

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

FINANCIAL STATEMENT AND
FEDERAL SINGLE AUDIT REPORT
OF

EASTERN PULASKI COMMUNITY SCHOOL CORPORATION
PULASKI COUNTY, INDIANA

July 1, 2009 to June 30, 2011



FILED

01/11/2012

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SCHEDULE OF OFFICIALS

<u>Office</u>	<u>Official</u>	<u>Term</u>
Treasurer	David Thompson	07-01-09 to 06-30-12
Superintendent of Schools	Dr. Robert J. Klitzman	07-01-09 to 06-30-12
President of the School Board	Cathy Fritz Larry Beach	07-01-09 to 06-30-10 07-01-10 to 06-30-12



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 EASTERN PULASKI COMMUNITY SCHOOL
CORPORATION, PULASKI COUNTY, INDIANA

We have audited the accompanying financial statement of the Eastern Pulaski 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 an opinion on this 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 opinion.

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 November 21, 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.

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

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

STATE BOARD OF ACCOUNTS

November 21, 2011



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

TO: THE OFFICIALS OF THE EASTERN PULASKI COMMUNITY SCHOOL
CORPORATION, PULASKI COUNTY, INDIANA

We have audited the financial statement of the Eastern Pulaski Community School Corporation (School Corporation), for the years ended June 30, 2010 and 2011, and have issued our report thereon dated November 21, 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 opinion 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 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.

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

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

STATE BOARD OF ACCOUNTS

November 21, 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.

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EASTERN PULASKI COMMUNITY SCHOOL CORPORATION
STATEMENT 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	\$ 219,403	\$ 8,268,560	\$ 8,526,865	\$ 38,902	\$ -	\$ 8,217,638	\$ 8,205,056	\$ 5,043	\$ 17,625
Debt Service	198,675	1,121,059	884,312	-	435,422	850,896	887,216	-	399,102
Retirement/Severance Bond Debt Service	221,649	442,576	298,001	-	366,224	85,760	295,509	-	156,475
Capital Projects	4,993,739	1,197,996	976,166	75	5,215,644	736,316	791,744	-	5,160,216
School Transportation	716,687	1,338,173	633,555	-	1,421,305	869,043	664,928	(881,969)	743,451
School Bus Replacement	44,375	568,678	145,635	-	467,418	313,995	126,410	-	655,003
Special Education Preschool	40,802	33,000	35,000	(38,802)	-	-	-	-	-
Rainy Day	663,086	-	91,470	-	571,616	-	-	900,000	1,471,616
Post-Retirement/Severance Future Benefits	259,210	-	20,155	-	239,055	-	29,488	-	209,567
Construction	64,640	-	-	-	64,640	-	-	-	64,640
School Lunch	52,986	441,715	447,504	-	47,197	580,654	486,623	-	141,228
Textbook Rental	32,056	104,246	49,265	-	87,037	112,608	23,475	89	176,259
Levy Excess	-	16,960	-	-	16,960	1,071	-	(18,031)	-
Medicare Recapture	-	1,502	1,050	-	452	12,989	8,309	(5,132)	-
Educational License Plates	2,530	300	669	-	2,161	263	571	-	1,853
Instruction Support	5,063	988	1,123	-	4,928	9,634	7,800	-	6,762
Indiana Virtual Academy	150	100	175	-	75	125	-	-	200
Scholarships and Awards	29,312	1,402	1,000	-	29,714	248	1,000	-	28,962
Student Drug Testing	-	2,900	2,900	-	-	2,000	2,000	-	-
Reading Specialist - Pace	147,521	15,000	(7,732)	2,023	172,276	15,001	21,419	14,206	180,064
Indiana Next	125	-	-	-	125	-	-	-	125
Gifted and Talented 2009-2010	-	30,543	25,739	-	4,804	-	4,804	-	-
Gifted and Talented 2010-2011	-	-	-	-	-	30,084	28,371	-	1,713
Gifted and Talented 2008-2009	942	-	942	-	-	-	-	-	-
Non-English Speaking Programs P.L. 273-1999	153	150	-	-	303	-	-	-	303
School Technology	45,528	7,406	12,942	-	39,992	15,366	9,378	-	45,980
Miscellaneous Programs	2,782	-	625	-	2,157	-	-	-	2,157
Special Services	52,759	8,534	2,841	-	58,452	863	1,296	-	58,019
Title One 2009-2010	-	179,528	179,939	11,914	11,503	5,585	3,888	(13,200)	-
Title One 2010-2011	-	-	-	-	-	171,424	186,548	13,200	(1,924)
Title One 2007-2008	9,947	-	-	(9,947)	-	-	-	-	-
Title One 2008-2009	20,144	21,923	38,077	(3,990)	-	-	-	-	-
Title V Part A 2007-2008	1,961	-	1,961	-	-	-	-	-	-
Safe and Drug Free 09-10	-	4,537	4,296	-	241	-	400	-	(159)
Drug Free School 2005-06	4	-	4	-	-	-	-	-	-
Safe and Drug Free 2007-2008	1,706	-	1,706	-	-	-	-	-	-
Safe and Drug Free 2008-2009	3,652	-	3,652	-	-	-	-	-	-
After School Child Care	(8,097)	4,653	806	-	(4,250)	5,743	593	-	900
Improving Instruction 08-09	14,335	-	14,335	-	-	-	-	-	-
Improving Instruction 09-10	-	61,479	56,085	-	5,394	-	5,394	-	-
Improving Instruction 10-11	-	-	-	-	-	60,763	67,986	-	(7,223)
Reading First 2009-2010	-	81,180	47,597	-	33,583	15,047	34,424	(14,206)	-
Reading First 2010-2011	-	-	-	-	-	58,741	42,066	-	16,675
Reading First 2008-2009	54,007	8,172	62,179	-	-	-	-	-	-
Fiscal Stabilization - Education	74,710	256,153	330,863	-	-	-	-	-	-
Title I - Grants to LEAs	17,960	71,301	98,441	-	(9,180)	30,557	21,377	-	-
Special Education - Part B	-	140,161	140,161	-	-	-	-	-	-
Special Education - Part B - Preschool	-	5,190	5,190	-	-	-	-	-	-
Totals	\$ 7,984,502	\$ 14,436,065	\$ 13,135,494	\$ 175	\$ 9,285,248	\$ 12,202,414	\$ 11,958,073	\$ -	\$ 9,529,589

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

EASTERN PULASKI 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.

EASTERN PULASKI COMMUNITY SCHOOL CORPORATION
NOTES TO FINANCIAL STATEMENT
(Continued)

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.

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.

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.

Interfund loans which include money temporarily transferred from one fund to a depleted fund for use in paying current operating expenses. Such advancement shall not be made for a period extending beyond the budget year.

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:

EASTERN PULASKI COMMUNITY SCHOOL CORPORATION
NOTES TO FINANCIAL STATEMENT
(Continued)

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

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.

EASTERN PULASKI COMMUNITY SCHOOL CORPORATION
NOTES TO FINANCIAL STATEMENT
(Continued)

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.

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:

EASTERN PULASKI COMMUNITY SCHOOL CORPORATION
NOTES TO FINANCIAL STATEMENT
(Continued)

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.

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 3 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.

EASTERN PULASKI 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/ Serverance Bond Debt Service	Capital Projects	School Transportation	School Bus Replacement
Cash and investments - beginning	\$ 219,403	\$ 198,675	\$ 221,649	\$ 4,993,739	\$ 716,687	\$ 44,375
Receipts:						
Local sources	115,862	1,121,059	442,576	1,197,546	1,336,632	568,678
Intermediate sources	541	-	-	-	-	-
State sources	8,152,120	-	-	-	-	-
Federal sources	-	-	-	-	-	-
Other	37	-	-	450	1,541	-
Total receipts	<u>8,268,560</u>	<u>1,121,059</u>	<u>442,576</u>	<u>1,197,996</u>	<u>1,338,173</u>	<u>568,678</u>
Disbursements:						
Current:						
Instruction	5,552,939	-	-	-	-	-
Support services	2,113,495	-	-	299,878	633,555	145,635
Noninstructional services	141,605	-	-	-	-	-
Facilities acquisition and construction	-	-	-	676,288	-	-
Debt services	604	884,312	298,001	-	-	-
Nonprogrammed charges	718,222	-	-	-	-	-
Total disbursements	<u>8,526,865</u>	<u>884,312</u>	<u>298,001</u>	<u>976,166</u>	<u>633,555</u>	<u>145,635</u>
Excess (deficiency) of receipts over disbursements	<u>(258,305)</u>	<u>236,747</u>	<u>144,575</u>	<u>221,830</u>	<u>704,618</u>	<u>423,043</u>
Other financing sources (uses):						
Sale of capital assets	100	-	-	75	-	-
Transfers in	38,802	-	-	-	-	-
Transfers out	-	-	-	-	-	-
Total other financing sources (uses)	<u>38,902</u>	<u>-</u>	<u>-</u>	<u>75</u>	<u>-</u>	<u>-</u>
Excess (deficiency) of receipts and other financing sources over disbursements and other financing uses	<u>(219,403)</u>	<u>236,747</u>	<u>144,575</u>	<u>221,905</u>	<u>704,618</u>	<u>423,043</u>
Cash and investments - ending	<u>\$ -</u>	<u>\$ 435,422</u>	<u>\$ 366,224</u>	<u>\$ 5,215,644</u>	<u>\$ 1,421,305</u>	<u>\$ 467,418</u>

EASTERN PULASKI 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)

	Special Education Preschool	Rainy Day	Post Retirement/ Severance Future Benefits	Construction	School Lunch	Textbook Rental
Cash and investments - beginning	\$ 40,802	\$ 663,086	\$ 259,210	\$ 64,640	\$ 52,986	\$ 32,056
Receipts:						
Local sources	-	-	-	-	224,680	69,086
Intermediate sources	-	-	-	-	-	-
State sources	33,000	-	-	-	8,572	30,328
Federal sources	-	-	-	-	208,463	-
Other	-	-	-	-	-	4,832
Total receipts	<u>33,000</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>441,715</u>	<u>104,246</u>
Disbursements:						
Current:						
Instruction	35,000	-	-	-	-	-
Support services	-	91,470	20,155	-	16,727	49,265
Noninstructional services	-	-	-	-	430,777	-
Facilities acquisition and construction	-	-	-	-	-	-
Debt services	-	-	-	-	-	-
Nonprogrammed charges	-	-	-	-	-	-
Total disbursements	<u>35,000</u>	<u>91,470</u>	<u>20,155</u>	<u>-</u>	<u>447,504</u>	<u>49,265</u>
Excess (deficiency) of receipts over disbursements	<u>(2,000)</u>	<u>(91,470)</u>	<u>(20,155)</u>	<u>-</u>	<u>(5,789)</u>	<u>54,981</u>
Other financing sources (uses):						
Sale of capital assets	-	-	-	-	-	-
Transfers in	-	-	-	-	-	-
Transfers out	<u>(38,802)</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Total other financing sources (uses)	<u>(38,802)</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Excess (deficiency) of receipts and other financing sources over disbursements and other financing uses	<u>(40,802)</u>	<u>(91,470)</u>	<u>(20,155)</u>	<u>-</u>	<u>(5,789)</u>	<u>54,981</u>
Cash and investments - ending	<u>\$ -</u>	<u>\$ 571,616</u>	<u>\$ 239,055</u>	<u>\$ 64,640</u>	<u>\$ 47,197</u>	<u>\$ 87,037</u>

EASTERN PULASKI 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)

	Levy Excess	Medicare Recapture	Educational License Plates	Instruction Support	Indiana Virtual Academy	Scholarships and Awards
Cash and investments - beginning	\$ -	\$ -	\$ 2,530	\$ 5,063	\$ 150	\$ 29,312
Receipts:						
Local sources	16,960	1,502	-	988	100	1,402
Intermediate sources	-	-	300	-	-	-
State sources	-	-	-	-	-	-
Federal sources	-	-	-	-	-	-
Other	-	-	-	-	-	-
Total receipts	<u>16,960</u>	<u>1,502</u>	<u>300</u>	<u>988</u>	<u>100</u>	<u>1,402</u>
Disbursements:						
Current:						
Instruction	-	-	669	1,026	-	-
Support services	-	-	-	97	-	1,000
Noninstructional services	-	-	-	-	-	-
Facilities acquisition and construction	-	-	-	-	-	-
Debt services	-	-	-	-	-	-
Nonprogrammed charges	-	1,050	-	-	175	-
Total disbursements	<u>-</u>	<u>1,050</u>	<u>669</u>	<u>1,123</u>	<u>175</u>	<u>1,000</u>
Excess (deficiency) of receipts over disbursements	<u>16,960</u>	<u>452</u>	<u>(369)</u>	<u>(135)</u>	<u>(75)</u>	<u>402</u>
Other financing sources (uses):						
Sale of capital assets	-	-	-	-	-	-
Transfers in	-	-	-	-	-	-
Transfers out	-	-	-	-	-	-
Total other financing sources (uses)	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Excess (deficiency) of receipts and other financing sources over disbursements and other financing uses	<u>16,960</u>	<u>452</u>	<u>(369)</u>	<u>(135)</u>	<u>(75)</u>	<u>402</u>
Cash and investments - ending	<u>\$ 16,960</u>	<u>\$ 452</u>	<u>\$ 2,161</u>	<u>\$ 4,928</u>	<u>\$ 75</u>	<u>\$ 29,714</u>

EASTERN PULASKI 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)

	Student Drug Testing	Reading Specialist - Pace	Indiana Next	Gifted and Talented 2009-2010	Gifted and Talented 2008-2009	Non-English Speaking Programs P.L. 273-1999
Cash and investments - beginning	\$ -	\$ 147,521	\$ 125	\$ -	\$ 942	\$ 153
Receipts:						
Local sources	2,000	15,000	-	-	-	-
Intermediate sources	-	-	-	-	-	-
State sources	-	-	-	30,543	-	150
Federal sources	900	-	-	-	-	-
Other	-	-	-	-	-	-
Total receipts	<u>2,900</u>	<u>15,000</u>	<u>-</u>	<u>30,543</u>	<u>-</u>	<u>150</u>
Disbursements:						
Current:						
Instruction	-	(7,732)	-	25,739	942	-
Support services	2,900	-	-	-	-	-
Noninstructional services	-	-	-	-	-	-
Facilities acquisition and construction	-	-	-	-	-	-
Debt services	-	-	-	-	-	-
Nonprogrammed charges	-	-	-	-	-	-
Total disbursements	<u>2,900</u>	<u>(7,732)</u>	<u>-</u>	<u>25,739</u>	<u>942</u>	<u>-</u>
Excess (deficiency) of receipts over disbursements	<u>-</u>	<u>22,732</u>	<u>-</u>	<u>4,804</u>	<u>(942)</u>	<u>150</u>
Other financing sources (uses):						
Sale of capital assets	-	-	-	-	-	-
Transfers in	-	2,023	-	-	-	-
Transfers out	-	-	-	-	-	-
Total other financing sources (uses)	<u>-</u>	<u>2,023</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Excess (deficiency) of receipts and other financing sources over disbursements and other financing uses	<u>-</u>	<u>24,755</u>	<u>-</u>	<u>4,804</u>	<u>(942)</u>	<u>150</u>
Cash and investments - ending	<u>\$ -</u>	<u>\$ 172,276</u>	<u>\$ 125</u>	<u>\$ 4,804</u>	<u>\$ -</u>	<u>\$ 303</u>

EASTERN PULASKI 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)

	School Technology	Miscellaneous Programs	Special Services	Title One 2009-2010	Title One 2007-2008	Title One 2008-2009	Title V Part A 2007-2008
Cash and investments - beginning	\$ 45,528	\$ 2,782	\$ 52,759	\$ -	\$ 9,947	\$ 20,144	\$ 1,961
Receipts:							
Local sources	7,406	-	8,534	-	-	-	-
Intermediate sources	-	-	-	-	-	-	-
State sources	-	-	-	-	-	-	-
Federal sources	-	-	-	179,528	-	21,923	-
Other	-	-	-	-	-	-	-
Total receipts	<u>7,406</u>	<u>-</u>	<u>8,534</u>	<u>179,528</u>	<u>-</u>	<u>21,923</u>	<u>-</u>
Disbursements:							
Current:							
Instruction	-	625	-	119,343	-	31,288	1,961
Support services	12,942	-	2,841	60,110	-	6,364	-
Noninstructional services	-	-	-	486	-	425	-
Facilities acquisition and construction	-	-	-	-	-	-	-
Debt services	-	-	-	-	-	-	-
Nonprogrammed charges	-	-	-	-	-	-	-
Total disbursements	<u>12,942</u>	<u>625</u>	<u>2,841</u>	<u>179,939</u>	<u>-</u>	<u>38,077</u>	<u>1,961</u>
Excess (deficiency) of receipts over disbursements	<u>(5,536)</u>	<u>(625)</u>	<u>5,693</u>	<u>(411)</u>	<u>-</u>	<u>(16,154)</u>	<u>(1,961)</u>
Other financing sources (uses):							
Sale of capital assets	-	-	-	-	-	-	-
Transfers in	-	-	-	11,914	-	9,947	-
Transfers out	-	-	-	-	(9,947)	(13,937)	-
Total other financing sources (uses)	<u>-</u>	<u>-</u>	<u>-</u>	<u>11,914</u>	<u>(9,947)</u>	<u>(3,990)</u>	<u>-</u>
Excess (deficiency) of receipts and other financing sources over disbursements and other financing uses	<u>(5,536)</u>	<u>(625)</u>	<u>5,693</u>	<u>11,503</u>	<u>(9,947)</u>	<u>(20,144)</u>	<u>(1,961)</u>
Cash and investments - ending	<u>\$ 39,992</u>	<u>\$ 2,157</u>	<u>\$ 58,452</u>	<u>\$ 11,503</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>

EASTERN PULASKI 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)

	Safe and Drug Free 09-10	Drug Free School 2005-06	Safe and Drug Free 2007-2008	Safe and Drug Free 2008-2009	After School Child Care	Improving Instruction 08-09	Improving Instruction 09-10
Cash and investments - beginning	\$ -	\$ 4	\$ 1,706	\$ 3,652	\$ (8,097)	\$ 14,335	\$ -
Receipts:							
Local sources	-	-	-	-	4,653	-	-
Intermediate sources	-	-	-	-	-	-	-
State sources	-	-	-	-	-	-	-
Federal sources	4,537	-	-	-	-	-	61,479
Other	-	-	-	-	-	-	-
Total receipts	<u>4,537</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>4,653</u>	<u>-</u>	<u>61,479</u>
Disbursements:							
Current:							
Instruction	-	4	1,706	3,652	-	14,335	56,085
Support services	-	-	-	-	-	-	-
Noninstructional services	4,296	-	-	-	806	-	-
Facilities acquisition and construction	-	-	-	-	-	-	-
Debt services	-	-	-	-	-	-	-
Nonprogrammed charges	-	-	-	-	-	-	-
Total disbursements	<u>4,296</u>	<u>4</u>	<u>1,706</u>	<u>3,652</u>	<u>806</u>	<u>14,335</u>	<u>56,085</u>
Excess (deficiency) of receipts over disbursements	<u>241</u>	<u>(4)</u>	<u>(1,706)</u>	<u>(3,652)</u>	<u>3,847</u>	<u>(14,335)</u>	<u>5,394</u>
Other financing sources (uses):							
Sale of capital assets	-	-	-	-	-	-	-
Transfers in	-	-	-	-	-	-	-
Transfers out	-	-	-	-	-	-	-
Total other financing sources (uses)	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Excess (deficiency) of receipts and other financing sources over disbursements and other financing uses	<u>241</u>	<u>(4)</u>	<u>(1,706)</u>	<u>(3,652)</u>	<u>3,847</u>	<u>(14,335)</u>	<u>5,394</u>
Cash and investments - ending	<u>\$ 241</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ (4,250)</u>	<u>\$ -</u>	<u>\$ 5,394</u>

EASTERN PULASKI 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)

	Reading First 2009-2010	Reading First 2008-2009	Fiscal Stabilization Education	Title I Grants to LEAs	Special Education Part B	Special Education Part B Preschool	Totals
Cash and investments - beginning	\$ -	\$ 54,007	\$ 74,710	\$ 17,960	\$ -	\$ -	\$ 7,984,502
Receipts:							
Local sources	-	-	-	-	-	-	5,134,664
Intermediate sources	-	-	-	-	-	-	841
State sources	-	-	-	-	-	-	8,254,713
Federal sources	81,180	8,172	256,153	71,301	140,161	5,190	1,038,987
Other	-	-	-	-	-	-	6,860
Total receipts	<u>81,180</u>	<u>8,172</u>	<u>256,153</u>	<u>71,301</u>	<u>140,161</u>	<u>5,190</u>	<u>14,436,065</u>
Disbursements:							
Current:							
Instruction	43,677	22,642	141,029	69,497	-	-	6,114,427
Support services	3,920	39,537	24,491	28,944	42,379	72	3,595,777
Noninstructional services	-	-	-	-	-	-	578,395
Facilities acquisition and construction	-	-	-	-	-	-	676,288
Debt services	-	-	-	-	-	-	1,182,917
Nonprogrammed charges	-	-	165,343	-	97,782	5,118	987,690
Total disbursements	<u>47,597</u>	<u>62,179</u>	<u>330,863</u>	<u>98,441</u>	<u>140,161</u>	<u>5,190</u>	<u>13,135,494</u>
Excess (deficiency) of receipts over disbursements	<u>33,583</u>	<u>(54,007)</u>	<u>(74,710)</u>	<u>(27,140)</u>	<u>-</u>	<u>-</u>	<u>1,300,571</u>
Other financing sources (uses):							
Sale of capital assets	-	-	-	-	-	-	175
Transfers in	-	-	-	-	-	-	62,686
Transfers out	-	-	-	-	-	-	(62,686)
Total other financing sources (uses)	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>175</u>
Excess (deficiency) of receipts and other financing sources over disbursements and other financing uses	<u>33,583</u>	<u>(54,007)</u>	<u>(74,710)</u>	<u>(27,140)</u>	<u>-</u>	<u>-</u>	<u>1,300,746</u>
Cash and investments - ending	<u>\$ 33,583</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ (9,180)</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 9,285,248</u>

EASTERN PULASKI 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
Cash and investments - beginning	\$ -	\$ 435,422	\$ 366,224	\$ 5,215,644	\$ 1,421,305	\$ 467,418
Receipts:						
Local sources	58,252	850,896	85,760	721,313	866,048	313,995
Intermediate sources	541	-	-	-	-	-
State sources	8,157,995	-	-	-	-	-
Federal sources	-	-	-	-	-	-
Other	850	-	-	15,003	2,995	-
Total receipts	<u>8,217,638</u>	<u>850,896</u>	<u>85,760</u>	<u>736,316</u>	<u>869,043</u>	<u>313,995</u>
Disbursements:						
Current:						
Instruction	5,530,879	-	-	-	-	-
Support services	1,850,487	-	-	539,729	664,928	126,410
Noninstructional services	111,397	-	-	-	-	-
Facilities acquisition and construction	-	-	-	252,015	-	-
Debt services	-	887,216	295,509	-	-	-
Nonprogrammed charges	712,293	-	-	-	-	-
Total disbursements	<u>8,205,056</u>	<u>887,216</u>	<u>295,509</u>	<u>791,744</u>	<u>664,928</u>	<u>126,410</u>
Excess (deficiency) of receipts over disbursements	<u>12,582</u>	<u>(36,320)</u>	<u>(209,749)</u>	<u>(55,428)</u>	<u>204,115</u>	<u>187,585</u>
Other financing sources (uses):						
Transfers in	5,132	-	-	-	18,031	-
Transfers out	(89)	-	-	-	(900,000)	-
Total other financing sources (uses)	<u>5,043</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>(881,969)</u>	<u>-</u>
Excess (deficiency) of receipts and other financing sources over disbursements and other financing uses	<u>17,625</u>	<u>(36,320)</u>	<u>(209,749)</u>	<u>(55,428)</u>	<u>(677,854)</u>	<u>187,585</u>
Cash and investments - ending	<u>\$ 17,625</u>	<u>\$ 399,102</u>	<u>\$ 156,475</u>	<u>\$ 5,160,216</u>	<u>\$ 743,451</u>	<u>\$ 655,003</u>

EASTERN PULASKI 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)

	Rainy Day	Post Retirement/ Severance Future Benefits	Construction	School Lunch	Textbook Rental	Levy Excess
Cash and investments - beginning	\$ 571,616	\$ 239,055	\$ 64,640	\$ 47,197	\$ 87,037	\$ 16,960
Receipts:						
Local sources	-	-	-	306,606	69,175	1,071
Intermediate sources	-	-	-	-	-	-
State sources	-	-	-	8,674	36,001	-
Federal sources	-	-	-	265,374	-	-
Other	-	-	-	-	7,432	-
Total receipts	-	-	-	580,654	112,608	1,071
Disbursements:						
Current:						
Instruction	-	-	-	-	-	-
Support services	-	29,488	-	1,208	23,475	-
Noninstructional services	-	-	-	482,556	-	-
Facilities acquisition and construction	-	-	-	2,859	-	-
Debt services	-	-	-	-	-	-
Nonprogrammed charges	-	-	-	-	-	-
Total disbursements	-	29,488	-	486,623	23,475	-
Excess (deficiency) of receipts over disbursements	-	(29,488)	-	94,031	89,133	1,071
Other financing sources (uses):						
Transfers in	900,000	-	-	-	89	-
Transfers out	-	-	-	-	-	(18,031)
Total other financing sources (uses)	900,000	-	-	-	89	(18,031)
Excess (deficiency) of receipts and other financing sources over disbursements and other financing uses	900,000	(29,488)	-	94,031	89,222	(16,960)
Cash and investments - ending	\$ 1,471,616	\$ 209,567	\$ 64,640	\$ 141,228	\$ 176,259	\$ -

EASTERN PULASKI 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)

	Medicare Recapture	Educational License Plates	Instruction Support	Indiana Virtual Academy	Scholarships and Awards	Student Drug Testing
Cash and investments - beginning	\$ 452	\$ 2,161	\$ 4,928	\$ 75	\$ 29,714	\$ -
Receipts:						
Local sources	12,989	-	9,634	125	248	2,000
Intermediate sources	-	263	-	-	-	-
State sources	-	-	-	-	-	-
Federal sources	-	-	-	-	-	-
Other	-	-	-	-	-	-
Total receipts	<u>12,989</u>	<u>263</u>	<u>9,634</u>	<u>125</u>	<u>248</u>	<u>2,000</u>
Disbursements:						
Current:						
Instruction	-	571	7,551	-	-	-
Support services	-	-	249	-	1,000	2,000
Noninstructional services	-	-	-	-	-	-
Facilities acquisition and construction	-	-	-	-	-	-
Debt services	-	-	-	-	-	-
Nonprogrammed charges	8,309	-	-	-	-	-
Total disbursements	<u>8,309</u>	<u>571</u>	<u>7,800</u>	<u>-</u>	<u>1,000</u>	<u>2,000</u>
Excess (deficiency) of receipts over disbursements	<u>4,680</u>	<u>(308)</u>	<u>1,834</u>	<u>125</u>	<u>(752)</u>	<u>-</u>
Other financing sources (uses):						
Transfers in	-	-	-	-	-	-
Transfers out	(5,132)	-	-	-	-	-
Total other financing sources (uses)	<u>(5,132)</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Excess (deficiency) of receipts and other financing sources over disbursements and other financing uses	<u>(452)</u>	<u>(308)</u>	<u>1,834</u>	<u>125</u>	<u>(752)</u>	<u>-</u>
Cash and investments - ending	<u>\$ -</u>	<u>\$ 1,853</u>	<u>\$ 6,762</u>	<u>\$ 200</u>	<u>\$ 28,962</u>	<u>\$ -</u>

EASTERN PULASKI 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)

	Reading Specialist - Pace	Indiana Next	Gifted and Talented 2009-2010	Gifted and Talented 2010-2011	Non-English Speaking Programs P.L. 273-1999	School Technology
Cash and investments - beginning	\$ 172,276	\$ 125	\$ 4,804	\$ -	\$ 303	\$ 39,992
Receipts:						
Local sources	15,001	-	-	-	-	9,940
Intermediate sources	-	-	-	-	-	-
State sources	-	-	-	30,084	-	5,426
Federal sources	-	-	-	-	-	-
Other	-	-	-	-	-	-
Total receipts	<u>15,001</u>	<u>-</u>	<u>-</u>	<u>30,084</u>	<u>-</u>	<u>15,366</u>
Disbursements:						
Current:						
Instruction	11,461	-	4,804	28,371	-	-
Support services	9,958	-	-	-	-	9,378
Noninstructional services	-	-	-	-	-	-
Facilities acquisition and construction	-	-	-	-	-	-
Debt services	-	-	-	-	-	-
Nonprogrammed charges	-	-	-	-	-	-
Total disbursements	<u>21,419</u>	<u>-</u>	<u>4,804</u>	<u>28,371</u>	<u>-</u>	<u>9,378</u>
Excess (deficiency) of receipts over disbursements	<u>(6,418)</u>	<u>-</u>	<u>(4,804)</u>	<u>1,713</u>	<u>-</u>	<u>5,988</u>
Other financing sources (uses):						
Transfers in	14,206	-	-	-	-	-
Transfers out	-	-	-	-	-	-
Total other financing sources (uses)	<u>14,206</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Excess (deficiency) of receipts and other financing sources over disbursements and other financing uses	<u>7,788</u>	<u>-</u>	<u>(4,804)</u>	<u>1,713</u>	<u>-</u>	<u>5,988</u>
Cash and investments - ending	<u>\$ 180,064</u>	<u>\$ 125</u>	<u>\$ -</u>	<u>\$ 1,713</u>	<u>\$ 303</u>	<u>\$ 45,980</u>

EASTERN PULASKI 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)

	Miscellaneous Programs	Special Services	Title One 2009-2010	Title One 2010-2011	Safe and Drug Free 09-10	After School Child Care
Cash and investments - beginning	\$ 2,157	\$ 58,452	\$ 11,503	\$ -	\$ 241	\$ (4,250)
Receipts:						
Local sources	-	-	-	-	-	5,743
Intermediate sources	-	-	-	-	-	-
State sources	-	-	-	-	-	-
Federal sources	-	863	5,585	171,424	-	-
Other	-	-	-	-	-	-
Total receipts	-	863	5,585	171,424	-	5,743
Disbursements:						
Current:						
Instruction	-	-	3,888	121,497	400	-
Support services	-	1,296	-	64,191	-	-
Noninstructional services	-	-	-	860	-	593
Facilities acquisition and construction	-	-	-	-	-	-
Debt services	-	-	-	-	-	-
Nonprogrammed charges	-	-	-	-	-	-
Total disbursements	-	1,296	3,888	186,548	400	593
Excess (deficiency) of receipts over disbursements	-	(433)	1,697	(15,124)	(400)	5,150
Other financing sources (uses):						
Transfers in	-	-	-	13,200	-	-
Transfers out	-	-	(13,200)	-	-	-
Total other financing sources (uses)	-	-	(13,200)	13,200	-	-
Excess (deficiency) of receipts and other financing sources over disbursements and other financing uses	-	(433)	(11,503)	(1,924)	(400)	5,150
Cash and investments - ending	\$ 2,157	\$ 58,019	\$ -	\$ (1,924)	\$ (159)	\$ 900

EASTERN PULASKI 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)

	Improving Instruction 09-10	Improving Instruction 10-11	Reading First 2009-2010	Reading First 2010-2011	Title I Grants to LEAs	Totals
Cash and investments - beginning	\$ 5,394	\$ -	\$ 33,583	\$ -	\$ (9,180)	\$ 9,285,248
Receipts:						
Local sources	-	-	-	-	-	3,328,796
Intermediate sources	-	-	-	-	-	804
State sources	-	-	-	-	-	8,238,180
Federal sources	-	60,763	15,047	58,741	30,557	608,354
Other	-	-	-	-	-	26,280
Total receipts	<u>-</u>	<u>60,763</u>	<u>15,047</u>	<u>58,741</u>	<u>30,557</u>	<u>12,202,414</u>
Disbursements:						
Current:						
Instruction	5,394	67,986	22,667	33,482	-	5,838,951
Support services	-	-	11,757	8,584	21,377	3,365,515
Noninstructional services	-	-	-	-	-	595,406
Facilities acquisition and construction	-	-	-	-	-	254,874
Debt services	-	-	-	-	-	1,182,725
Nonprogrammed charges	-	-	-	-	-	720,602
Total disbursements	<u>5,394</u>	<u>67,986</u>	<u>34,424</u>	<u>42,066</u>	<u>21,377</u>	<u>11,958,073</u>
Excess (deficiency) of receipts over disbursements	<u>(5,394)</u>	<u>(7,223)</u>	<u>(19,377)</u>	<u>16,675</u>	<u>9,180</u>	<u>244,341</u>
Other financing sources (uses):						
Transfers in	-	-	-	-	-	950,658
Transfers out	-	-	(14,206)	-	-	(950,658)
Total other financing sources (uses)	<u>-</u>	<u>-</u>	<u>(14,206)</u>	<u>-</u>	<u>-</u>	<u>-</u>
Excess (deficiency) of receipts and other financing sources over disbursements and other financing uses	<u>(5,394)</u>	<u>(7,223)</u>	<u>(33,583)</u>	<u>16,675</u>	<u>9,180</u>	<u>244,341</u>
Cash and investments - ending	<u>\$ -</u>	<u>\$ (7,223)</u>	<u>\$ -</u>	<u>\$ 16,675</u>	<u>\$ -</u>	<u>\$ 9,529,589</u>

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EASTERN PULASKI 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	\$ 155,000
Buildings	21,134,702
Improvements other than buildings	2,075,119
Machinery and equipment	<u>2,196,397</u>
 Total governmental activities, capital assets not being depreciated	 <u><u>\$ 25,561,218</u></u>

EASTERN PULASKI 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:		
Capital lease:		
Winamac Middle School	\$ 3,575,000	\$ 880,000
Bond payable:		
General obligation bond:		
Pension Bonds	<u>2,380,000</u>	<u>297,111</u>
Total governmental activities debt	<u>\$ 5,955,000</u>	<u>\$ 1,177,111</u>

EASTERN PULASKI COMMUNITY SCHOOL CORPORATION
AUDIT RESULTS AND COMMENTS

TEXTBOOK RENTAL

The School Corporation charges a flat rate per student for textbook rental and fees. The Administration and School Board have approved the book rental rate and fee charges at a flat rate for each of the past 15 school years. Documentation was not presented for audit to establish the retail price and age of each textbook rented by each student in order to determine compliance with Indiana statutes.

Indiana Code 20-26-12-2 states in part:

"(a) A governing body may purchase from a publisher, any textbook selected by the proper local officials. The governing body may rent these textbooks to students . . . The annual rental rate may not exceed twenty-five percent (25%) of the retail price of the textbooks.

(b) Notwithstanding subsection (a), the governing body may not assess a rental fee of more than fifteen percent (15%) of the retail price of a textbook that has been:

- (1) extended for usage by students under section 24(e) of this chapter; and
- (2) paid for through rental fees previously collected. . . ."

IMPROPER RECEIPT OF INDIRECT COSTS

The School receipted the following amounts into their Special Services Fund: \$8,534 for indirect costs transferred from the Reading First Grant Fund and \$200 for GQE test site reimbursement from the State of Indiana.

With regard to the General Fund, Indiana Code 20-40-2-3 states: "Except as otherwise provided by law, all receipts and disbursements authorized by law for school funds and tax levies shall be received in and disbursed from the fund."

When indirect costs are paid by the federal project, to the school corporation, the amount shall be receipted to the General Fund of the school corporation. (The School Administrator and Uniform Compliance Guidelines, Volume 157, Page 3, March 2002)

FEDERAL AND STATE AGENCIES - COMPLIANCE REQUIREMENTS

The School Corporation did not comply with federal requirements to use teachers and para-professionals in the Title I program that are highly qualified, as defined in the Code of Federal Regulations.

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

SUPPLEMENTAL AUDIT OF
FEDERAL AWARDS



STATE OF INDIANA
AN EQUAL OPPORTUNITY EMPLOYER

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

Telephone: (317) 232-2513
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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 EASTERN PULASKI COMMUNITY SCHOOL
CORPORATION, PULASKI COUNTY, INDIANA

Compliance

We have audited the compliance of the Eastern Pulaski 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. The results of our auditing procedures also disclosed other instances of noncompliance with those requirements which are required to be reported in accordance with OMB Circular A-133 and which are described in the accompanying Schedule of Findings and Questioned Costs as item 2011-1.

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 on compliance and to

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)

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.

Our consideration of internal control over compliance was for the limited purpose described in the preceding paragraph and was not designed to identify all deficiencies in internal control over compliance that might be significant deficiencies or material weaknesses and therefore, there is no assurance that all deficiencies, significant deficiencies, or material weaknesses have been identified. However, as discussed below, we identified a deficiency in internal control over compliance that we consider to be a material weakness.

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. We consider the deficiency in internal control over compliance described in the accompanying Schedule of Findings and Questioned Costs as item 2011-1 to be material weaknesses.

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

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

November 21, 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.

EASTERN PULASKI 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.S. DEPARTMENT OF AGRICULTURE				
Pass-Through Indiana Department of Education				
Child Nutrition Cluster				
School Breakfast Program	10.553	6620	\$ 17,715	\$ 27,024
National School Lunch Program	10.555	6620	<u>232,870</u>	<u>278,675</u>
Total for federal grantor agency			<u>250,585</u>	<u>305,699</u>
U.S. DEPARTMENT OF EDUCATION				
Pass-Through Logansport Community School Corporation				
Special Education Cluster (IDEA)				
ARRA - Special Education - Grants to States, Recovery Act	84.391	2009-2010	140,161	-
ARRA - Special Education - Preschool Grants, Recovery Act	84.392	2009-2010	<u>5,190</u>	<u>-</u>
Total for cluster			<u>145,351</u>	<u>-</u>
Pass-Through Indiana Department of Education				
Title I, Part A Cluster				
Title I Grants to Local Educational Agencies	84.010			
		SY 2008-2009	40,100	-
		SY 2009-2010	179,939	3,916
		SY 2010-2011	<u>-</u>	<u>166,357</u>
Total for program			220,039	170,273
ARRA - Title I Grants to Local Educational Agencies, Recovery Act	84.389	SY 2009-2010	<u>98,441</u>	<u>21,377</u>
Total for cluster			<u>318,480</u>	<u>191,650</u>
State Fiscal Stabilization Fund Cluster				
ARRA - State Fiscal Stabilization Fund (SFSF) - Education State Grants, Recovery Act	84.394	2009-2010	<u>330,863</u>	<u>-</u>
Safe and Drug Free Schools and Communities - State Grants	84.186			
		07-6620	1,706	-
		08-6620	3,652	-
		09-6620	<u>4,296</u>	<u>241</u>
Total for program			<u>9,654</u>	<u>241</u>
State Grants for Innovative Programs	84.298	07-6620	<u>1,961</u>	<u>-</u>
Reading First State Grants	84.357			
		FY 2008-2009	62,180	-
		A58-0-10CI-082	47,597	48,630
		A58-1-11CI-238	<u>-</u>	<u>42,066</u>
Total for program			<u>109,777</u>	<u>90,696</u>
Improving Teacher Quality State Grants	84.367			
		FY 2008-2009	14,335	-
		FY 2009-2010	56,085	5,395
		FY 2010-2011	<u>-</u>	<u>67,986</u>
Total for program			<u>70,420</u>	<u>73,381</u>
Total for federal grantor agency			<u>986,506</u>	<u>355,968</u>
Total federal awards expended			<u>\$ 1,237,091</u>	<u>\$ 661,667</u>

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

EASTERN PULASKI 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 Eastern Pulaski 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	\$ 2,978	\$ 3,565
National School Lunch Program	10.555	39,144	36,760

EASTERN PULASKI 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?	yes
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?	yes

Identification of Major Programs:

Name of Federal Program or Cluster

Child Nutrition Cluster
Title I Cluster
Fiscal Stabilization 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.

EASTERN PULASKI COMMUNITY SCHOOL CORPORATION
SCHEDULE OF FINDINGS AND QUESTIONED COSTS
(Continued)

Section III – Federal Award Findings and Questioned Costs

FINDING 2011-1 - HIGHLY QUALIFIED TEACHERS AND PARAPROFESSIONALS

Federal Agency: U.S. Department of Education
Federal Program: Title I Grants to Local Educational Agencies
CFDA Number: 84.010
Federal Award Number and Year: FY 2009-2010 and FY 2010-2011
Pass-through Entity: Indiana Department of Education

Title I program funds may be used to compensate both teachers and paraprofessional staff to work with the students to accomplish the goals of the program. The No Child Left Behind Act requires that all teachers and paraprofessionals paid with program funds meet the standard of "highly qualified" as defined in the Code of Federal Regulations (CFR), Title 34, Section 200.58(c).

34 CFR 200.58(c) and (d) states:

"(c) *New paraprofessionals.* A paraprofessional covered under paragraph (a) of this section who is hired after January 8, 2002 must have—

- (1) Completed at least two years of study at an institution of higher education;
- (2) Obtained an associate's or higher degree; or
- (3) (i) Met a rigorous standard of quality, and can demonstrate—through a formal State or local academic assessment—knowledge of, and the ability to assist in instructing, as appropriate—
 - (A) Reading/language arts, writing, and mathematics; or
 - (B) Reading readiness, writing readiness, and mathematics readiness.
- (ii) A secondary school diploma or its recognized equivalent is necessary, but not sufficient, to meet the requirement in paragraph (c)(3)(i) of this section.

(d) *Existing paraprofessionals.* Each paraprofessional who was hired on or before January 8, 2002 must meet the requirements in paragraph (c) of this section no later than January 8, 2006."

The School Corporation did not have sufficient controls in place to monitor compliance with the requirement for "highly qualified" Title I paraprofessionals, and the School Corporation was not in compliance with the requirement.

The School paid thirteen paraprofessionals and one certified teacher with Title I grant funds. Personnel files for the certified teacher and three of the paraprofessionals were initially reviewed to determine if they met the standard of "highly qualified" as defined in the CFR. Of the four employees selected for testing, one paraprofessional did not meet the compliance requirement. The documentation in that employee's file intending to show compliance with this requirement consisted of a handwritten summary of various workshops and seminars, partially supported by various certificates of completion. The summary showed a total of 95 hours, of which 64 hours were counted at 50 percent, for a net count of 63 hours. School officials could not document any basis for determining at what percentage the hours were counted. For 41 of the 95 hours, there was no documentation other than the handwritten summary. Of the remaining 54 hours that were documented, 38 were for seminars and classes provided by various cosmetology boards, associations, and

EASTERN PULASKI COMMUNITY SCHOOL CORPORATION
SCHEDULE OF FINDINGS AND QUESTIONED COSTS
(Continued)

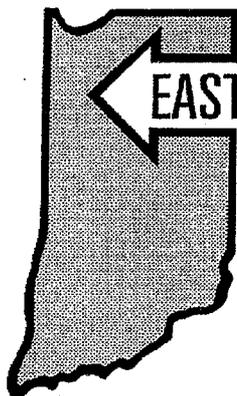
product wholesalers; 13 were for various bus driver training such as drug screening and defensive driving; and 3 were for a class on Microsoft Office. Except for one 3 hour cosmetology class presented in conjunction with Purdue University, none of the hours were provided by an institution of higher education. School officials believe that the paraprofessional in question has met the "highly qualified" requirement based on their interpretation of ". . . two years of study at an institution of higher education" as stated in the Code of Federal Regulations.

Based on the results of our initial test the remaining ten paraprofessionals were also reviewed. Three of these employees' personnel files contained adequate documentation to support compliance with the "highly qualified" requirement. Five of these employees had no documentation in their files initially. The documentation necessary to verify compliance with the "highly qualified" requirement for these five was provided at a later date. One of these employees did not have proper qualifications based on the documentation provided (only 50 quarter hours of higher education); and one did not have any documentation of qualifications.

In summary, of thirteen paraprofessionals paid from Title I funds, two did not meet the requirements for "highly qualified" as defined in the CFR, one did not have any documentation to verify the requirements were met, and five had the documentation necessary to verify compliance added to their files only after it was requested for audit.

The lack of internal controls related to monitoring the qualifications of paraprofessionals used in the Title I program has enabled unqualified staff to work in the program. Unqualified staff could have an adverse effect on the accomplishment of the stated program objectives. Additionally, noncompliance with federal requirements could jeopardize the School Corporation ability to receive future federal funding.

We recommended that the School Corporation employ only "highly qualified" personnel in the Title I program, and maintain adequate documentation in each employee's personnel file to demonstrate compliance with the "highly qualified" federal compliance requirement.



EASTERN PULASKI COMMUNITY SCHOOL CORPORATION

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574-946-4010

ROBERT J. KLITZMAN, Ed.D.
SUPERINTENDENT OF SCHOOLS

FAX: 574-946-4510
klitzmr@epulaski.k12.in.us

SUMMARY SCHEDULE OF PRIOR AUDIT FINDINGS

1 Finding Number 2009-2

Original SBA Audit Report Number:	B35691
Fiscal Year	June 30, 2009
Auditee Contact Person	David Thompson
Title of Contact Person	Business Manager/Treasurer
Phone Number	574-946-4010
Status of Finding:	Corrected, Transfers are documented

2 Finding Number 2009-3

Original SBA Audit Report Number:	B35691
Fiscal Year	June 30, 2009
Auditee Contact Person	David Thompson
Title of Contact Person	Business Manager/Treasurer
Phone Number	574-946-4010
Status of Finding:	Corrected, All reports filed





EASTERN PULASKI COMMUNITY SCHOOL CORPORATION

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CORRECTIVE ACTION PLAN

FINDING NO. 2011-1 – Highly Qualified Teachers and Paraprofessionals

Federal Agency: U.S. Department of Education
Federal Program: Title I Grants to local educational agencies
CFDA Number: 84.010
Federal Award Number: FY 2009-2010 and FY 2010-2011
Auditee Contact Person: Robert J. Klitzman
Title of Contact Person: Superintendent
Phone Number: 574-946-4010
Expected Completion Date: January 2012

Corrective Action:

Eastern Pulaski Community School Corporation has established a procedure (check list) whereby newly hired personnel (certified and non-certified) are documented as “Highly Qualified” as well as any employee transferred into a Title I position is also documented to meet the Title I standard of “Highly Qualified.”

Sincerely,

Robert J. Klitzman, Ed.D.
Superintendent of Schools

11-18-11

Date

David Thompson
Treasurer

11/21/2011

Date



Kids Are Our Future

EASTERN PULASKI COMMUNITY SCHOOL CORPORATION
EXIT CONFERENCE

The contents of this report were discussed on November 21, 2011, with David Thompson, Treasurer; Dr. Robert J. Klitzman, Superintendent of Schools; and Larry Beach, President of the School Board. The official response has been made a part of this report and may be found on page 46.



EASTERN PULASKI COMMUNITY SCHOOL CORPORATION

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November 2011

State Board of Accounts
302 West Washington Street
4th Floor, Room E418
Indianapolis, IN 46204-2765

Eastern Pulaski Community School Corporation would like to thank you and extend its appreciation to The State Board of Accounts, specifically Mr. Andy Williams and Mr. Stanly Willmert, for the assistance provided during the recent audit visitation. We understand the necessity of this service as well as the opportunity it presents for us to review our accounting procedures. Additionally, we are proud to relay the message delivered by the on-site auditors that our practices are essentially in compliance with regulations with the understanding certain suggestions, procedure modifications, and safeguards will be (have been) put in place. To find and recognize good is also a part of the audit. We appreciate those comments.

We will make the School Board aware of the comment to establish a textbook rental fee which is based on a per book cost basis. It would be nice if the State of Indiana would decide to provide free textbooks for all public school students, which would make this a moot issue. Hopefully, the State Legislature will pass a Bill which essentially allows us to do with current and past school board members believe what is best for our families and students. The recommendations regarding grant indirect/ overhead deposits and establishing a checklist for Title I personnel relative to "Highly Qualified" has been established. In addition, comments relative to Travel are in School Board Policy (310), credit card procedures will be added to that policy, docket signatures will be updated, and projects will be more specifically identified.

The purpose of this response, although not required, is to reaffirm our intent to cooperate fully and our desire to comply with all the recommendations/comments offered to Eastern Pulaski Community School Corporation.

Sincerely,

Robert J. Klitzman, Ed.D.
Superintendent of Schools



Kids Are Our Future