

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

AUDIT REPORT  
OF  
MONROE-GREGG SCHOOL DISTRICT  
MORGAN COUNTY, INDIANA  
July 1, 2008 to June 30, 2010



**FILED**  
03/07/2011



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### SCHEDULE OF OFFICIALS

<u>Office</u>	<u>Official</u>	<u>Term</u>
Treasurer	Melisa Bundy Kelly Dillon	07-01-08 to 08-16-09 08-17-09 to 06-30-11
Superintendent of Schools	Joseph Wolfe Julie Wood	07-01-08 to 06-30-09 07-01-09 to 06-30-11
President of the School Board	Nancy Dorsett Jim Shields	07-01-08 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 MONROE-GREGG SCHOOL DISTRICT, MORGAN COUNTY, INDIANA

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

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

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

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

In accordance with Government Auditing Standards, we have also issued a report dated February 14, 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.

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

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

U.S. Office of Management and Budget Circular A-133, Audits of States, Local Governments, and Non-Profit Organizations, and is not a required part of the basic financial statements. Such information has been subjected to the auditing procedures applied in the audit of the basic financial statements and, in our opinion, is fairly stated, in all material respects, in relation to the basic financial statements taken as a whole.

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

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

STATE BOARD OF ACCOUNTS

February 14, 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 MONROE-GREGG SCHOOL DISTRICT, MORGAN COUNTY, INDIANA

We have audited the financial statements of the governmental activities, each major fund, and the aggregate remaining fund information of the Monroe-Gregg School District (School Corporation), as of and for the years ended June 30, 2009 and 2010, which collectively comprise the School Corporation's basic financial statements and have issued our report thereon dated February 14, 2011. We conducted our audit in accordance with auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in Government Auditing Standards, issued by the Comptroller General of the United States.

Internal Control Over Financial Reporting

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

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

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

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

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

Compliance and Other Matters

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

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

STATE BOARD OF ACCOUNTS

February 14, 2011

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

<u>Functions/Programs</u>	<u>Disbursements</u>	<u>Program Receipts</u>		<u>Totals</u>
		<u>Charges for Services</u>	<u>Operating Grants and Contributions</u>	<u>Net (Disbursement) Receipts and Changes in Net Assets</u>
Governmental activities:				
Instruction	\$ 6,317,976	\$ -	\$ 169,296	\$ (6,148,680)
Support services	4,762,288	761,138	182,133	(3,819,017)
Noninstructional services	726,008	-	-	(726,008)
Facilities acquisition and construction	584,781	-	-	(584,781)
Debt service	6,675,120	-	-	(6,675,120)
Nonprogrammed charges	259,620	-	-	(259,620)
<b>Total governmental activities</b>	<b><u>\$ 19,325,793</u></b>	<b><u>\$ 761,138</u></b>	<b><u>\$ 351,429</u></b>	<b><u>(18,213,226)</u></b>
General receipts:				
Property taxes				8,874,269
Other local sources				1,589,539
State aid				6,248,766
Bonds and loans				2,004,679
Grants and contributions not restricted to specific programs				1,350,269
Investment earnings				49,375
Other				17,559
<b>Total general receipts</b>				<b><u>20,134,456</u></b>
Change in net assets				1,921,230
Net assets - beginning				<u>2,990,013</u>
Net assets - ending				<b><u>\$ 4,911,243</u></b>
<u>Assets</u>				
Cash and investments				\$ 3,190,520
Restricted assets:				
Cash and investments				<u>1,720,723</u>
<b>Total assets</b>				<b><u>\$ 4,911,243</u></b>
<u>Net Assets</u>				
Restricted for:				
Debt service				\$ 1,720,723
Unrestricted				<u>3,190,520</u>
<b>Total net assets</b>				<b><u>\$ 4,911,243</u></b>

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

MONROE-GREGG SCHOOL DISTRICT  
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>Net (Disbursement) Receipts and Changes in Net Assets</u>
		<u>Charges for Services</u>	<u>Operating Grants and Contributions</u>	<u>Totals</u>
Governmental activities:				
Instruction	\$ 6,042,927	\$ -	\$ 106,885	\$ (5,936,042)
Support services	4,750,275	529,778	252,659	(3,967,838)
Noninstructional services	692,520	-	-	(692,520)
Facilities acquisition and construction	302,901	-	-	(302,901)
Debt service	3,805,247	-	-	(3,805,247)
Nonprogrammed charges	<u>226,623</u>	<u>-</u>	<u>-</u>	<u>(226,623)</u>
Total governmental activities	<u>\$ 15,820,493</u>	<u>\$ 529,778</u>	<u>\$ 359,544</u>	<u>(14,931,171)</u>
General receipts:				
Property taxes				4,105,293
Other local sources				1,122,900
State aid				8,302,113
Bonds and loans				353,684
Grants and contributions not restricted to specific programs				1,188,465
Sale of property				9,225
Investment earnings				26,265
Other				<u>2,718</u>
Total general receipts				<u>15,110,663</u>
Change in net assets				179,492
Net assets - beginning				<u>4,911,241</u>
Net assets - ending				<u>\$ 5,090,733</u>
<u>Assets</u>				
Cash and investments				\$ 3,686,043
Restricted assets:				
Cash and investments				<u>1,404,690</u>
Total assets				<u>\$ 5,090,733</u>
<u>Net Assets</u>				
Restricted for:				
Debt service				\$ 1,404,690
Unrestricted				<u>3,686,043</u>
Total net assets				<u>\$ 5,090,733</u>

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

MONROE-GREGG SCHOOL DISTRICT  
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	Debt Service	Capital Projects	School Bus Replacement	Other	Totals
<b>Receipts:</b>						
Local sources	\$ 3,265,261	\$ 3,651,290	\$ 1,588,370	\$ 546,836	\$ 2,220,884	\$ 11,272,641
Intermediate sources	1,326	-	-	-	-	1,326
State sources	6,385,667	-	-	-	183,859	6,569,526
Federal sources	-	-	-	-	1,381,292	1,381,292
Temporary loans	210,109	890,216	504,896	-	399,458	2,004,679
Other	-	-	2,474	6,353	8,732	17,559
<b>Total receipts</b>	<b>9,862,363</b>	<b>4,541,506</b>	<b>2,095,740</b>	<b>553,189</b>	<b>4,194,225</b>	<b>21,247,023</b>
<b>Disbursements:</b>						
<b>Current:</b>						
Instruction	5,120,660	-	-	-	1,197,316	6,317,976
Support services	3,103,869	-	261,126	259,616	1,137,677	4,762,288
Noninstructional services	122,980	-	-	-	603,028	726,008
Facilities acquisition and construction	1,060	-	551,785	-	31,936	584,781
Debt services	2,121,240	2,995,031	839,545	-	719,304	6,675,120
Nonprogrammed charges	259,620	-	-	-	-	259,620
<b>Total disbursements</b>	<b>10,729,429</b>	<b>2,995,031</b>	<b>1,652,456</b>	<b>259,616</b>	<b>3,689,261</b>	<b>19,325,793</b>
Excess (deficiency) of receipts over disbursements	(867,066)	1,546,475	443,284	293,573	504,964	1,921,230
<b>Other financing sources (uses):</b>						
Transfers in	-	-	-	-	16,918	16,918
Transfers out	-	-	-	-	(16,918)	(16,918)
<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	(867,066)	1,546,475	443,284	293,573	504,964	1,921,230
Cash and investments - beginning	1,576,918	134,587	331,665	3,422	943,421	2,990,013
Cash and investments - ending	<u>\$ 709,852</u>	<u>\$ 1,681,062</u>	<u>\$ 774,949</u>	<u>\$ 296,995</u>	<u>\$ 1,448,385</u>	<u>\$ 4,911,243</u>
<b><u>Cash and Investment Assets - Ending</u></b>						
Cash and investments	\$ 709,852	\$ -	\$ 774,949	\$ 296,995	\$ 1,408,724	\$ 3,190,520
Restricted assets:						
Cash and investments	-	1,681,062	-	-	39,661	1,720,723
<b>Total cash and investment assets - ending</b>	<b><u>\$ 709,852</u></b>	<b><u>\$ 1,681,062</u></b>	<b><u>\$ 774,949</u></b>	<b><u>\$ 296,995</u></b>	<b><u>\$ 1,448,385</u></b>	<b><u>\$ 4,911,243</u></b>
<b><u>Cash and Investment Fund Balance - Ending</u></b>						
Restricted for:						
Debt service	\$ -	\$ 1,681,062	\$ -	\$ -	\$ 39,661	\$ 1,720,723
Unrestricted	709,852	-	774,949	296,995	1,408,724	3,190,520
<b>Total cash and investment fund balance - ending</b>	<b><u>\$ 709,852</u></b>	<b><u>\$ 1,681,062</u></b>	<b><u>\$ 774,949</u></b>	<b><u>\$ 296,995</u></b>	<b><u>\$ 1,448,385</u></b>	<b><u>\$ 4,911,243</u></b>

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

MONROE-GREGG SCHOOL DISTRICT  
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	Debt Service	Capital Projects	School Bus Replacement	Other	Totals
<b>Receipts:</b>						
Local sources	\$ 197,093	\$ 2,453,788	\$ 957,275	\$ 631,693	\$ 1,544,311	\$ 5,784,160
Intermediate sources	20	-	45	-	-	65
State sources	8,378,659	-	-	-	220,448	8,599,107
Federal sources	-	-	-	-	1,251,024	1,251,024
Temporary loans	-	-	-	-	353,684	353,684
Other	-	-	30	-	2,688	2,718
<b>Total receipts</b>	<b>8,575,772</b>	<b>2,453,788</b>	<b>957,350</b>	<b>631,693</b>	<b>3,372,155</b>	<b>15,990,758</b>
<b>Disbursements:</b>						
<b>Current:</b>						
Instruction	4,681,270	-	-	-	1,361,657	6,042,927
Support services	2,807,136	-	338,327	363,654	1,241,158	4,750,275
Noninstructional services	95,188	-	-	-	597,332	692,520
Facilities acquisition and construction	-	-	231,252	-	71,649	302,901
Debt services	210,109	2,774,722	346,646	-	473,770	3,805,247
Nonprogrammed charges	226,623	-	-	-	-	226,623
<b>Total disbursements</b>	<b>8,020,326</b>	<b>2,774,722</b>	<b>916,225</b>	<b>363,654</b>	<b>3,745,566</b>	<b>15,820,493</b>
Excess (deficiency) of receipts over disbursements	555,446	(320,934)	41,125	268,039	(373,411)	170,265
<b>Other financing sources (uses):</b>						
Sale of capital assets	-	-	9,225	-	-	9,225
Transfers in	20,940	-	-	-	76,475	97,415
Transfers out	(50,488)	-	-	-	(46,927)	(97,415)
<b>Total other financing sources (uses)</b>	<b>(29,548)</b>	<b>-</b>	<b>9,225</b>	<b>-</b>	<b>29,548</b>	<b>9,225</b>
Excess (deficiency) of receipts and other financing sources over disbursements and other financing uses	525,898	(320,934)	50,350	268,039	(343,863)	179,490
Cash and investments - beginning	709,852	1,681,062	774,949	296,995	1,448,385	4,911,243
Cash and investments - ending	<u>\$ 1,235,750</u>	<u>\$ 1,360,128</u>	<u>\$ 825,299</u>	<u>\$ 565,034</u>	<u>\$ 1,104,522</u>	<u>\$ 5,090,733</u>
<b>Cash and Investment Assets - Ending</b>						
Cash and investments	\$ 1,235,750	\$ -	\$ 825,298	\$ 565,035	\$ 1,059,960	\$ 3,686,043
Restricted assets:						
Cash and investments	-	1,360,128	-	-	44,562	1,404,690
<b>Total cash and investment assets - ending</b>	<b><u>\$ 1,235,750</u></b>	<b><u>\$ 1,360,128</u></b>	<b><u>\$ 825,298</u></b>	<b><u>\$ 565,035</u></b>	<b><u>\$ 1,104,522</u></b>	<b><u>\$ 5,090,733</u></b>
<b>Cash and Investment Fund Balance - Ending</b>						
Restricted for:						
Debt service	\$ -	\$ 1,360,128	\$ -	\$ -	\$ 44,562	\$ 1,404,690
Unrestricted	1,235,750	-	825,298	565,035	1,059,960	3,686,043
<b>Total cash and investment fund balance - ending</b>	<b><u>\$ 1,235,750</u></b>	<b><u>\$ 1,360,128</u></b>	<b><u>\$ 825,298</u></b>	<b><u>\$ 565,035</u></b>	<b><u>\$ 1,104,522</u></b>	<b><u>\$ 5,090,733</u></b>

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

MONROE-GREGG SCHOOL DISTRICT  
STATEMENT OF ADDITIONS, DEDUCTIONS, AND CHANGES IN CASH AND INVESTMENT BALANCES  
FIDUCIARY FUNDS  
For the Year Ended June 30, 2009

	<u>Pension Trust Funds</u>	<u>Private-Purpose Trust Funds</u>	<u>Agency Fund</u>
Additions:			
Contributions:			
Other	\$ -	\$ 12,600	
Total additions	<u>-</u>	<u>12,600</u>	
Deductions:			
Benefits	139,935	-	
Administrative and general	<u>-</u>	<u>1,737</u>	
Total deductions	<u>139,935</u>	<u>1,737</u>	
Excess (deficiency) of total additions over total deductions	(139,935)	10,863	
Cash and investment fund balance - beginning	<u>274,559</u>	<u>29,465</u>	
Cash and investment fund balance - ending	<u>\$ 134,624</u>	<u>\$ 40,328</u>	<u>\$ 42,634</u>
Net assets:			
Cash and investments	<u>\$ 134,624</u>	<u>\$ 40,328</u>	
Total net assets - cash and investment basis held in trust	<u>\$ 134,624</u>	<u>\$ 40,328</u>	

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

MONROE-GREGG SCHOOL DISTRICT  
STATEMENT OF ADDITIONS, DEDUCTIONS, AND CHANGES IN CASH AND INVESTMENT BALANCES  
FIDUCIARY FUNDS  
For the Year Ended June 30, 2010

	<u>Pension Trust Funds</u>	<u>Private-Purpose Trust Funds</u>	<u>Agency Fund</u>
Additions:			
Contributions:			
Other	\$ -	\$ 16,810	
Total additions	<u>-</u>	<u>16,810</u>	
Deductions:			
Benefits	12,815	-	
Administrative and general	<u>-</u>	<u>1,294</u>	
Total deductions	<u>12,815</u>	<u>1,294</u>	
Excess (deficiency) of total additions over total deductions	(12,815)	15,516	
Cash and investment fund balance - beginning	<u>134,624</u>	<u>40,328</u>	
Cash and investment fund balance - ending	<u>\$ 121,809</u>	<u>\$ 55,844</u>	<u>\$ 47,806</u>
Net assets:			
Cash and investments	<u>\$ 121,809</u>	<u>\$ 55,844</u>	
Total net assets - cash and investment basis held in trust	<u>\$ 121,809</u>	<u>\$ 55,844</u>	

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

MONROE-GREGG SCHOOL DISTRICT  
NOTES TO FINANCIAL STATEMENTS

I. Summary of Significant Accounting Policies

A. Reporting Entity

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

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

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

Primary Government: Monroe-Gregg School District

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 West Central Indiana Joint Services Co-op which was created to provide special education instruction. The West Central Indiana Joint Services Co-op's continued existence depends on continued funding by the School Corporation. Complete financial statements for the West Central Indiana Joint Services Co-op can be obtained from the Metropolitan School District of Wayne Township, 1220 South High School Road, Indianapolis, IN 46241.

The School Corporation is a participant in a joint venture to operate Area 31 Vocational Education Co-op which was created to provide vocational education instruction. The Area 31 Vocational Education Co-op's continued existence depends on continued funding by the School Corporation. Complete financial statements for the Area 31 Vocational Education Co-op can be obtained from the Metropolitan School District of Wayne Township, 1220 South High School Road, Indianapolis, IN 46241.

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.

MONROE-GREGG SCHOOL DISTRICT  
NOTES TO FINANCIAL STATEMENTS  
(Continued)

Fund Financial Statements

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

The School Corporation reports the following major governmental funds:

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

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

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

The school bus replacement fund is used to account for receipts and disbursements concerning the acquisition and disposal of school buses.

Additionally, the School Corporation reports the following fund types:

The pension trust funds accounts for financial resources for the repayment of retirement/severance bonds in accordance with IC 20-48-1-2.

The private-purpose trust funds report a trust arrangement under which principal and income benefits individuals, private organizations and other governments.

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

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

MONROE-GREGG SCHOOL DISTRICT  
NOTES TO FINANCIAL STATEMENTS  
(Continued)

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

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

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

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

D. Assets and Cash and Investment Balances

1. Restricted Assets

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

2. Cash and Investments

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

3. Property Taxes

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

4. Capital Assets

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

MONROE-GREGG SCHOOL DISTRICT  
NOTES TO FINANCIAL STATEMENTS  
(Continued)

5. Long-Term Debt

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

6. Equity Classification

Government-Wide Statements

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

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

Fund Financial Statements

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

E. Receipts

Program Receipts

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

F. Internal and Interfund Activities

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

Fund Financial Statements

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

MONROE-GREGG SCHOOL DISTRICT  
NOTES TO FINANCIAL STATEMENTS  
(Continued)

4. Interfund loans – Flow of assets from one fund to another where repayment is expected is reported as interfund loans.

Government-Wide Financial Statements

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

1. Internal activities – Amounts reported as interfund transfers in the fund financial statements are eliminated in the government-wide Statement of Activities and Net Assets – Cash and Investment Basis except for the net amount of transfers between governmental and business-type activities, which are reported as Transfers – Internal Activities. The effects of interfund loans and services between funds, if any, are not eliminated in the government-wide Statement of Activities and Net Assets – Cash and Investment Basis.
2. Primary government and component unit activity – Resource flows between the primary government and the discretely-presented component unit(s) are reported as if they were external transactions and are classified separately from internal activities within the primary government.

G. Rounding Differences

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

II. Stewardship, Compliance and Accountability

A. Budgetary Information

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

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

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

MONROE-GREGG SCHOOL DISTRICT  
NOTES TO FINANCIAL STATEMENTS  
(Continued)

B. Cash Balance Deficits

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

Fund	2009
Hall Early Childhood Care	\$ 49,692
Title I FY 09	5,809
Special Education	3,792

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

III. Detailed Notes on All Funds

A. Deposits and Investments

1. Deposits

Custodial credit risk is the risk that in the event of a bank failure, the government's deposits may not be returned to it. IC 5-13-8-1 allows a political subdivision of the State of Indiana to deposit public funds in a financial institution only if the financial institution is a depository eligible to receive state funds and has a principal office or branch that qualifies to receive public funds of the political subdivision. All funds will be deposited at an approved depository. At June 30, 2010, the School Corporation had deposit balances in the amount of \$5,316,192.

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

2. Investments

As of June 30, 2010, the School Corporation had no investments.

B. Interfund Transfers

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

Transfer From	Transfer To	2009	2010
General Fund	Other Governmental Funds	\$ -	\$ 50,488
Other Governmental Funds	General Fund	-	20,940
	Other Governmental Funds	16,918	25,987
Totals		\$ 16,918	\$ 97,415

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

MONROE-GREGG SCHOOL DISTRICT  
NOTES TO FINANCIAL STATEMENTS  
(Continued)

C. Restatements and Reclassifications

For the year ended June 30, 2008, certain changes have been made to the financial statements to more appropriately reflect financial activity of the School Corporation. The following schedule presents a summary of restated beginning balances by opinion unit. Prior period adjustments represent corrections to prior period ending balances.

Opinion Unit	Balance as Reported June 30, 2008	Fund Reclassification	Prior Period Adjustments	Balance as Restated July 1, 2008
Governmental Funds	\$ 2,989,977	\$ -	\$ 36	\$ 2,990,013
Major Funds	2,307,982	(263,315)	1,925	2,046,592
Other Governmental Funds	681,995	263,315	(1,889)	943,421

IV. Other Information

A. Risk Management

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

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

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

During 1999, the School Corporation joined with other governmental entities to form the Hoosier Heartland School Trust, a public entity risk pool currently operating as a common risk management and insurance program for eight member governmental entities. The purpose of the risk pool is to provide a medium for the funding and administration of medical benefits to employees. The School Corporation pays an annual premium to the risk pool for its medical benefits to employees' coverage. The risk pool is considered a self-sustaining risk pool that will provide coverage for its members for up to \$75,000 per insured event. The risk pool obtains independent coverage for insured events in excess of the \$5,000,000 limit.

B. Holding Corporations

The School Corporation has entered into a capital lease with Monroe-Gregg School Building and Renovation 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 \$255,128 and \$248,113, respectively.

MONROE-GREGG SCHOOL DISTRICT  
NOTES TO FINANCIAL STATEMENTS  
(Continued)

The School Corporation has entered into a capital lease with Monroe-Gregg Elementary 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 \$967,000 and \$964,000, respectively.

The School Corporation has entered into a capital lease with Monroe-Gregg Grade 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 \$0 and \$14,500, respectively.

C. Pension Plans

1. Agent Multiple-Employer Defined Benefit Pension Plan

Public Employees' Retirement Fund

Plan Description

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

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

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

Funding Policy

The contribution requirements of plan members for PERF are established by the Board of Trustees of PERF. The total contributions made to PERF by the School Corporation during the period were \$246,244.

MONROE-GREGG SCHOOL DISTRICT  
NOTES TO FINANCIAL STATEMENTS  
(Continued)

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

Teachers' Retirement Fund

Plan Description

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

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

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

Funding Policy

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

The School Corporation's contributions to the plan during the period were \$364,162.

MONROE-GREGG SCHOOL DISTRICT  
 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	Local Rainy Day	School Lunch	Textbook Rental	Levy Excess	Hall Early Childhood Care
<b>Receipts:</b>							
Local sources	\$ 1,120,837	\$ 6,516	\$ -	\$ 433,598	\$ 170,128	\$ -	\$ 317,681
State sources	-	43,131	-	7,214	18,018	-	-
Federal sources	-	-	-	153,022	-	-	-
Temporary loans	399,458	-	-	-	-	-	-
Other	5,124	3,608	-	-	-	-	-
<b>Total receipts</b>	<b>1,525,419</b>	<b>53,255</b>	<b>-</b>	<b>593,834</b>	<b>188,146</b>	<b>-</b>	<b>317,681</b>
<b>Disbursements:</b>							
<b>Current:</b>							
Instruction	-	42,364	1,312	-	-	-	349,680
Support services	813,065	-	36,317	-	199,575	-	-
Noninstructional services	-	-	-	602,251	-	-	-
Facilities acquisition and construction	-	-	-	-	-	-	-
Debt services	614,858	-	13,958	-	-	-	-
<b>Total disbursements</b>	<b>1,427,923</b>	<b>42,364</b>	<b>51,587</b>	<b>602,251</b>	<b>199,575</b>	<b>-</b>	<b>349,680</b>
Excess (deficiency) of receipts over disbursements	97,496	10,891	(51,587)	(8,417)	(11,429)	-	(31,999)
<b>Other financing sources (uses):</b>							
Transfers in	-	-	-	-	-	-	-
Transfers out	-	-	-	-	-	-	-
<b>Total other financing sources (uses)</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>
Excess (deficiency) of receipts and other financing sources over disbursements and other financing uses	97,496	10,891	(51,587)	(8,417)	(11,429)	-	(31,999)
Cash and investments - beginning	263,315	4,371	229,757	73,676	140,066	87,655	(17,693)
Cash and investments - ending	\$ 360,811	\$ 15,262	\$ 178,170	\$ 65,259	\$ 128,637	\$ 87,655	\$ (49,692)
<b>Cash and Investment Assets - Ending</b>							
Cash and investments	\$ 360,811	\$ 15,262	\$ 178,170	\$ 65,259	\$ 128,637	\$ 87,655	\$ (49,692)
Restricted assets:							
Cash and investments	-	-	-	-	-	-	-
<b>Total cash and investment assets - ending</b>	<b>\$ 360,811</b>	<b>\$ 15,262</b>	<b>\$ 178,170</b>	<b>\$ 65,259</b>	<b>\$ 128,637</b>	<b>\$ 87,655</b>	<b>\$ (49,692)</b>
<b>Cash and Investment Fund Balance - Ending</b>							
Restricted for:							
Debt service	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Unrestricted	360,811	15,262	178,170	65,259	128,637	87,655	(49,692)
<b>Total cash and investment fund balance - ending</b>	<b>\$ 360,811</b>	<b>\$ 15,262</b>	<b>\$ 178,170</b>	<b>\$ 65,259</b>	<b>\$ 128,637</b>	<b>\$ 87,655</b>	<b>\$ (49,692)</b>

MONROE-GREGG SCHOOL DISTRICT  
 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)

	Educational License Plates	Alternative Education	Early Intervention	High Ability 2007-08	High Ability 2006-07	Driver Education	Principal Leadership
<b>Receipts:</b>							
Local sources	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 11,500	\$ -
State sources	-	9,016	1,500	-	31,255	-	-
Federal sources	-	-	-	-	-	-	-
Temporary loans	-	-	-	-	-	-	-
Other	-	-	-	-	-	-	-
<b>Total receipts</b>	<b>-</b>	<b>9,016</b>	<b>1,500</b>	<b>-</b>	<b>31,255</b>	<b>11,500</b>	<b>-</b>
<b>Disbursements:</b>							
<b>Current:</b>							
Instruction	-	-	12,000	27,253	12,263	7,829	37
Support services	-	349	-	-	-	3,061	-
Noninstructional services	-	-	-	-	-	-	-
Facilities acquisition and construction	-	7,228	-	-	-	-	-
Debt services	-	-	-	-	-	-	-
<b>Total disbursements</b>	<b>-</b>	<b>7,577</b>	<b>12,000</b>	<b>27,253</b>	<b>12,263</b>	<b>10,890</b>	<b>37</b>
Excess (deficiency) of receipts over disbursements	-	1,439	(10,500)	(27,253)	18,992	610	(37)
<b>Other financing sources (uses):</b>							
Transfers in	-	-	-	-	-	-	-
Transfers out	-	-	-	-	-	-	-
<b>Total other financing sources (uses)</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>
Excess (deficiency) of receipts and other financing sources over disbursements and other financing uses	-	1,439	(10,500)	(27,253)	18,992	610	(37)
Cash and investments - beginning	131	2,034	10,500	27,253	-	4,048	37
Cash and investments - ending	\$ 131	\$ 3,473	\$ -	\$ -	\$ 18,992	\$ 4,658	\$ -
<b>Cash and Investment Assets - Ending</b>							
Cash and investments	\$ 131	\$ 3,473	\$ -	\$ -	\$ 18,992	\$ 4,658	\$ -
Restricted assets:							
Cash and investments	-	-	-	-	-	-	-
<b>Total cash and investment assets - ending</b>	<b>\$ 131</b>	<b>\$ 3,473</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ 18,992</b>	<b>\$ 4,658</b>	<b>\$ -</b>
<b>Cash and Investment Fund Balance - Ending</b>							
Restricted for:							
Debt service	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Unrestricted	131	3,473	-	-	18,992	4,658	-
<b>Total cash and investment fund balance - ending</b>	<b>\$ 131</b>	<b>\$ 3,473</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ 18,992</b>	<b>\$ 4,658</b>	<b>\$ -</b>

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

	Non-English Speaking	Technology Planning Grant	Performance Based Awards	Economic Grant	YAR Battle Obesity-Elem	YAR Battle Obesity-MS	Math Consortium Grant
<b>Receipts:</b>							
Local sources	\$ -	\$ -	\$ -	\$ -	\$ 1,558	\$ 1,710	\$ -
State sources	-	73,225	-	-	-	-	500
Federal sources	-	-	-	-	-	-	-
Temporary loans	-	-	-	-	-	-	-
Other	-	-	-	-	-	-	-
<b>Total receipts</b>	<b>-</b>	<b>73,225</b>	<b>-</b>	<b>-</b>	<b>1,558</b>	<b>1,710</b>	<b>500</b>
<b>Disbursements:</b>							
<b>Current:</b>							
Instruction	-	-	-	-	698	126	-
Support services	-	-	-	-	-	-	500
Noninstructional services	-	-	-	-	-	-	-
Facilities acquisition and construction	-	15,955	-	-	-	-	-
Debt services	-	-	-	-	-	-	-
<b>Total disbursements</b>	<b>-</b>	<b>15,955</b>	<b>-</b>	<b>-</b>	<b>698</b>	<b>126</b>	<b>500</b>
<b>Excess (deficiency) of receipts over disbursements</b>	<b>-</b>	<b>57,270</b>	<b>-</b>	<b>-</b>	<b>860</b>	<b>1,584</b>	<b>-</b>
<b>Other financing sources (uses):</b>							
Transfers in	-	-	-	-	-	-	-
Transfers out	-	-	-	-	-	-	-
<b>Total other financing sources (uses)</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>
<b>Excess (deficiency) of receipts and other financing sources over disbursements and other financing uses</b>	<b>-</b>	<b>57,270</b>	<b>-</b>	<b>-</b>	<b>860</b>	<b>1,584</b>	<b>-</b>
Cash and investments - beginning	54	-	3,238	26	(860)	(1,584)	-
<b>Cash and investments - ending</b>	<b>\$ 54</b>	<b>\$ 57,270</b>	<b>\$ 3,238</b>	<b>\$ 26</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ -</b>
<b>Cash and Investment Assets - Ending</b>							
Cash and investments	\$ 54	\$ 57,270	\$ 3,238	\$ 26	\$ -	\$ -	\$ -
Restricted assets:							
Cash and investments	-	-	-	-	-	-	-
<b>Total cash and investment assets - ending</b>	<b>\$ 54</b>	<b>\$ 57,270</b>	<b>\$ 3,238</b>	<b>\$ 26</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ -</b>
<b>Cash and Investment Fund Balance - Ending</b>							
Restricted for:							
Debt service	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Unrestricted	54	57,270	3,238	26	-	-	-
<b>Total cash and investment fund balance - ending</b>	<b>\$ 54</b>	<b>\$ 57,270</b>	<b>\$ 3,238</b>	<b>\$ 26</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ -</b>

MONROE-GREGG SCHOOL DISTRICT  
 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)

	Indiana Safe School Award	Olin Corporation Grant	Principals Tech Leadership	Title I FY 08	Title I FY 09	Title V Part A	Special Education
<b>Receipts:</b>							
Local sources	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
State sources	-	-	-	-	-	-	-
Federal sources	-	-	-	17,000	156,498	1,963	265,989
Temporary loans	-	-	-	-	-	-	-
Other	-	-	-	-	-	-	-
<b>Total receipts</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>17,000</b>	<b>156,498</b>	<b>1,963</b>	<b>265,989</b>
<b>Disbursements:</b>							
<b>Current:</b>							
Instruction	-	-	67	50,395	179,225	197	277,296
Support services	-	-	-	1,479	-	-	-
Noninstructional services	-	-	-	-	-	-	-
Facilities acquisition and construction	-	-	-	-	-	-	-
Debt services	-	-	-	-	-	-	-
<b>Total disbursements</b>	<b>-</b>	<b>-</b>	<b>67</b>	<b>51,874</b>	<b>179,225</b>	<b>197</b>	<b>277,296</b>
Excess (deficiency) of receipts over disbursements	-	-	(67)	(34,874)	(22,727)	1,766	(11,307)
<b>Other financing sources (uses):</b>							
Transfers in	-	-	-	-	16,918	-	-
Transfers out	-	-	-	(16,918)	-	-	-
<b>Total other financing sources (uses)</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>(16,918)</b>	<b>16,918</b>	<b>-</b>	<b>-</b>
Excess (deficiency) of receipts and other financing sources over disbursements and other financing uses	-	-	(67)	(51,792)	(5,809)	1,766	(11,307)
Cash and investments - beginning	884	20	67	51,792	-	14,971	7,515
Cash and investments - ending	\$ 884	\$ 20	\$ -	\$ -	\$ (5,809)	\$ 16,737	\$ (3,792)
<b>Cash and Investment Assets - Ending</b>							
Cash and investments	\$ 884	\$ 20	\$ -	\$ -	\$ (5,809)	\$ 16,737	\$ (3,792)
Restricted assets:							
Cash and investments	-	-	-	-	-	-	-
<b>Total cash and investment assets - ending</b>	<b>\$ 884</b>	<b>\$ 20</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ (5,809)</b>	<b>\$ 16,737</b>	<b>\$ (3,792)</b>
<b>Cash and Investment Fund Balance - Ending</b>							
Restricted for:							
Debt service	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Unrestricted	884	20	-	-	(5,809)	16,737	(3,792)
<b>Total cash and investment fund balance - ending</b>	<b>\$ 884</b>	<b>\$ 20</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ (5,809)</b>	<b>\$ 16,737</b>	<b>\$ (3,792)</b>

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

	Safe/Drug Free Title IV FY 08	Safe/Drug Free Title IV FY 09	Eisenhower Grant FY98	Title II FY94	Medicaid Reimbursement	School to Work 98	Title II Part A
<b>Receipts:</b>							
Local sources	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
State sources	-	-	-	-	-	-	-
Federal sources	4,433	3,865	-	-	5,373	-	44,965
Temporary loans	-	-	-	-	-	-	-
Other	-	-	-	-	-	-	-
<b>Total receipts</b>	<b>4,433</b>	<b>3,865</b>	<b>-</b>	<b>-</b>	<b>5,373</b>	<b>-</b>	<b>44,965</b>
<b>Disbursements:</b>							
<b>Current:</b>							
Instruction	4,227	143	131	-	-	(32)	65,147
Support services	-	-	-	-	1,130	-	-
Noninstructional services	-	-	-	-	-	-	-
Facilities acquisition and construction	-	-	-	-	-	-	-
Debt services	-	-	-	-	-	-	-
<b>Total disbursements</b>	<b>4,227</b>	<b>143</b>	<b>131</b>	<b>-</b>	<b>1,130</b>	<b>(32)</b>	<b>65,147</b>
Excess (deficiency) of receipts over disbursements	206	3,722	(131)	-	4,243	32	(20,182)
<b>Other financing sources (uses):</b>							
Transfers in	-	-	-	-	-	-	-
Transfers out	-	-	-	-	-	-	-
<b>Total other financing sources (uses)</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>
Excess (deficiency) of receipts and other financing sources over disbursements and other financing uses	206	3,722	(131)	-	4,243	32	(20,182)
Cash and investments - beginning	(206)	-	131	34	-	(32)	20,182
Cash and investments - ending	\$ -	\$ 3,722	\$ -	\$ 34	\$ 4,243	\$ -	\$ -
<b><u>Cash and Investment Assets - Ending</u></b>							
Cash and investments	\$ -	\$ 3,722	\$ -	\$ 34	\$ 4,243	\$ -	\$ -
Restricted assets:							
Cash and investments	-	-	-	-	-	-	-
<b>Total cash and investment assets - ending</b>	<b>\$ -</b>	<b>\$ 3,722</b>	<b>\$ -</b>	<b>\$ 34</b>	<b>\$ 4,243</b>	<b>\$ -</b>	<b>\$ -</b>
<b><u>Cash and Investment Fund Balance - Ending</u></b>							
Restricted for:							
Debt service	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Unrestricted	-	3,722	-	34	4,243	-	-
<b>Total cash and investment fund balance - ending</b>	<b>\$ -</b>	<b>\$ 3,722</b>	<b>\$ -</b>	<b>\$ 34</b>	<b>\$ 4,243</b>	<b>\$ -</b>	<b>\$ -</b>

MONROE-GREGG SCHOOL DISTRICT  
 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 D	Fiscal Stabilization	Retirement/ Severance Bond	New Construction Equipment	Common School Advance Construction	Totals
<b>Receipts:</b>						
Local sources	\$ -	\$ -	\$ 156,563	\$ 793	\$ -	\$ 2,220,884
State sources	-	-	-	-	-	183,859
Federal sources	-	728,184	-	-	-	1,381,292
Temporary loans	-	-	-	-	-	399,458
Other	-	-	-	-	-	8,732
<b>Total receipts</b>	<b>-</b>	<b>728,184</b>	<b>156,563</b>	<b>793</b>	<b>-</b>	<b>4,194,225</b>
<b>Disbursements:</b>						
<b>Current:</b>						
Instruction	-	166,958	-	-	-	1,197,316
Support services	1,965	78,499	-	1,737	-	1,137,677
Noninstructional services	-	777	-	-	-	603,028
Facilities acquisition and construction	-	-	-	-	8,753	31,936
Debt services	-	-	90,488	-	-	719,304
<b>Total disbursements</b>	<b>1,965</b>	<b>246,234</b>	<b>90,488</b>	<b>1,737</b>	<b>8,753</b>	<b>3,689,261</b>
Excess (deficiency) of receipts over disbursements	(1,965)	481,950	66,075	(944)	(8,753)	504,964
<b>Other financing sources (uses):</b>						
Transfers in	-	-	-	-	-	16,918
Transfers out	-	-	-	-	-	(16,918)
<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	(1,965)	481,950	66,075	(944)	(8,753)	504,964
Cash and investments - beginning	1,965	-	(26,414)	16,497	29,991	943,421
Cash and investments - ending	\$ -	\$ 481,950	\$ 39,661	\$ 15,553	\$ 21,238	\$ 1,448,385
<b>Cash and Investment Assets - Ending</b>						
Cash and investments	\$ -	\$ 481,950	\$ -	\$ 15,553	\$ 21,238	\$ 1,408,724
Restricted assets:						
Cash and investments	-	-	39,661	-	-	39,661
<b>Total cash and investment assets - ending</b>	<b>\$ -</b>	<b>\$ 481,950</b>	<b>\$ 39,661</b>	<b>\$ 15,553</b>	<b>\$ 21,238</b>	<b>\$ 1,448,385</b>
<b>Cash and Investment Fund Balance - Ending</b>						
Restricted for:						
Debt service	\$ -	\$ -	\$ 39,661	\$ -	\$ -	\$ 39,661
Unrestricted	-	481,950	-	15,553	21,238	1,408,724
<b>Total cash and investment fund balance - ending</b>	<b>\$ -</b>	<b>\$ 481,950</b>	<b>\$ 39,661</b>	<b>\$ 15,553</b>	<b>\$ 21,238</b>	<b>\$ 1,448,385</b>

MONROE-GREGG SCHOOL DISTRICT  
 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	Local Rainy Day	School Lunch	Textbook Rental	Levy Excess	Hall Early Childhood Care
<b>Receipts:</b>							
Local sources	\$ 751,091	\$ 180	\$ -	\$ 455,878	\$ 143,727	\$ -	\$ 52,583
State sources	-	24,750	-	7,172	31,497	-	-
Federal sources	-	-	-	203,332	-	-	-
Temporary loans	353,684	-	-	-	-	-	-
Other	528	-	-	-	-	-	-
<b>Total receipts</b>	<b>1,105,303</b>	<b>24,930</b>	<b>-</b>	<b>666,382</b>	<b>175,224</b>	<b>-</b>	<b>52,583</b>
<b>Disbursements:</b>							
<b>Current:</b>							
Instruction	-	28,252	75,000	-	-	-	53,379
Support services	775,772	-	-	-	205,379	-	-
Noninstructional services	-	-	-	587,043	-	-	-
Facilities acquisition and construction	-	-	-	-	-	-	-
Debt services	349,857	-	-	-	-	-	-
<b>Total disbursements</b>	<b>1,125,629</b>	<b>28,252</b>	<b>75,000</b>	<b>587,043</b>	<b>205,379</b>	<b>-</b>	<b>53,379</b>
Excess (deficiency) of receipts over disbursements	(20,326)	(3,322)	(75,000)	79,339	(30,155)	-	(796)
<b>Other financing sources (uses):</b>							
Transfers in	20,466	-	-	-	-	-	50,488
Transfers out	-	(11,940)	-	-	-	(20,466)	-
<b>Total other financing sources (uses)</b>	<b>20,466</b>	<b>(11,940)</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>(20,466)</b>	<b>50,488</b>
Excess (deficiency) of receipts and other financing sources over disbursements and other financing uses	140	(15,262)	(75,000)	79,339	(30,155)	(20,466)	49,692
Cash and investments - beginning	360,811	15,262	178,170	65,259	128,637	87,655	(49,692)
Cash and investments - ending	\$ 360,951	\$ -	\$ 103,170	\$ 144,598	\$ 98,482	\$ 67,189	\$ -
<b>Cash and Investment Assets - Ending</b>							
Cash and investments	\$ 360,951	\$ -	\$ 103,170	\$ 144,598	\$ 98,482	\$ 67,189	\$ -
Restricted assets:							
Cash and investments	-	-	-	-	-	-	-
<b>Total cash and investment assets - ending</b>	<b>\$ 360,951</b>	<b>\$ -</b>	<b>\$ 103,170</b>	<b>\$ 144,598</b>	<b>\$ 98,482</b>	<b>\$ 67,189</b>	<b>\$ -</b>
<b>Cash and Investment Fund Balance - Ending</b>							
Restricted for:							
Debt service	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Unrestricted	360,951	-	103,170	144,598	98,482	67,189	-
<b>Total cash and investment fund balance - ending</b>	<b>\$ 360,951</b>	<b>\$ -</b>	<b>\$ 103,170</b>	<b>\$ 144,598</b>	<b>\$ 98,482</b>	<b>\$ 67,189</b>	<b>\$ -</b>

MONROE-GREGG SCHOOL DISTRICT  
 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)

	Educational License Plates	Alternative Education	High Ability 2009-10	High Ability 2006-07	Driver Education	Non-English Speaking	Technology Planning Grant
<b>Receipts:</b>							
Local sources	\$ -	\$ -	\$ -	\$ -	\$ 12,038	\$ -	\$ -
State sources	-	8,733	31,684	-	-	-	-
Federal sources	-	-	-	-	-	-	-
Temporary loans	-	-	-	-	-	-	-
Other	-	-	-	-	-	-	-
<b>Total receipts</b>	<b>-</b>	<b>8,733</b>	<b>31,684</b>	<b>-</b>	<b>12,038</b>	<b>-</b>	<b>-</b>
<b>Disbursements:</b>							
<b>Current:</b>							
Instruction	-	285	22,685	18,992	9,620	-	-
Support services	-	-	-	-	3,100	-	-
Noninstructional services	-	-	-	-	-	-	-
Facilities acquisition and construction	-	2,116	-	-	-	-	42,896
Debt services	-	-	-	-	-	-	-
<b>Total disbursements</b>	<b>-</b>	<b>2,401</b>	<b>22,685</b>	<b>18,992</b>	<b>12,720</b>	<b>-</b>	<b>42,896</b>
Excess (deficiency) of receipts over disbursements	-	6,332	8,999	(18,992)	(682)	-	(42,896)
<b>Other financing sources (uses):</b>							
Transfers in	-	-	-	-	-	-	-
Transfers out	-	-	-	-	-	-	-
<b>Total other financing sources (uses)</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>
Excess (deficiency) of receipts and other financing sources over disbursements and other financing uses	-	6,332	8,999	(18,992)	(682)	-	(42,896)
Cash and investments - beginning	131	3,473	-	18,992	4,658	54	57,270
Cash and investments - ending	\$ 131	\$ 9,805	\$ 8,999	\$ -	\$ 3,976	\$ 54	\$ 14,374
<b><u>Cash and Investment Assets - Ending</u></b>							
Cash and investments	\$ 131	\$ 9,805	\$ 8,999	\$ -	\$ 3,976	\$ 54	\$ 14,374
Restricted assets:							
Cash and investments	-	-	-	-	-	-	-
<b>Total cash and investment assets - ending</b>	<b>\$ 131</b>	<b>\$ 9,805</b>	<b>\$ 8,999</b>	<b>\$ -</b>	<b>\$ 3,976</b>	<b>\$ 54</b>	<b>\$ 14,374</b>
<b><u>Cash and Investment Fund Balance - Ending</u></b>							
Restricted for:							
Debt service	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Unrestricted	131	9,805	8,999	-	3,976	54	14,374
<b>Total cash and investment fund balance - ending</b>	<b>\$ 131</b>	<b>\$ 9,805</b>	<b>\$ 8,999</b>	<b>\$ -</b>	<b>\$ 3,976</b>	<b>\$ 54</b>	<b>\$ 14,374</b>

MONROE-GREGG SCHOOL DISTRICT  
 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)

	Performance Based Awards	Economic Grant	Indiana Safe School Award	Excess PTRC	Olin Corporation Grant	Title I FY 10	Title I FY 09
<b>Receipts:</b>							
Local sources	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
State sources	-	-	-	116,612	-	-	-
Federal sources	-	-	-	-	-	175,082	15,898
Temporary loans	-	-	-	-	-	-	-
Other	-	-	-	-	-	-	-
<b>Total receipts</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>116,612</b>	<b>-</b>	<b>175,082</b>	<b>15,898</b>
<b>Disbursements:</b>							
<b>Current:</b>							
Instruction	-	-	-	-	-	171,717	6,358
Support services	-	-	884	-	-	2,100	-
Noninstructional services	-	-	-	-	-	-	-
Facilities acquisition and construction	-	-	-	-	-	-	-
Debt services	-	-	-	-	-	-	-
<b>Total disbursements</b>	<b>-</b>	<b>-</b>	<b>884</b>	<b>-</b>	<b>-</b>	<b>173,817</b>	<b>6,358</b>
<b>Excess (deficiency) of receipts over disbursements</b>	<b>-</b>	<b>-</b>	<b>(884)</b>	<b>116,612</b>	<b>-</b>	<b>1,265</b>	<b>9,540</b>
<b>Other financing sources (uses):</b>							
Transfers in	-	-	-	-	-	3,731	-
Transfers out	-	-	-	-	-	-	(3,731)
<b>Total other financing sources (uses)</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>3,731</b>	<b>(3,731)</b>
<b>Excess (deficiency) of receipts and other financing sources over disbursements and other financing uses</b>	<b>-</b>	<b>-</b>	<b>(884)</b>	<b>116,612</b>	<b>-</b>	<b>4,996</b>	<b>5,809</b>
Cash and investments - beginning	3,238	26	884	-	20	-	(5,809)
Cash and investments - ending	<u>\$ 3,238</u>	<u>\$ 26</u>	<u>\$ -</u>	<u>\$ 116,612</u>	<u>\$ 20</u>	<u>\$ 4,996</u>	<u>\$ -</u>
<b>Cash and Investment Assets - Ending</b>							
Cash and investments	\$ 3,238	\$ 26	\$ -	\$ 116,612	\$ 20	\$ 4,996	\$ -
Restricted assets:							
Cash and investments	-	-	-	-	-	-	-
<b>Total cash and investment assets - ending</b>	<u>\$ 3,238</u>	<u>\$ 26</u>	<u>\$ -</u>	<u>\$ 116,612</u>	<u>\$ 20</u>	<u>\$ 4,996</u>	<u>\$ -</u>
<b>Cash and Investment Fund Balance - Ending</b>							
Restricted for:							
Debt service	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Unrestricted	3,238	26	-	116,612	20	4,996	-
<b>Total cash and investment fund balance - ending</b>	<u>\$ 3,238</u>	<u>\$ 26</u>	<u>\$ -</u>	<u>\$ 116,612</u>	<u>\$ 20</u>	<u>\$ 4,996</u>	<u>\$ -</u>

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

	Title V Part A	Special Education Part B 2008/09	Special Education Part B 2009/10	Preschool Special Education	Safe/Drug Free Title IV FY 10	Safe/Drug Free Title IV FY 09
<b>Receipts:</b>						
Local sources	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
State sources	-	-	-	-	-	-
Federal sources	765	-	277,803	8,230	4,697	-
Temporary loans	-	-	-	-	-	-
Other	-	-	-	-	-	-
<b>Total receipts</b>	<b>765</b>	<b>-</b>	<b>277,803</b>	<b>8,230</b>	<b>4,697</b>	<b>-</b>
<b>Disbursements:</b>						
<b>Current:</b>						
Instruction	731	(3,792)	275,364	8,230	-	2,822
Support services	-	-	-	-	-	-
Noninstructional services	-	-	-	-	-	-
Facilities acquisition and construction	-	-	-	-	-	-
Debt services	-	-	-	-	-	-
<b>Total disbursements</b>	<b>731</b>	<b>(3,792)</b>	<b>275,364</b>	<b>8,230</b>	<b>-</b>	<b>2,822</b>
Excess (deficiency) of receipts over disbursements	34	3,792	2,439	-	4,697	(2,822)
<b>Other financing sources (uses):</b>						
Transfers in	-	-	-	-	-	-
Transfers out	-	-	-	-	-	-
<b>Total other financing sources (uses)</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>
Excess (deficiency) of receipts and other financing sources over disbursements and other financing uses	34	3,792	2,439	-	4,697	(2,822)
Cash and investments - beginning	16,737	(3,792)	-	-	-	3,722
Cash and investments - ending	\$ 16,771	\$ -	\$ 2,439	\$ -	\$ 4,697	\$ 900
<b><u>Cash and Investment Assets - Ending</u></b>						
Cash and investments	\$ 16,771	\$ -	\$ 2,439	\$ -	\$ 4,697	\$ 900
Restricted assets:						
Cash and investments	-	-	-	-	-	-
<b>Total cash and investment assets - ending</b>	<b>\$ 16,771</b>	<b>\$ -</b>	<b>\$ 2,439</b>	<b>\$ -</b>	<b>\$ 4,697</b>	<b>\$ 900</b>
<b><u>Cash and Investment Fund Balance - Ending</u></b>						
Restricted for:						
Debt service	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Unrestricted	16,771	-	2,439	-	4,697	900
<b>Total cash and investment fund balance - ending</b>	<b>\$ 16,771</b>	<b>\$ -</b>	<b>\$ 2,439</b>	<b>\$ -</b>	<b>\$ 4,697</b>	<b>\$ 900</b>

MONROE-GREGG SCHOOL DISTRICT  
 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 FY94	Medicaid Reimbursement	Title II Part A	Fiscal Stabilization	Title I Stimulus	Special Education Part B Stimulus
<b>Receipts:</b>						
Local sources	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
State sources	-	-	-	-	-	-
Federal sources	-	9,321	47,003	309,313	68,720	121,860
Temporary loans	-	-	-	-	-	-
Other	-	-	-	-	-	2,160
<b>Total receipts</b>	<b>-</b>	<b>9,321</b>	<b>47,003</b>	<b>309,313</b>	<b>68,720</b>	<b>124,020</b>
<b>Disbursements:</b>						
<b>Current:</b>						
Instruction	-	-	16,906	536,895	54,031	77,209
Support services	-	4,291	-	244,079	67	5,265
Noninstructional services	-	-	-	10,289	-	-
Facilities acquisition and construction	-	-	-	-	-	10,551
Debt services	-	-	-	-	-	-
<b>Total disbursements</b>	<b>-</b>	<b>4,291</b>	<b>16,906</b>	<b>791,263</b>	<b>54,098</b>	<b>93,025</b>
Excess (deficiency) of receipts over disbursements	-	5,030	30,097	(481,950)	14,622	30,995
<b>Other financing sources (uses):</b>						
Transfers in	-	-	-	-	-	-
Transfers out	-	-	-	-	-	(9,000)
<b>Total other financing sources (uses)</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>(9,000)</b>
Excess (deficiency) of receipts and other financing sources over disbursements and other financing uses	-	5,030	30,097	(481,950)	14,622	21,995
Cash and investments - beginning	34	4,243	-	481,950	-	-
Cash and investments - ending	<u>\$ 34</u>	<u>\$ 9,273</u>	<u>\$ 30,097</u>	<u>\$ -</u>	<u>\$ 14,622</u>	<u>\$ 21,995</u>
<b>Cash and Investment Assets - Ending</b>						
Cash and investments	\$ 34	\$ 9,273	\$ 30,097	\$ -	\$ 14,622	\$ 21,995
Restricted assets:						
Cash and investments	-	-	-	-	-	-
<b>Total cash and investment assets - ending</b>	<u>\$ 34</u>	<u>\$ 9,273</u>	<u>\$ 30,097</u>	<u>\$ -</u>	<u>\$ 14,622</u>	<u>\$ 21,995</u>
<b>Cash and Investment Fund Balance - Ending</b>						
Restricted for:						
Debt service	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Unrestricted	34	9,273	30,097	-	14,622	21,995
<b>Total cash and investment fund balance - ending</b>	<u>\$ 34</u>	<u>\$ 9,273</u>	<u>\$ 30,097</u>	<u>\$ -</u>	<u>\$ 14,622</u>	<u>\$ 21,995</u>

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

	Special Education Part B Preschool Stimulus	Retirement/ Severance Bond	New Construction Equipment	Common School Advance Construction	General Obligation Bond- Construction	Totals
<b>Receipts:</b>						
Local sources	\$ -	\$ 128,814	\$ -	\$ -	\$ -	\$ 1,544,311
State sources	-	-	-	-	-	220,448
Federal sources	9,000	-	-	-	-	1,251,024
Temporary loans	-	-	-	-	-	353,684
Other	-	-	-	-	-	2,688
<b>Total receipts</b>	<b>9,000</b>	<b>128,814</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>3,372,155</b>
<b>Disbursements:</b>						
<b>Current:</b>						
Instruction	6,973	-	-	-	-	1,361,657
Support services	221	-	-	-	-	1,241,158
Noninstructional services	-	-	-	-	-	597,332
Facilities acquisition and construction	330	-	4,225	9,741	1,790	71,649
Debt services	-	123,913	-	-	-	473,770
<b>Total disbursements</b>	<b>7,524</b>	<b>123,913</b>	<b>4,225</b>	<b>9,741</b>	<b>1,790</b>	<b>3,745,566</b>
Excess (deficiency) of receipts over disbursements	1,476	4,901	(4,225)	(9,741)	(1,790)	(373,411)
<b>Other financing sources (uses):</b>						
Transfers in	-	-	-	-	1,790	76,475
Transfers out	-	-	-	(1,790)	-	(46,927)
<b>Total other financing sources (uses)</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>(1,790)</b>	<b>1,790</b>	<b>29,548</b>
Excess (deficiency) of receipts and other financing sources over disbursements and other financing uses	1,476	4,901	(4,225)	(11,531)	-	(343,863)
Cash and investments - beginning	-	39,661	15,553	21,238	-	1,448,385
Cash and investments - ending	<u>\$ 1,476</u>	<u>\$ 44,562</u>	<u>\$ 11,328</u>	<u>\$ 9,707</u>	<u>\$ -</u>	<u>\$ 1,104,522</u>
<b><u>Cash and Investment Assets - Ending</u></b>						
Cash and investments	\$ 1,476	\$ -	\$ 11,328	\$ 9,707	\$ -	\$ 1,059,960
Restricted assets:						
Cash and investments	-	44,562	-	-	-	44,562
<b>Total cash and investment assets - ending</b>	<u>\$ 1,476</u>	<u>\$ 44,562</u>	<u>\$ 11,328</u>	<u>\$ 9,707</u>	<u>\$ -</u>	<u>\$ 1,104,522</u>
<b><u>Cash and Investment Fund Balance - Ending</u></b>						
Restricted for:						
Debt service	\$ -	\$ 44,562	\$ -	\$ -	\$ -	\$ 44,562
Unrestricted	1,476	-	11,328	9,707	-	1,059,960
<b>Total cash and investment fund balance - ending</b>	<u>\$ 1,476</u>	<u>\$ 44,562</u>	<u>\$ 11,328</u>	<u>\$ 9,707</u>	<u>\$ -</u>	<u>\$ 1,104,522</u>

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

	Recreational Activities	Red Ribbon Grant	Title I Workshop	Lilly Teacher Grant	Building Trades Fund	Totals
Additions:						
Contributions:						
Other	\$ -	\$ 600	\$ 12,000	\$ -	\$ -	\$ 12,600
Total additions	<u>-</u>	<u>600</u>	<u>12,000</u>	<u>-</u>	<u>-</u>	<u>12,600</u>
Deductions:						
Administrative and general	<u>350</u>	<u>781</u>	<u>-</u>	<u>-</u>	<u>606</u>	<u>1,737</u>
Excess (deficiency) of total additions over total deductions	(350)	(181)	12,000	-	(606)	10,863
Cash and investment fund balance - beginning	<u>373</u>	<u>900</u>	<u>5,000</u>	<u>500</u>	<u>22,692</u>	<u>29,465</u>
Cash and investments - June 30	<u>\$ 23</u>	<u>\$ 719</u>	<u>\$ 17,000</u>	<u>\$ 500</u>	<u>\$ 22,086</u>	<u>\$ 40,328</u>
Net assets:						
Cash and investments	<u>\$ 23</u>	<u>\$ 719</u>	<u>\$ 17,000</u>	<u>\$ 500</u>	<u>\$ 22,086</u>	<u>\$ 40,328</u>
Total net assets - cash and investment basis held in trust	<u>\$ 23</u>	<u>\$ 719</u>	<u>\$ 17,000</u>	<u>\$ 500</u>	<u>\$ 22,086</u>	<u>\$ 40,328</u>

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

	Recreational Activities	Red Ribbon Grant	Red Ribbon Grant 2009/10	Title I Workshop	Lilly Teacher Grant	Building Trades Fund	Supplies Endowment	Totals
Additions:								
Contributions:								
Other	\$ -	\$ -	\$ 600	\$ 13,164	\$ -	\$ -	\$ 3,046	\$ 16,810
Total additions	-	-	600	13,164	-	-	3,046	16,810
Deductions:								
Administrative and general	-	719	-	-	500	-	75	1,294
Excess (deficiency) of total additions over total deductions	-	(719)	600	13,164	(500)	-	2,971	15,516
Cash and investment fund balance - beginning	23	719	-	17,000	500	22,086	-	40,328
Cash and investments - June 30	<u>\$ 23</u>	<u>\$ -</u>	<u>\$ 600</u>	<u>\$ 30,164</u>	<u>\$ -</u>	<u>\$ 22,086</u>	<u>\$ 2,971</u>	<u>\$ 55,844</u>
Net assets:								
Cash and investments	\$ 23	\$ -	\$ 600	\$ 30,164	\$ -	\$ 22,086	\$ 2,971	\$ 55,844
Total net assets - cash and investment basis held in trust	<u>\$ 23</u>	<u>\$ -</u>	<u>\$ 600</u>	<u>\$ 30,164</u>	<u>\$ -</u>	<u>\$ 22,086</u>	<u>\$ 2,971</u>	<u>\$ 55,844</u>

MONROE-GREGG SCHOOL DISTRICT  
 SUPPLEMENTARY INFORMATION  
 SCHEDULE OF CAPITAL ASSETS  
 June 30, 2010

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

<u>Primary Government</u>	<u>Ending Balance</u>
Governmental activities:	
Capital assets, not being depreciated:	
Land improvements	\$ 1,623,164
Buildings	19,610,400
Machinery and equipment	1,276,919
Transportation equipment	<u>1,515,050</u>
 Total governmental activities, capital assets not being depreciated	 <u>\$ 24,025,533</u>

MONROE-GREGG SCHOOL DISTRICT  
 SUPPLEMENTARY INFORMATION  
 SCHEDULE OF LONG-TERM DEBT  
 June 30, 2010

The School District has entered into the following debt:

Description of Debt	Ending Principal Balance	Principal and Interest Due Within One Year
Governmental activities:		
Capital leases:		
High School Renovation	\$ 365,000	\$ 250,522
Grade School Building	11,305,941	970,976
Energy Savings Improvements	2,133,000	145,000
Notes and loans payable:		
Common School Loan A0303	150,000	82,875
Common School Loan A0515	7,928,594	579,671
Bonds payable:		
General obligation bonds:		
Capital Improvements	2,000,000	83,793
Pension Bonds	<u>1,180,000</u>	<u>135,902</u>
Total governmental activities debt	<u>\$ 25,062,535</u>	<u>\$ 2,248,739</u>

MONROE-GREGG SCHOOL DISTRICT  
AUDIT RESULTS AND COMMENTS

OVERDRAWN FUND BALANCES

The Hall Early Childhood Care Fund, Title I FY 09 Fund, and the Special Education Fund were overdrawn in FY 2009.

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

CORRECTION OF ERRORS

Some corrections and adjustments were made in the records without retaining adequate supporting documentation.

Receipt and disbursement corrections or other errors should be corrected by memorandum entry with the issuance of a check and receipt to document the flow of the transactions. (Accounting and Uniform Compliance Guidelines Manual for Indiana Public School Corporations, Chapter 9)

AVERAGE DAILY MEMBERSHIP (ADM)

Records presented for audit to support the ADM claimed by the School Corporation did not provide a written certification from the building level official for the September 12, 2008 count day.

Officials should maintain records (enrollment cards, rosters, reporting forms, etc.) which substantiate the number of students claimed for ADM. The building level official (Principal, Assistant Principal, etc.) responsible for reporting ADM to the School Corporation Central Office, should provide a written certification of ADM to properly document responsibility. The certification should at a minimum include a statement detailing the names and location of the records used (these records must be retained for public inspection and audit) to substantiate ADM claimed. (The School Administrator and Uniform Compliance Guidelines, Volume 163, September 2003, and Volume 182, June 2008)

APPROVAL OF FORMS

Forms and reports generated by the Harmony software in use at Monrovia Elementary School and Monrovia Middle School are not State Board of Accounts prescribed forms. The financial records forms have not been approved for use in lieu of prescribed forms.

Officials and employees are required to use State Board of Accounts prescribed or approved forms in the manner prescribed. (Accounting and Uniform Compliance Guidelines Manual for Indiana Public School Corporations, Chapter 9) (Accounting and Uniform Compliance Guidelines Manual for Extra-Curricular Accounts, Chapter 7)

SUPPLEMENTAL AUDIT OF  
FEDERAL AWARDS



**STATE OF INDIANA**  
AN EQUAL OPPORTUNITY EMPLOYER

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

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

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

TO: THE OFFICIALS OF THE MONROE-GREGG SCHOOL DISTRICT, MORGAN COUNTY, INDIANA

Compliance

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

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

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

Internal Control Over Compliance

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

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

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

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

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

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

STATE BOARD OF ACCOUNTS

February 14, 2011

MONROE-GREGG SCHOOL DISTRICT  
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	\$ 25,545 -	\$ - 30,069
Total for program			<u>25,545</u>	<u>30,069</u>
National School Lunch Program	10.555	FY 08-09 FY 09-10	172,593 -	- 199,613
Total for program			<u>172,593</u>	<u>199,613</u>
Total for federal grantor agency			<u>198,138</u>	<u>229,682</u>
<u>U.S. DEPARTMENT OF EDUCATION</u>				
Pass-Through Indiana Department of Education Title I, Part A Cluster Title I Grants To Local Educational Agencies	84.010	08-8010 09-8010 10-8010	51,874 179,225 -	- 6,358 173,817
Total for program			<u>231,099</u>	<u>180,175</u>
ARRA - Title I Grants To Local Educational Agencies	84.389		-	54,098
Total for cluster			<u>231,099</u>	<u>234,273</u>
Pass-Through Metropolitan School District of Wayne Township, Marion County Special Education Cluster Special Education - Grants to States	84.027	14208-063-PY02 14209-063-PN01 14210-063-PN01	8,664 264,840 -	- - 275,364
Total for program			<u>273,504</u>	<u>275,364</u>
Special Education - Preschool Grants	84.173		-	8,230
ARRA - Special Education - Grants to States	84.391		-	102,025
ARRA - Special Education - Preschool Grants	84.392		-	7,525
Total for cluster			<u>273,504</u>	<u>393,144</u>

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

MONROE-GREGG SCHOOL DISTRICT  
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 Indiana Department of Education Educational Technology State Grants Cluster Education Technology State Grants	84.318	FY 07-08	<u>1,965</u>	<u>-</u>
State Fiscal Stabilization Fund Cluster ARRA - State Fiscal Stabilization Fund (SFSF) - Education State Grants	84.394		<u>246,234</u>	<u>791,263</u>
Safe and Drug-Free Schools and Communities - State Grants	84.186	SY 07-08 SY 08-09	4,227 <u>143</u>	- <u>2,822</u>
Total for program			<u>4,370</u>	<u>2,822</u>
Eisenhower Professional Development State Grants	84.281	SY 06-07	<u>132</u>	<u>-</u>
State Grants For Innovative Programs	84.298	07-5900	<u>197</u>	<u>732</u>
Improving Teacher Quality State Grants	84.367	07-5900 08-5900 09-5900	20,182 44,965 <u>-</u>	- - <u>16,906</u>
Total for program			<u>65,147</u>	<u>16,906</u>
Total for federal grantor agency			<u>822,648</u>	<u>1,439,140</u>
Total federal awards expended			<u>\$ 1,020,786</u>	<u>\$ 1,668,822</u>

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

MONROE-GREGG SCHOOL DISTRICT  
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 Monroe-Gregg School District (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	2008-2009	2009-2010
School Breakfast Program	10.553	\$ 3,263	\$ 3441
National School Lunch Program	10.555	22,342	22,833

MONROE-GREGG SCHOOL DISTRICT  
SCHEDULE OF FINDINGS AND QUESTIONED COSTS

Section I – Summary of Auditor's Results

Financial Statements:

Type of auditor's report issued: Unqualified

Internal control over financial reporting:  
 Material weaknesses identified? no  
 Significant deficiencies identified that are not considered to be material weaknesses? none reported

Noncompliance material to financial statements noted? no

Federal Awards:

Internal control over major programs:  
 Material weaknesses identified? no  
 Significant deficiencies identified that are not considered to be material weaknesses? none reported

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

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

Identification of Major Programs:

CFDA Number	Name of Federal Program or Cluster
	Child Nutrition Cluster
	Title I, Part A Cluster
	Special Education Cluster
	State Fiscal Stabilization Fund Cluster

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

Auditee qualified as low-risk auditee? no

Section II – Financial Statement Findings

No matters are reportable.

Section III – Federal Award Findings and Questioned Costs

No matters are reportable.

SUMMARY SCHEDULE OF PRIOR AUDIT FINDINGS

Finding Number 2008-1

Original SBA Audit Report Number: B34651

Audit Period: July 1, 2008 to June 30, 2010

Auditee Contact Person: Kelly Dillon

Title of Contact Person: Treasurer

Phone Number: (317) 996-3720

Status of Finding: Corrective Action Taken

Signed: 

Dated: 2-8-11

MONROE-GREGG SCHOOL DISTRICT  
EXIT CONFERENCE

The contents of this report were discussed on February 14, 2011, with Julie Wood, Superintendent of Schools; Kelly Dillon, Treasurer; and Jim Shields, President of the School Board. The officials concurred with our audit findings.