

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

FINANCIAL STATEMENT AND
FEDERAL SINGLE AUDIT REPORT
OF

WAWASEE COMMUNITY SCHOOL CORPORATION
KOSCIUSKO COUNTY, INDIANA

July 1, 2009 to June 30, 2011



FILED
12/20/2011

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SCHEDULE OF OFFICIALS

<u>Office</u>	<u>Official</u>	<u>Term</u>
Treasurer	Jim Evans	07-01-09 to 06-30-12
Superintendent of Schools	Thomas Edington	07-01-09 to 06-30-12
President of the School Board	George Gilbert Michael Wilson	01-01-09 to 12-31-09 01-01-10 to 12-31-11



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

TO: THE OFFICIALS OF THE WAWASEE COMMUNITY SCHOOL
CORPORATION, KOSCIUSKO COUNTY, INDIANA

We have audited the accompanying financial statement of the Wawasee Community School Corporation (School Corporation), for the years ended June 30, 2010 and 2011. This financial statement is the responsibility of the School Corporation's management. Our responsibility is to express opinions on the financial statement 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 statement is free of material misstatement. An audit includes consideration of internal control over financial reporting as a basis for designing audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the School Corporation's internal control over reporting. Accordingly, we express no such opinion. An audit includes examining, on a test basis, evidence supporting the amounts and disclosures in the financial statement. 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 1, the School Corporation prepares its financial statement on the prescribed basis of accounting that demonstrates compliance with the reporting requirements established by the State Board of Accounts as allowed by state statute (IC 5-11-1-6), which is a comprehensive basis of accounting other than accounting principles generally accepted in the United States of America. The basis of accounting noted above is a different basis than that used in the prior year.

In our opinion, the financial statement referred to above presents fairly, in all material respects, the financial position and results of operations of the School Corporation for the years ended June 30, 2010 and 2011, on the basis of accounting described in Note 1.

In accordance with Government Auditing Standards, we have also issued a report dated October 13, 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 THE FINANCIAL STATEMENT
AND SUPPLEMENTARY SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS
(Continued)

Our audit was conducted for the purpose of forming an opinion on the School Corporation's financial statement. 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 financial statement. Such information has been subjected to the auditing procedures applied in the audit of the financial statement and, in our opinion, is fairly stated, in all material respects, in relation to the financial statement taken as a whole.

Our audit was conducted for the purpose of forming an opinion on the School Corporation's financial statement. The Combining Schedules of Receipts, Disbursements, Other Financing Sources (Uses), and Cash and Investment Balances – Regulatory Basis, Schedule of Capital Assets, and Schedule of Long-Term Debt are presented for additional analysis and are not required parts of the financial statement. The Combining Schedules of Receipts, Disbursements, Other Financing Sources (Uses), and Cash and Investment Balances – Regulatory Basis, 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 financial statement and, accordingly, we express no opinion on them.

This report is intended solely for the information and use of the School Corporation's management, school board, others within the entity, 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

October 13, 2011



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

TO: THE OFFICIALS OF THE WAWASEE COMMUNITY SCHOOL
CORPORATION, KOSCIUSKO COUNTY, INDIANA

We have audited the financial statement of the Wawasee Community School Corporation (School Corporation), for the years ended June 30, 2010 and 2011, and have issued our report thereon dated October 13, 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 statement, 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 deficiency in internal control 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 and correct misstatements on a timely basis. A material weakness is a deficiency, or combination of deficiencies in internal control, such that there is a reasonable possibility that a material misstatement of the entity's financial statement will not be prevented or detected and corrected on a timely basis.

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

REPORT ON INTERNAL CONTROL OVER FINANCIAL REPORTING AND ON
COMPLIANCE AND OTHER MATTERS BASED ON AN AUDIT OF THE FINANCIAL STATEMENT
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 statement is 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, others within the entity, 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

October 13, 2011

FINANCIAL STATEMENT

The financial statement and accompanying notes were approved by management of the School Corporation. The financial statement and notes are presented as intended by the School Corporation.

WAWASEE COMMUNITY SCHOOL CORPORATION
 STATEMENTS OF RECEIPTS, DISBURSEMENTS, OTHER FINANCING SOURCES (USES), AND CASH AND INVESTMENT BALANCES -
 REGULATORY BASIS
 For the Years Ended June 30, 2010 and 2011

	Cash and Investments 07-01-09	Receipts	Disbursements	Other Financing Sources (Uses)	Cash and Investments 06-30-10	Receipts	Disbursements	Other Financing Sources (Uses)	Cash and Investments 06-30-11
General	\$ 3,660,122	\$ 20,338,261	\$ 21,078,649	\$ 284,920	\$ 3,204,654	\$ 20,653,541	\$ 20,297,405	\$ 158,357	\$ 3,719,147
Debt Service	4,445,380	3,929,452	5,235,441	1,998	3,141,389	4,159,163	4,349,326	-	2,951,226
Retirement/Severance Bond Debt Service	700,105	797,598	1,030,332	-	467,371	769,572	748,178	-	488,765
Capital Projects	4,731,413	4,470,432	4,975,019	-	4,226,826	4,152,179	4,308,816	-	4,070,189
School Transportation	1,655,242	2,519,634	2,505,130	3,807	1,673,553	2,370,370	2,460,470	65,951	1,649,404
School Bus Replacement	701,753	1,659,086	1,203,044	90,000	1,247,795	2,482,748	383,508	(1,908,357)	1,438,678
Special Education Preschool	69,671	52,248	36,999	(84,920)	-	-	-	-	-
Rainy Day	3,590,000	-	-	(290,000)	3,300,000	-	822,646	1,750,000	4,227,354
Retirement/Severance Bond	1,569	-	350	-	1,219	-	349	-	870
Post-Retirement/Severance Future Benefits	371,871	1,627,183	94,440	-	1,904,614	871	33,133	-	1,872,352
General Obligation Bonds	8,388,320	-	6,985,729	31,400	1,433,991	-	865,630	-	568,361
School Lunch	455,030	1,326,530	1,232,314	-	549,246	1,312,675	1,380,430	-	481,491
Textbook Rental	84,462	246,782	297,617	-	33,627	214,645	83,734	-	164,538
Self-Insurance	5,465,106	3,999,220	2,650,990	-	6,813,336	3,487,473	3,067,047	-	7,233,762
Levy Excess	-	65,951	-	-	65,951	-	-	(65,951)	-
Educational License Plates	12,469	469	-	-	12,938	412	13,350	-	-
08-09 Alternative Education	17,916	-	13,240	-	4,676	-	910	-	3,766
09-10 Alternative Education	24,392	-	-	-	24,392	-	24,392	-	-
10-11 Alternative Education	-	18,629	-	-	18,629	-	18,629	-	-
11-12 Alternative Education	-	-	-	-	-	21,430	-	-	21,430
Early Intervention Grant	-	-	-	-	-	24,040	22,722	-	1,318
08-09 Reading Recovery	10,476	-	10,476	-	-	-	-	-	-
09-10 Reading Recovery	-	63,762	63,762	-	-	-	-	-	-
United Way Book Grant	-	15,000	-	-	15,000	-	13,767	-	1,233
HS Graduation Coach Grant	-	-	-	-	-	12,500	10,130	-	2,370
Karen Parr Counseling Support	19,032	29	2,525	-	16,536	324	2,250	-	14,610
Dekko-Arts Enhancement Grant	34	-	34	-	-	-	-	-	-
Reading Assessment Grant	-	-	-	-	-	12,333	12,333	-	-
Dekko-Arts Partnership Program	-	-	-	-	-	9,000	2,067	-	6,933
11-12 Arts Partnership Grant	-	-	-	-	-	4,500	-	-	4,500
Dahlstrom Scholarship Fund	1,236	500	1,736	-	-	500	500	-	-
Ikon Scholarship Fund	35	-	35	-	-	-	-	-	-
Data/Assessment Conference Fund	209	75	150	-	134	-	105	-	29
Conference Fund/Writers Workshop	605	-	-	-	605	-	-	-	605
08-09 Project Lead The Way	(5,850)	5,850	-	-	-	-	-	-	-
09-10 Tech Prep PLTW Grant	-	1,264	5,940	-	(4,676)	4,676	-	-	-
10-11 Tech Prep PLTW Grant	-	-	-	-	-	-	13,446	-	(13,446)
09-10 High Ability Grant	-	39,338	39,338	-	-	-	-	-	-
10-11 High Ability Grant	-	-	-	-	-	38,746	38,746	-	-
Medicaid Reimbursement	-	-	-	-	-	144	-	-	144

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

WAWASEE COMMUNITY SCHOOL CORPORATION
STATEMENTS OF RECEIPTS, DISBURSEMENTS, OTHER FINANCING SOURCES (USES), AND CASH AND INVESTMENT BALANCES -
REGULATORY BASIS
For the Years Ended June 30, 2010 and 2011
(Continued)

	Cash and Investments 07-01-09	Receipts	Disbursements	Other Financing Sources (Uses)	Cash and Investments 06-30-10	Receipts	Disbursements	Other Financing Sources (Uses)	Cash and Investments 06-30-11
09-10 Non-English Speaking Program	-	22,994	22,994	-	-	-	-	-	-
10-11 Non-English Speaking Program	-	-	-	-	-	18,273	15,447	-	2,826
School Technology	-	-	-	-	-	4,439	-	-	4,439
08-09 Title I	117,384	36,800	137,913	(16,271)	-	-	-	-	-
09-10 Title I	-	310,445	271,159	12,464	51,750	15,001	40,203	(26,548)	-
10-11 Title I	-	-	-	-	-	186,578	223,171	26,548	(10,045)
07-08 Title V, Part A	6,828	-	6,828	-	-	-	-	-	-
09-10 Migrant Fund	-	18,973	19,066	-	(93)	-	(93)	-	-
08-09 School Age Special Services, Part B	51,375	(4)	51,371	-	-	-	-	-	-
09-10 School Age Special Services, Part B	-	643,880	527,056	-	116,824	-	116,824	-	-
10-11 School Age Special Services, Part B	-	-	-	-	-	414,260	526,999	-	(112,739)
08-09 Preschool Services	2,986	4	2,990	-	-	-	-	-	-
09-10 Preschool Services	-	13,865	14,062	-	(197)	-	(197)	-	-
10-11 Preschool Services	-	-	-	-	-	12,301	14,590	-	(2,289)
07-08 Drug Free Title IV	718	-	718	-	-	-	-	-	-
08-09 Drug Free Title IV	4,535	3,000	7,260	-	275	-	275	-	-
09-10 Drug Free Title IV	-	-	-	-	-	8,150	8,150	-	-
08-09 Perkins Grant	(22,708)	22,708	-	-	-	-	-	-	-
09-10 Perkins Grant	-	68,722	91,629	-	(22,907)	22,907	-	-	-
10-11 Perkins Grant	-	-	-	-	-	92,214	100,188	-	(7,974)
Medicaid Reimbursement - Federal	-	-	-	-	-	1,634	83	-	1,551
Safe Routes to School Program	-	7,375	7,375	-	-	5,597	5,597	-	-
School to Work Development Act	103	-	103	-	-	-	-	-	-
08-09 Title II, Part A	51,385	55,000	98,372	-	8,013	-	8,013	-	-
09-10 Title II, Part A	-	2,000	-	-	2,000	56,262	57,079	-	1,183
ITQ, Enhanced Education Through Technology, Title II, Part D	81,798	15,450	78,566	-	18,682	-	18,682	-	-
08-09 Title III, Language Instruction	3,219	-	3,219	-	-	-	-	-	-
09-10 Title III, Language Instruction	-	22,881	21,107	-	1,774	-	1,774	-	-
10-11 Title III, Language Instruction	-	-	-	-	-	18,454	20,382	-	(1,928)
Fiscal Stabilization - Education Title I - Grants to LEAs	1,633,864	669,773	2,303,637	-	-	-	-	-	-
Special Education - Part B	-	80,001	79,052	-	949	99,542	102,452	-	(1,961)
Special Education - Part B - Preschool	-	493,261	440,254	-	53,007	177,430	247,045	-	(16,608)
Education Technology	-	16,835	20,737	-	(3,902)	6,723	6,571	-	(3,750)
Qualified School Construction Bond	-	28,801	8,430	-	20,371	20,237	56,306	-	(15,698)
Education Jobs	-	1,956,000	321,125	-	1,634,875	-	1,575,386	-	59,489
	-	-	-	-	-	159,087	159,087	-	-
Totals	\$ 36,332,085	\$ 45,666,057	\$ 51,998,313	\$ 33,398	\$ 30,033,227	\$ 41,050,931	\$ 42,278,033	\$ -	\$ 28,806,125

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

WAWASEE COMMUNITY SCHOOL CORPORATION
NOTES TO FINANCIAL STATEMENT

Note 1. 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 accompanying financial statement presents the financial information for the School Corporation (primary government).

B. Basis of Accounting

The financial statement is reported on a regulatory basis of accounting prescribed by the State Board of Accounts in accordance with state statute (IC 5-11-1-6), which is a comprehensive basis of accounting other than accounting principles generally accepted in the United States of America.

The regulatory 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.

C. Cash and Investments

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

D. Receipts

Receipts are presented in the aggregate on the face of the financial statement. The aggregate receipts include the following sources:

Local sources which include taxes, revenue from local governmental units other than school corporations, transfer tuition, transportation fees, investment income, food services, school corporation activities, revenue from community services activities, and other revenue from local sources.

Intermediate sources which include distributions from the County for fees collected for or on behalf of the School Corporation including educational license plate fees, congressional interest, riverboat distributions, and other similar fees.

State sources which include distributions from the State of Indiana to be used by the School Corporation for various purposes. Included in state sources are unrestricted grants, restricted grants, revenue in lieu of taxes, and revenue for or on behalf of the School Corporation.

WAWASEE COMMUNITY SCHOOL CORPORATION
NOTES TO FINANCIAL STATEMENT
(Continued)

Federal sources which include distributions from the federal government to be used by the School Corporation for various purposes. Included in federal sources are unrestricted grants, restricted grants, revenue in lieu of taxes, and revenue for or on behalf of the School Corporation.

Temporary loans which include money received from a loan obtained to pay current expenses prior to the receipt of revenue from taxes levied for that purpose. These loans, sometimes designated tax anticipation warrants, must be repaid from the next semiannual distribution of local property taxes levied for such fund.

Other receipts which include amounts received from various sources which include return of petty cash, return of cash change, insurance claims for losses, sale of securities, and other receipts not listed in another category above.

E. Disbursements

Disbursements are presented in the aggregate on the face of the financial statement. The aggregate disbursements include the following uses:

Instruction which includes outflows for regular programs, special programs, adult and continuing education programs, summer school programs, enrichment programs, remediation, and payments to other governmental units.

Support services which include outflows for support services related to students, instruction, general administration, and school administration. It also includes outflows for central services, operation and maintenance of plant services, and student transportation.

Noninstructional services which include outflows for food service operations, and community service operations.

Facilities acquisition and construction which includes outflows for the acquisition, development, construction, and improvement of new and existing facilities.

Debt services which include fixed obligations resulting from financial transactions previously entered into by the School Corporation. It includes all expenditures for the reduction of the principal and interest of the School Corporation's general obligation indebtedness.

Nonprogrammed charges which include outflows for donations to foundations, securities purchased, indirect costs, scholarships, and self-insurance payments.

F. Other financing sources and uses

Other financing sources and uses are presented in the aggregate on the face of the financial statement. The aggregate other financing sources and uses include the following:

Proceeds of long-term debt which includes money received in relation to the issuance of bonds or other long-term debt issues.

Sale of capital assets which includes money received when land, buildings, or equipment owned by the School Corporation is sold.

WAWASEE COMMUNITY SCHOOL CORPORATION
NOTES TO FINANCIAL STATEMENT
(Continued)

Transfers in which includes money received by one fund as a result of transferring money from another fund. The transfers are used for cash flow purposes as provided by various statutory provisions.

Transfers out which includes money paid by one fund to another fund. The transfers are used for cash flow purposes as provided by various statutory provisions.

G. Fund Accounting

Separate funds are established, maintained, and reported by the School Corporation. Each fund is used to account for money received from and used for specific sources and uses as determined by various regulations. Restrictions on some funds are set by statute while other funds are internally restricted by the School Corporation. The money accounted for in a specific fund may only be available for use for certain, legally restricted purposes. Additionally, some funds are used to account for assets held by the School Corporation in a trustee capacity as an agent of individuals, private organizations, other funds, or other governmental units and therefore the funds cannot be used for any expenditures of the unit itself.

Note 2. Budgets

The operating budget is initially prepared and approved at the local level. The fiscal officer of the School Corporation submits a proposed operating budget to the governing board for the following calendar year. The budget is advertised as required by law. Prior to adopting the budget, the governing board conducts public hearings and obtains taxpayer comments. Prior to November 1, the governing board approves the budget for the next year. The budget for funds for which property taxes are levied is subject to final approval by the Indiana Department of Local Government Finance.

Note 3. Property Taxes

Property taxes levied are collected by the County Treasurer and are scheduled to be distributed to the School Corporation in June and December; however, situations can arise which would delay the distributions. 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. These rates were based upon the preceding year's March 1 (lien date) assessed valuations adjusted for various tax credits. Taxable property is assessed at 100 percent 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 normally become delinquent if not paid by May 10 and November 10, respectively.

Note 4. Deposits and Investments

Deposits, made in accordance with state statute (IC 5-13), with financial institutions in the State of Indiana at year end should be entirely insured by the Federal Depository Insurance Corporation or by the Indiana Public Deposit Insurance Fund. This includes any deposit accounts issued or offered by a qualifying financial institution.

WAWASEE COMMUNITY SCHOOL CORPORATION
NOTES TO FINANCIAL STATEMENT
(Continued)

State statutes authorize the School Corporation to invest in securities including, but not limited to, federal government securities, repurchase agreements, and certain money market mutual funds. Certain other statutory restrictions apply to all investments made by local governmental units.

Note 5. Risk Management

The School Corporation may be 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.

These risks can be mitigated through the purchase of insurance, establishment of a self-insurance fund, and/or participation in a risk pool. The purchase of insurance transfers the risk to an independent third party. The establishment of a self-insurance fund allows the School Corporation to set aside money for claim settlements. The self-insurance fund would be included in the financial statement. The purpose of participation in a risk pool is to provide a medium for the funding and administration of the risks. These risks may also be mitigated by the School Corporation by recording as a disbursement any replacement items purchased.

Note 6. Pension Plans

A. Public Employees' Retirement Fund

Plan Description

The Indiana Public Employees' Retirement Fund (PERF) is 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 this defined benefit plan. State statutes (IC 5-10.2 and 5-10.3) govern, through the Indiana Public Retirement System (INPRS) 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 members' contributions, set by state statute at 3 percent of compensation, plus the interest credited to the member's account. The employer may elect to make the contributions on behalf of the member.

INPRS 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. That report may be obtained by contacting:

Indiana Public Retirement System
1 North Capital Street, Suite 001
Indianapolis, IN 46204
Ph. (888) 526-1687

Funding Policy and Annual Pension Cost

The contribution requirements of the plan members for PERF are established by the Board of Trustees of INPRS.

WAWASEE COMMUNITY SCHOOL CORPORATION
NOTES TO FINANCIAL STATEMENT
(Continued)

B. Teachers' Retirement Fund

Plan Description

The Indiana Teachers' Retirement Fund (TRF) is 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 Indiana Public Retirement System (INPRS) 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 members' contributions, set by state statute at three percent 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.

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

Indiana Public Retirement System
1 North Capital Street, Suite 001
Indianapolis, IN 46204
Ph. (888) 286-3544

Funding Policy and Annual Pension Cost

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.

SUPPLEMENTARY INFORMATION – UNAUDITED

For additional financial information, the School Corporation's Financial Reports can be found on the Indiana Department of Education website: <http://mustang.doe.state.in.us/TRENDS/fin.cfm>. This website is maintained by the Indiana Department of Education. More current financial information is available from the School Corporation Treasurer's office.

Differences may be noted between the financial information presented in the financial statement contained in this report and the financial information presented in the Financial Reports of the School Corporation which are referenced above. These differences, if any, are due to adjustments made to the financial information during the course of the audit. This is a common occurrence in any financial statement audit. The financial information presented in this report is audited information, and the accuracy of such information can be determined by reading the opinion given in the Independent Auditor's Report.

The supplementary information presented was prepared and/or approved by management of the School Corporation. It is presented as intended by the School Corporation.

WAWASEE COMMUNITY SCHOOL CORPORATION
 COMBINING SCHEDULE OF RECEIPTS, DISBURSEMENTS, OTHER FINANCING SOURCES (USES), AND CASH AND INVESTMENT BALANCES -
 REGULATORY BASIS
 For the Year Ended June 30, 2010

	General	Debt Service	Retirement/ Severance Bond Debt Service	Capital Projects	School Transportation	School Bus Replacement	Special Education Preschool	Rainy Day	Retirement/ Severance Bond	Post Retirement/ Severance Future Benefits
Cash and investments - beginning	\$ 3,660,122	\$ 4,445,380	\$ 700,105	\$ 4,731,413	\$ 1,655,242	\$ 701,753	\$ 69,671	\$ 3,590,000	\$ 1,569	\$ 371,871
Receipts:										
Local sources	356,802	3,926,416	796,854	4,352,872	1,948,096	1,247,197	-	-	-	611
Intermediate sources	190	-	-	-	-	-	-	-	-	-
State sources	18,847,049	-	-	-	-	-	52,248	-	-	-
Federal sources	-	-	-	-	-	-	-	-	-	-
Temporary loans	1,087,271	3,036	744	1,630	567,818	361,863	-	-	-	-
Other	46,949	-	-	115,930	3,720	50,026	-	-	-	1,626,572
Total receipts	20,338,261	3,929,452	797,598	4,470,432	2,519,634	1,659,086	52,248	-	-	1,627,183
Disbursements:										
Current:										
Instruction	14,242,556	-	-	-	-	-	36,999	-	-	-
Support services	5,149,122	-	-	1,431,006	1,876,746	892,755	-	-	350	94,440
Noninstructional services	456,196	-	-	-	-	-	-	-	-	-
Facilities acquisition and construction	-	-	-	2,577,970	-	-	-	-	-	-
Debt services	1,163,879	5,235,441	1,030,332	966,043	628,384	310,289	-	-	-	-
Nonprogrammed charges	66,896	-	-	-	-	-	-	-	-	-
Total disbursements	21,078,649	5,235,441	1,030,332	4,975,019	2,505,130	1,203,044	36,999	-	350	94,440
Excess (deficiency) of receipts over disbursements	(740,388)	(1,305,989)	(232,734)	(504,587)	14,504	456,042	15,249	-	(350)	1,532,743
Other financing sources (uses):										
Proceeds of long-term debt	-	-	-	-	-	-	-	-	-	-
Sale of capital assets	-	1,998	-	-	-	-	-	-	-	-
Transfers in	284,920	-	-	-	3,807	90,000	-	-	-	-
Transfers out	-	-	-	-	-	-	(84,920)	(290,000)	-	-
Total other financing sources (uses)	284,920	1,998	-	-	3,807	90,000	(84,920)	(290,000)	-	-
Excess (deficiency) of receipts and other financing sources over disbursements and other financing uses	(455,468)	(1,303,991)	(232,734)	(504,587)	18,311	546,042	(69,671)	(290,000)	(350)	1,532,743
Cash and investments - ending	\$ 3,204,654	\$ 3,141,389	\$ 467,371	\$ 4,226,826	\$ 1,673,553	\$ 1,247,795	\$ -	\$ 3,300,000	\$ 1,219	\$ 1,904,614

WAWASEE COMMUNITY SCHOOL CORPORATION
 COMBINING SCHEDULE OF RECEIPTS, DISBURSEMENTS, OTHER FINANCING SOURCES (USES), AND CASH AND INVESTMENT BALANCES -
 REGULATORY BASIS
 For the Year Ended June 30, 2010
 (Continued)

	General Obligation Bonds	School Lunch	Textbook Rental	Self- Insurance	Levy Excess	Educational License Plates	08-09 Alternative Education	09-10 Alternative Education	10-11 Alternative Education	11-12 Alternative Education
Cash and investments - beginning	\$ 8,388,320	\$ 455,030	\$ 84,462	\$ 5,465,106	\$ -	\$ 12,469	\$ 17,916	\$ 24,392	\$ -	\$ -
Receipts:										
Local sources	-	614,996	161,672	3,999,220	-	-	-	-	-	-
Intermediate sources	-	-	-	-	-	469	-	-	-	-
State sources	-	17,042	85,110	-	65,951	-	-	-	18,629	-
Federal sources	-	694,457	-	-	-	-	-	-	-	-
Temporary loans	-	-	-	-	-	-	-	-	-	-
Other	-	35	-	-	-	-	-	-	-	-
Total receipts	-	1,326,530	246,782	3,999,220	65,951	469	-	-	18,629	-
Disbursements:										
Current:										
Instruction	-	-	-	-	-	-	13,240	-	-	-
Support services	-	613	297,617	-	-	-	-	-	-	-
Noninstructional services	-	1,231,701	-	-	-	-	-	-	-	-
Facilities acquisition and construction	6,985,729	-	-	-	-	-	-	-	-	-
Debt services	-	-	-	-	-	-	-	-	-	-
Nonprogrammed charges	-	-	-	2,650,990	-	-	-	-	-	-
Total disbursements	6,985,729	1,232,314	297,617	2,650,990	-	-	13,240	-	-	-
Excess (deficiency) of receipts over disbursements	(6,985,729)	94,216	(50,835)	1,348,230	65,951	469	(13,240)	-	18,629	-
Other financing sources (uses):										
Proceeds of long-term debt	31,400	-	-	-	-	-	-	-	-	-
Sale of capital assets	-	-	-	-	-	-	-	-	-	-
Transfers in	-	-	-	-	-	-	-	-	-	-
Transfers out	-	-	-	-	-	-	-	-	-	-
Total other financing sources (uses)	31,400	-	-	-	-	-	-	-	-	-
Excess (deficiency) of receipts and other financing sources over disbursements and other financing uses	(6,954,329)	94,216	(50,835)	1,348,230	65,951	469	(13,240)	-	18,629	-
Cash and investments - ending	\$ 1,433,991	\$ 549,246	\$ 33,627	\$ 6,813,336	\$ 65,951	\$ 12,938	\$ 4,676	\$ 24,392	\$ 18,629	\$ -

WAWASEE COMMUNITY SCHOOL CORPORATION
 COMBINING SCHEDULE OF RECEIPTS, DISBURSEMENTS, OTHER FINANCING SOURCES (USES), AND CASH AND INVESTMENT BALANCES -
 REGULATORY BASIS
 For the Year Ended June 30, 2010
 (Continued)

	Early Intervention Grant	08-09 Reading Recovery	09-10 Reading Recovery	United Way Book Grant	HS Graduation Coach Grant	Karen Parr Counseling Support	Dekko-Arts Enhancement Grant	Reading Assessment Grant	Dekko-Arts Partnership Program	11-12 Arts Partnership Grant
Cash and investments - beginning	\$ -	\$ 10,476	\$ -	\$ -	\$ -	\$ 19,032	\$ 34	\$ -	\$ -	\$ -
Receipts:										
Local sources	-	-	-	-	-	29	-	-	-	-
Intermediate sources	-	-	-	15,000	-	-	-	-	-	-
State sources	-	-	63,762	-	-	-	-	-	-	-
Federal sources	-	-	-	-	-	-	-	-	-	-
Temporary loans	-	-	-	-	-	-	-	-	-	-
Other	-	-	-	-	-	-	-	-	-	-
Total receipts	-	-	63,762	15,000	-	29	-	-	-	-
Disbursements:										
Current:										
Instruction	-	-	-	-	-	-	34	-	-	-
Support services	-	10,476	63,762	-	-	2,525	-	-	-	-
Noninstructional services	-	-	-	-	-	-	-	-	-	-
Facilities acquisition and construction	-	-	-	-	-	-	-	-	-	-
Debt services	-	-	-	-	-	-	-	-	-	-
Nonprogrammed charges	-	-	-	-	-	-	-	-	-	-
Total disbursements	-	10,476	63,762	-	-	2,525	34	-	-	-
Excess (deficiency) of receipts over disbursements	-	(10,476)	-	15,000	-	(2,496)	(34)	-	-	-
Other financing sources (uses):										
Proceeds of long-term debt	-	-	-	-	-	-	-	-	-	-
Sale of capital assets	-	-	-	-	-	-	-	-	-	-
Transfers in	-	-	-	-	-	-	-	-	-	-
Transfers out	-	-	-	-	-	-	-	-	-	-
Total other financing sources (uses)	-	-	-	-	-	-	-	-	-	-
Excess (deficiency) of receipts and other financing sources over disbursements and other financing uses	-	(10,476)	-	15,000	-	(2,496)	(34)	-	-	-
Cash and investments - ending	\$ -	\$ -	\$ -	\$ 15,000	\$ -	\$ 16,536	\$ -	\$ -	\$ -	\$ -

WAWASEE COMMUNITY SCHOOL CORPORATION
 COMBINING SCHEDULE OF RECEIPTS, DISBURSEMENTS, OTHER FINANCING SOURCES (USES), AND CASH AND INVESTMENT BALANCES -
 REGULATORY BASIS
 For the Year Ended June 30, 2010
 (Continued)

	Dahlstrom Scholarship Fund	Ikon Scholarship Fund	Data/Assessment Conference Fund	Conference Fund/Writers Workshop	08-09 Project Lead the Way	09-10 Tech Prep PLTW Grant	10-11 Tech Prep PLTW Grant	09-10 High Ability Grant	10-11 High Ability Grant	Medicaid Reimbursement
Cash and investments - beginning	\$ 1,236	\$ 35	\$ 209	\$ 605	\$ (5,850)	\$ -	\$ -	\$ -	\$ -	\$ -
Receipts:										
Local sources	500	-	-	-	-	-	-	-	-	-
Intermediate sources	-	-	75	-	5,850	1,264	-	-	-	-
State sources	-	-	-	-	-	-	-	39,338	-	-
Federal sources	-	-	-	-	-	-	-	-	-	-
Temporary loans	-	-	-	-	-	-	-	-	-	-
Other	-	-	-	-	-	-	-	-	-	-
Total receipts	500	-	75	-	5,850	1,264	-	39,338	-	-
Disbursements:										
Current:										
Instruction	-	-	150	-	-	5,940	-	39,338	-	-
Support services	-	-	-	-	-	-	-	-	-	-
Noninstructional services	-	-	-	-	-	-	-	-	-	-
Facilities acquisition and construction	-	-	-	-	-	-	-	-	-	-
Debt services	-	-	-	-	-	-	-	-	-	-
Nonprogrammed charges	1,736	35	-	-	-	-	-	-	-	-
Total disbursements	1,736	35	150	-	-	5,940	-	39,338	-	-
Excess (deficiency) of receipts over disbursements	(1,236)	(35)	(75)	-	5,850	(4,676)	-	-	-	-
Other financing sources (uses):										
Proceeds of long-term debt	-	-	-	-	-	-	-	-	-	-
Sale of capital assets	-	-	-	-	-	-	-	-	-	-
Transfers in	-	-	-	-	-	-	-	-	-	-
Transfers out	-	-	-	-	-	-	-	-	-	-
Total other financing sources (uses)	-	-	-	-	-	-	-	-	-	-
Excess (deficiency) of receipts and other financing sources over disbursements and other financing uses	(1,236)	(35)	(75)	-	5,850	(4,676)	-	-	-	-
Cash and investments - ending	\$ -	\$ -	\$ 134	\$ 605	\$ -	\$ (4,676)	\$ -	\$ -	\$ -	\$ -

WAWASEE COMMUNITY SCHOOL CORPORATION
 COMBINING SCHEDULE OF RECEIPTS, DISBURSEMENTS, OTHER FINANCING SOURCES (USES), AND CASH AND INVESTMENT BALANCES -
 REGULATORY BASIS
 For the Year Ended June 30, 2010
 (Continued)

	09-10 Non-English Speaking Program	10-11 Non-English Speaking Program	School Technology	08-09 Title I	09-10 Title I	10-11 Title I	07-08 Title V, Part A	09-10 Migrant Fund	08-09 School Age Special Services, Part B	09-10 School Age Special Services, Part B
Cash and investments - beginning	\$ -	\$ -	\$ -	\$ 117,384	\$ -	\$ -	\$ 6,828	\$ -	\$ 51,375	\$ -
Receipts:										
Local sources	-	-	-	-	-	-	-	-	-	-
Intermediate sources	-	-	-	-	-	-	-	-	-	-
State sources	22,994	-	-	-	-	-	-	-	-	-
Federal sources	-	-	-	36,800	310,445	-	-	18,973	(4)	643,880
Temporary loans	-	-	-	-	-	-	-	-	-	-
Other	-	-	-	-	-	-	-	-	-	-
Total receipts	22,994	-	-	36,800	310,445	-	-	18,973	(4)	643,880
Disbursements:										
Current:										
Instruction	22,994	-	-	61,090	210,017	-	-	19,066	34,064	304,168
Support services	-	-	-	71,133	58,768	-	6,828	-	17,307	222,888
Noninstructional services	-	-	-	5,690	2,374	-	-	-	-	-
Facilities acquisition and construction	-	-	-	-	-	-	-	-	-	-
Debt services	-	-	-	-	-	-	-	-	-	-
Nonprogrammed charges	-	-	-	-	-	-	-	-	-	-
Total disbursements	22,994	-	-	137,913	271,159	-	6,828	19,066	51,371	527,056
Excess (deficiency) of receipts over disbursements	-	-	-	(101,113)	39,286	-	(6,828)	(93)	(51,375)	116,824
Other financing sources (uses):										
Proceeds of long-term debt	-	-	-	-	-	-	-	-	-	-
Sale of capital assets	-	-	-	-	-	-	-	-	-	-
Transfers in	-	-	-	-	12,464	-	-	-	-	-
Transfers out	-	-	-	(16,271)	-	-	-	-	-	-
Total other financing sources (uses)	-	-	-	(16,271)	12,464	-	-	-	-	-
Excess (deficiency) of receipts and other financing sources over disbursements and other financing uses	-	-	-	(117,384)	51,750	-	(6,828)	(93)	(51,375)	116,824
Cash and investments - ending	\$ -	\$ -	\$ -	\$ -	\$ 51,750	\$ -	\$ -	\$ (93)	\$ -	\$ 116,824

WAWASEE COMMUNITY SCHOOL CORPORATION
 COMBINING SCHEDULE OF RECEIPTS, DISBURSEMENTS, OTHER FINANCING SOURCES (USES), AND CASH AND INVESTMENT BALANCES -
 REGULATORY BASIS
 For the Year Ended June 30, 2010
 (Continued)

	10-11 School Age Special Services, Part B	08-09 Preschool Services	09-10 Preschool Services	10-11 Preschool Special Needs Services	07-08 Drug Free Title IV	08-09 Drug Free Title IV	09-10 Drug Free Title IV	08-09 Perkins Grant	09-10 Perkins Grant
Cash and investments - beginning	\$ -	\$ 2,986	\$ -	\$ -	\$ 718	\$ 4,535	\$ -	\$ (22,708)	\$ -
Receipts:									
Local sources	-	-	-	-	-	-	-	-	-
Intermediate sources	-	-	-	-	-	-	-	-	-
State sources	-	-	-	-	-	-	22,708	68,722	-
Federal sources	-	4	13,865	-	-	3,000	-	-	-
Temporary loans	-	-	-	-	-	-	-	-	-
Other	-	-	-	-	-	-	-	-	-
Total receipts	-	4	13,865	-	-	3,000	22,708	68,722	-
Disbursements:									
Current:									
Instruction	-	2,990	14,062	-	143	3,260	-	-	69,536
Support services	-	-	-	-	575	4,000	-	-	22,093
Noninstructional services	-	-	-	-	-	-	-	-	-
Facilities acquisition and construction	-	-	-	-	-	-	-	-	-
Debt services	-	-	-	-	-	-	-	-	-
Nonprogrammed charges	-	-	-	-	-	-	-	-	-
Total disbursements	-	2,990	14,062	-	718	7,260	-	-	91,629
Excess (deficiency) of receipts over disbursements	-	(2,986)	(197)	-	(718)	(4,260)	22,708	(22,907)	-
Other financing sources (uses):									
Proceeds of long-term debt	-	-	-	-	-	-	-	-	-
Sale of capital assets	-	-	-	-	-	-	-	-	-
Transfers in	-	-	-	-	-	-	-	-	-
Transfers out	-	-	-	-	-	-	-	-	-
Total other financing sources (uses)	-	-	-	-	-	-	-	-	-
Excess (deficiency) of receipts and other financing sources over disbursements and other financing uses	-	(2,986)	(197)	-	(718)	(4,260)	22,708	(22,907)	-
Cash and investments - ending	\$ -	\$ -	\$ (197)	\$ -	\$ -	\$ 275	\$ -	\$ -	\$ (22,907)

WAWASEE COMMUNITY SCHOOL CORPORATION
 COMBINING SCHEDULE OF RECEIPTS, DISBURSEMENTS, OTHER FINANCING SOURCES (USES), AND CASH AND INVESTMENT BALANCES -
 REGULATORY BASIS
 For the Year Ended June 30, 2010
 (Continued)

	10-11 Perkins Grant	Medicaid Reimbursement Federal	Safe Routes to School Program	School to Work Development Act	08-09 Title II, Part A	09-10 Title II, Part A	ITQ Enhanced Education Through Technology Title II, Part D	08-09 Title III, Language Instruction	09-10 Title III, Language Instruction
Cash and investments - beginning	\$ -	\$ -	\$ -	103	\$ 51,385	\$ -	\$ 81,798	\$ 3,219	\$ -
Receipts:									
Local sources	-	-	-	-	-	-	-	-	-
Intermediate sources	-	-	-	-	-	-	-	-	-
State sources	-	-	-	-	-	-	-	-	-
Federal sources	-	-	7,375	-	55,000	2,000	15,450	-	22,881
Temporary loans	-	-	-	-	-	-	-	-	-
Other	-	-	-	-	-	-	-	-	-
Total receipts	-	-	7,375	-	55,000	2,000	15,450	-	22,881
Disbursements:									
Current:									
Instruction	-	-	7,375	103	88,412	-	-	2,552	21,107
Support services	-	-	-	-	9,960	-	78,566	667	-
Noninstructional services	-	-	-	-	-	-	-	-	-
Facilities acquisition and construction	-	-	-	-	-	-	-	-	-
Debt services	-	-	-	-	-	-	-	-	-
Nonprogrammed charges	-	-	-	-	-	-	-	-	-
Total disbursements	-	-	7,375	103	98,372	-	78,566	3,219	21,107
Excess (deficiency) of receipts over disbursements	-	-	-	(103)	(43,372)	2,000	(63,116)	(3,219)	1,774
Other financing sources (uses):									
Proceeds of long-term debt	-	-	-	-	-	-	-	-	-
Sale of capital assets	-	-	-	-	-	-	-	-	-
Transfers in	-	-	-	-	-	-	-	-	-
Transfers out	-	-	-	-	-	-	-	-	-
Total other financing sources (uses)	-	-	-	-	-	-	-	-	-
Excess (deficiency) of receipts and other financing sources over disbursements and other financing uses	-	-	-	(103)	(43,372)	2,000	(63,116)	(3,219)	1,774
Cash and investments - ending	\$ -	\$ -	\$ -	\$ -	\$ 8,013	\$ 2,000	\$ 18,682	\$ -	\$ 1,774

WAWASEE COMMUNITY SCHOOL CORPORATION
 COMBINING SCHEDULE OF RECEIPTS, DISBURSEMENTS, OTHER FINANCING SOURCES (USES), AND CASH AND INVESTMENT BALANCES -
 REGULATORY BASIS
 For the Year Ended June 30, 2010
 (Continued)

	10-11 Title III, Language Instruction	Fiscal Stabilization Education	Title I Grants to LEAs	Special Education Part B	Special Education Part B Preschool	Education Technology	Qualified School Construction Bond	Education Jobs	Totals
Cash and investments - beginning	\$ -	\$ 1,633,864	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 36,332,085
Receipts:									
Local sources	-	-	-	-	-	-	-	-	17,405,265
Intermediate sources	-	-	-	-	-	-	-	-	22,848
State sources	-	-	-	-	-	-	-	-	19,303,553
Federal sources	-	669,773	80,001	493,261	16,835	28,801	1,956,000	-	5,068,797
Temporary loans	-	-	-	-	-	-	-	-	2,022,362
Other	-	-	-	-	-	-	-	-	1,843,232
Total receipts	-	669,773	80,001	493,261	16,835	28,801	1,956,000	-	45,666,057
Disbursements:									
Current:									
Instruction	-	2,028,905	-	145,475	20,737	-	-	-	17,394,313
Support services	-	274,732	79,052	294,779	-	-	-	-	10,960,760
Noninstructional services	-	-	-	-	-	-	-	-	1,695,961
Facilities acquisition and construction	-	-	-	-	-	8,430	321,125	-	9,893,254
Debt services	-	-	-	-	-	-	-	-	9,334,368
Nonprogrammed charges	-	-	-	-	-	-	-	-	2,719,657
Total disbursements	-	2,303,637	79,052	440,254	20,737	8,430	321,125	-	51,998,313
Excess (deficiency) of receipts over disbursements	-	(1,633,864)	949	53,007	(3,902)	20,371	1,634,875	-	(6,332,256)
Other financing sources (uses):									
Proceeds of long-term debt	-	-	-	-	-	-	-	-	31,400
Sale of capital assets	-	-	-	-	-	-	-	-	1,998
Transfers in	-	-	-	-	-	-	-	-	391,191
Transfers out	-	-	-	-	-	-	-	-	(391,191)
Total other financing sources (uses)	-	-	-	-	-	-	-	-	33,398
Excess (deficiency) of receipts and other financing sources over disbursements and other financing uses	-	(1,633,864)	949	53,007	(3,902)	20,371	1,634,875	-	(6,298,858)
Cash and investments - ending	\$ -	\$ -	\$ 949	\$ 53,007	\$ (3,902)	\$ 20,371	\$ 1,634,875	\$ -	\$ 30,033,227

WAWASEE COMMUNITY SCHOOL CORPORATION
 COMBINING SCHEDULE OF RECEIPTS, DISBURSEMENTS, OTHER FINANCING SOURCES (USES), AND CASH AND INVESTMENT BALANCES -
 REGULATORY BASIS
 For the Year Ended June 30, 2011

	General	Debt Service	Retirement/ Severance Bond Debt Service	Capital Projects	School Transportation	School Bus Replacement	Special Education Preschool	Rainy Day	Retirement/ Severance Bond	Post Retirement/ Severance Future Benefits
Cash and investments - beginning	\$ 3,204,654	\$ 3,141,389	\$ 467,371	\$ 4,226,826	\$ 1,673,553	\$ 1,247,795	\$ -	\$ 3,300,000	\$ 1,219	\$ 1,904,614
Receipts:										
Local sources	241,137	4,159,163	769,572	4,142,751	1,861,033	1,698,337	-	-	-	871
Intermediate sources	190	-	-	-	-	-	-	-	-	-
State sources	19,155,639	-	-	-	-	-	-	-	-	-
Federal sources	-	-	-	-	-	-	-	-	-	-
Temporary loans	1,054,902	-	-	-	502,507	784,411	-	-	-	-
Other	201,673	-	-	9,428	6,830	-	-	-	-	-
Total receipts	<u>20,653,541</u>	<u>4,159,163</u>	<u>769,572</u>	<u>4,152,179</u>	<u>2,370,370</u>	<u>2,482,748</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>871</u>
Disbursements:										
Current:										
Instruction	14,062,010	-	-	-	-	-	-	-	-	-
Support services	4,650,771	-	-	1,459,313	1,718,791	182,743	-	138,073	349	33,133
Noninstructional services	452,462	-	-	-	-	-	-	-	-	-
Facilities acquisition and construction	-	-	-	2,849,503	-	-	-	684,573	-	-
Debt services	1,085,307	4,349,326	748,178	-	741,679	200,765	-	-	-	-
Nonprogrammed charges	46,855	-	-	-	-	-	-	-	-	-
Total disbursements	<u>20,297,405</u>	<u>4,349,326</u>	<u>748,178</u>	<u>4,308,816</u>	<u>2,460,470</u>	<u>383,508</u>	<u>-</u>	<u>822,646</u>	<u>349</u>	<u>33,133</u>
Excess (deficiency) of receipts over disbursements	<u>356,136</u>	<u>(190,163)</u>	<u>21,394</u>	<u>(156,637)</u>	<u>(90,100)</u>	<u>2,099,240</u>	<u>-</u>	<u>(822,646)</u>	<u>(349)</u>	<u>(32,262)</u>
Other financing sources (uses):										
Proceeds of long-term debt	-	-	-	-	-	-	-	-	-	-
Sale of capital assets	-	-	-	-	-	-	-	-	-	-
Transfers in	158,357	-	-	-	65,951	-	-	1,750,000	-	-
Transfers out	-	-	-	-	-	(1,908,357)	-	-	-	-
Total other financing sources (uses)	<u>158,357</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>65,951</u>	<u>(1,908,357)</u>	<u>-</u>	<u>1,750,000</u>	<u>-</u>	<u>-</u>
Excess (deficiency) of receipts and other financing sources over disbursements and other financing uses	<u>514,493</u>	<u>(190,163)</u>	<u>21,394</u>	<u>(156,637)</u>	<u>(24,149)</u>	<u>190,883</u>	<u>-</u>	<u>927,354</u>	<u>(349)</u>	<u>(32,262)</u>
Cash and investments - ending	<u>\$ 3,719,147</u>	<u>\$ 2,951,226</u>	<u>\$ 488,765</u>	<u>\$ 4,070,189</u>	<u>\$ 1,649,404</u>	<u>\$ 1,438,678</u>	<u>\$ -</u>	<u>\$ 4,227,354</u>	<u>\$ 870</u>	<u>\$ 1,872,352</u>

WAWASEE COMMUNITY SCHOOL CORPORATION
 COMBINING SCHEDULE OF RECEIPTS, DISBURSEMENTS, OTHER FINANCING SOURCES (USES), AND CASH AND INVESTMENT BALANCES -
 REGULATORY BASIS
 For the Year Ended June 30, 2011
 (Continued)

	General Obligation Bonds	School Lunch	Textbook Rental	Self- Insurance	Levy Excess	Educational License Plates	08-09 Alternative Education	09-10 Alternative Education	10-11 Alternative Education	11-12 Alternative Education
Cash and investments - beginning	\$ 1,433,991	\$ 549,246	\$ 33,627	\$ 6,813,336	\$ 65,951	\$ 12,938	\$ 4,676	\$ 24,392	\$ 18,629	\$ -
Receipts:										
Local sources	-	583,966	136,013	3,487,473	-	-	-	-	-	-
Intermediate sources	-	-	-	-	-	412	-	-	-	-
State sources	-	16,808	78,632	-	-	-	-	-	-	21,430
Federal sources	-	711,901	-	-	-	-	-	-	-	-
Temporary loans	-	-	-	-	-	-	-	-	-	-
Other	-	-	-	-	-	-	-	-	-	-
Total receipts	-	1,312,675	214,645	3,487,473	-	412	-	-	-	21,430
Disbursements:										
Current:										
Instruction	-	-	-	-	-	-	910	24,392	18,629	-
Support services	-	-	83,734	-	-	-	-	-	-	-
Noninstructional services	-	1,262,096	-	-	-	13,350	-	-	-	-
Facilities acquisition and construction	865,630	-	-	-	-	-	-	-	-	-
Debt services	-	-	-	-	-	-	-	-	-	-
Nonprogrammed charges	-	118,334	-	3,067,047	-	-	-	-	-	-
Total disbursements	865,630	1,380,430	83,734	3,067,047	-	13,350	910	24,392	18,629	-
Excess (deficiency) of receipts over disbursements	(865,630)	(67,755)	130,911	420,426	-	(12,938)	(910)	(24,392)	(18,629)	21,430
Other financing sources (uses):										
Proceeds of long-term debt	-	-	-	-	-	-	-	-	-	-
Sale of capital assets	-	-	-	-	-	-	-	-	-	-
Transfers in	-	-	-	-	-	-	-	-	-	-
Transfers out	-	-	-	-	(65,951)	-	-	-	-	-
Total other financing sources (uses)	-	-	-	-	(65,951)	-	-	-	-	-
Excess (deficiency) of receipts and other financing sources over disbursements and other financing uses	(865,630)	(67,755)	130,911	420,426	(65,951)	(12,938)	(910)	(24,392)	(18,629)	21,430
Cash and investments - ending	\$ 568,361	\$ 481,491	\$ 164,538	\$ 7,233,762	\$ -	\$ -	\$ 3,766	\$ -	\$ -	\$ 21,430

WAWASEE COMMUNITY SCHOOL CORPORATION
 COMBINING SCHEDULE OF RECEIPTS, DISBURSEMENTS, OTHER FINANCING SOURCES (USES), AND CASH AND INVESTMENT BALANCES -
 REGULATORY BASIS
 For the Year Ended June 30, 2011
 (Continued)

	Early Intervention Grant	08-09 Reading Recovery	09-10 Reading Recovery	United Way Book Grant	HS Graduation Coach Grant	Karen Parr Counseling Support	Dekko-Arts Enhancement Grant	Reading Assessment Grant	Dekko-Arts Partnership Program	11-12 Arts Partnership Grant
Cash and investments - beginning	\$ -	\$ -	\$ -	\$ 15,000	\$ -	\$ 16,536	\$ -	\$ -	\$ -	\$ -
Receipts:										
Local sources	-	-	-	-	-	324	-	12,333	9,000	4,500
Intermediate sources	-	-	-	-	12,500	-	-	-	-	-
State sources	24,040	-	-	-	-	-	-	-	-	-
Federal sources	-	-	-	-	-	-	-	-	-	-
Temporary loans	-	-	-	-	-	-	-	-	-	-
Other	-	-	-	-	-	-	-	-	-	-
Total receipts	24,040	-	-	-	12,500	324	-	12,333	9,000	4,500
Disbursements:										
Current:										
Instruction	15,000	-	-	13,767	10,130	-	-	-	2,067	-
Support services	7,722	-	-	-	-	2,250	-	12,333	-	-
Noninstructional services	-	-	-	-	-	-	-	-	-	-
Facilities acquisition and construction	-	-	-	-	-	-	-	-	-	-
Debt services	-	-	-	-	-	-	-	-	-	-
Nonprogrammed charges	-	-	-	-	-	-	-	-	-	-
Total disbursements	22,722	-	-	13,767	10,130	2,250	-	12,333	2,067	-
Excess (deficiency) of receipts over disbursements	1,318	-	-	(13,767)	2,370	(1,926)	-	-	6,933	4,500
Other financing sources (uses):										
Proceeds of long-term debt	-	-	-	-	-	-	-	-	-	-
Sale of capital assets	-	-	-	-	-	-	-	-	-	-
Transfers in	-	-	-	-	-	-	-	-	-	-
Transfers out	-	-	-	-	-	-	-	-	-	-
Total other financing sources (uses)	-	-	-	-	-	-	-	-	-	-
Excess (deficiency) of receipts and other financing sources over disbursements and other financing uses	1,318	-	-	(13,767)	2,370	(1,926)	-	-	6,933	4,500
Cash and investments - ending	\$ 1,318	\$ -	\$ -	\$ 1,233	\$ 2,370	\$ 14,610	\$ -	\$ -	\$ 6,933	\$ 4,500

WAWASEE COMMUNITY SCHOOL CORPORATION
 COMBINING SCHEDULE OF RECEIPTS, DISBURSEMENTS, OTHER FINANCING SOURCES (USES), AND CASH AND INVESTMENT BALANCES -
 REGULATORY BASIS
 For the Year Ended June 30, 2011
 (Continued)

	Dahlstrom Scholarship Fund	Ikon Scholarship Fund	Data/Assessment Conference Fund	Conference Fund/Writers Workshop	08-09 Project Lead the Way	09-10 Tech Prep PLTW Grant	10-11 Tech Prep PLTW Grant	09-10 High Ability Grant	10-11 High Ability Grant	Medicaid Reimbursement
Cash and investments - beginning	\$ -	\$ -	\$ 134	\$ 605	\$ -	\$ (4,676)	\$ -	\$ -	\$ -	\$ -
Receipts:										
Local sources	500	-	-	-	-	-	-	-	-	-
Intermediate sources	-	-	-	-	-	4,676	-	-	-	-
State sources	-	-	-	-	-	-	-	-	38,746	144
Federal sources	-	-	-	-	-	-	-	-	-	-
Temporary loans	-	-	-	-	-	-	-	-	-	-
Other	-	-	-	-	-	-	-	-	-	-
Total receipts	500	-	-	-	-	4,676	-	-	38,746	144
Disbursements:										
Current:										
Instruction	-	-	105	-	-	-	13,446	-	38,746	-
Support services	-	-	-	-	-	-	-	-	-	-
Noninstructional services	-	-	-	-	-	-	-	-	-	-
Facilities acquisition and construction	-	-	-	-	-	-	-	-	-	-
Debt services	-	-	-	-	-	-	-	-	-	-
Nonprogrammed charges	500	-	-	-	-	-	-	-	-	-
Total disbursements	500	-	105	-	-	-	13,446	-	38,746	-
Excess (deficiency) of receipts over disbursements	-	-	(105)	-	-	4,676	(13,446)	-	-	144
Other financing sources (uses):										
Proceeds of long-term debt	-	-	-	-	-	-	-	-	-	-
Sale of capital assets	-	-	-	-	-	-	-	-	-	-
Transfers in	-	-	-	-	-	-	-	-	-	-
Transfers out	-	-	-	-	-	-	-	-	-	-
Total other financing sources (uses)	-	-	-	-	-	-	-	-	-	-
Excess (deficiency) of receipts and other financing sources over disbursements and other financing uses	-	-	(105)	-	-	4,676	(13,446)	-	-	144
Cash and investments - ending	\$ -	\$ -	\$ 29	\$ 605	\$ -	\$ -	\$ (13,446)	\$ -	\$ -	\$ 144

WAWASEE COMMUNITY SCHOOL CORPORATION
 COMBINING SCHEDULE OF RECEIPTS, DISBURSEMENTS, OTHER FINANCING SOURCES (USES), AND CASH AND INVESTMENT BALANCES -
 REGULATORY BASIS
 For the Year Ended June 30, 2011
 (Continued)

	09-10 Non-English Speaking Program	10-11 Non-English Speaking Program	School Technology	08-09 Title I	09-10 Title I	10-11 Title I	07-08 Title V, Part A	09-10 Migrant Fund	08-09 School Age Special Services, Part B	09-10 School Age Special Services, Part B
Cash and investments - beginning	\$ -	\$ -	\$ -	\$ -	\$ 51,750	\$ -	\$ -	\$ (93)	\$ -	\$ 116,824
Receipts:										
Local sources	-	-	-	-	-	-	-	-	-	-
Intermediate sources	-	-	-	-	-	-	-	-	-	-
State sources	-	18,273	4,439	-	-	-	-	-	-	-
Federal sources	-	-	-	-	15,001	186,578	-	-	-	-
Temporary loans	-	-	-	-	-	-	-	-	-	-
Other	-	-	-	-	-	-	-	-	-	-
Total receipts	-	18,273	4,439	-	15,001	186,578	-	-	-	-
Disbursements:										
Current:										
Instruction	-	15,447	-	-	21,810	155,905	-	(93)	-	54,480
Support services	-	-	-	-	16,832	64,401	-	-	-	62,344
Noninstructional services	-	-	-	-	1,561	2,865	-	-	-	-
Facilities acquisition and construction	-	-	-	-	-	-	-	-	-	-
Debt services	-	-	-	-	-	-	-	-	-	-
Nonprogrammed charges	-	-	-	-	-	-	-	-	-	-
Total disbursements	-	15,447	-	-	40,203	223,171	-	(93)	-	116,824
Excess (deficiency) of receipts over disbursements	-	2,826	4,439	-	(25,202)	(36,593)	-	93	-	(116,824)
Other financing sources (uses):										
Proceeds of long-term debt	-	-	-	-	-	-	-	-	-	-
Sale of capital assets	-	-	-	-	-	-	-	-	-	-
Transfers in	-	-	-	-	-	26,548	-	-	-	-
Transfers out	-	-	-	-	(26,548)	-	-	-	-	-
Total other financing sources (uses)	-	-	-	-	(26,548)	26,548	-	-	-	-
Excess (deficiency) of receipts and other financing sources over disbursements and other financing uses	-	2,826	4,439	-	(51,750)	(10,045)	-	93	-	(116,824)
Cash and investments - ending	\$ -	\$ 2,826	\$ 4,439	\$ -	\$ -	\$ (10,045)	\$ -	\$ -	\$ -	\$ -

WAWASEE COMMUNITY SCHOOL CORPORATION
 COMBINING SCHEDULE OF RECEIPTS, DISBURSEMENTS, OTHER FINANCING SOURCES (USES), AND CASH AND INVESTMENT BALANCES -
 REGULATORY BASIS
 For the Year Ended June 30, 2011
 (Continued)

	10-11 School Age Special Services, Part B	08-09 Preschool Services	09-10 Preschool Services	10-11 Preschool Special Needs Services	07-08 Drug Free Title IV	08-09 Drug Free Title IV	09-10 Drug Free Title IV	08-09 Perkins Grant	09-10 Perkins Grant
Cash and investments - beginning	\$ -	\$ -	\$ (197)	\$ -	\$ -	\$ 275	\$ -	\$ -	\$ (22,907)
Receipts:									
Local sources	-	-	-	-	-	-	-	-	-
Intermediate sources	-	-	-	-	-	-	-	-	-
State sources	-	-	-	-	-	-	-	-	22,907
Federal sources	414,260	-	-	12,301	-	-	8,150	-	-
Temporary loans	-	-	-	-	-	-	-	-	-
Other	-	-	-	-	-	-	-	-	-
Total receipts	414,260	-	-	12,301	-	-	8,150	-	22,907
Disbursements:									
Current:									
Instruction	280,778	-	(197)	14,590	-	275	8,150	-	-
Support services	246,221	-	-	-	-	-	-	-	-
Noninstructional services	-	-	-	-	-	-	-	-	-
Facilities acquisition and construction	-	-	-	-	-	-	-	-	-
Debt services	-	-	-	-	-	-	-	-	-
Nonprogrammed charges	-	-	-	-	-	-	-	-	-
Total disbursements	526,999	-	(197)	14,590	-	275	8,150	-	-
Excess (deficiency) of receipts over disbursements	(112,739)	-	197	(2,289)	-	(275)	-	-	22,907
Other financing sources (uses):									
Proceeds of long-term debt	-	-	-	-	-	-	-	-	-
Sale of capital assets	-	-	-	-	-	-	-	-	-
Transfers in	-	-	-	-	-	-	-	-	-
Transfers out	-	-	-	-	-	-	-	-	-
Total other financing sources (uses)	-	-	-	-	-	-	-	-	-
Excess (deficiency) of receipts and other financing sources over disbursements and other financing uses	(112,739)	-	197	(2,289)	-	(275)	-	-	22,907
Cash and investments - ending	\$ (112,739)	\$ -	\$ -	\$ (2,289)	\$ -	\$ -	\$ -	\$ -	\$ -

WAWASEE COMMUNITY SCHOOL CORPORATION
 COMBINING SCHEDULE OF RECEIPTS, DISBURSEMENTS, OTHER FINANCING SOURCES (USES), AND CASH AND INVESTMENT BALANCES -
 REGULATORY BASIS
 For the Year Ended June 30, 2011
 (Continued)

	10-11 Perkins Grant	Medicaid Reimbursement Federal	Safe Routes to School Program	School to Work Development Act	08-09 Title II, Part A	09-10 Title II, Part A	ITQ Enhanced Education Through Technology Title II, Part D	08-09 Title III, Language Instruction	09-10 Title III, Language Instruction
Cash and investments - beginning	\$ -	\$ -	\$ -	\$ -	\$ 8,013	\$ 2,000	\$ 18,682	\$ -	\$ 1,774
Receipts:									
Local sources	-	-	-	-	-	-	-	-	-
Intermediate sources	-	-	-	-	-	-	-	-	-
State sources	92,214	-	-	-	-	-	-	-	-
Federal sources	-	1,634	5,597	-	-	56,262	-	-	-
Temporary loans	-	-	-	-	-	-	-	-	-
Other	-	-	-	-	-	-	-	-	-
Total receipts	92,214	1,634	5,597	-	-	56,262	-	-	-
Disbursements:									
Current:									
Instruction	100,188	-	5,597	-	1,227	54,947	-	-	1,234
Support services	-	83	-	-	6,786	2,132	18,682	-	540
Noninstructional services	-	-	-	-	-	-	-	-	-
Facilities acquisition and construction	-	-	-	-	-	-	-	-	-
Debt services	-	-	-	-	-	-	-	-	-
Nonprogrammed charges	-	-	-	-	-	-	-	-	-
Total disbursements	100,188	83	5,597	-	8,013	57,079	18,682	-	1,774
Excess (deficiency) of receipts over disbursements	(7,974)	1,551	-	-	(8,013)	(817)	(18,682)	-	(1,774)
Other financing sources (uses):									
Proceeds of long-term debt	-	-	-	-	-	-	-	-	-
Sale of capital assets	-	-	-	-	-	-	-	-	-
Transfers in	-	-	-	-	-	-	-	-	-
Transfers out	-	-	-	-	-	-	-	-	-
Total other financing sources (uses)	-	-	-	-	-	-	-	-	-
Excess (deficiency) of receipts and other financing sources over disbursements and other financing uses	(7,974)	1,551	-	-	(8,013)	(817)	(18,682)	-	(1,774)
Cash and investments - ending	\$ (7,974)	\$ 1,551	\$ -	\$ -	\$ -	\$ 1,183	\$ -	\$ -	\$ -

WAWASEE COMMUNITY SCHOOL CORPORATION
 COMBINING SCHEDULE OF RECEIPTS, DISBURSEMENTS, OTHER FINANCING SOURCES (USES), AND CASH AND INVESTMENT BALANCES -
 REGULATORY BASIS
 For the Year Ended June 30, 2011
 (Continued)

	10-11 Title III, Language Instruction	Fiscal Stabilization Education	Title I Grants to LEAs	Special Education Part B	Special Education Part B Preschool	Education Technology	Qualified School Construction Bond	Education Jobs	Totals
Cash and investments - beginning	\$ -	\$ -	\$ 949	\$ 53,007	\$ (3,902)	\$ 20,371	\$ 1,634,875	\$ -	\$ 30,033,227
Receipts:									
Local sources	-	-	-	-	-	-	-	159,087	17,266,060
Intermediate sources	-	-	-	-	-	-	-	-	17,778
State sources	-	-	-	-	-	-	-	-	19,473,272
Federal sources	18,454	-	99,542	177,430	6,723	20,237	-	-	1,734,070
Temporary loans	-	-	-	-	-	-	-	-	2,341,820
Other	-	-	-	-	-	-	-	-	217,931
Total receipts	18,454	-	99,542	177,430	6,723	20,237	-	159,087	41,050,931
Disbursements:									
Current:									
Instruction	20,382	-	-	17,414	6,571	35,935	-	159,087	15,152,929
Support services	-	-	102,452	229,631	-	-	-	-	9,039,316
Noninstructional services	-	-	-	-	-	-	-	-	1,732,334
Facilities acquisition and construction	-	-	-	-	-	20,371	1,575,386	-	5,995,463
Debt services	-	-	-	-	-	-	-	-	7,125,255
Nonprogrammed charges	-	-	-	-	-	-	-	-	3,232,736
Total disbursements	20,382	-	102,452	247,045	6,571	56,306	1,575,386	159,087	42,278,033
Excess (deficiency) of receipts over disbursements	(1,928)	-	(2,910)	(69,615)	152	(36,069)	(1,575,386)	-	(1,227,102)
Other financing sources (uses):									
Proceeds of long-term debt	-	-	-	-	-	-	-	-	-
Sale of capital assets	-	-	-	-	-	-	-	-	-
Transfers in	-	-	-	-	-	-	-	-	2,000,856
Transfers out	-	-	-	-	-	-	-	-	(2,000,856)
Total other financing sources (uses)	-	-	-	-	-	-	-	-	-
Excess (deficiency) of receipts and other financing sources over disbursements and other financing uses	(1,928)	-	(2,910)	(69,615)	152	(36,069)	(1,575,386)	-	(1,227,102)
Cash and investments - ending	\$ (1,928)	\$ -	\$ (1,961)	\$ (16,608)	\$ (3,750)	\$ (15,698)	\$ 59,489	\$ -	\$ 28,806,125

WAWASEE COMMUNITY SCHOOL CORPORATION
 SUPPLEMENTARY INFORMATION
 SCHEDULE OF CAPITAL ASSETS
 June 30, 2011

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	\$ 1,100,523
Buildings	51,858,279
Improvements other than buildings	3,019,846
Machinery and equipment	<u>7,880,624</u>
 Total governmental activities, capital assets not being depreciated	 <u><u>\$ 63,859,272</u></u>

WAWASEE COMMUNITY SCHOOL CORPORATION
 SUPPLEMENTARY INFORMATION
 SCHEDULE OF LONG-TERM DEBT
 June 30, 2011

The School Corporation has entered into the following debt:

Description of Debt	Ending Principal Balance	Principal and Interest Due Within One Year
Governmental activities:		
Tax Anticipation Warrants	\$ 2,166,899	\$ 2,193,156
Capital leases:		
North Webster Elem School Renovation and New Construction	26,750,000	2,358,270
Wawasee High School New Construction Series A	2,940,000	90,000
Wawasee High School New Construction Series B	6,060,000	-
Bonds payable:		
General obligation bonds:		
Pension	2,095,000	751,185
Renovations 2008	5,505,000	1,937,450
Qualified School Construction Bonds 2009	<u>1,956,000</u>	<u>32,172</u>
 Total governmental activities debt	 <u>\$ 47,472,899</u>	 <u>\$ 7,362,233</u>

WAWASEE COMMUNITY SCHOOL CORPORATION
AUDIT RESULT AND COMMENT

TIMELY RECORDKEEPING

We noted instances of up to 18 months from the time of the original date of certain transactions until entry on the records. Nine checks from various funds totaling \$2,241,782.31 were written prior to June 30, 2010, and were payable to various funds of the School Corporation. Seven of the nine checks totaling \$2,075,000 were dated December 31, 2009; the remaining two checks totaling \$166,782.31 were dated in June of 2010. These checks were not receipted to the School Corporation's records until several months later. Five checks totaling \$1,216,782.31 were receipted at various times from October 27, 2010 through March 16, 2011. The remaining four checks, totaling \$1,025,000, were not receipted until June 30, 2011. Adjustments have been made to the financial statement in this report to reflect these transactions in the appropriate period.

All documents and entries to records should be done in a timely manner to ensure that accurate financial information is available to allow the governmental unit to make informed management decisions and to help ensure compliance with IC 5-15-1-1 et seq., commonly referred to as the Public Records Law. (Accounting and Uniform Compliance Guidelines Manual for Indiana Public School Corporations, Chapter 9)

SUPPLEMENTAL AUDIT OF
FEDERAL AWARDS



STATE OF INDIANA
AN EQUAL OPPORTUNITY EMPLOYER

STATE BOARD OF ACCOUNTS
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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 WAWASEE COMMUNITY SCHOOL
CORPORATION, KOSCIUSKO COUNTY, INDIANA

Compliance

We have audited the compliance of the Wawasee Community 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, 2010 and 2011. 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, 2010 and 2011.

Internal Control Over Compliance

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

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)

on compliance and to test and report on internal control over compliance in accordance with OMB Circular A-133, but not for the purpose of expressing an opinion on the effectiveness of internal control over compliance. Accordingly, we do not express an opinion on the effectiveness of the School Corporation's internal control over compliance.

A deficiency in 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 and correct noncompliance with a type of compliance requirement of a federal program on a timely basis. A material weakness in internal control over compliance is a deficiency, or combination of deficiencies, in internal control over compliance, such that there is a reasonable possibility that material noncompliance with a type of compliance requirement of a federal program will not be prevented, or detected and corrected, on a timely basis.

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

This report is intended solely for the information and use of the School Corporation's management, school board, others within the entity, 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

October 13, 2011

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SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS

The schedule of expenditures of federal awards and accompanying notes presented were approved by management of the School Corporation. The schedule and notes are presented as intended by the School Corporation.

WAWASEE COMMUNITY SCHOOL CORPORATION
SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS
For The Years Ended June 30, 2010 and 2011

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 06-30-10	Total Federal Awards Expended 06-30-11
<u>U.S. DEPARTMENT OF AGRICULTURE</u>				
Pass-Through Indiana Department of Education Child Nutrition Cluster				
School Breakfast Program	10.553		\$ 119,972	\$ 134,956
National School Lunch Program	10.555		<u>662,184</u>	<u>664,644</u>
Total for federal grantor agency			<u>782,156</u>	<u>799,600</u>
<u>U.S. DEPARTMENT OF TRANSPORTATION</u>				
Pass-Through Indiana Department of Transportation Highway Planning and Construction Cluster				
Highway Planning and Construction	20.205		<u>7,375</u>	<u>5,597</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			
		09-4345	137,913	-
		10-4345	267,239	40,202
		11-4345	<u>-</u>	<u>218,602</u>
Total for program			<u>405,152</u>	<u>258,804</u>
ARRA - Title I Grants to Local Educational Agencies, Recovery Act	84.389	FY 09-10 ARRA	<u>79,051</u>	<u>102,452</u>
Total for cluster			<u>484,203</u>	<u>361,256</u>
Migrant Education - State Grant Program	84.011	FY 09-10	<u>18,973</u>	-
Pass-Through Warsaw Community School Corporation Special Education Cluster (IDEA)				
Special Education - Grants to States	84.027			
		FY 08-09	51,371	-
		FY 09-10	527,055	116,824
		FY 10-11	<u>-</u>	<u>527,000</u>
Total for program			<u>578,426</u>	<u>643,824</u>
Special Education - Preschool Grants	84.173			
		FY 08-09	2,990	-
		FY 09-10	13,865	-
		FY 10-11	<u>-</u>	<u>14,589</u>
Total for program			<u>16,855</u>	<u>14,589</u>
ARRA - Special Education - Grants to States (IDEA, Part B), Recovery Act	84.391	7953 ARRA	<u>440,251</u>	<u>247,045</u>
ARRA - Special Education - Preschool Grants (IDEA Preschool), Recovery Act	84.392	44410-045-SN01	<u>20,737</u>	<u>6,570</u>
Total for cluster			<u>1,056,269</u>	<u>912,028</u>
Pass-Through Indiana Department of Education Career and Technical Education - Basic Grants to States	84.048			
		10-4700-4345	91,628	-
		11-4700-4345	<u>-</u>	<u>100,188</u>
Total for program			<u>91,628</u>	<u>100,188</u>

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

WAWASEE COMMUNITY SCHOOL CORPORATION
SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS
For The Years Ended June 30, 2010 and 2011
(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 06-30-10	Total Federal Awards Expended 06-30-11
<u>U.S. DEPARTMENT OF EDUCATION (Continued)</u>				
Pass-Through Indiana Department of Education (continued)				
Safe and Drug-Free Schools and Communities - State Grants	84.186			
		4345-07	718	-
		08-4345	7,260	275
		09-4345	-	8,150
			<u>7,978</u>	<u>8,425</u>
Total for program				
State Grants for Innovative Programs	84.298	07-4345	<u>6,828</u>	-
Education Technology State Grants Cluster				
Education Technology State Grants	84.318	FY08-10	<u>78,566</u>	<u>18,682</u>
Pass-Through West Noble School Corporation				
ARRA - Education Technology State Grants, Recovery Act	84.386	FY09-10	<u>8,430</u>	<u>56,306</u>
Total for cluster			<u>86,996</u>	<u>74,988</u>
Pass-Through Indiana Department of Education				
English Language Acquisition Grants	84.365			
		FY08-09	3,219	-
		FY09-10	21,106	1,774
		FY10-11	-	20,383
			<u>24,325</u>	<u>22,157</u>
Total for program				
Improving Teacher Quality State Grants	84.367			
		07-4345	98,372	8,013
		08-4345	-	57,079
			<u>98,372</u>	<u>65,092</u>
Total for program				
State Fiscal Stabilization Fund Cluster				
ARRA - State Fiscal Stabilization Fund - Education State Grants, Recovery Act	84.394		<u>2,303,636</u>	-
Education Jobs Fund	84.410	FY09-10	-	159,086
Total for federal grantor agency			<u>4,179,208</u>	<u>1,703,220</u>
Total federal awards expended			<u>\$ 4,968,739</u>	<u>\$ 2,508,417</u>

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

WAWASEE COMMUNITY SCHOOL CORPORATION
NOTES TO SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS

Note 1. Basis of Presentation

The accompanying Schedule of Expenditures of Federal Awards includes the federal grant activity of the Wawasee Community School Corporation (School Corporation) and is presented in accordance with the cash and investment basis of accounting used in the preparation of the financial statement. 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 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.

Note 2. Noncash Assistance

The School Corporation expended the following amount of noncash assistance for the years ending June 30, 2010 and 2011. This noncash assistance is also included in the federal expenditures presented in the schedule.

Program Title	Federal CFDA Number	2010	2011
School Breakfast Program	10.553	\$ 13,452	\$ 14,719
National School Lunch Program	10.555	74,247	71,814

WAWASEE COMMUNITY SCHOOL CORPORATION
SCHEDULE OF FINDINGS AND QUESTIONED COSTS

Section I – Summary of Auditor's Results

Financial Statement:

Type of auditor's report issued:	Unqualified
Internal control over financial reporting:	
Material weaknesses identified?	no
Significant deficiency identified?	none reported
Noncompliance material to financial statement noted?	no

Federal Awards:

Internal control over major programs:	
Material weaknesses identified?	no
Significant deficiency identified?	none reported
Type of auditor's report issued on compliance for major programs:	Unqualified
Any audit findings disclosed that are required to be reported in accordance with section 510(a) of Circular A-133?	no

Identification of Major Programs:

_____ Name of Federal Program or Cluster _____

Title I, Part A Cluster
Special Education Cluster (IDEA)
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.

WAWASEE COMMUNITY SCHOOL CORPORATION
SUMMARY SCHEDULE OF PRIOR AUDIT FINDINGS

No matters are reportable.

WAWASEE COMMUNITY SCHOOL CORPORATION
EXIT CONFERENCE

The contents of this report were discussed on October 13, 2011, with Thomas Edington, Superintendent of Schools; Jim Evans, Treasurer; and Sandy Hollar, Deputy Treasurer. The officials concurred with our audit finding.