

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

FINANCIAL STATEMENT AND
FEDERAL SINGLE AUDIT REPORT
OF

YORKTOWN COMMUNITY SCHOOLS

DELAWARE COUNTY, INDIANA

July 1, 2009 to June 30, 2011



FILED

02/08/2012

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SCHEDULE OF OFFICIALS

<u>Office</u>	<u>Official</u>	<u>Term</u>
Treasurer	Sandra Donovan	07-01-09 to 08-01-09
	Sharon Lankford	08-02-09 to 01-29-10
	Teresa Hofherr (Interim)	01-30-10 to 04-11-10
	Leslie Rittenhouse	04-12-10 to 06-30-12
Superintendent of Schools	Zachariah Rozelle	06-02-08 to 06-30-10
	Jennifer McCormick	07-01-10 to 06-30-12
President of the School Board	Patrick LaVelle	07-01-09 to 06-30-10
	Steve Smith	07-01-10 to 06-30-11
	Catherine Alexander	07-01-11 to 06-30-12



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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 YORKTOWN COMMUNITY SCHOOLS, DELAWARE COUNTY, INDIANA

We have audited the accompanying financial statement of the Yorktown Community Schools (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 December 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.

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

December 21, 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 YORKTOWN COMMUNITY SCHOOLS, DELAWARE COUNTY, INDIANA

We have audited the financial statement of the Yorktown Community Schools (School Corporation), for the years ended June 30, 2010 and 2011, and have issued our report thereon dated December 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 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

December 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.

YORKTOWN COMMUNITY SCHOOLS
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	\$ 1,571,151	\$ 12,248,035	\$ 11,494,090	\$ 18,031	\$ 2,343,127	\$ 12,424,926	\$ 11,468,508	\$ 52,594	\$ 3,352,139
Debt Service	198,250	3,162,695	2,276,897	(20,724)	1,063,324	2,683,623	3,036,399	(479,276)	231,272
Retirement/Severance Bond Debt Service	-	688,320	491,226	(5,397)	191,697	668,575	634,069	5,397	231,600
Capital Projects	809,226	3,079,686	3,432,688	(22,800)	433,424	2,656,443	1,885,649	22,800	1,227,018
School Transportation	405,722	2,149,997	1,894,404	(285,479)	375,836	1,960,628	1,549,059	15,442	802,847
School Bus Replacement	121,117	451,346	23,913	(92,374)	456,176	732,319	335,170	(497,626)	355,699
Special Education Preschool	77,340	31,626	22,783	(86,183)	-	-	-	-	-
Rainy Day	20,000	26,655	-	373,346	420,001	-	-	1,000,000	1,420,001
Retirement/Severance Bond	460,113	-	169,500	-	290,613	-	156,000	-	134,613
School Lunch	372,503	1,002,200	844,436	(680)	529,587	1,018,089	887,459	-	660,217
Textbook Rental	304,856	366,446	324,340	-	346,962	382,621	269,529	-	460,054
Levy Excess	-	-	-	119,331	119,331	30,730	-	(119,331)	30,730
Child Care Program	56,957	92,666	93,205	-	56,418	108,428	93,026	-	71,820
Educational License Plates	-	-	-	-	-	694	-	-	694
Alternative Education	2,049	-	-	-	2,049	-	-	-	2,049
Early Intervention 2009-10	621	15,000	11,378	-	4,243	-	2,380	-	1,863
Library Liberal Arts Investment	1,500	-	-	-	1,500	2	-	-	1,502
YHS Student Council/United Way	500	-	-	-	500	-	-	-	500
School Intervention and Career Counseling	3,935	-	2,470	-	1,465	-	-	-	1,465
Poverty Fund	-	1,746	258	-	1,488	-	1,029	-	459
Library Liberal Arts	1,304	2	-	-	1,306	5	-	-	1,311
Scholarships and Awards	-	-	-	-	-	100	-	-	100
YMS Homework Help	61	4,998	3,591	-	1,468	-	-	-	1,468
YES Homework Help	355	-	-	-	355	-	-	-	355
YHS Academic Assistance	-	1,545	1,157	-	388	4,824	5,194	-	18
High Ability Grant	-	34,770	34,770	-	-	-	-	-	-
High Ability Grant 2010-2011	-	-	-	-	-	34,248	34,248	-	-
Education Technology	-	45,195	48,422	-	(3,227)	-	-	-	(3,227)
Non-English Speaking Programs P.L. 273-1999	1,000	2,759	3,261	-	498	(2,145)	-	-	(1,647)
NESP 2010-2011	-	-	-	-	-	3,123	3,123	-	-
NESP 2009-2010	-	-	-	-	-	2,759	2,759	-	-
School Technology	-	-	-	-	-	16,859	16,779	-	80
Technology - Common School	-	-	-	-	-	157,807	157,807	-	-
Student Wellness Grant 2008-2009	2,616	-	1,011	-	1,605	-	413	-	1,192

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

YORKTOWN COMMUNITY SCHOOLS
STATEMENT 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
Mt. Pleasant Education Foundation Grant	1,338	-	299	-	1,039	-	-	-	1,039
YCS Education	-	3,206	3,206	-	-	2,162	1,936	-	226
Ball Brothers Foundation Grant	1,485	-	-	-	1,485	-	-	-	1,485
Consortium Grant 2008-2009	6,648	-	7,335	-	(687)	-	(687)	-	-
Gary Marx Presentation Grant	4,096	-	-	-	4,096	-	-	-	4,096
Insurance Consortium Grant 2009-2010	-	23,370	8,640	-	14,730	-	14,730	-	-
Dairy and Nutrition	-	200	127	-	73	-	-	-	73
Employee Workshop	-	396	-	-	396	(396)	-	-	-
Wellness Program 2010-2011	-	-	-	-	-	21,750	3,123	-	18,627
Bell Education Individual Grants	-	-	-	-	-	422	420	-	2
Title I 2008-2009	67,922	605	59,603	(8,924)	-	-	-	-	-
Title I 2009-2010	-	186,293	153,702	8,924	41,515	-	2,215	(39,300)	-
Title I 2010-2011	-	-	-	-	-	112,899	148,684	39,300	3,515
Title V Part A 2007-2008	2,856	-	2,856	-	-	-	-	-	-
Title V Part A	-	1,114	-	-	1,114	-	-	-	1,114
Summer Youth Employment	1,519	-	16	-	1,503	-	-	-	1,503
Special Education 2008-2009	65,763	-	65,763	-	-	-	-	-	-
Special Education 2009-2010	-	449,985	360,088	-	89,897	-	89,897	-	-
Special Education 2010-2011	-	-	-	-	-	285,362	411,604	-	(126,242)
Drug Free Title IV - Part A 2008-2009	1,672	-	1,672	-	-	-	-	-	-
Drug Free Title IV - Part A 2009-2010	-	6,761	5,074	-	1,687	-	(56)	-	1,743
Game On Mini-Grant	-	-	-	-	-	6,086	1,735	-	4,351
Emergency Impact 2006	9,000	-	-	-	9,000	-	-	-	9,000
Improving Teaching Quality, No Child Left, Title II, Part A	9,753	-	10,549	-	(796)	-	(796)	-	-
Title II Part A, EL/SEC 2008-2009	37,640	-	4,664	2,929	35,905	-	35,905	-	-
Title II Part A, EL/SEC 2009-2010	-	44,701	22,503	-	22,198	(100)	12,254	-	9,844
Fiscal Stabilization - Education (ARRA)	496,413	455,795	952,208	-	-	-	-	-	-
Title I - Grants to LEAs (Stimulus)	-	24,450	-	-	24,450	17,298	57,882	-	(16,134)
Special Education - Part B (Stimulus)	-	306,445	347,381	-	(40,936)	132,515	115,894	-	(24,315)
Education Technology (Stimulus)	-	-	-	-	-	49,912	55,822	-	(5,910)
Totals	\$ 5,117,281	\$ 24,909,008	\$ 23,179,486	\$ -	\$ 6,846,803	\$ 23,512,568	\$ 21,489,162	\$ -	\$ 8,870,209

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

YORKTOWN COMMUNITY SCHOOLS
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.

YORKTOWN COMMUNITY SCHOOLS
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.

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.

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.

YORKTOWN COMMUNITY SCHOOLS
NOTES TO FINANCIAL STATEMENT
(Continued)

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.

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.

YORKTOWN COMMUNITY SCHOOLS
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 and 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:

YORKTOWN COMMUNITY SCHOOLS
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.

YORKTOWN COMMUNITY SCHOOLS
 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
Cash and investments - beginning	\$ 1,571,151	\$ 198,250	\$ -	\$ 809,226	\$ 405,722	\$ 121,117	\$ 77,340	\$ 20,000
Receipts:								
Local sources	278,848	2,532,157	549,393	1,971,258	1,463,494	451,346	-	-
Intermediate sources	47	-	-	-	-	-	-	-
State sources	11,965,188	-	-	-	-	-	31,626	-
Federal sources	-	-	-	-	8,727	-	-	-
Temporary loans	-	630,538	138,927	1,063,186	677,361	-	-	-
Other	3,952	-	-	45,242	415	-	-	26,655
Total receipts	<u>12,248,035</u>	<u>3,162,695</u>	<u>688,320</u>	<u>3,079,686</u>	<u>2,149,997</u>	<u>451,346</u>	<u>31,626</u>	<u>26,655</u>
Disbursements:								
Current:								
Instruction	7,223,644	-	-	-	-	-	22,783	-
Support services	3,154,283	-	-	1,068,140	1,144,667	-	-	-
Noninstructional services	250,575	-	-	-	-	-	-	-
Facilities acquisition and construction	-	-	-	419,570	-	-	-	-
Debt services	606,209	2,276,897	491,226	1,944,978	749,737	23,913	-	-
Nonprogrammed charges	259,379	-	-	-	-	-	-	-
Total disbursements	<u>11,494,090</u>	<u>2,276,897</u>	<u>491,226</u>	<u>3,432,688</u>	<u>1,894,404</u>	<u>23,913</u>	<u>22,783</u>	<u>-</u>
Excess (deficiency) of receipts over disbursements	<u>753,945</u>	<u>885,798</u>	<u>197,094</u>	<u>(353,002)</u>	<u>255,593</u>	<u>427,433</u>	<u>8,843</u>	<u>26,655</u>
Other financing sources (uses):								
Transfers in	31,340	-	-	-	13,309	-	-	373,346
Transfers out	(13,309)	(20,724)	(5,397)	(22,800)	(298,788)	(92,374)	(86,183)	-
Total other financing sources (uses)	<u>18,031</u>	<u>(20,724)</u>	<u>(5,397)</u>	<u>(22,800)</u>	<u>(285,479)</u>	<u>(92,374)</u>	<u>(86,183)</u>	<u>373,346</u>
Excess (deficiency) of receipts and other financing sources over disbursements and other financing uses	<u>771,976</u>	<u>865,074</u>	<u>191,697</u>	<u>(375,802)</u>	<u>(29,886)</u>	<u>335,059</u>	<u>(77,340)</u>	<u>400,001</u>
Cash and investments - ending	<u>\$ 2,343,127</u>	<u>\$ 1,063,324</u>	<u>\$ 191,697</u>	<u>\$ 433,424</u>	<u>\$ 375,836</u>	<u>\$ 456,176</u>	<u>\$ -</u>	<u>\$ 420,001</u>

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

	Retirement/ Severance Bond	School Lunch	Textbook Rental	Levy Excess	Child Care Program	Alternative Education	Early Intervention 2009-2010	Library Liberal Arts Investment
Cash and investments - beginning	\$ 460,113	\$ 372,503	\$ 304,856	\$ -	\$ 56,957	\$ 2,049	\$ 621	\$ 1,500
Receipts:								
Local sources	-	624,935	299,402	-	92,666	-	-	-
Intermediate sources	-	-	-	-	-	-	-	-
State sources	-	16,374	67,044	-	-	-	15,000	-
Federal sources	-	353,835	-	-	-	-	-	-
Temporary loans	-	-	-	-	-	-	-	-
Other	-	7,056	-	-	-	-	-	-
Total receipts	-	1,002,200	366,446	-	92,666	-	15,000	-
Disbursements:								
Current:								
Instruction	169,500	-	-	-	-	-	11,161	-
Support services	-	1,956	324,340	-	-	-	217	-
Noninstructional services	-	842,480	-	-	93,205	-	-	-
Facilities acquisition and construction	-	-	-	-	-	-	-	-
Debt services	-	-	-	-	-	-	-	-
Nonprogrammed charges	-	-	-	-	-	-	-	-
Total disbursements	169,500	844,436	324,340	-	93,205	-	11,378	-
Excess (deficiency) of receipts over disbursements	(169,500)	157,764	42,106	-	(539)	-	3,622	-
Other financing sources (uses):								
Transfers in	-	-	-	119,331	-	-	-	-
Transfers out	-	(680)	-	-	-	-	-	-
Total other financing sources (uses)	-	(680)	-	119,331	-	-	-	-
Excess (deficiency) of receipts and other financing sources over disbursements and other financing uses	(169,500)	157,084	42,106	119,331	(539)	-	3,622	-
Cash and investments - ending	<u>\$ 290,613</u>	<u>\$ 529,587</u>	<u>\$ 346,962</u>	<u>\$ 119,331</u>	<u>\$ 56,418</u>	<u>\$ 2,049</u>	<u>\$ 4,243</u>	<u>\$ 1,500</u>

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

	YHS Student Council/United Way	School Intervention and Career Counseling	Poverty Fund	Library Liberal Arts	YMS Homework Help	YES Homework Help	YHS Academic Assistance	High Ability Grant
Cash and investments - beginning	\$ 500	\$ 3,935	\$ -	\$ 1,304	\$ 61	\$ 355	\$ -	\$ -
Receipts:								
Local sources	-	-	1,746	2	4,998	-	1,545	-
Intermediate sources	-	-	-	-	-	-	-	-
State sources	-	-	-	-	-	-	-	34,770
Federal sources	-	-	-	-	-	-	-	-
Temporary loans	-	-	-	-	-	-	-	-
Other	-	-	-	-	-	-	-	-
Total receipts	-	-	1,746	2	4,998	-	1,545	34,770
Disbursements:								
Current:								
Instruction	-	2,470	-	-	3,591	-	1,157	34,770
Support services	-	-	76	-	-	-	-	-
Noninstructional services	-	-	182	-	-	-	-	-
Facilities acquisition and construction	-	-	-	-	-	-	-	-
Debt services	-	-	-	-	-	-	-	-
Nonprogrammed charges	-	-	-	-	-	-	-	-
Total disbursements	-	2,470	258	-	3,591	-	1,157	34,770
Excess (deficiency) of receipts over disbursements	-	(2,470)	1,488	2	1,407	-	388	-
Other financing sources (uses):								
Transfers in	-	-	-	-	-	-	-	-
Transfers out	-	-	-	-	-	-	-	-
Total other financing sources (uses)	-	-	-	-	-	-	-	-
Excess (deficiency) of receipts and other financing sources over disbursements and other financing uses	-	(2,470)	1,488	2	1,407	-	388	-
Cash and investments - ending	\$ 500	\$ 1,465	\$ 1,488	\$ 1,306	\$ 1,468	\$ 355	\$ 388	\$ -

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

	Education Technology	Non-English Speaking Programs P.L. 273-1999	Student Wellness Grant 2008-2009	Mt. Pleasant Education Foundation Grant	YCS Education	Ball Brothers Foundation Grant	Consortium Grant 2008-2009
Cash and investments - beginning	\$ -	\$ 1,000	\$ 2,616	\$ 1,338	\$ -	\$ 1,485	\$ 6,648
Receipts:							
Local sources	-	-	-	-	3,206	-	-
Intermediate sources	-	-	-	-	-	-	-
State sources	45,195	2,759	-	-	-	-	-
Federal sources	-	-	-	-	-	-	-
Temporary loans	-	-	-	-	-	-	-
Other	-	-	-	-	-	-	-
Total receipts	<u>45,195</u>	<u>2,759</u>	<u>-</u>	<u>-</u>	<u>3,206</u>	<u>-</u>	<u>-</u>
Disbursements:							
Current:							
Instruction	-	3,261	1,011	299	3,206	-	-
Support services	48,422	-	-	-	-	-	7,335
Noninstructional services	-	-	-	-	-	-	-
Facilities acquisition and construction	-	-	-	-	-	-	-
Debt services	-	-	-	-	-	-	-
Nonprogrammed charges	-	-	-	-	-	-	-
Total disbursements	<u>48,422</u>	<u>3,261</u>	<u>1,011</u>	<u>299</u>	<u>3,206</u>	<u>-</u>	<u>7,335</u>
Excess (deficiency) of receipts over disbursements	<u>(3,227)</u>	<u>(502)</u>	<u>(1,011)</u>	<u>(299)</u>	<u>-</u>	<u>-</u>	<u>(7,335)</u>
Other financing sources (uses):							
Transfers in	-	-	-	-	-	-	-
Transfers out	-	-	-	-	-	-	-
Total other financing sources (uses)	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Excess (deficiency) of receipts and other financing sources over disbursements and other financing uses	<u>(3,227)</u>	<u>(502)</u>	<u>(1,011)</u>	<u>(299)</u>	<u>-</u>	<u>-</u>	<u>(7,335)</u>
Cash and investments - ending	<u>\$ (3,227)</u>	<u>\$ 498</u>	<u>\$ 1,605</u>	<u>\$ 1,039</u>	<u>\$ -</u>	<u>\$ 1,485</u>	<u>\$ (687)</u>

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

	Gary Marx Presentation Grant	Insurance Consortium Grant 2009-2010	Dairy and Nutrition	Employee Workshop	Title I 2008-2009	Title I 2009-2010	Title V Part A 2007-2008
Cash and investments - beginning	\$ 4,096	\$ -	\$ -	\$ -	\$ 67,922	\$ -	\$ 2,856
Receipts:							
Local sources	-	-	200	396	-	-	-
Intermediate sources	-	-	-	-	-	-	-
State sources	-	-	-	-	-	-	-
Federal sources	-	-	-	-	605	186,293	-
Temporary loans	-	-	-	-	-	-	-
Other	-	23,370	-	-	-	-	-
Total receipts	-	23,370	200	396	605	186,293	-
Disbursements:							
Current:							
Instruction	-	-	-	-	58,381	152,246	-
Support services	-	8,640	-	-	-	-	2,856
Noninstructional services	-	-	127	-	1,222	1,456	-
Facilities acquisition and construction	-	-	-	-	-	-	-
Debt services	-	-	-	-	-	-	-
Nonprogrammed charges	-	-	-	-	-	-	-
Total disbursements	-	8,640	127	-	59,603	153,702	2,856
Excess (deficiency) of receipts over disbursements	-	14,730	73	396	(58,998)	32,591	(2,856)
Other financing sources (uses):							
Transfers in	-	-	-	-	-	8,924	-
Transfers out	-	-	-	-	(8,924)	-	-
Total other financing sources (uses)	-	-	-	-	(8,924)	8,924	-
Excess (deficiency) of receipts and other financing sources over disbursements and other financing uses	-	14,730	73	396	(67,922)	41,515	(2,856)
Cash and investments - ending	\$ 4,096	\$ 14,730	\$ 73	\$ 396	\$ -	\$ 41,515	\$ -

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

	Title V Part A	Summer Youth Employment	Special Education 2008-2009	Special Education 2009-2010	Drug Free Title IV - Part A 2008-2009	Drug Free Title IV - Part A 2009-2010	Emergency Impact 2006
Cash and investments - beginning	\$ -	\$ 1,519	\$ 65,763	\$ -	\$ 1,672	\$ -	\$ 9,000
Receipts:							
Local sources	-	-	-	-	-	-	-
Intermediate sources	-	-	-	-	-	-	-
State sources	-	-	-	-	-	-	-
Federal sources	1,114	-	-	449,985	-	6,761	-
Temporary loans	-	-	-	-	-	-	-
Other	-	-	-	-	-	-	-
Total receipts	<u>1,114</u>	<u>-</u>	<u>-</u>	<u>449,985</u>	<u>-</u>	<u>6,761</u>	<u>-</u>
Disbursements:							
Current:							
Instruction	-	-	53,556	295,224	1,672	1,819	-
Support services	-	-	12,207	64,864	-	3,255	-
Noninstructional services	-	16	-	-	-	-	-
Facilities acquisition and construction	-	-	-	-	-	-	-
Debt services	-	-	-	-	-	-	-
Nonprogrammed charges	-	-	-	-	-	-	-
Total disbursements	<u>-</u>	<u>16</u>	<u>65,763</u>	<u>360,088</u>	<u>1,672</u>	<u>5,074</u>	<u>-</u>
Excess (deficiency) of receipts over disbursements	<u>1,114</u>	<u>(16)</u>	<u>(65,763)</u>	<u>89,897</u>	<u>(1,672)</u>	<u>1,687</u>	<u>-</u>
Other financing sources (uses):							
Transfers in	-	-	-	-	-	-	-
Transfers out	-	-	-	-	-	-	-
Total other financing sources (uses)	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Excess (deficiency) of receipts and other financing sources over disbursements and other financing uses	<u>1,114</u>	<u>(16)</u>	<u>(65,763)</u>	<u>89,897</u>	<u>(1,672)</u>	<u>1,687</u>	<u>-</u>
Cash and investments - ending	<u>\$ 1,114</u>	<u>\$ 1,503</u>	<u>\$ -</u>	<u>\$ 89,897</u>	<u>\$ -</u>	<u>\$ 1,687</u>	<u>\$ 9,000</u>

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

	Improving Teaching Quality No Child Left Title II, Part A	Title II Part A EL/SEC 2008-2009	Title II Part A EL/SEC 2009-2010	Fiscal Stabilization Education (ARRA)	Title I Grants to LEAs (Stimulus)	Special Education Part B (Stimulus)	Totals
Cash and investments - beginning	\$ 9,753	\$ 37,640	\$ -	\$ 496,413	\$ -	\$ -	\$ 5,117,281
Receipts:							
Local sources	-	-	-	-	-	-	8,275,592
Intermediate sources	-	-	-	-	-	-	47
State sources	-	-	-	-	-	-	12,177,956
Federal sources	-	-	44,701	455,795	24,450	306,445	1,838,711
Temporary loans	-	-	-	-	-	-	2,510,012
Other	-	-	-	-	-	-	106,690
Total receipts	<u>-</u>	<u>-</u>	<u>44,701</u>	<u>455,795</u>	<u>24,450</u>	<u>306,445</u>	<u>24,909,008</u>
Disbursements:							
Current:							
Instruction	-	4,664	21,370	721,761	-	-	8,787,546
Support services	6,145	-	1,133	215,572	-	347,381	6,411,489
Noninstructional services	-	-	-	14,875	-	-	1,204,138
Facilities acquisition and construction	-	-	-	-	-	-	419,570
Debt services	4,404	-	-	-	-	-	6,097,364
Nonprogrammed charges	-	-	-	-	-	-	259,379
Total disbursements	<u>10,549</u>	<u>4,664</u>	<u>22,503</u>	<u>952,208</u>	<u>-</u>	<u>347,381</u>	<u>23,179,486</u>
Excess (deficiency) of receipts over disbursements	<u>(10,549)</u>	<u>(4,664)</u>	<u>22,198</u>	<u>(496,413)</u>	<u>24,450</u>	<u>(40,936)</u>	<u>1,729,522</u>
Other financing sources (uses):							
Transfers in	-	2,929	-	-	-	-	549,179
Transfers out	-	-	-	-	-	-	(549,179)
Total other financing sources (uses)	<u>-</u>	<u>2,929</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>(10,549)</u>	<u>(1,735)</u>	<u>22,198</u>	<u>(496,413)</u>	<u>24,450</u>	<u>(40,936)</u>	<u>1,729,522</u>
Cash and investments - ending	<u>\$ (796)</u>	<u>\$ 35,905</u>	<u>\$ 22,198</u>	<u>\$ -</u>	<u>\$ 24,450</u>	<u>\$ (40,936)</u>	<u>\$ 6,846,803</u>

YORKTOWN COMMUNITY SCHOOLS
 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	Rainy Day	Retirement/ Severance Bond	School Lunch	Textbook Rental
Cash and investments - beginning	\$ 2,343,127	\$ 1,063,324	\$ 191,697	\$ 433,424	\$ 375,836	\$ 456,176	\$ 420,001	\$ 290,613	\$ 529,587	\$ 346,962
Receipts:										
Local sources	284,664	2,611,020	668,575	2,343,344	1,959,187	538,647	-	-	623,308	317,372
Intermediate sources	47	-	-	-	-	-	-	-	-	-
State sources	12,137,169	72,603	-	149,968	-	-	-	-	15,405	65,249
Federal sources	-	-	-	-	-	-	-	-	374,867	-
Temporary loans	-	-	-	163,131	901	193,672	-	-	-	-
Other	3,046	-	-	-	540	-	-	-	4,509	-
Total receipts	12,424,926	2,683,623	668,575	2,656,443	1,960,628	732,319	-	-	1,018,089	382,621
Disbursements:										
Current:										
Instruction	6,997,332	-	-	-	-	-	-	156,000	-	-
Support services	3,933,887	-	-	578,014	1,085,286	264,621	-	-	7,111	269,529
Noninstructional services	251,934	-	-	-	-	-	-	-	880,348	-
Facilities acquisition and construction	4,637	-	-	679,253	529	-	-	-	-	-
Debt services	1,300	3,036,399	634,069	628,382	463,244	70,549	-	-	-	-
Nonprogrammed charges	279,418	-	-	-	-	-	-	-	-	-
Total disbursements	11,468,508	3,036,399	634,069	1,885,649	1,549,059	335,170	-	156,000	887,459	269,529
Excess (deficiency) of receipts over disbursements	956,418	(352,776)	34,506	770,794	411,569	397,149	-	(156,000)	130,630	113,092
Other financing sources (uses):										
Transfers in	52,594	410,724	5,397	22,800	15,442	2,374	1,390,000	-	-	-
Transfers out	-	(890,000)	-	-	-	(500,000)	(390,000)	-	-	-
Total other financing sources (uses)	52,594	(479,276)	5,397	22,800	15,442	(497,626)	1,000,000	-	-	-
Excess (deficiency) of receipts and other financing sources over disbursements and other financing uses	1,009,012	(832,052)	39,903	793,594	427,011	(100,477)	1,000,000	(156,000)	130,630	113,092
Cash and investments - ending	\$ 3,352,139	\$ 231,272	\$ 231,600	\$ 1,227,018	\$ 802,847	\$ 355,699	\$ 1,420,001	\$ 134,613	\$ 660,217	\$ 460,054

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

	Levy Excess	Child Care Program	Educational License Plates	Alternative Education	Early Intervention 2009-2010	Library Liberal Arts Investment	YHS Student Council/United Way	School Intervention and Career Counseling	Poverty Fund	Library Liberal Arts
Cash and investments - beginning	\$ 119,331	\$ 56,418	\$ -	\$ 2,049	\$ 4,243	\$ 1,500	\$ 500	\$ 1,465	\$ 1,488	\$ 1,306
Receipts:										
Local sources	30,730	108,303	694	-	-	2	-	-	-	5
Intermediate sources	-	-	-	-	-	-	-	-	-	-
State sources	-	-	-	-	-	-	-	-	-	-
Federal sources	-	-	-	-	-	-	-	-	-	-
Temporary loans	-	-	-	-	-	-	-	-	-	-
Other	-	125	-	-	-	-	-	-	-	-
Total receipts	30,730	108,428	694	-	-	2	-	-	-	5
Disbursements:										
Current:										
Instruction	-	-	-	-	2,380	-	-	-	-	-
Support services	-	18	-	-	-	-	-	-	-	-
Noninstructional services	-	93,008	-	-	-	-	-	-	1,029	-
Facilities acquisition and construction	-	-	-	-	-	-	-	-	-	-
Debt services	-	-	-	-	-	-	-	-	-	-
Nonprogrammed charges	-	-	-	-	-	-	-	-	-	-
Total disbursements	-	93,026	-	-	2,380	-	-	-	1,029	-
Excess (deficiency) of receipts over disbursements	30,730	15,402	694	-	(2,380)	2	-	-	(1,029)	5
Other financing sources (uses):										
Transfers in	-	-	-	-	-	-	-	-	-	-
Transfers out	(119,331)	-	-	-	-	-	-	-	-	-
Total other financing sources (uses)	(119,331)	-	-	-	-	-	-	-	-	-
Excess (deficiency) of receipts and other financing sources over disbursements and other financing uses	(88,601)	15,402	694	-	(2,380)	2	-	-	(1,029)	5
Cash and investments - ending	\$ 30,730	\$ 71,820	\$ 694	\$ 2,049	\$ 1,863	\$ 1,502	\$ 500	\$ 1,465	\$ 459	\$ 1,311

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

	Scholarships and Awards	YMS Homework Help	YES Homework Help	YHS Academic Assistance	High Ability Grant 2010-2011	Education Technology	Non-English Speaking Programs P.L. 273-1999	NESP 2010-2011	NESP 2009-2010	School Technology
Cash and investments - beginning	\$ -	\$ 1,468	\$ 355	\$ 388	\$ -	\$ (3,227)	\$ 498	\$ -	\$ -	\$ -
Receipts:										
Local sources	100	-	-	4,824	-	-	-	-	-	9,966
Intermediate sources	-	-	-	-	-	-	-	-	-	-
State sources	-	-	-	-	34,248	-	(2,145)	3,123	2,759	6,818
Federal sources	-	-	-	-	-	-	-	-	-	-
Temporary loans	-	-	-	-	-	-	-	-	-	-
Other	-	-	-	-	-	-	-	-	-	75
Total receipts	100	-	-	4,824	34,248	-	(2,145)	3,123	2,759	16,859
Disbursements:										
Current:										
Instruction	-	-	-	5,194	34,248	-	-	3,123	2,759	-
Support services	-	-	-	-	-	-	-	-	-	16,779
Noninstructional services	-	-	-	-	-	-	-	-	-	-
Facilities acquisition and construction	-	-	-	-	-	-	-	-	-	-
Debt services	-	-	-	-	-	-	-	-	-	-
Nonprogrammed charges	-	-	-	-	-	-	-	-	-	-
Total disbursements	-	-	-	5,194	34,248	-	-	3,123	2,759	16,779
Excess (deficiency) of receipts over disbursements	100	-	-	(370)	-	-	(2,145)	-	-	80
Other financing sources (uses):										
Transfers in	-	-	-	-	-	-	-	-	-	-
Transfers out	-	-	-	-	-	-	-	-	-	-
Total other financing sources (uses)	-	-	-	-	-	-	-	-	-	-
Excess (deficiency) of receipts and other financing sources over disbursements and other financing uses	100	-	-	(370)	-	-	(2,145)	-	-	80
Cash and investments - ending	\$ 100	\$ 1,468	\$ 355	\$ 18	\$ -	\$ (3,227)	\$ (1,647)	\$ -	\$ -	\$ 80

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

	Technology - Common School	Student Wellness Grant 2008-2009	Mt. Pleasant Education Foundation Grant	YCS Education	Ball Brothers Foundation Grant	Consortium Grant 2008-2009	Gary Marx Presentation Grant	Insurance Consortium Grant 2009-2010	Dairy and Nutrition	Employee Workshop
Cash and investments - beginning	\$ -	\$ 1,605	\$ 1,039	\$ -	\$ 1,485	\$ (687)	\$ 4,096	\$ 14,730	\$ 73	\$ 396
Receipts:										
Local sources	-	-	-	2,162	-	-	-	-	-	(396)
Intermediate sources	-	-	-	-	-	-	-	-	-	-
State sources	-	-	-	-	-	-	-	-	-	-
Federal sources	-	-	-	-	-	-	-	-	-	-
Temporary loans	157,807	-	-	-	-	-	-	-	-	-
Other	-	-	-	-	-	-	-	-	-	-
Total receipts	157,807	-	-	2,162	-	-	-	-	-	(396)
Disbursements:										
Current:										
Instruction	92,322	413	-	1,936	-	-	-	-	-	-
Support services	65,485	-	-	-	-	(687)	-	14,730	-	-
Noninstructional services	-	-	-	-	-	-	-	-	-	-
Facilities acquisition and construction	-	-	-	-	-	-	-	-	-	-
Debt services	-	-	-	-	-	-	-	-	-	-
Nonprogrammed charges	-	-	-	-	-	-	-	-	-	-
Total disbursements	157,807	413	-	1,936	-	(687)	-	14,730	-	-
Excess (deficiency) of receipts over disbursements	-	(413)	-	226	-	687	-	(14,730)	-	(396)
Other financing sources (uses):										
Transfers in	-	-	-	-	-	-	-	-	-	-
Transfers out	-	-	-	-	-	-	-	-	-	-
Total other financing sources (uses)	-	-	-	-	-	-	-	-	-	-
Excess (deficiency) of receipts and other financing sources over disbursements and other financing uses	-	(413)	-	226	-	687	-	(14,730)	-	(396)
Cash and investments - ending	\$ -	\$ 1,192	\$ 1,039	\$ 226	\$ 1,485	\$ -	\$ 4,096	\$ -	\$ 73	\$ -

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

	Wellness Programs 2010-2011	Bell Education Individual Grants	Title I 2009-2010	Title I 2010-2011	Title V Part A	Summer Youth Employment	Special Education 2009-2010	Special Education 2010-2011	Drug Free Title IV - Part A 2009-2010
Cash and investments - beginning	\$ -	\$ -	\$ 41,515	\$ -	\$ 1,114	\$ 1,503	\$ 89,897	\$ -	\$ 1,687
Receipts:									
Local sources	-	422	-	-	-	-	-	-	-
Intermediate sources	-	-	-	-	-	-	-	-	-
State sources	-	-	-	-	-	-	-	-	-
Federal sources	-	-	-	112,899	-	-	-	285,362	-
Temporary loans	-	-	-	-	-	-	-	-	-
Other	21,750	-	-	-	-	-	-	-	-
Total receipts	21,750	422	-	112,899	-	-	-	285,362	-
Disbursements:									
Current:									
Instruction	-	420	2,215	146,838	-	-	72,709	335,448	-
Support services	3,123	-	-	-	-	-	17,188	76,156	(56)
Noninstructional services	-	-	-	1,846	-	-	-	-	-
Facilities acquisition and construction	-	-	-	-	-	-	-	-	-
Debt services	-	-	-	-	-	-	-	-	-
Nonprogrammed charges	-	-	-	-	-	-	-	-	-
Total disbursements	3,123	420	2,215	148,684	-	-	89,897	411,604	(56)
Excess (deficiency) of receipts over disbursements	18,627	2	(2,215)	(35,785)	-	-	(89,897)	(126,242)	56
Other financing sources (uses):									
Transfers in	-	-	-	39,300	-	-	-	-	-
Transfers out	-	-	(39,300)	-	-	-	-	-	-
Total other financing sources (uses)	-	-	(39,300)	39,300	-	-	-	-	-
Excess (deficiency) of receipts and other financing sources over disbursements and other financing uses	18,627	2	(41,515)	3,515	-	-	(89,897)	(126,242)	56
Cash and investments - ending	\$ 18,627	\$ 2	\$ -	\$ 3,515	\$ 1,114	\$ 1,503	\$ -	\$ (126,242)	\$ 1,743

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

	Game On Mini-Grant	Emergency Impact 2006	Improving Teaching Quality No Child Left Title II, Part A	Title II Part A EL/SEC 2008-2009	Title II Part A EL/SEC 2009-2010	Title I Grants to LEAs (Stimulus)	Special Education Part B (Stimulus)	Education Technology (Stimulus)	Totals
Cash and investments - beginning	\$ -	\$ 9,000	\$ (796)	\$ 35,905	\$ 22,198	\$ 24,450	\$ (40,936)	\$ -	\$ 6,846,803
Receipts:									
Local sources	-	-	-	-	-	-	-	-	9,502,929
Intermediate sources	-	-	-	-	-	-	-	-	47
State sources	-	-	-	-	-	-	-	-	12,485,197
Federal sources	6,076	-	-	-	(100)	17,298	132,515	49,912	978,829
Temporary loans	-	-	-	-	-	-	-	-	515,511
Other	10	-	-	-	-	-	-	-	30,055
Total receipts	6,086	-	-	-	(100)	17,298	132,515	49,912	23,512,568
Disbursements:									
Current:									
Instruction	-	-	-	17,230	924	34,494	166,649	-	8,072,634
Support services	1,735	-	(796)	18,675	11,330	23,388	(99,477)	55,822	6,341,861
Noninstructional services	-	-	-	-	-	-	-	-	1,228,165
Facilities acquisition and construction	-	-	-	-	-	-	-	-	684,419
Debt services	-	-	-	-	-	-	-	-	4,833,943
Nonprogrammed charges	-	-	-	-	-	-	48,722	-	328,140
Total disbursements	1,735	-	(796)	35,905	12,254	57,882	115,894	55,822	21,489,162
Excess (deficiency) of receipts over disbursements	4,351	-	796	(35,905)	(12,354)	(40,584)	16,621	(5,910)	2,023,406
Other financing sources (uses):									
Transfers in	-	-	-	-	-	-	-	-	1,938,631
Transfers out	-	-	-	-	-	-	-	-	(1,938,631)
Total other financing sources (uses)	-	-	-	-	-	-	-	-	-
Excess (deficiency) of receipts and other financing sources over disbursements and other financing uses	4,351	-	796	(35,905)	(12,354)	(40,584)	16,621	(5,910)	2,023,406
Cash and investments - ending	\$ 4,351	\$ 9,000	\$ -	\$ -	\$ 9,844	\$ (16,134)	\$ (24,315)	\$ (5,910)	\$ 8,870,209

YORKTOWN COMMUNITY SCHOOLS
 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	\$ 560,751
Buildings	27,198,988
Improvements other than buildings	2,663,897
Machinery and equipment	<u>2,309,764</u>
 Total governmental activities, capital assets not being depreciated	 <u><u>\$ 32,733,400</u></u>

YORKTOWN COMMUNITY SCHOOLS
 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 leases:		
Energy Savings Lease 2008 - PVE	\$ 340,000	\$ 345,000
Yorktown Multi-School Buildings	3,075,000	461,000
YHS - Energy Savings Phase I (QSCB)	1,400,000	427,500
YHS - Energy Savings Phase I (QSCB)	2,000,000	1,650
YHS/YMS Energy Savings	1,870,000	160,265
Notes and loans payable:		
Common school fund loans:		
Loan # A0311	75,000	78,375
Loan # A1325	11,300	11,356
Bonds payable:		
General obligation bonds:		
Maintenance & Concession Facilities	50,000	51,200
Pension Obligations	<u>2,345,000</u>	<u>385,000</u>
Total governmental activities debt	<u>\$ 11,166,300</u>	<u>\$ 1,921,346</u>

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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Web Site: www.in.gov/sboa

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

TO: THE OFFICIALS OF THE YORKTOWN COMMUNITY SCHOOLS, DELAWARE COUNTY, INDIANA

Compliance

We have audited the compliance of the Yorktown Community Schools (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 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.

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

A 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

December 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.

YORKTOWN COMMUNITY SCHOOLS
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	1910	\$ 51,839	\$ 76,981
National School Lunch Program	10.555	1910	<u>366,533</u>	<u>385,196</u>
Total for cluster			<u>418,372</u>	<u>462,177</u>
Team Nutrition Grants	10.574	EDS # A58 - 0 - 1055 - 087	-	<u>1,734</u>
Total for federal grantor agency			<u>418,372</u>	<u>463,911</u>
U.S. DEPARTMENT OF EDUCATION				
Pass-Through Indiana Department of Education				
Title I, Part A Cluster				
Title I Grants to Local Educational Agencies	84.010	09 - 1910	68,528	-
		10 - 1910	153,703	41,515
		11 - 1910	-	148,684
ARRA - Title I Grants to Local Educational Agencies, Recovery Act	84.389	10 - 1910	-	<u>57,882</u>
Total for cluster			<u>222,231</u>	<u>248,081</u>
Pass-Through Muncie Community Schools				
Special Education Cluster (IDEA)				
Special Education - Grants to States (IDEA, Part B)	84.027	FY 2008-2009	65,763	-
		142 - 010 - PN01	360,088	89,897
		33310 - 010 - SN01	-	411,604
ARRA - Special Education - Grants to States (IDEA, Part B), Recovery Act	84.391	FY 2009-2010	<u>347,381</u>	<u>115,896</u>
Total for cluster			<u>773,232</u>	<u>617,397</u>
Education Technology State Grants Cluster				
ARRA - Education Technology State Grants, Recovery Act	84.386	FY 2009-2010	-	<u>55,823</u>
State Fiscal Stabilization Fund Cluster				
ARRA - State Fiscal Stabilization Fund (SFSF) - Education State Grants, Recovery Act	84.394	FY 2009-2010	<u>952,208</u>	-
Safe and Drug-Free Schools and Communities - State Grants	84.186	FY 2007-2008	2,856	-
		FY 2008-2009	1,672	-
		FY 2009-2010	<u>5,074</u>	-
Total for program			<u>9,602</u>	-
Improving Teacher Quality State Grants	84.367	FY 2007-2008	10,549	-
		FY 2008-2009	22,502	12,255
		FY 2009-2010	<u>1,735</u>	<u>35,905</u>
Total for program			<u>34,786</u>	<u>48,160</u>
Total for federal grantor agency			<u>1,992,059</u>	<u>969,461</u>
Total federal awards expended			<u>\$ 2,410,431</u>	<u>\$ 1,433,372</u>

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

YORKTOWN COMMUNITY SCHOOLS
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 Yorktown Community Schools (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	2009-2010	2010-2011
School Breakfast Program	10.553	\$ 3,072	\$ 20,006
National School Lunch Program	10.555	61,465	67,304

YORKTOWN COMMUNITY SCHOOLS
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 deficiencies identified?	none reported
Noncompliance material to financial statement noted?	no

Federal Awards:

Internal control over major programs:	
Material weaknesses identified?	no
Significant deficiencies 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.

YORKTOWN COMMUNITY SCHOOLS
SUMMARY SCHEDULE OF PRIOR AUDIT FINDINGS

No matters are reportable.

YORKTOWN COMMUNITY SCHOOLS
EXIT CONFERENCE

The contents of this report were discussed on December 21, 2011, with Leslie Rittenhouse, Treasurer; Teresa Hofherr, former Treasurer; Jennifer McCormick, Superintendent of Schools; and Catherine Alexander, President of the School Board. Our audit disclosed no material items that warrant comment at this time.