cash and investments	-	-	-	-	-	-
<b>Total cash and investment assets - ending</b>	<b>\$ 22,511</b>	<b>\$ 24,181</b>	<b>\$ -</b>	<b>\$ 3</b>	<b>\$ 23,396</b>	<b>\$ 1</b>
<b>Cash and Investment Fund Balance - Ending</b>						
<b>Restricted for:</b>						
Debt service	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Unrestricted	22,511	24,181	-	3	23,396	1
<b>Total cash and investment fund balance - ending</b>	<b>\$ 22,511</b>	<b>\$ 24,181</b>	<b>\$ -</b>	<b>\$ 3</b>	<b>\$ 23,396</b>	<b>\$ 1</b>

TRI-CREEK 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 Technology Advancement 2008-2009	Non-English Speaking Program 2009-2010	Non-English Speaking Program 2008-2009	School Technology 2007-2008	InACCESS Linux Grant	Access Indiana 2007-2008
<b>Receipts:</b>						
Local sources	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Intermediate sources	-	-	-	20,288	-	-
State sources	220,332	7,205	-	-	-	-
Federal sources	-	-	-	-	-	-
Interfund loans	191,483	748	-	-	-	-
Other	-	-	-	-	-	-
<b>Total receipts</b>	<b>411,815</b>	<b>7,953</b>	<b>-</b>	<b>20,288</b>	<b>-</b>	<b>-</b>
<b>Disbursements:</b>						
<b>Current:</b>						
Instruction	184,734	-	-	-	-	-
Support services	50,210	5,652	6,325	7,300	2,495	-
Noninstructional services	-	-	-	-	-	-
Facilities acquisition and construction	-	-	-	12,500	-	-
Debt services	-	-	-	-	-	-
Nonprogrammed charges	-	-	-	-	-	-
Interfund loans	176,870	748	-	-	-	-
<b>Total disbursements</b>	<b>411,814</b>	<b>6,400</b>	<b>6,325</b>	<b>19,800</b>	<b>2,495</b>	<b>-</b>
Excess (deficiency) of receipts over disbursements	1	1,553	(6,325)	488	(2,495)	-
<b>Other financing sources (uses):</b>						
Proceeds of long-term debt	-	-	-	-	-	-
Sale of capital assets	-	-	-	-	-	-
Transfers in	-	-	-	-	-	-
Transfers out	-	-	-	-	-	-
<b>Total other financing sources (uses)</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>
Excess (deficiency) of receipts and other financing sources over disbursements and other financing uses	1	1,553	(6,325)	488	(2,495)	-
Cash and investments - beginning	-	-	6,325	90,180	2,500	1,176
Cash and investments - ending	\$ 1	\$ 1,553	\$ -	\$ 90,668	\$ 5	\$ 1,176
<b>Cash and Investment Assets - Ending</b>						
Cash and investments	\$ 1	\$ 1,553	\$ -	\$ 90,668	\$ 5	\$ 1,176
Restricted assets:						
Cash and investments	-	-	-	-	-	-
<b>Total cash and investment assets - ending</b>	<b>\$ 1</b>	<b>\$ 1,553</b>	<b>\$ -</b>	<b>\$ 90,668</b>	<b>\$ 5</b>	<b>\$ 1,176</b>
<b>Cash and Investment Fund Balance - Ending</b>						
Restricted for:						
Debt service	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Unrestricted	1	1,553	-	90,668	5	1,176
<b>Total cash and investment fund balance - ending</b>	<b>\$ 1</b>	<b>\$ 1,553</b>	<b>\$ -</b>	<b>\$ 90,668</b>	<b>\$ 5</b>	<b>\$ 1,176</b>

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

	Title I, Part A 2007-2008	Title I, Part A 2008-2009	Title I, Part A 2009-2010	Title V, Part A Innovative Programs 2008	Learn & Serve Grant 2008-2009	Title IV Drug Free Schools 2008-2009
<b>Receipts:</b>						
Local sources	\$ 15,000	\$ -	\$ -	\$ 115	\$ -	\$ -
Intermediate sources	-	-	-	-	-	-
State sources	-	-	-	-	-	-
Federal sources	-	90,000	357,855	-	-	-
Interfund loans	-	-	-	-	-	-
Other	-	-	-	-	-	-
<b>Total receipts</b>	<b>15,000</b>	<b>90,000</b>	<b>357,855</b>	<b>115</b>	<b>-</b>	<b>-</b>
<b>Disbursements:</b>						
<b>Current:</b>						
Instruction	-	40,844	149,743	-	-	893
Support services	-	9,832	153,048	2,297	1,000	-
Noninstructional services	-	4,967	13,981	-	-	-
Facilities acquisition and construction	-	-	-	-	-	-
Debt services	-	-	-	-	-	-
Nonprogrammed charges	-	-	7,140	-	-	-
Interfund loans	-	-	-	-	-	-
<b>Total disbursements</b>	<b>-</b>	<b>55,643</b>	<b>323,912</b>	<b>2,297</b>	<b>1,000</b>	<b>893</b>
Excess (deficiency) of receipts over disbursements	15,000	34,357	33,943	(2,182)	(1,000)	(893)
<b>Other financing sources (uses):</b>						
Proceeds of long-term debt	-	-	-	-	-	-
Sale of capital assets	-	-	-	-	-	-
Transfers in	-	-	56,266	-	-	-
Transfers out	-	(56,266)	-	-	-	-
<b>Total other financing sources (uses)</b>	<b>-</b>	<b>(56,266)</b>	<b>56,266</b>	<b>-</b>	<b>-</b>	<b>-</b>
Excess (deficiency) of receipts and other financing sources over disbursements and other financing uses	15,000	(21,909)	90,209	(2,182)	(1,000)	(893)
Cash and investments - beginning	-	21,910	-	2,297	1,000	893
Cash and investments - ending	\$ 15,000	\$ 1	\$ 90,209	\$ 115	\$ -	\$ -
<b>Cash and Investment Assets - Ending</b>						
Cash and investments	\$ 15,000	\$ 1	\$ 90,209	\$ 115	\$ -	\$ -
<b>Restricted assets:</b>						
Cash and investments	-	-	-	-	-	-
<b>Total cash and investment assets - ending</b>	<b>\$ 15,000</b>	<b>\$ 1</b>	<b>\$ 90,209</b>	<b>\$ 115</b>	<b>\$ -</b>	<b>\$ -</b>
<b>Cash and Investment Fund Balance - Ending</b>						
<b>Restricted for:</b>						
Debt service	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Unrestricted	15,000	1	90,209	115	-	-
<b>Total cash and investment fund balance - ending</b>	<b>\$ 15,000</b>	<b>\$ 1</b>	<b>\$ 90,209</b>	<b>\$ 115</b>	<b>\$ -</b>	<b>\$ -</b>

TRI-CREEK 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 IV Drug Free Schools 2009-2010	Title IV Drug Free Schools 2007-2008	Carl Perkins Grant 2009-2010	Carl Perkins Grant 2008-2009	Small Learning Communities Grant	Title II, Part A Improving Teacher Quality 2009-2010
<b>Receipts:</b>						
Local sources	\$ -	\$ -	\$ -	\$ -	\$ 4,110	\$ 35
Intermediate sources	-	-	-	-	-	-
State sources	-	-	-	19,986	-	-
Federal sources	11,907	-	-	-	177,339	64,090
Interfund loans	-	-	11,203	-	161,790	-
Other	-	-	-	-	-	-
<b>Total receipts</b>	<u>11,907</u>	<u>-</u>	<u>11,203</u>	<u>19,986</u>	<u>343,239</u>	<u>64,125</u>
<b>Disbursements:</b>						
<b>Current:</b>						
Instruction	-	91	11,203	9,967	14,296	16,266
Support services	-	-	-	-	209,420	4,266
Noninstructional services	-	-	-	-	-	-
Facilities acquisition and construction	-	-	-	-	-	-
Debt services	-	-	-	-	-	-
Nonprogrammed charges	-	-	-	-	-	-
Interfund loans	-	-	-	10,019	119,522	-
<b>Total disbursements</b>	<u>-</u>	<u>91</u>	<u>11,203</u>	<u>19,986</u>	<u>343,238</u>	<u>20,532</u>
<b>Excess (deficiency) of receipts over disbursements</b>	<u>11,907</u>	<u>(91)</u>	<u>-</u>	<u>-</u>	<u>1</u>	<u>43,593</u>
<b>Other financing sources (uses):</b>						
Proceeds of long-term debt	-	-	-	-	-	-
Sale of capital assets	-	-	-	-	-	-
Transfers in	-	-	-	-	-	-
Transfers out	-	-	-	-	-	-
<b>Total other financing sources (uses)</b>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
<b>Excess (deficiency) of receipts and other financing sources over disbursements and other financing uses</b>	<u>11,907</u>	<u>(91)</u>	<u>-</u>	<u>-</u>	<u>1</u>	<u>43,593</u>
<b>Cash and investments - beginning</b>	<u>-</u>	<u>91</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
<b>Cash and investments - ending</b>	<u>\$ 11,907</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 1</u>	<u>\$ 43,593</u>
<b>Cash and Investment Assets - Ending</b>						
Cash and investments	\$ 11,907	\$ -	\$ -	\$ -	\$ 1	\$ 43,593
Restricted assets:						
Cash and investments	-	-	-	-	-	-
<b>Total cash and investment assets - ending</b>	<u>\$ 11,907</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 1</u>	<u>\$ 43,593</u>
<b>Cash and Investment Fund Balance - Ending</b>						
Restricted for:						
Debt service	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Unrestricted	11,907	-	-	-	1	43,593
<b>Total cash and investment fund balance - ending</b>	<u>\$ 11,907</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 1</u>	<u>\$ 43,593</u>

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

	Title II, Part A Improving Teacher Quality 2007-2008	Title II, Part A Improving Teacher Quality 2008-2009	Title III Consortium 2008-2009	Title III Consortium 2007-2008	COPS Grant 2005-2010	ARRA Title I 2008-2010
<b>Receipts:</b>						
Local sources	\$ -	\$ 4	\$ -	\$ -	\$ -	\$ 151
Intermediate sources	-	-	-	-	-	-
State sources	-	-	-	-	-	-
Federal sources	-	53,040	5,733	-	26,295	171,315
Interfund loans	-	-	-	-	32,785	-
Other	-	-	-	-	-	-
<b>Total receipts</b>	<b>-</b>	<b>53,044</b>	<b>5,733</b>	<b>-</b>	<b>59,080</b>	<b>171,466</b>
<b>Disbursements:</b>						
<b>Current:</b>						
Instruction	-	24,008	-	-	-	19,317
Support services	8,521	28,020	5,733	1,058	6,490	77,868
Noninstructional services	-	-	-	-	-	-
Facilities acquisition and construction	-	-	-	-	-	-
Debt services	-	-	-	-	-	-
Nonprogrammed charges	-	-	-	-	-	-
Interfund loans	-	-	-	-	52,590	-
<b>Total disbursements</b>	<b>8,521</b>	<b>52,028</b>	<b>5,733</b>	<b>1,058</b>	<b>59,080</b>	<b>97,185</b>
Excess (deficiency) of receipts over disbursements	(8,521)	1,016	-	(1,058)	-	74,281
<b>Other financing sources (uses):</b>						
Proceeds of long-term debt	-	-	-	-	-	-
Sale of capital assets	-	-	-	-	-	-
Transfers in	-	-	-	-	-	-
Transfers out	-	-	-	-	-	-
<b>Total other financing sources (uses)</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>
Excess (deficiency) of receipts and other financing sources over disbursements and other financing uses	(8,521)	1,016	-	(1,058)	-	74,281
Cash and investments - beginning	8,521	5,396	-	1,058	-	-
Cash and investments - ending	\$ -	\$ 6,412	\$ -	\$ -	\$ -	\$ 74,281
<b>Cash and Investment Assets - Ending</b>						
Cash and investments	\$ -	\$ 6,412	\$ -	\$ -	\$ -	\$ 74,281
<b>Restricted assets:</b>						
Cash and investments	-	-	-	-	-	-
<b>Total cash and investment assets - ending</b>	<b>\$ -</b>	<b>\$ 6,412</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ 74,281</b>
<b>Cash and Investment Fund Balance - Ending</b>						
<b>Restricted for:</b>						
Debt service	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Unrestricted	-	6,412	-	-	-	74,281
<b>Total cash and investment fund balance - ending</b>	<b>\$ -</b>	<b>\$ 6,412</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ 74,281</b>

TRI-CREEK 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 Technology Funds 2008-2010	Non-Exempt Retirement/ Severance Bond	Exempt Retirement/ Severance Bond	School Bus Replacement	Construction Lake Prairie Elementary
<b>Receipts:</b>						
Local sources	\$ -	\$ -	\$ 117,582	\$ 186,372	\$ 330,227	\$ 12,213
Intermediate sources	-	-	-	-	-	-
State sources	-	-	-	-	-	-
Federal sources	138,149	-	-	-	-	-
Interfund loans	44,858	44,479	6,259	-	-	-
Other	-	-	-	-	-	-
<b>Total receipts</b>	<u>183,007</u>	<u>44,479</u>	<u>123,841</u>	<u>186,372</u>	<u>330,227</u>	<u>12,213</u>
<b>Disbursements:</b>						
<b>Current:</b>						
Instruction	151,169	2,079	-	-	-	-
Support services	24,991	42,400	-	-	176,225	-
Noninstructional services	-	-	-	-	-	-
Facilities acquisition and construction	-	-	-	-	-	415,232
Debt services	-	-	113,476	118,386	-	-
Nonprogrammed charges	-	-	-	-	-	-
Interfund loans	6,846	-	10,365	-	59,216	-
<b>Total disbursements</b>	<u>183,006</u>	<u>44,479</u>	<u>123,841</u>	<u>118,386</u>	<u>235,441</u>	<u>415,232</u>
Excess (deficiency) of receipts over disbursements	<u>1</u>	<u>-</u>	<u>-</u>	<u>67,986</u>	<u>94,786</u>	<u>(403,019)</u>
<b>Other financing sources (uses):</b>						
Proceeds of long-term debt	-	-	-	-	-	2,011,000
Sale of capital assets	-	-	-	-	-	-
Transfers in	-	-	-	-	-	-
Transfers out	-	-	-	-	-	-
<b>Total other financing sources (uses)</b>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>2,011,000</u>
Excess (deficiency) of receipts and other financing sources over disbursements and other financing uses	<u>1</u>	<u>-</u>	<u>-</u>	<u>67,986</u>	<u>94,786</u>	<u>1,607,981</u>
Cash and investments - beginning	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Cash and investments - ending	<u>\$ 1</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 67,986</u>	<u>\$ 94,786</u>	<u>\$ 1,607,981</u>
<b>Cash and Investment Assets - Ending</b>						
Cash and investments	\$ 1	\$ -	\$ -	\$ -	\$ 94,786	\$ 1,607,981
Restricted assets:						
Cash and investments	-	-	-	67,986	-	-
<b>Total cash and investment assets - ending</b>	<u>\$ 1</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 67,986</u>	<u>\$ 94,786</u>	<u>\$ 1,607,981</u>
<b>Cash and Investment Fund Balance - Ending</b>						
Restricted for:						
Debt service	\$ -	\$ -	\$ -	\$ 67,986	\$ -	\$ -
Unrestricted	1	-	-	-	94,786	1,607,981
<b>Total cash and investment fund balance - ending</b>	<u>\$ 1</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 67,986</u>	<u>\$ 94,786</u>	<u>\$ 1,607,981</u>

TRI-CREEK 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)

	Elementary School Improvement	MS Construction	Common School Construction Loan	High School Construction	2006 GO Bonds	Totals
<b>Receipts:</b>						
Local sources	\$ -	\$ 75,137	\$ 600	\$ -	\$ 1,719	\$ 4,196,475
Intermediate sources	-	-	-	-	-	21,150
State sources	-	-	-	-	-	411,333
Federal sources	-	-	-	-	-	1,464,568
Interfund loans	-	-	-	-	-	500,786
Other	-	-	-	-	-	1,271
<b>Total receipts</b>	<b>-</b>	<b>75,137</b>	<b>600</b>	<b>-</b>	<b>1,719</b>	<b>6,595,583</b>
<b>Disbursements:</b>						
<b>Current:</b>						
Instruction	-	-	-	-	-	780,979
Support services	22,205	25,969	-	11,365	-	2,693,554
Noninstructional services	-	-	-	-	-	1,291,872
Facilities acquisition and construction	58,241	3,180	-	22,739	362,351	874,243
Debt services	-	-	-	-	-	231,862
Nonprogrammed charges	-	-	-	-	-	7,140
Interfund loans	-	-	-	-	-	437,266
<b>Total disbursements</b>	<b>80,446</b>	<b>29,149</b>	<b>-</b>	<b>34,104</b>	<b>362,351</b>	<b>6,316,916</b>
Excess (deficiency) of receipts over disbursements	(80,446)	45,988	600	(34,104)	(360,632)	278,667
<b>Other financing sources (uses):</b>						
Proceeds of long-term debt	-	-	-	-	-	2,011,000
Sale of capital assets	-	-	-	-	-	2,901
Transfers in	-	-	-	-	-	56,266
Transfers out	-	-	-	-	-	(56,266)
<b>Total other financing sources (uses)</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>2,013,901</b>
Excess (deficiency) of receipts and other financing sources over disbursements and other financing uses	(80,446)	45,988	600	(34,104)	(360,632)	2,292,568
Cash and investments - beginning	219,764	-	-	37,158	777,257	4,153,665
Cash and investments - ending	\$ 139,318	\$ 45,988	\$ 600	\$ 3,054	\$ 416,625	\$ 6,446,233
<b>Cash and Investment Assets - Ending</b>						
Cash and investments	\$ 139,318	\$ 45,988	\$ 600	\$ 3,054	\$ 416,625	\$ 6,378,247
Restricted assets:						
Cash and investments	-	-	-	-	-	67,986
<b>Total cash and investment assets - ending</b>	<b>\$ 139,318</b>	<b>\$ 45,988</b>	<b>\$ 600</b>	<b>\$ 3,054</b>	<b>\$ 416,625</b>	<b>\$ 6,446,233</b>
<b>Cash and Investment Fund Balance - Ending</b>						
Restricted for:						
Debt service	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 67,986
Unrestricted	139,318	45,988	600	3,054	416,625	6,378,247
<b>Total cash and investment fund balance - ending</b>	<b>\$ 139,318</b>	<b>\$ 45,988</b>	<b>\$ 600</b>	<b>\$ 3,054</b>	<b>\$ 416,625</b>	<b>\$ 6,446,233</b>

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

	Retirement/ Severance Bond	Post-Retirement Severance Future Benefits	Totals
Additions:			
Investment earnings:			
Interest	\$ 16,262	\$ 1,957	\$ 18,219
Interfund loans	134,173	-	134,173
Total additions	150,435	1,957	152,392
Deductions:			
Benefits	264,786	5,128	269,914
Excess (deficiency) of total additions over total deductions	(114,351)	(3,171)	(117,522)
Other financing sources (uses):			
Transfers in	-	312,907	312,907
Transfers out	(312,907)	-	(312,907)
Total other financing sources (uses)	(312,907)	312,907	-
Excess (deficiency) of total additions and other financing sources over total deductions and other financing uses	(427,258)	309,736	(117,522)
Cash and investment fund balance - beginning	1,631,441	3,282	1,634,723
Cash and investment fund balance - ending	\$ 1,204,183	\$ 313,018	\$ 1,517,201
Net assets:			
Cash and investments	\$ 1,204,183	\$ 313,018	\$ 1,517,201
Total net assets - cash and investment basis held in trust	\$ 1,204,183	\$ 313,018	\$ 1,517,201

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

	Retirement/ Severance Bond	Post-Retirement Severance Future Benefits	Totals
Additions:			
Contributions:			
Other	\$ 752	\$ -	\$ 752
Investment earnings:			
Interest	536	3,611	4,147
Total additions	1,288	3,611	4,899
Deductions:			
Benefits	287,724	6,127	293,851
Excess (deficiency) of total additions over total deductions	(286,436)	(2,516)	(288,952)
Cash and investment fund balance - beginning	1,204,183	313,018	1,517,201
Cash and investment fund balance - ending	\$ 917,747	\$ 310,502	\$ 1,228,249
Net assets:			
Cash and investments	\$ 917,747	\$ 310,502	\$ 1,228,249
Total net assets - cash and investment basis held in trust	\$ 917,747	\$ 310,502	\$ 1,228,249

TRI-CREEK SCHOOL CORPORATION  
COMBINING SCHEDULE OF ADDITIONS, DEDUCTIONS  
AND CHANGES IN CASH AND INVESTMENT BALANCES  
AGENCY FUND  
For the Year Ended June 30, 2009

	<u>Payroll Withholdings</u>
Additions:	
Agency fund additions	<u>\$ 2,198,608</u>
Deductions:	
Agency fund deductions	<u>2,185,447</u>
Excess of total additions over total deductions	13,161
Cash and investment fund balance - beginning	<u>19,781</u>
Cash and investment fund balance - ending	<u><u>\$ 32,942</u></u>

TRI-CREEK SCHOOL CORPORATION  
 COMBINING SCHEDULE OF ADDITIONS, DEDUCTIONS  
 AND CHANGES IN CASH AND INVESTMENT BALANCES  
 AGENCY FUND  
 For the Year Ended June 30, 2010

	<u>Payroll Withholdings</u>
Additions: Agency fund additions	<u>\$ 3,133,274</u>
Deductions: Agency fund deductions	<u>3,123,639</u>
Excess of total additions over total deductions	9,635
Cash and investment fund balance - beginning	<u>32,942</u>
Cash and investment fund balance - ending	<u><u>\$ 42,577</u></u>

TRI-CREEK SCHOOL CORPORATION  
SUPPLEMENTARY INFORMATION  
SCHEDULE OF CAPITAL ASSETS  
For The Year Ended June 30, 2010

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

<u>Primary Government</u>	<u>Ending Balance</u>
Governmental activities:	
Capital assets, not being depreciated:	
Land	\$ 1,351,522
Buildings	111,948,749
Machinery and equipment	<u>16,545,543</u>
Total governmental activities, capital assets not being depreciated	<u>\$ 129,845,814</u>

TRI-CREEK 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:		
Tri-Creek High School 2002	\$ 26,840,000	\$ 3,049,347
Tri-Creek High School 2003	4,025,000	173,075
Tri-Creek South Nichols/Three Creeks	2,030,000	628,990
Tri-Creek Middle School	42,125,000	2,424,928
Tri-Creek High School 2009	815,000	22,450
Notes and loans payable	13,046,636	1,608,357
General obligation bonds payable:		
2003 Retirement	955,000	138,927
2005 Retirement	1,110,000	98,801
2009 School Improvement	<u>1,850,000</u>	<u>435,500</u>
Total governmental activities debt	<u>\$ 92,796,636</u>	<u>\$ 8,580,375</u>

## TRI-CREEK SCHOOL CORPORATION AUDIT RESULTS AND COMMENTS

### INTERNAL CONTROLS OVER FINANCIAL TRANSACTIONS AND REPORTING

We noted the lack of segregation of duties in the internal control system of the School Corporation related to financial transactions and reporting. Control activities were not selected and developed at various levels of the School Corporation to reduce risks to achievement of financial reporting objectives. The School Corporation has not adequately separated incompatible activities related to receipts, payroll and related liabilities, and cash and investment balances. The failure to establish these controls could enable material misstatements or irregularities to go undetected.

The Treasurer is responsible for preparing receipts for all funds received, recording the receipts in the ledger, preparing the deposit, taking the deposit to the bank, and reconciling the bank balances to the record balances. Reports of receipts, disbursements, and cash balances are reviewed by the School Board; however, bank reconciliations are not reviewed by other School Corporation Officials or the School Board to ensure that reconciled bank balances agree with the record balances.

The Treasurer is also responsible for preparing, recording, and reconciling all payroll files, forms, and reports. Bi-weekly payroll disbursements are available for review by the School Board; however, periodic and year-end payroll reports and wage reconciliations for federal and state agencies are not reviewed by other School Corporation Officials or the School Board to ensure that payroll disbursements are properly recorded and reported in the financial statements.

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

Controls over the receipting, disbursing, recording and accounting for the financial activities are necessary to avoid substantial risk of invalid transactions, inaccurate records and financial statements and incorrect decision making. (Accounting and Uniform Compliance Guidelines Manual for Indiana Public School Corporations, Chapter 9)

### INCORRECT REPORTING OF ACADEMIC HONORS DIPLOMAS

The number of Academic Honors Diplomas (AHD) awarded for the Lowell High School 2008 graduating class was inaccurately reported to the Indiana Department of Education. The School Corporation reported 54 AHD to the Indiana Department of Education; however, Lowell High School Officials could document only 52 AHD awarded.

School Corporation Officials should contact the Indiana Department of Education, Division of School Finance, to determine possible steps to be taken to correct any overpayment/underpayment applicable to the School Corporation because of incorrect reporting. (Accounting and Uniform Compliance Guidelines Manual for Indiana Public School Corporations, Chapter 8)

### COMPENSATION AND BENEFITS

Administrators received additional compensation for 2009 which was not included in their contracts. Several administrators received additional amounts in annuity accounts that were not included in their contracts.

TRI-CREEK SCHOOL CORPORATION  
AUDIT RESULTS AND COMMENTS  
(Continued)

All compensation and benefits paid to officials and employees must be included in the labor contract, salary ordinance, resolution, or salary schedule adopted by the governing body unless otherwise authorized by statute. Compensation should be made in a manner that will facilitate compliance with state and federal reporting requirements. (Accounting and Uniform Compliance Guidelines Manual for Indiana Public School Corporations, Chapter 13)

Governmental units should collect any overpayments made. (Accounting and Uniform Compliance Guidelines Manual for Indiana Public School Corporations, Chapter 9)

RECEIPT ISSUANCE

Receipts are not issued at the time collections are received. Receipts are issued when a deposit is made. For example, receipts were written and collections were deposited on only four days in the month of January 2010 (excluding electronic funds transfers).

Receipts shall be issued and recorded at the time of the transaction; for example, when cash or a check is received, a receipt is to be immediately prepared and given to the person making payment. (Accounting and Uniform Compliance Guidelines Manual for Indiana Public School Corporations, Chapter 9)

IC 5-13-6-1(c) states in part:

". . . all local officers . . . who collect public funds of their respective political subdivisions shall deposit funds not later than the business day following the receipt of funds on business days of the depository in the depository or depositories selected by the . . . local boards of finance . . ."

TEXTBOOK RENTAL SOFTWARE

Receipts for textbook rental are numbered and issued by the software system for all Tri-Creek School Corporation schools. We noted that there were two receipts for February 26, 2010, with the same receipt number; however the receipts were issued to different high school students and were for different amounts. Additionally, the receipts were not always signed by the issuing officer. At the Middle School, we noted that the software system had skipped receipt numbers during the 2010-2011 school year.

The computerized accounting system must incorporate features that assure all accounting information is reported accurately and completely. Procedures must also exist to assure that only authorized individuals have access to computer generated output. All receipts or payments generated by the accounting system must include unique document identification numbers either preprinted on the form or printed on the form by the application system. If the numbers are printed on the form by the application system, adequate security must be implemented to prevent unauthorized modification of the number sequence. (Accounting and Uniform Compliance Guidelines Manual for Extra-Curricular Accounts, Chapter 8)

Form TBR-2, Official Receipt - Individual Textbook Rental List, is to be prenumbered and printed in triplicate. The form, one set for each student, is to be prepared when textbooks and related materials are issued to the student. Form TBR-2, Official Receipt - Individual Textbook Rental List provides for the date the textbooks were issued, the name of the student and the total fee collected. The completed form shall be signed by the issuing officer who could be the treasurer of the extra-curricular account or someone designated by the treasurer to issue the textbooks and collect the rental fees . . . (Accounting and Uniform Compliance Guidelines Manual for Extra-Curricular Accounts, Chapter 4)

TRI-CREEK SCHOOL CORPORATION  
AUDIT RESULTS AND COMMENTS  
(Continued)

TICKET SALES (Applies to Lowell High School and Lowell Middle School)

Single part tickets are used to account for sales at Lowell High School athletic events. When a patron pays for entrance they are not given a ticket stub. The tickets sold are retained on the roll, counted, and retained for audit; they are not altered in any way to indicate which were sold. As a result we were unable to verify that all tickets sold were properly accounted for.

Lowell Middle School sold tickets for a concert and a fundraising event that included a Spaghetti Dinner/Silent Auction. These tickets were not prenumbered; instead they were numbered by hand. The tickets sold for the Spaghetti Dinner/Silent Auction were the same for both adult and child prices. Instead of selling different color tickets for each price group, the amount paid was circled on the ticket stub. Additionally, there was no documentation to indicate the date of the event and an SA-4 Ticket Sales Report was not used to account for the number of tickets issued or sold.

Ticket sales conducted by any activity should be accounted for as follows: The treasurer should be responsible for the proper accounting for all tickets and should keep a record of the number purchased, the number issued for sale, and the number returned. The treasurer should see that proper accounting is made for the cash received from those sold. All tickets shall be prenumbered, with a different ticket color and numerical series for each price group. When cash for ticket sales is deposited with the treasurer, the treasurer's receipt issued therefore should show the number of tickets issued to the seller, the number returned unsold and the balance remitted in cash. All tickets (including free or reduced) must be listed and accounted for on the SA-4 Ticket Sales Form. (Accounting and Uniform Compliance Guidelines Manual for Extra-Curricular Accounts, Chapter 2)

Serially prenumbered tickets by the printing supplier should be used for all athletic and other extra-curricular activities and events for which admission is charged. Part of the prenumbered ticket should be given to the person paying for the ticket upon admission to the event. The other part of the ticket (which should also be prenumbered, referred to as the stub) should be retained. All tickets (unused tickets and stubs) should be retained for audit. Tickets for each price group should be different colors and/or different in their series number. (Accounting and Uniform Compliance Guidelines Manual for Extra-Curricular Accounts, Chapter 2)

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SUPPLEMENTAL AUDIT OF  
FEDERAL AWARDS



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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 TRI-CREEK SCHOOL CORPORATION, LAKE COUNTY, INDIANA

Compliance

We have audited the compliance of the Tri-Creek 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. However, the results of our auditing procedures disclosed instances of noncompliance with those requirements which are required to be reported in accordance with OMB Circular A-133 and which are described in the accompanying Schedule of Findings and Questioned Costs as items 2010-2 and 2010-3.

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)

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

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

A material weakness is a significant deficiency, or combination of significant deficiencies, that results in more than a remote likelihood that material noncompliance with a type of compliance requirement of a federal program will not be prevented or detected by the entity's internal control. Of the significant deficiencies in internal control over compliance described in the accompanying Schedule of Findings and Questioned Costs, we consider items 2010-2 and 2010-3, to be material weaknesses.

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

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

STATE BOARD OF ACCOUNTS

January 20, 2011

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

Federal Grantor Agency/Pass-Through Entity Cluster Title/Program Title/Project Title	Federal CFDA Number	Pass-Through Entity (or Other) Identifying Number	Total Federal Awards Expended 06-30-09	Total Federal Awards Expended 06-30-10
<u>U.S. DEPARTMENT OF AGRICULTURE</u>				
Pass-Through Indiana Department of Education				
Child Nutrition Cluster				
School Breakfast Program	10.553	FY 08-09 FY 09-10	\$ 48,478 -	\$ - 47,793
Total for program			48,478	47,793
National School Lunch Program	10.555	FY 08-09 FY 09-10	400,692 -	- 422,436
Total for program			400,692	422,436
Total for federal grantor agency			449,170	470,229
<u>U.S. DEPARTMENT OF JUSTICE</u>				
Pass-Through Town of Lowell				
Public Safety Partnership and Community Policing Grants Security with Assistance of Technology	16.710	2005CKWX0532	18,753	6,490
<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	08-4645 09-4645 10-4645	65,913 326,598 -	- 55,643 323,912
Total for program			392,511	379,555
ARRA - Title I Grants to Local Educational Agencies, Recovery Act	84.389	10-4645	-	97,185
Total for cluster			392,511	476,740
Pass-Through Indiana Department of Education				
Special Education Cluster				
ARRA - Special Education Grants to States, Recovery Act	84.391		-	176,160
Pass-Through Indiana Department of Education				
State Fiscal Stabilization Fund Cluster				
ARRA - State Fiscal Stabilization Fund (SFSF) - Education State Grants, Recovery Act	84.394		-	2,432,096
Pass-Through Hanover Community School Corporation				
Career and Technical Education - Basic Grants to States				
	84.048	623-8 06-07 623-8 07-08 623-9 08-09 623-10 09-10	99 5,408 24,387 -	- - 9,967 11,203
Total for program			29,894	21,170
Pass-Through Indiana Department of Education				
Safe and Drug-Free Schools and Communities - State Grants				
	84.186		7,149 5,896 724	893 - 91
Total for program			13,769	984

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

TR-CREEK 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>U.S. DEPARTMENT OF EDUCATION (continued)</u>				
Pass-Through Lakeshore Alliance for Student Success, Inc. Fund for the Improvement of Education Small Learning Communities	84.215	S215L080473	70,592	223,716
Pass-Through Indiana Department of Workforce Development Tech-Prep Education	84.243	C1-8-TP-7-88	18,264	-
Pass-Through Indiana Department of Education State Grants for Innovative Programs	84.298	06-4645	223	-
			3,221	2,297
Total for program			3,444	2,297
Pass-Through Indiana Department of Education English Language Acquisition Grants	84.365			
		FY 07-08	4,583	-
		FY 08-09	4,106	1,058
		FY 09-10	-	5,733
Total for program			8,689	6,791
Pass-Through Indiana Department of Education Improving Teacher Quality State Grants	84.367			
		07-4645	403	-
		08-4645	34,307	8,521
		09-4645	29,965	52,028
		10-4645	-	20,532
Total for program			64,675	81,081
Pass-Through Merrillville Community School Corporation ARRA - Education Technology State Grants, Recovery Act	84.386		-	44,479
Total for federal grantor agency			601,838	3,465,514
<u>CORPORATION FOR NATIONAL AND COMMUNITY SERVICE</u>				
Pass-Through Indiana Department of Education Learn and Serve America - School and Community Based Programs Learn and Serve Indiana	94.004	6000/137200	5,000	1,000
Total federal awards expended			<u>\$ 1,074,761</u>	<u>\$ 3,943,233</u>

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

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

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

II. Noncash Assistance

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

Program Title	Federal CFDA Number	2009	2010
School Breakfast Program	10.553	\$ 8,222	\$ 10,106
National School Lunch Program	10.555	67,963	93,499

TRI-CREEK SCHOOL CORPORATION  
SCHEDULE OF FINDINGS AND QUESTIONED COSTS

Section I – Summary of Auditor's Results

Financial Statements:

Type of auditor's report issued: Unqualified

Internal control over financial reporting:

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

Noncompliance material to financial statements noted? no

Federal Awards:

Internal control over major programs:

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

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

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

Identification of Major Programs:

Name of Federal Program or Cluster

Title I, Part A Cluster  
State Fiscal Stabilization Fund Cluster

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

Auditee qualified as low-risk auditee? no

Section II – Financial Statement Findings

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

We noted the following deficiencies in the internal control system of the School Corporation related to financial transactions and reporting that we believe constitute material weaknesses:

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

TRI-CREEK SCHOOL CORPORATION  
SCHEDULE OF FINDINGS AND QUESTIONED COSTS  
(Continued)

The Treasurer is responsible for preparing receipts for all funds received, recording the receipts in the ledger, preparing the deposit, taking the deposit to the bank, and reconciling the bank balances to the record balances. Reports of receipts, disbursements, and cash balances are reviewed by the School Board; however, bank reconciliations are not reviewed by other School Corporation Officials or the School Board to ensure that reconciled bank balances agree with the record balances.

The Treasurer is also responsible for preparing, recording, and reconciling all payroll files, forms, and reports. Bi-weekly payroll disbursements are available for review by the School Board; however, periodic and year-end payroll reports and wage reconciliations for federal and state agencies are not reviewed by other School Corporation Officials or the School Board to ensure that payroll disbursements are properly recorded and reported in the financial statements.

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

Controls over the receipting, disbursing, recording and accounting for the financial activities are necessary to avoid substantial risk of invalid transactions, inaccurate records and financial statements and incorrect decision making. (Accounting and Uniform Compliance Guidelines Manual for Indiana Public School Corporations, Chapter 9)

Section III – Federal Award Findings and Questioned Costs

FINDING 2010-2, INTERNAL CONTROL OVER REPORTING

Federal Agency: U.S. Department of Education  
Federal Program: Title I Grants to Local Educational Agencies, ARRA - Title I Grants  
to Local Educational Agencies, Recovery Act  
CFDA Numbers: 84.010, 84.389  
Pass-Through Entity: Indiana Department of Education  
Award Numbers: 08-4645, 09-4645, 10-4645

As part of the Title I Grants to Local Educational Agencies grant agreement between the School Corporation and the Indiana Department of Education (IDOE), the School Corporation is required to submit quarterly reports to IDOE by the 10th of the month following the end of each quarter; however, the School Corporation did not always file the reports timely. Officials have not established adequate controls or procedures for filing the required reports by the due dates. Of the eight quarterly reports filed for the audit period, only one was filed by the due date. The other quarterly reports were filed from 5 to 25 days after the due date.

The agreement with the IDOE also required the School Corporation to file monthly expenditure reports for the ARRA - Title I Grants to Local Educational Agencies, Recovery Act (ARRA – Title I) by the 10th of each subsequent month. These reports were submitted online; however, the submission dates were not printed on the reports contained in the grant file. Therefore, we were unable to determine if the reports required by the ARRA - Title I program were filed by the due dates.

EDGAR 76.722 states: "Subgrantee reporting requirements. A State may require a subgrantee to submit reports in a manner and format that assists the State in complying with the requirements under 34 CFR 76.720 and in carrying out other responsibilities under the program."

TRI-CREEK SCHOOL CORPORATION  
SCHEDULE OF FINDINGS AND QUESTIONED COSTS  
(Continued)

The School Corporation is not in compliance with reporting requirements for the program. Failure to comply with these requirements could cause the School Corporation to be ineligible to receive future federal awards.

We recommended that School Corporation Officials establish controls to ensure that all required reports are prepared on a timely basis.

FINDING 2010-3, CASH MANAGEMENT

Federal Agency: U.S. Department of Education  
Federal Program: Title I Grants to Local Educational Agencies, ARRA - Title I Grants  
to Local Educational Agencies, Recovery Act  
CFDA Numbers: 84.010, 84.389  
Pass-Through Entity: Indiana Department of Education  
Award Numbers: 08-4645, 09-4645, 10-4645

As part of the application for Title I Grants to Local Educational Agencies (Title I) and ARRA - Title I Grants to Local Educational Agencies, Recovery Act (ARRA - Title I) funds, the School Corporation was required to assess needs and draw funds as needed. The amounts received by the School Corporation for both Title I and ARRA - Title I were drawn down in advance. The cash balances of the 2008-2009 Title I grant exceeded the allowable cash balance based upon subsequent expenditures for 9 of 15 months in the grant period. The cash balances of the 2009-2010 Title I grant exceed the allowable cash balance for 9 of 12 months in the grant period.

The Indiana Department of Education (IDOE) required the School Corporation to submit quarterly expenditure reports which included the ending balances. These reports also included the opportunity for the School Corporation to request a reduction of the amount of their subsequent draw downs. The School Corporation requested that their subsequent draw downs be reduced on 3 of the 4 quarterly reports submitted for the 2008-2009 Title I program; however, the reductions were not enough to allow the School Corporation to comply with federal cash management requirements. The School Corporation also requested reductions in subsequent draw downs on 2 of the 4 quarterly reports for the 2009-2010 Title I program; however, the IDOE did not reduce any of these draw downs.

The cash balances of the ARRA - Title I grant exceeded the allowable cash balance based on subsequent expenditures for all 12 months of the 2009-2010 program year. The School Corporation's initial cash draw down requested that over 50% (\$105,000) of the grant award be distributed in 2 equal installments in July and August of 2009; however, the School Corporation expended only \$23, 260 of these funds through September 2009. The IDOE required the School Corporation to submit monthly expenditure reports which also included the cash balances. Due to their excessive cash balance, the School Corporation requested that the IDOE suspend their draw downs on 4 monthly reports from October 2009 to January 2010. The IDOE finally suspended their distributions to the School Corporation in February 2010; however, the School Corporation was still not in compliance with cash management requirements.

EDGAR 80.20 (b)(7) states:

"Cash Management. Procedures for minimizing the time elapsing between the transfer of funds from the U.S. Treasury and disbursement by grantees and subgrantees must be followed whenever advance payment procedures are used. Grantees must establish reasonable procedures to ensure the receipt of reports on subgrantees' cash balances and cash

TRI-CREEK SCHOOL CORPORATION  
SCHEDULE OF FINDINGS AND QUESTIONED COSTS  
(Continued)

disbursements in sufficient time to enable them to prepare complete and accurate cash transactions reports to the awarding agency. When advances are made by letter-of-credit or electronic transfer of funds methods, the grantee must make drawdowns as close as possible to the time of making disbursements. Grantees must monitor cash drawdowns by their subgrantees to assure that they conform substantially to the same standards of timing and amount as apply to advances to the grantees."

Surplus cash indicates noncompliance with the cash management requirements as set forth by the grant agreements. Additionally, failure to minimize the cash on hand may cause future funding to be reduced by the pass-through agency.

Effective July 1, 2010, the IDOE modified their grant disbursement process. The School Corporation will no longer be able to request grant funds in advance of expenditures. Instead, they will be required to expend the grant funds and subsequently request reimbursement of their expenditures.

We recommended that School Corporation Officials establish and implement procedures and controls to ensure that they will comply with the new reimbursement requirements.

TRI-CREEK SCHOOL CORPORATION  
SUMMARY SCHEDULE OF PRIOR AUDIT FINDINGS

No matters were reportable.



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January 20, 2011

Finding Number 2010-1, Internal Controls over Financial Transactions and Reporting

Auditee Contact Person: Treasurer

Phone Number: 219 696 6661 x 1283

Lack of Segregation of Duties

Corrective action to be taken:

Management will review job descriptions for all employees in the Finance Department to determine how the various duties can be more segregated. The field examiner has made an error in documenting the duties of the Treasurer in this report. The Treasurer is responsible for preparing the receipts to be recorded in the appropriate fund, and the recording of receipts into the ledgers; however the Financial Assistant scans all checks and deposits all checks into the appropriate bank account and balances the deposit to the receipts. The Treasurer does the monthly reconciliation to the bank statement. The Treasurer will begin submitting the bank reconciliation to the Business Manager for his review each month. The only time the Treasurer makes the deposits into the bank account is when a large amount of cash is collected and needs to be taken to the bank. The only time this occurs is during open swim during the summer months.

When the Treasurer is out of the office the Financial Assistant does record the receipts into the ledgers only because the Treasurer is not available.

The Treasurer does not prepare nor record the payroll. The buildings prepare their own payroll claims and attendance and sends them to central finance for processing. An administrator in each building checks the payroll for accuracy and signs the payroll sheets before submitting to the Central Finance Department.

The Bookkeeper key enters the classified staff absences and hours worked into the computer system to be processed for payment. The Financial Assistant key enters all certified staff payroll claims into the computer system after all claims have been approved by a building administrator or by the Assistant Superintendent for Curriculum.



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After all time and absences are entered, reports are generated and checked for accuracy by the Treasurer. Any discrepancies that are found are submitted to the appropriate payroll clerk for correction. The Treasurer then processes the pay for direct deposit into each employee's bank account through a secure bank internet site.

The Financial Assistant updates the payroll ledgers using the computer system. The Financial Assistant runs the Final Payroll Ledger Report, the Payroll Distribution Report, and the Payroll Deduction Ledgers. This process also generates the payroll withholding vendor checks. The Financial Assistant also prepares the withholding tax ledgers and submits the taxes to the Federal Reserve Bank via the EFT Federal System. The Treasurer enters the Electronic File Transfers into the financial ledgers.

#### Finding Number 2010-2, Internal Control over Title I Reporting

Federal Agency:	U. S. Department of Education
Federal Program:	Title I Grants to Local Education Agencies, ARRA-Title I Grants to Local Educational Agencies, Recovery Act
DFDA Numbers:	84.010, 84.389
Pass-Through Entity:	Indiana Department of Education
Award Numbers:	08-4645, 09-4645, 10-4645

Corrective action to be taken:

There were two quarters that the Tri-Creek School Corporation could not access the Title I State Office website to enter the quarterly report. The State Title I Director was notified by phone of the problem but did not respond in a timely manner for these two reports to be entered.

Better controls will be developed to insure that the quarterly Title I reports are entered through the IDOE website in a more timely manner. When the Treasurer is not available to enter these reports by the due date, this responsibility will be assigned to another employee. In addition procedures will be developed with the district Title I project manager for the ledgers to be reviewed before submitting the quarterly reports.

All ARRA Title I monthly reports were submitted to the Indiana State Title I office using the correct form that was developed by the State Title I office by the 5<sup>th</sup> of each month, five days before the due date. The form that the Title I office developed for the report does not have a date on the form. For all future monthly reports, the Treasurer will flag the email when the report is submitted so the date the report is opened by the Title I

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The logo for Tri-Creek School Corporation features the name "Tri-Creek" in a large, white, cursive script font, with "School Corporation" in a smaller, white, sans-serif font directly below it. The background is a dark, textured rectangular area.

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office an email will be generated and sent back to the Treasurer which will have a date documented on the email. The Treasurer will print the email and attach it to the monthly report for proof of when the report is submitted.

Federal Agency: U. S. Department of Education  
Federal Program: Title I Grants to Local Education Agencies, ARRA-Title I  
Grants to Local Educational Agencies, Recovery Act  
DFDA Numbers: 84.010, 84.389  
Pass-Through Entity: Indiana Department of Education  
Award Numbers: 08-4645, 09-4645, 10-4645

#### Finding Number 2010-3 Cash Management

The Indiana State Title I office forwarded the ARRA Title I Grant money to Tri-Creek School Corporation without the district requesting these funds. The district did notify the Title I office of their mistake; however the Indiana DOE did not want Tri-Creek to return the funds. The Treasurer did calculate interest for the excessive funds on hand and forwarded the earned interest to the Indiana DOE to forward to the U.S. Treasury.

The State of Indiana has changed their procedures. School districts are now required to request reimbursement for funds that have been expended. The district will not request funds in advance of spending the funds.

Respectfully submitted,

A handwritten signature in cursive script that reads "Sandra K. Goss".

Sandra K. Goss,  
Treasurer

TRI-CREEK SCHOOL CORPORATION  
EXIT CONFERENCE

The contents of this report were discussed on January 20, 2011, with Dr. Alice A. Neal, Superintendent of Schools; Dr. Thomas J. Dykiel, Business Manager; Sandra K. Goss, Treasurer; and Douglas L. Ward, Vice President of the School Board.