

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

FINANCIAL STATEMENT AND
FEDERAL SINGLE AUDIT REPORT
OF

TELL CITY-TROY TOWNSHIP SCHOOL CORPORATION
PERRY COUNTY, INDIANA

July 1, 2009 to June 30, 2011



FILED

02/22/2012

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SCHEDULE OF OFFICIALS

<u>Office</u>	<u>Official</u>	<u>Term</u>
Treasurer	Debra A. Elder	07-01-09 to 06-30-12
Superintendent of Schools	Ronald B. Etienne Lynn E. Blinzinger	07-01-09 to 06-30-11 07-01-11 to 06-30-12
President of the School Board	Larry J. Bryant Jerry D. Hoagland	01-01-09 to 12-31-11 01-01-12 to 12-31-12



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 TELL CITY-TROY TOWNSHIP
SCHOOL CORPORATION, PERRY COUNTY, INDIANA

We have audited the accompanying financial statement of the Tell City-Troy Township 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 January 12, 2012, 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

January 12, 2012



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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 TELL CITY-TROY TOWNSHIP
SCHOOL CORPORATION, PERRY COUNTY, INDIANA

We have audited the financial statement of the Tell City-Troy Township School Corporation (School Corporation), for the years ended June 30, 2010 and 2011, and have issued our report thereon dated January 12, 2012. 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. However, we identified certain deficiencies in internal control over financial reporting, which are described in the accompanying Schedule of Findings and Questioned Costs as item 2011-01, that we consider to be significant deficiencies in internal control over financial reporting. A significant deficiency is a deficiency, or a combination of deficiencies, in internal control that is less severe than a material weakness, yet important enough to merit attention by those charged with governance.

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.

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

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

January 12, 2012

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.

TELL CITY-TROY TOWNSHIP 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		Other Financing Sources (Uses)		Cash and Investments 06-30-10		Other Financing Sources (Uses)		Cash and Investments 06-30-11	
	Receipts	Disbursements	Receipts	Disbursements	Receipts	Disbursements	Receipts	Disbursements	Receipts	Disbursements
General	\$ (53,408)	\$ 11,693,478	\$ 10,522,639	\$ 33,811	\$ 1,151,242	\$ 10,182,936	\$ 9,855,816	\$ (100,000)	\$ 1,378,362	
Debt Service	(552,669)	2,878,063	2,000,776	-	324,618	2,123,516	2,118,417	(50,000)	279,717	
Retirement Bond Debt Service	(175,375)	608,678	415,892	-	17,411	417,409	417,938	-	16,882	
Capital Projects	417,030	1,600,521	1,517,099	2,478	502,930	1,358,923	1,114,896	(282,793)	464,164	
School Transportation	(121,433)	700,476	507,341	808	72,510	512,977	461,127	20,163	144,523	
School Bus Replacement	104,991	404	77,798	(808)	26,789	42,372	79,786	-	(10,625)	
Special Education Preschool	(15,495)	12,599	-	2,896	-	-	-	-	-	
Rainy Day	-	-	-	-	-	-	-	450,000	450,000	
Retirement Bond	89,325	-	10,765	-	78,560	-	21,530	-	57,030	
School Lunch	43,522	744,981	698,765	-	89,738	721,662	631,827	-	179,573	
Textbook Rental	27,677	154,303	161,565	-	20,415	136,996	111,414	-	45,997	
Repair and Replacement	12,528	11,515	20,848	-	3,195	11,706	5,333	-	9,568	
Levy Excess	-	20,163	-	-	20,163	-	-	(20,163)	-	
Joint Service and Supply Vocational	36,707	-	-	(36,707)	-	-	-	-	-	
Educational License Plates	4,819	169	3,311	-	1,677	168	-	-	1,845	
Alternative Education	7,572	-	7,572	-	-	-	-	-	-	
Early Intervention 2007-2008	217	-	-	-	217	-	217	-	-	
Ready Schools Grant 2009-2010	-	11,641	10,147	-	1,494	-	1,494	-	-	
Early Intervention 2008-2009	391	-	391	-	-	-	-	-	-	
Knights of Columbus Meth Education	1,000	-	1,000	-	-	-	-	-	-	
Schergens Grants - 2008	43	-	43	-	-	-	-	-	-	
Donna Fenn Literacy Fund - WTE	50	1,130	422	-	758	481	433	-	806	
Welborn Healthy Schools 2008-2009	7,086	-	7,086	-	-	-	-	-	-	
Welborn Healthy Schools 2009-2010	-	39,377	32,039	-	7,338	-	7,338	-	-	
Welborn Healthy Schools 2010-2011	-	-	-	-	-	68,479	61,004	-	7,475	
Wal-Mart Teacher Award	670	-	670	-	-	-	-	-	-	
Stuff the Bus Campaign	-	-	-	-	-	732	402	-	330	
PC Women for Women	-	3,000	2,028	-	972	-	350	-	622	
TCJSHS Women for Women 2010-2011	-	-	-	-	-	2,100	-	-	2,100	
Wal-Mart Scholar Dollar 2010	-	250	250	-	-	-	-	-	-	
Mission Marksmen Memo CF Grant	-	-	-	-	-	1,550	1,550	-	-	
DOE Professional Development 2005-2006	(46)	46	-	-	-	-	-	-	-	
DOE Professional Development 2007-2008 Part I	(62)	62	-	-	-	-	-	-	-	
DOE Professional Development 2007-2008 Part II	224	-	224	-	-	-	-	-	-	
DOE Professional Development 2008-2009 Part I	3,060	-	3,060	-	-	-	-	-	-	
DOE Professional Development 2008-2009 Part II	10,589	-	9,973	-	616	-	616	-	-	
On Target	19,774	844	16,365	-	4,253	-	4,255	2	-	
On Target 2009-2010	-	16,636	-	-	16,636	899	17,533	(2)	-	
Soccer Field Upgrade Project	-	3,000	-	-	3,000	31,443	20,543	-	13,900	
On Target 2010-2011	-	-	-	-	-	24,074	74	-	24,000	
William Tell Trail	20,242	-	-	-	20,242	-	-	-	20,242	
WTE "The League" Program	1,000	-	1,000	-	-	-	-	-	-	
WTE "The League" Program 2009-2010	-	800	70	-	730	-	485	-	245	
WTE "The League" Program 2010-2011	-	-	-	-	-	750	-	-	750	
Connections: Student/Horse	-	-	-	-	-	425	-	-	425	
Bullying Prevention Program	13,492	4,433	16,015	-	1,910	1,064	1,717	(1,000)	257	
Schergens Bullying Program	-	5,149	5,149	-	-	451	451	-	-	
Bullying Prevention Jr.-Sr. HS	-	-	-	-	-	2,005	2,980	1,000	25	
Perry County Cares Summer 2011	-	-	-	-	-	5,893	1,504	-	4,389	
Higher Ability Gifted/Talented 2008-2009	14,030	-	14,030	-	-	-	-	-	-	
Higher Ability Gifted/Talented 2009-2010	-	31,807	16,585	-	15,222	-	15,222	-	-	
Higher Ability Gifted/Talented 2010-2011	-	-	-	-	-	31,329	26,010	-	5,319	

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

TELL CITY-TROY TOWNSHIP 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
(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
Blumberg Program - Special Education	1,065	-	1,065	-	-	-	-	-	-
Teacher Quality Improvement Program 2008-2009	43,424	-	24,673	-	18,751	-	18,751	-	-
DOE Professional Development 2009-2010	-	3,750	1,456	-	2,294	-	2,294	-	-
PC Abuse/Life Choices-Cinema	-	6,000	4,534	-	1,466	-	1,466	-	-
Life Choices in Cinema 2010-2011	-	-	-	-	-	2,800	2,232	-	568
Stronger than Words 2010-2011	-	-	-	-	-	3,600	3,570	-	30
State Connectivity Grant	-	-	-	-	-	4,275	694	-	3,581
JH Learning Recycling Grant	500	460	500	-	460	-	460	-	-
Non-English Speaking Grant 2009-2010	-	1,074	1,063	-	11	-	11	-	-
INDOT Safe Routes to School	(3,485)	-	513	-	(3,998)	3,998	9,989	-	(9,989)
Title I 2008-2009	234	14,872	-	(15,106)	-	-	-	-	-
Title I 2009-2010	-	213,239	232,867	15,106	(4,522)	16,000	2,928	(8,550)	-
Title I 2010-2011	-	-	-	-	-	236,900	224,722	8,550	20,728
Innovative Title V Part A 2008-2009	8,421	993	9,414	-	-	-	-	-	-
Innovative Title V Part A 2007-2008	1,959	-	1,959	-	-	-	-	-	-
Drug Free Schools Title IV 2008-2010	4,542	-	2,636	-	1,906	-	1,906	-	-
Drug Free Schools Title IV 2009-2011	-	5,474	-	-	5,474	-	5,318	-	156
Drug Free Schools 2007-2008	180	-	180	-	-	-	-	-	-
2009 Team Nutrition Game-On	-	-	-	-	-	6,075	5,998	-	77
Tobacco Prevention / Cessation 2008-2009	(348)	348	1,809	-	(1,809)	1,809	-	-	-
Tobacco Prevention / Cessation 2009-2011	-	782	1,505	-	(723)	3,199	2,208	-	268
2010 Youth Tobacco Survey	-	-	-	-	-	506	-	-	506
American Youth Survey-Univ. of Michigan	-	-	-	-	-	500	-	-	500
Learning to Give 2007-2008	60	-	60	-	-	-	-	-	-
RTI Implementation Study	-	2,500	36	-	2,464	-	2,464	-	-
Project Lead the Way 2008-2009	(140)	1,444	1,304	-	-	-	-	-	-
Project Lead the Way 2009-2010	-	10,265	14,344	-	(4,079)	4,735	656	-	-
Project Lead the Way 2010-2011	-	-	-	-	-	15,000	10,937	-	4,063
Perkins Grant 2008-2009	1,868	9,021	10,889	-	-	-	-	-	-
Perkins Grant 2009-2010	-	26,947	29,441	-	(2,494)	8,984	6,490	-	-
Perkins Grant 2010-2011	-	-	-	-	-	32,595	21,601	-	10,994
PLTW Teacher Training 2009	-	5,000	5,000	-	-	-	-	-	-
Perkins Grant 2004-2005	1,407	-	1,407	-	-	-	-	-	-
Perkins Grant 2005-2006	2,067	-	2,067	-	-	-	-	-	-
Medicaid Reimbursement - Federal	10,024	7,396	1,175	-	16,245	7,756	823	-	23,178
Title II Part A 2005-2006	90	-	90	-	-	-	-	-	-
Title II Part A 2007-2009	9,484	-	9,484	-	-	-	-	-	-
Title II Part A 2009-2011	-	34,769	6,371	-	28,398	17,134	45,532	-	-
Title II Part A 2006-2008	-	-	69	-	(69)	69	-	-	-
Fiscal Stabilization - Education	743,143	317,822	1,060,965	-	-	-	494	494	-
Title I - Grants to LEAs	-	102,217	104,932	-	(2,715)	43,807	41,092	-	-
Special Education - Part B	-	142,088	148,976	-	(6,888)	199,588	191,258	(494)	948
Special Education - Part B - Preschool	-	7,876	7,216	-	660	2,717	3,482	-	(105)
Education Jobs	-	-	-	-	-	16,385	18,410	-	(2,025)
Totals	\$ 742,046	\$ 19,457,862	\$ 17,768,918	\$ 2,478	\$ 2,433,468	\$ 16,308,772	\$ 15,608,048	\$ 17,207	\$ 3,151,399

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

TELL CITY-TROY TOWNSHIP SCHOOL CORPORATION
NOTES TO FINANCIAL STATEMENT

Note 1. Summary of Significant Accounting Policies

A. Reporting Entity

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

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

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

B. Basis of Accounting

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

The regulatory basis of accounting differs from accounting principles generally accepted in the United States of America in that receipts are recognized when received in cash, rather than when earned, and disbursements are recognized when paid, rather than when a liability is incurred.

C. Cash and Investments

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

D. Receipts

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

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

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

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

TELL CITY-TROY TOWNSHIP SCHOOL CORPORATION
NOTES TO FINANCIAL STATEMENT
(Continued)

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

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

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

E. Disbursements

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

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

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

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

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

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

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

F. Other financing sources and uses

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

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.

TELL CITY-TROY TOWNSHIP SCHOOL CORPORATION
NOTES TO FINANCIAL STATEMENT
(Continued)

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

G. Fund Accounting

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

Note 2. Budgets

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

Note 3. Property Taxes

Property taxes levied are collected by the County Treasurer and are scheduled to be distributed to the School Corporation in June and December; however, situations can arise which would delay the distributions. State statute (IC 6-1.1-17-16) requires the Indiana Department of Local Government Finance to establish property tax rates and levies by February 15. These rates were based upon the preceding year's March 1 (lien date) assessed valuations adjusted for various tax credits. Taxable property is assessed at 100 percent of the true tax value (determined in accordance with rules and regulations adopted by the Indiana Department of Local Government Finance). Taxes may be paid in two equal installments which normally become delinquent if not paid by May 10 and November 10, respectively.

Note 4. Deposits and Investments

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

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.

TELL CITY-TROY TOWNSHIP SCHOOL CORPORATION
NOTES TO FINANCIAL STATEMENT
(Continued)

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:

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.

TELL CITY-TROY TOWNSHIP SCHOOL CORPORATION
NOTES TO FINANCIAL STATEMENT
(Continued)

B. Teachers' Retirement Fund

Plan Description

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

TELL CITY-TROY TOWNSHIP 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 Bond Debt Service	Capital Projects	School Transportation	School Bus Replacement	Special Education Preschool	Retirement Bond	School Lunch
Cash and investments - beginning	\$ (53,408)	\$ (552,669)	\$ (175,375)	\$ 417,030	\$ (121,433)	\$ 104,991	\$ (15,495)	\$ 89,325	\$ 43,522
Receipts:									
Local sources	462,216	2,878,063	608,678	1,600,521	699,699	-	-	-	358,753
Intermediate sources	3,404	-	-	-	-	-	-	-	-
State sources	9,727,858	-	-	-	-	-	12,375	-	8,907
Federal sources	-	-	-	-	-	-	-	-	377,321
Temporary loans	1,500,000	-	-	-	777	404	-	-	-
Other	-	-	-	-	-	-	224	-	-
Total receipts	<u>11,693,478</u>	<u>2,878,063</u>	<u>608,678</u>	<u>1,600,521</u>	<u>700,476</u>	<u>404</u>	<u>12,599</u>	<u>-</u>	<u>744,981</u>
Disbursements:									
Current:									
Instruction	6,235,366	-	-	-	-	-	-	-	-
Support services	2,734,869	-	-	752,653	507,341	77,798	-	10,765	58,798
Noninstructional services	-	-	-	-	-	-	-	-	639,967
Facilities acquisition and construction	-	-	-	764,446	-	-	-	-	-
Debt services	1,500,000	2,000,776	415,892	-	-	-	-	-	-
Nonprogrammed charges	52,404	-	-	-	-	-	-	-	-
Total disbursements	<u>10,522,639</u>	<u>2,000,776</u>	<u>415,892</u>	<u>1,517,099</u>	<u>507,341</u>	<u>77,798</u>	<u>-</u>	<u>10,765</u>	<u>698,765</u>
Excess (deficiency) of receipts over disbursements	<u>1,170,839</u>	<u>877,287</u>	<u>192,786</u>	<u>83,422</u>	<u>193,135</u>	<u>(77,394)</u>	<u>12,599</u>	<u>(10,765)</u>	<u>46,216</u>
Other financing sources (uses):									
Sale of capital assets	-	-	-	2,478	-	-	-	-	-
Transfers in	2,501,707	-	-	-	808	-	2,896	-	-
Transfers out	<u>(2,467,896)</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>(808)</u>	<u>-</u>	<u>-</u>	<u>-</u>
Total other financing sources (uses)	<u>33,811</u>	<u>-</u>	<u>-</u>	<u>2,478</u>	<u>808</u>	<u>(808)</u>	<u>2,896</u>	<u>-</u>	<u>-</u>
Excess (deficiency) of receipts and other financing sources over disbursements and other financing uses	<u>1,204,650</u>	<u>877,287</u>	<u>192,786</u>	<u>85,900</u>	<u>193,943</u>	<u>(78,202)</u>	<u>15,495</u>	<u>(10,765)</u>	<u>46,216</u>
Cash and investments - ending	<u>\$ 1,151,242</u>	<u>\$ 324,618</u>	<u>\$ 17,411</u>	<u>\$ 502,930</u>	<u>\$ 72,510</u>	<u>\$ 26,789</u>	<u>\$ -</u>	<u>\$ 78,560</u>	<u>\$ 89,738</u>

TELL CITY-TROY TOWNSHIP 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)

	Textbook Rental	Repair and Replacement	Levy Excess	Joint Service and Supply Vocational	Educational License Plates	Alternative Education	Early Intervention 2007-2008	Ready Schools Grant 2009-2010	Early Intervention 2008-2009
Cash and investments - beginning	\$ 27,677	\$ 12,528	\$ -	\$ 36,707	\$ 4,819	\$ 7,572	\$ 217	\$ -	\$ 391
Receipts:									
Local sources	111,267	11,515	20,163	-	-	-	-	-	-
Intermediate sources	-	-	-	-	169	-	-	-	-
State sources	43,036	-	-	-	-	-	-	11,641	-
Federal sources	-	-	-	-	-	-	-	-	-
Temporary loans	-	-	-	-	-	-	-	-	-
Other	-	-	-	-	-	-	-	-	-
Total receipts	154,303	11,515	20,163	-	169	-	-	11,641	-
Disbursements:									
Current:									
Instruction	-	-	-	-	-	7,572	-	10,147	391
Support services	161,565	20,848	-	-	3,311	-	-	-	-
Noninstructional services	-	-	-	-	-	-	-	-	-
Facilities acquisition and construction	-	-	-	-	-	-	-	-	-
Debt services	-	-	-	-	-	-	-	-	-
Nonprogrammed charges	-	-	-	-	-	-	-	-	-
Total disbursements	161,565	20,848	-	-	3,311	7,572	-	10,147	391
Excess (deficiency) of receipts over disbursements	(7,262)	(9,333)	20,163	-	(3,142)	(7,572)	-	1,494	(391)
Other financing sources (uses):									
Sale of capital assets	-	-	-	-	-	-	-	-	-
Transfers in	-	-	-	-	-	-	-	-	-
Transfers out	-	-	-	(36,707)	-	-	-	-	-
Total other financing sources (uses)	-	-	-	(36,707)	-	-	-	-	-
Excess (deficiency) of receipts and other financing sources over disbursements and other financing uses	(7,262)	(9,333)	20,163	(36,707)	(3,142)	(7,572)	-	1,494	(391)
Cash and investments - ending	\$ 20,415	\$ 3,195	\$ 20,163	\$ -	\$ 1,677	\$ -	\$ 217	\$ 1,494	\$ -

TELL CITY-TROY TOWNSHIP 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)

	Knights of Columbus Meth Education	Schergens Grants - 2008	Donna Fenn Literacy - WTE	Welborn Healthy Schools 2008-2009	Welborn Healthy Schools 2009-2010	Wal-Mart Teacher Award	PC Women for Women	Wal-Mart Scholar Dollar 2010	DOE Professional Development 2005-2006
Cash and investments - beginning	\$ 1,000	\$ 43	\$ 50	\$ 7,086	\$ -	\$ 670	\$ -	\$ -	\$ (46)
Receipts:									
Local sources	-	-	1,130	-	39,377	-	3,000	-	-
Intermediate sources	-	-	-	-	-	-	-	-	-
State sources	-	-	-	-	-	-	-	-	-
Federal sources	-	-	-	-	-	-	-	250	-
Temporary loans	-	-	-	-	-	-	-	-	-
Other	-	-	-	-	-	-	-	-	46
Total receipts	-	-	1,130	-	39,377	-	3,000	250	46
Disbursements:									
Current:									
Instruction	1,000	43	422	7,086	32,039	670	2,028	250	-
Support services	-	-	-	-	-	-	-	-	-
Noninstructional services	-	-	-	-	-	-	-	-	-
Facilities acquisition and construction	-	-	-	-	-	-	-	-	-
Debt services	-	-	-	-	-	-	-	-	-
Nonprogrammed charges	-	-	-	-	-	-	-	-	-
Total disbursements	1,000	43	422	7,086	32,039	670	2,028	250	-
Excess (deficiency) of receipts over disbursements	(1,000)	(43)	708	(7,086)	7,338	(670)	972	-	46
Other financing sources (uses):									
Sale of capital assets	-	-	-	-	-	-	-	-	-
Transfers in	-	-	-	-	-	-	-	-	-
Transfers out	-	-	-	-	-	-	-	-	-
Total other financing sources (uses)	-	-	-	-	-	-	-	-	-
Excess (deficiency) of receipts and other financing sources over disbursements and other financing uses	(1,000)	(43)	708	(7,086)	7,338	(670)	972	-	46
Cash and investments - ending	\$ -	\$ -	\$ 758	\$ -	\$ 7,338	\$ -	\$ 972	\$ -	\$ -

TELL CITY-TROY TOWNSHIP 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)

	DOE Professional Development 2007-2008 Part I	DOE Professional Development 2007-2008 Part II	DOE Professional Development 2008-2009 Part I	DOE Professional Development 2008-2009 Part II	On Target	On Target 2009-2010	Soccer Field Upgrade Project	William Tell Trail	WTE "The League" Program
Cash and investments - beginning	\$ (62)	\$ 224	\$ 3,060	\$ 10,589	\$ 19,774	\$ -	\$ -	\$ 20,242	\$ 1,000
Receipts:									
Local sources	-	-	-	-	844	16,636	3,000	-	-
Intermediate sources	-	-	-	-	-	-	-	-	-
State sources	-	-	-	-	-	-	-	-	-
Federal sources	-	-	-	-	-	-	-	-	-
Temporary loans	-	-	-	-	-	-	-	-	-
Other	62	-	-	-	-	-	-	-	-
Total receipts	62	-	-	-	844	16,636	3,000	-	-
Disbursements:									
Current:									
Instruction	-	224	3,060	9,973	16,365	-	-	-	1,000
Support services	-	-	-	-	-	-	-	-	-
Noninstructional services	-	-	-	-	-	-	-	-	-
Facilities acquisition and construction	-	-	-	-	-	-	-	-	-
Debt services	-	-	-	-	-	-	-	-	-
Nonprogrammed charges	-	-	-	-	-	-	-	-	-
Total disbursements	-	224	3,060	9,973	16,365	-	-	-	1,000
Excess (deficiency) of receipts over disbursements	62	(224)	(3,060)	(9,973)	(15,521)	16,636	3,000	-	(1,000)
Other financing sources (uses):									
Sale of capital assets	-	-	-	-	-	-	-	-	-
Transfers in	-	-	-	-	-	-	-	-	-
Transfers out	-	-	-	-	-	-	-	-	-
Total other financing sources (uses)	-	-	-	-	-	-	-	-	-
Excess (deficiency) of receipts and other financing sources over disbursements and other financing uses	62	(224)	(3,060)	(9,973)	(15,521)	16,636	3,000	-	(1,000)
Cash and investments - ending	\$ -	\$ -	\$ -	\$ 616	\$ 4,253	\$ 16,636	\$ 3,000	\$ 20,242	\$ -

TELL CITY-TROY TOWNSHIP 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)

	WTE "The League" Program 2009-2010	Bullying Prevention Program	Schergens Bullying Program	Higher Ability Gifted/Talented 2008-2009	Higher Ability Gifted/Talented 2009-2010	Blumberg Program - Special Education	Teacher Quality Improvement Program 2008-2009	DOE Professional Development 2009-2010
Cash and investments - beginning	\$ -	\$ 13,492	\$ -	\$ 14,030	\$ -	\$ 1,065	\$ 43,424	\$ -
Receipts:								
Local sources	800	-	-	-	-	-	-	-
Intermediate sources	-	-	-	-	-	-	-	-
State sources	-	4,433	5,149	-	31,807	-	-	3,750
Federal sources	-	-	-	-	-	-	-	-
Temporary loans	-	-	-	-	-	-	-	-
Other	-	-	-	-	-	-	-	-
Total receipts	800	4,433	5,149	-	31,807	-	-	3,750
Disbursements:								
Current:								
Instruction	70	16,015	5,149	14,030	16,585	1,065	23,423	1,456
Support services	-	-	-	-	-	-	1,250	-
Noninstructional services	-	-	-	-	-	-	-	-
Facilities acquisition and construction	-	-	-	-	-	-	-	-
Debt services	-	-	-	-	-	-	-	-
Nonprogrammed charges	-	-	-	-	-	-	-	-
Total disbursements	70	16,015	5,149	14,030	16,585	1,065	24,673	1,456
Excess (deficiency) of receipts over disbursements	730	(11,582)	-	(14,030)	15,222	(1,065)	(24,673)	2,294
Other financing sources (uses):								
Sale of capital assets	-	-	-	-	-	-	-	-
Transfers in	-	-	-	-	-	-	-	-
Transfers out	-	-	-	-	-	-	-	-
Total other financing sources (uses)	-	-	-	-	-	-	-	-
Excess (deficiency) of receipts and other financing sources over disbursements and other financing uses	730	(11,582)	-	(14,030)	15,222	(1,065)	(24,673)	2,294
Cash and investments - ending	\$ 730	\$ 1,910	\$ -	\$ -	\$ 15,222	\$ -	\$ 18,751	\$ 2,294

TELL CITY-TROY TOWNSHIP 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)

	PC Abuse/ Life Choices - Cinema	JH Learning Recycling Grant	Non-English Speaking Grant 2009-2010	INDOT Safe Routes to School	Title I 2008-2009	Title I 2009-2010	Innovative Title V Part A 2008-2009	Innovative Title V Part A 2007-2008
Cash and investments - beginning	\$ -	\$ 500	\$ -	\$ (3,485)	\$ 234	\$ -	\$ 8,421	\$ 1,959
Receipts:								
Local sources	-	-	-	-	-	-	-	-
Intermediate sources	-	-	-	-	-	-	-	-
State sources	6,000	-	1,074	-	-	-	-	-
Federal sources	-	460	-	-	14,872	213,239	993	-
Temporary loans	-	-	-	-	-	-	-	-
Other	-	-	-	-	-	-	-	-
Total receipts	6,000	460	1,074	-	14,872	213,239	993	-
Disbursements:								
Current:								
Instruction	4,534	500	1,063	513	-	229,421	9,414	1,959
Support services	-	-	-	-	-	950	-	-
Noninstructional services	-	-	-	-	-	-	-	-
Facilities acquisition and construction	-	-	-	-	-	2,496	-	-
Debt services	-	-	-	-	-	-	-	-
Nonprogrammed charges	-	-	-	-	-	-	-	-
Total disbursements	4,534	500	1,063	513	-	232,867	9,414	1,959
Excess (deficiency) of receipts over disbursements	1,466	(40)	11	(513)	14,872	(19,628)	(8,421)	(1,959)
Other financing sources (uses):								
Sale of capital assets	-	-	-	-	-	-	-	-
Transfers in	-	-	-	-	-	15,106	-	-
Transfers out	-	-	-	-	(15,106)	-	-	-
Total other financing sources (uses)	-	-	-	-	(15,106)	15,106	-	-
Excess (deficiency) of receipts and other financing sources over disbursements and other financing uses	1,466	(40)	11	(513)	(234)	(4,522)	(8,421)	(1,959)
Cash and investments - ending	\$ 1,466	\$ 460	\$ 11	\$ (3,998)	\$ -	\$ (4,522)	\$ -	\$ -

TELL CITY-TROY TOWNSHIP 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)

	Drug Free Schools Title IV 2008-2010	Drug Free Schools Title IV 2009-2011	Drug Free Schools 2007-2008	Tobacco Prevention/ Cessation 2008-2009	Tobacco Prevention/ Cessation 2009-2011	Learning to Give 2007-2008	RTI Implementation Study	Project Lead the Way 2008-2009
Cash and investments - beginning	\$ 4,542	\$ -	\$ 180	\$ (348)	\$ -	\$ 60	\$ -	\$ (140)
Receipts:								
Local sources	-	-	-	348	-	-	2,500	-
Intermediate sources	-	-	-	-	-	-	-	-
State sources	-	5,474	-	-	-	-	-	-
Federal sources	-	-	-	-	-	-	-	-
Temporary loans	-	-	-	-	-	-	-	-
Other	-	-	-	-	782	-	-	1,444
Total receipts	-	5,474	-	348	782	-	2,500	1,444
Disbursements:								
Current:								
Instruction	2,586	-	180	1,809	1,505	60	36	1,304
Support services	50	-	-	-	-	-	-	-
Noninstructional services	-	-	-	-	-	-	-	-
Facilities acquisition and construction	-	-	-	-	-	-	-	-
Debt services	-	-	-	-	-	-	-	-
Nonprogrammed charges	-	-	-	-	-	-	-	-
Total disbursements	2,636	-	180	1,809	1,505	60	36	1,304
Excess (deficiency) of receipts over disbursements	(2,636)	5,474	(180)	(1,461)	(723)	(60)	2,464	140
Other financing sources (uses):								
Sale of capital assets	-	-	-	-	-	-	-	-
Transfers in	-	-	-	-	-	-	-	-
Transfers out	-	-	-	-	-	-	-	-
Total other financing sources (uses)	-	-	-	-	-	-	-	-
Excess (deficiency) of receipts and other financing sources over disbursements and other financing uses	(2,636)	5,474	(180)	(1,461)	(723)	(60)	2,464	140
Cash and investments - ending	\$ 1,906	\$ 5,474	\$ -	\$ (1,809)	\$ (723)	\$ -	\$ 2,464	\$ -

TELL CITY-TROY TOWNSHIP 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)

	Project Lead the Way 2009-2010	Perkins Grant 2008-2009	Perkins Grant 2009-2010	PLTW Teacher Training 2009	Perkins Grant 2004-2005	Perkins Grant 2005-2006	Medicaid Reimbursement - Federal	Title II Part A 2005-2006
Cash and investments - beginning	\$ -	\$ 1,868	\$ -	\$ -	\$ 1,407	\$ 2,067	\$ 10,024	\$ 90
Receipts:								
Local sources	-	-	-	-	-	-	-	-
Intermediate sources	-	-	-	-	-	-	-	-
State sources	-	-	-	5,000	-	-	-	-
Federal sources	-	-	-	-	-	-	7,396	-
Temporary loans	-	-	-	-	-	-	-	-
Other	10,265	9,021	26,947	-	-	-	-	-
Total receipts	10,265	9,021	26,947	5,000	-	-	7,396	-
Disbursements:								
Current:								
Instruction	14,344	10,889	29,441	5,000	1,407	2,067	-	90
Support services	-	-	-	-	-	-	1,175	-
Noninstructional services	-	-	-	-	-	-	-	-
Facilities acquisition and construction	-	-	-	-	-	-	-	-
Debt services	-	-	-	-	-	-	-	-
Nonprogrammed charges	-	-	-	-	-	-	-	-
Total disbursements	14,344	10,889	29,441	5,000	1,407	2,067	1,175	90
Excess (deficiency) of receipts over disbursements	(4,079)	(1,868)	(2,494)	-	(1,407)	(2,067)	6,221	(90)
Other financing sources (uses):								
Sale of capital assets	-	-	-	-	-	-	-	-
Transfers in	-	-	-	-	-	-	-	-
Transfers out	-	-	-	-	-	-	-	-
Total other financing sources (uses)	-	-	-	-	-	-	-	-
Excess (deficiency) of receipts and other financing sources over disbursements and other financing uses	(4,079)	(1,868)	(2,494)	-	(1,407)	(2,067)	6,221	(90)
Cash and investments - ending	\$ (4,079)	\$ -	\$ (2,494)	\$ -	\$ -	\$ -	\$ 16,245	\$ -

TELL CITY-TROY TOWNSHIP 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)

	Title II Part A 2007-2009	Title II Part A 2009-2011	Title II Part A 2006-2008	Fiscal Stabilization - Education	Title I - Grants to LEAs	Special Education - Part B (Stimulus)	Special Education - Part B - Preschool	Totals
Cash and investments - beginning	\$ 9,484	\$ -	\$ -	\$ 743,143	\$ -	\$ -	\$ -	\$ 742,046
Receipts:								
Local sources	-	-	-	-	-	-	-	6,818,510
Intermediate sources	-	-	-	-	-	-	-	3,573
State sources	-	-	-	-	-	-	-	9,866,504
Federal sources	-	34,769	-	317,822	102,217	142,088	7,876	1,219,303
Temporary loans	-	-	-	-	-	-	-	1,501,181
Other	-	-	-	-	-	-	-	48,791
Total receipts	-	34,769	-	317,822	102,217	142,088	7,876	19,457,862
Disbursements:								
Current:								
Instruction	9,484	6,371	69	756,589	91,077	119,908	7,216	7,714,265
Support services	-	-	-	304,376	13,855	12,087	-	4,661,691
Noninstructional services	-	-	-	-	-	-	-	639,967
Facilities acquisition and construction	-	-	-	-	-	16,981	-	783,923
Debt services	-	-	-	-	-	-	-	3,916,668
Nonprogrammed charges	-	-	-	-	-	-	-	52,404
Total disbursements	9,484	6,371	69	1,060,965	104,932	148,976	7,216	17,768,918
Excess (deficiency) of receipts over disbursements	(9,484)	28,398	(69)	(743,143)	(2,715)	(6,888)	660	1,688,944
Other financing sources (uses):								
Sale of capital assets	-	-	-	-	-	-	-	2,478
Transfers in	-	-	-	-	-	-	-	2,520,517
Transfers out	-	-	-	-	-	-	-	(2,520,517)
Total other financing sources (uses)	-	-	-	-	-	-	-	2,478
Excess (deficiency) of receipts and other financing sources over disbursements and other financing uses	(9,484)	28,398	(69)	(743,143)	(2,715)	(6,888)	660	1,691,422
Cash and investments - ending	\$ -	\$ 28,398	\$ (69)	\$ -	\$ (2,715)	\$ (6,888)	\$ 660	\$ 2,433,468

TELL CITY-TROY TOWNSHIP 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 Bond Debt Service	Capital Projects	School Transportation	School Bus Replacement	Rainy Day	Retirement Bond	School Lunch
Cash and investments - beginning	\$ 1,151,242	\$ 324,618	\$ 17,411	\$ 502,930	\$ 72,510	\$ 26,789	\$ -	\$ 78,560	\$ 89,738
Receipts:									
Local sources	280,073	2,123,516	417,409	1,358,923	511,680	42,372	-	-	290,066
Intermediate sources	112	-	-	-	-	-	-	-	-
State sources	9,902,751	-	-	-	-	-	-	-	8,739
Federal sources	-	-	-	-	-	-	-	-	422,857
Temporary loans	-	-	-	-	1,297	-	-	-	-
Other	-	-	-	-	-	-	-	-	-
Total receipts	<u>10,182,936</u>	<u>2,123,516</u>	<u>417,409</u>	<u>1,358,923</u>	<u>512,977</u>	<u>42,372</u>	<u>-</u>	<u>-</u>	<u>721,662</u>
Disbursements:									
Current:									
Instruction	7,084,902	-	-	-	-	-	-	-	-
Support services	2,700,636	-	-	639,586	461,127	79,786	-	21,530	54,960
Noninstructional services	-	-	-	-	-	-	-	-	576,867
Facilities acquisition and construction	24,350	-	-	475,310	-	-	-	-	-
Debt services	-	2,118,417	417,938	-	-	-	-	-	-
Nonprogrammed charges	45,928	-	-	-	-	-	-	-	-
Total disbursements	<u>9,855,816</u>	<u>2,118,417</u>	<u>417,938</u>	<u>1,114,896</u>	<u>461,127</u>	<u>79,786</u>	<u>-</u>	<u>21,530</u>	<u>631,827</u>
Excess (deficiency) of receipts over disbursements	<u>327,120</u>	<u>5,099</u>	<u>(529)</u>	<u>244,027</u>	<u>51,850</u>	<u>(37,414)</u>	<u>-</u>	<u>(21,530)</u>	<u>89,835</u>
Other financing sources (uses):									
Sale of capital assets	-	-	-	17,207	-	-	-	-	-
Transfers in	-	-	-	-	20,163	-	450,000	-	-
Transfers out	(100,000)	(50,000)	-	(300,000)	-	-	-	-	-
Total other financing sources (uses)	<u>(100,000)</u>	<u>(50,000)</u>	<u>-</u>	<u>(282,793)</u>	<u>20,163</u>	<u>-</u>	<u>450,000</u>	<u>-</u>	<u>-</u>
Excess (deficiency) of receipts and other financing sources over disbursements and other financing uses	<u>227,120</u>	<u>(44,901)</u>	<u>(529)</u>	<u>(38,766)</u>	<u>72,013</u>	<u>(37,414)</u>	<u>450,000</u>	<u>(21,530)</u>	<u>89,835</u>
Cash and investments - ending	<u>\$ 1,378,362</u>	<u>\$ 279,717</u>	<u>\$ 16,882</u>	<u>\$ 464,164</u>	<u>\$ 144,523</u>	<u>\$ (10,625)</u>	<u>\$ 450,000</u>	<u>\$ 57,030</u>	<u>\$ 179,573</u>

TELL CITY-TROY TOWNSHIP 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)

	Textbook Rental	Repair and Replacement	Levy Excess	Educational License Plates	Early Intervention 2007-2008	Ready Schools Grant 2009-2010	Donna Fenn Literacy - WTE	Welborn Healthy Schools 2008-2009	Welborn Healthy Schools 2009-2010
Cash and investments - beginning	\$ 20,415	\$ 3,195	\$ 20,163	\$ 1,677	\$ 217	\$ 1,494	\$ 758	\$ -	\$ 7,338
Receipts:									
Local sources	105,879	11,706	-	-	-	-	481	-	-
Intermediate sources	-	-	-	168	-	-	-	-	-
State sources	31,117	-	-	-	-	-	-	-	-
Federal sources	-	-	-	-	-	-	-	-	-
Temporary loans	-	-	-	-	-	-	-	-	-
Other	-	-	-	-	-	-	-	-	-
Total receipts	136,996	11,706	-	168	-	-	481	-	-
Disbursements:									
Current:									
Instruction	-	-	-	-	217	1,494	433	-	7,338
Support services	111,414	5,333	-	-	-	-	-	-	-
Noninstructional services	-	-	-	-	-	-	-	-	-
Facilities acquisition and construction	-	-	-	-	-	-	-	-	-
Debt services	-	-	-	-	-	-	-	-	-
Nonprogrammed charges	-	-	-	-	-	-	-	-	-
Total disbursements	111,414	5,333	-	-	217	1,494	433	-	7,338
Excess (deficiency) of receipts over disbursements	25,582	6,373	-	168	(217)	(1,494)	48	-	(7,338)
Other financing sources (uses):									
Sale of capital assets	-	-	-	-	-	-	-	-	-
Transfers in	-	-	-	-	-	-	-	-	-
Transfers out	-	-	(20,163)	-	-	-	-	-	-
Total other financing sources (uses)	-	-	(20,163)	-	-	-	-	-	-
Excess (deficiency) of receipts and other financing sources over disbursements and other financing uses	25,582	6,373	(20,163)	168	(217)	(1,494)	48	-	(7,338)
Cash and investments - ending	\$ 45,997	\$ 9,568	\$ -	\$ 1,845	\$ -	\$ -	\$ 806	\$ -	\$ -

TELL CITY-TROY TOWNSHIP 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)

	Welborn Healthy Schools 2010-2011	Stuff the Bus Campaign	PC Women for Women	TCJSHS Women for Women 2010-2011	Mission Marksmen Memo CF Grant	DOE Professional Development 2008-2009 Part II	On Target	On Target 2009-2010	Soccer Field Upgrade Project
Cash and investments - beginning	\$ -	\$ -	\$ 972	\$ -	\$ -	\$ 616	\$ 4,253	\$ 16,636	\$ 3,000
Receipts:									
Local sources	68,479	732	-	2,100	1,550	-	-	899	31,443
Intermediate sources	-	-	-	-	-	-	-	-	-
State sources	-	-	-	-	-	-	-	-	-
Federal sources	-	-	-	-	-	-	-	-	-
Temporary loans	-	-	-	-	-	-	-	-	-
Other	-	-	-	-	-	-	-	-	-
Total receipts	68,479	732	-	2,100	1,550	-	-	899	31,443
Disbursements:									
Current:									
Instruction	33,165	402	350	-	1,550	616	4,255	17,533	-
Support services	27,839	-	-	-	-	-	-	-	-
Noninstructional services	-	-	-	-	-	-	-	-	-
Facilities acquisition and construction	-	-	-	-	-	-	-	-	20,543
Debt services	-	-	-	-	-	-	-	-	-
Nonprogrammed charges	-	-	-	-	-	-	-	-	-
Total disbursements	61,004	402	350	-	1,550	616	4,255	17,533	20,543
Excess (deficiency) of receipts over disbursements	7,475	330	(350)	2,100	-	(616)	(4,255)	(16,634)	10,900
Other financing sources (uses):									
Sale of capital assets	-	-	-	-	-	-	-	-	-
Transfers in	-	-	-	-	-	-	2	-	-
Transfers out	-	-	-	-	-	-	-	(2)	-
Total other financing sources (uses)	-	-	-	-	-	-	2	(2)	-
Excess (deficiency) of receipts and other financing sources over disbursements and other financing uses	7,475	330	(350)	2,100	-	(616)	(4,253)	(16,636)	10,900
Cash and investments - ending	\$ 7,475	\$ 330	\$ 622	\$ 2,100	\$ -	\$ -	\$ -	\$ -	\$ 13,900

TELL CITY-TROY TOWNSHIP 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)

	On Target 2010-2011	William Tell Trail	WTE "The League" Program 2009-2010	WTE "The League" Program 2010-2011	Connections: Student/Horse	Bullying Prevention Program	Schergens Bullying Program	Bullying Prevention Jr.-Sr. HS	Perry County Cares Summer 2011
Cash and investments - beginning	\$ -	\$ 20,242	\$ 730	\$ -	\$ -	\$ 1,910	\$ -	\$ -	\$ -
Receipts:									
Local sources	24,074	-	-	750	425	-	-	-	5,893
Intermediate sources	-	-	-	-	-	-	-	-	-
State sources	-	-	-	-	-	1,064	451	2,005	-
Federal sources	-	-	-	-	-	-	-	-	-
Temporary loans	-	-	-	-	-	-	-	-	-
Other	-	-	-	-	-	-	-	-	-
Total receipts	24,074	-	-	750	425	1,064	451	2,005	5,893
Disbursements:									
Current:									
Instruction	74	-	485	-	-	1,717	451	2,980	1,304
Support services	-	-	-	-	-	-	-	-	200
Noninstructional services	-	-	-	-	-	-	-	-	-
Facilities acquisition and construction	-	-	-	-	-	-	-	-	-
Debt services	-	-	-	-	-	-	-	-	-
Nonprogrammed charges	-	-	-	-	-	-	-	-	-
Total disbursements	74	-	485	-	-	1,717	451	2,980	1,504
Excess (deficiency) of receipts over disbursements	24,000	-	(485)	750	425	(653)	-	(975)	4,389
Other financing sources (uses):									
Sale of capital assets	-	-	-	-	-	-	-	-	-
Transfers in	-	-	-	-	-	-	-	1,000	-
Transfers out	-	-	-	-	-	(1,000)	-	-	-
Total other financing sources (uses)	-	-	-	-	-	(1,000)	-	1,000	-
Excess (deficiency) of receipts and other financing sources over disbursements and other financing uses	24,000	-	(485)	750	425	(1,653)	-	25	4,389
Cash and investments - ending	\$ 24,000	\$ 20,242	\$ 245	\$ 750	\$ 425	\$ 257	\$ -	\$ 25	\$ 4,389

TELL CITY-TROY TOWNSHIP 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)

	Higher Ability Gifted/Talented 2009-2010	Higher Ability Gifted/Talented 2010-2011	Teacher Quality Improvement Program 2008-2009	DOE Professional Development 2009-2010	PC Abuse/ Life Choices - Cinema	Life Choices in Cinema 2010-2011	Stronger than Words 2010-2011	State Connectivity Grant	JH Learning Recycling Grant
Cash and investments - beginning	\$ 15,222	\$ -	\$ 18,751	\$ 2,294	\$ 1,466	\$ -	\$ -	\$ -	\$ 460
Receipts:									
Local sources	-	-	-	-	-	2,800	3,600	-	-
Intermediate sources	-	-	-	-	-	-	-	-	-
State sources	-	31,329	-	-	-	-	-	4,275	-
Federal sources	-	-	-	-	-	-	-	-	-
Temporary loans	-	-	-	-	-	-	-	-	-
Other	-	-	-	-	-	-	-	-	-
Total receipts	-	31,329	-	-	-	2,800	3,600	4,275	-
Disbursements:									
Current:									
Instruction	15,222	26,010	18,751	2,294	1,466	2,232	3,570	-	460
Support services	-	-	-	-	-	-	-	694	-
Noninstructional services	-	-	-	-	-	-	-	-	-
Facilities acquisition and construction	-	-	-	-	-	-	-	-	-
Debt services	-	-	-	-	-	-	-	-	-
Nonprogrammed charges	-	-	-	-	-	-	-	-	-
Total disbursements	15,222	26,010	18,751	2,294	1,466	2,232	3,570	694	460
Excess (deficiency) of receipts over disbursements	(15,222)	5,319	(18,751)	(2,294)	(1,466)	568	30	3,581	(460)
Other financing sources (uses):									
Sale of capital assets	-	-	-	-	-	-	-	-	-
Transfers in	-	-	-	-	-	-	-	-	-
Transfers out	-	-	-	-	-	-	-	-	-
Total other financing sources (uses)	-	-	-	-	-	-	-	-	-
Excess (deficiency) of receipts and other financing sources over disbursements and other financing uses	(15,222)	5,319	(18,751)	(2,294)	(1,466)	568	30	3,581	(460)
Cash and investments - ending	\$ -	\$ 5,319	\$ -	\$ -	\$ -	\$ 568	\$ 30	\$ 3,581	\$ -

TELL CITY-TROY TOWNSHIP 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)

	Non-English Speaking Grant 2009-2010	INDOT Safe Routes to School	Title I 2009-2010	Title I 2010-2011	Drug Free Schools Title IV 2008-2010	Drug Free Schools Title IV 2009-2011	2009 Team Nutrition Game-On	Tobacco Prevention/ Cessation 2008-2009	Tobacco Prevention/ Cessation 2009-2011
Cash and investments - beginning	\$ 11	\$ (3,998)	\$ (4,522)	\$ -	\$ 1,906	\$ 5,474	\$ -	\$ (1,809)	\$ (723)
Receipts:									
Local sources	-	-	-	-	-	-	-	-	-
Intermediate sources	-	-	-	-	-	-	-	-	-
State sources	-	-	-	-	-	-	-	-	-
Federal sources	-	3,998	16,000	236,900	-	-	6,075	-	-
Temporary loans	-	-	-	-	-	-	-	-	-
Other	-	-	-	-	-	-	-	1,809	3,199
Total receipts	-	3,998	16,000	236,900	-	-	6,075	1,809	3,199
Disbursements:									
Current:									
Instruction	11	9,989	2,152	223,596	1,906	4,130	5,998	-	2,208
Support services	-	-	776	1,126	-	1,188	-	-	-
Noninstructional services	-	-	-	-	-	-	-	-	-
Facilities acquisition and construction	-	-	-	-	-	-	-	-	-
Debt services	-	-	-	-	-	-	-	-	-
Nonprogrammed charges	-	-	-	-	-	-	-	-	-
Total disbursements	11	9,989	2,928	224,722	1,906	5,318	5,998	-	2,208
Excess (deficiency) of receipts over disbursements	(11)	(5,991)	13,072	12,178	(1,906)	(5,318)	77	1,809	991
Other financing sources (uses):									
Sale of capital assets	-	-	-	-	-	-	-	-	-
Transfers in	-	-	-	8,550	-	-	-	-	-
Transfers out	-	-	(8,550)	-	-	-	-	-	-
Total other financing sources (uses)	-	-	(8,550)	8,550	-	-	-	-	-
Excess (deficiency) of receipts and other financing sources over disbursements and other financing uses	(11)	(5,991)	4,522	20,728	(1,906)	(5,318)	77	1,809	991
Cash and investments - ending	\$ -	\$ (9,989)	\$ -	\$ 20,728	\$ -	\$ 156	\$ 77	\$ -	\$ 268

TELL CITY-TROY TOWNSHIP 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)

	2010 Youth Tobacco Survey	American Youth Survey - Univ. of Michigan	RTI Implementation Study	Project Lead the Way 2009-2010	Project Lead the Way 2010-2011	Perkins Grant 2009-2010	Perkins Grant 2010-2011	Medicaid Reimbursement - Federal
Cash and investments - beginning	\$ -	\$ -	\$ 2,464	\$ (4,079)	\$ -	\$ (2,494)	\$ -	\$ 16,245
Receipts:								
Local sources	-	-	-	-	-	-	-	-
Intermediate sources	-	-	-	-	-	-	-	-
State sources	-	-	-	-	-	-	-	-
Federal sources	-	-	-	-	15,000	-	32,595	7,756
Temporary loans	-	-	-	-	-	-	-	-
Other	506	500	-	4,735	-	8,984	-	-
Total receipts	506	500	-	4,735	15,000	8,984	32,595	7,756
Disbursements:								
Current:								
Instruction	-	-	2,464	656	10,937	6,490	21,601	-
Support services	-	-	-	-	-	-	-	823
Noninstructional services	-	-	-	-	-	-	-	-
Facilities acquisition and construction	-	-	-	-	-	-	-	-
Debt services	-	-	-	-	-	-	-	-
Nonprogrammed charges	-	-	-	-	-	-	-	-
Total disbursements	-	-	2,464	656	10,937	6,490	21,601	823
Excess (deficiency) of receipts over disbursements	506	500	(2,464)	4,079	4,063	2,494	10,994	6,933
Other financing sources (uses):								
Sale of capital assets	-	-	-	-	-	-	-	-
Transfers in	-	-	-	-	-	-	-	-
Transfers out	-	-	-	-	-	-	-	-
Total other financing sources (uses)	-	-	-	-	-	-	-	-
Excess (deficiency) of receipts and other financing sources over disbursements and other financing uses	506	500	(2,464)	4,079	4,063	2,494	10,994	6,933
Cash and investments - ending	\$ 506	\$ 500	\$ -	\$ -	\$ 4,063	\$ -	\$ 10,994	\$ 23,178

TELL CITY-TROY TOWNSHIP 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)

	Title II Part A 2009-2011	Title II Part A 2006-2008	Fiscal Stabilization - Education (Stimulus)	Title I - Grants to LEAs	Special Education - Part B	Special Education - Part B - Preschool	Education Jobs	Totals
Cash and investments - beginning	\$ 28,398	\$ (69)	\$ -	\$ (2,715)	\$ (6,888)	\$ 660	\$ -	\$ 2,433,468
Receipts:								
Local sources	-	-	-	-	-	-	-	5,284,850
Intermediate sources	-	-	-	-	-	-	-	280
State sources	-	-	-	-	-	-	-	9,981,731
Federal sources	17,134	-	-	43,807	199,588	2,717	16,385	1,020,812
Temporary loans	-	-	-	-	-	-	-	1,297
Other	-	69	-	-	-	-	-	19,802
Total receipts	17,134	69	-	43,807	199,588	2,717	16,385	16,308,772
Disbursements:								
Current:								
Instruction	45,532	-	494	39,360	163,262	2,452	18,410	7,790,919
Support services	-	-	-	1,732	6,046	-	-	4,114,796
Noninstructional services	-	-	-	-	-	-	-	576,867
Facilities acquisition and construction	-	-	-	-	21,950	1,030	-	543,183
Debt services	-	-	-	-	-	-	-	2,536,355
Nonprogrammed charges	-	-	-	-	-	-	-	45,928
Total disbursements	45,532	-	494	41,092	191,258	3,482	18,410	15,608,048
Excess (deficiency) of receipts over disbursements	(28,398)	69	(494)	2,715	8,330	(765)	(2,025)	700,724
Other financing sources (uses):								
Sale of capital assets	-	-	-	-	-	-	-	17,207
Transfers in	-	-	494	-	-	-	-	480,209
Transfers out	-	-	-	-	(494)	-	-	(480,209)
Total other financing sources (uses)	-	-	494	-	(494)	-	-	17,207
Excess (deficiency) of receipts and other financing sources over disbursements and other financing uses	(28,398)	69	-	2,715	7,836	(765)	(2,025)	717,931
Cash and investments - ending	\$ -	\$ -	\$ -	\$ -	\$ 948	\$ (105)	\$ (2,025)	\$ 3,151,399

TELL CITY-TROY TOWNSHIP 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>Ending Balance</u>
Other:	
Capital assets, not being depreciated:	
Land	\$ 329,407
Buildings	41,066,313
Improvements other than buildings	1,757,589
Machinery and equipment	661,749
Transportation equipment	<u>1,035,808</u>
Total capital assets not being depreciated	<u>\$ 44,850,866</u>

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TELL CITY-TROY TOWNSHIP SCHOOL CORPORATION
 SUPPLEMENTARY INFORMATION
 SCHEDULE OF LONG-TERM DEBT
 June 30, 2011

Description of Debt	Ending Principal Balance	Principal and Interest Due Within One Year
Capital leases:		
William Tell Elementary School	\$ 15,374,087	\$ 1,730,000
2006 QZAB 1 High School Renovation	1,086,664	109,666
2008 QZAB 2 High School Renovation	1,659,735	160,000
2010 QZAB 3 High School Renovation	3,932,500	303,250
Loans payable:		
Energy savings loan payable	378,924	73,056
Bonds payable:		
General obligation bonds:		
2004 Pension Bonds	<u>4,080,000</u>	<u>419,236</u>
Total debt	<u>\$ 26,511,910</u>	<u>\$ 2,795,208</u>

TELL CITY-TROY TOWNSHIP SCHOOL CORPORATION
AUDIT RESULTS AND COMMENTS

INTERNAL CONTROLS - SCHOOL LUNCH PROGRAM FREE AND REDUCED STATUS

We noted a deficiency in the internal control system of the School Corporation related to financial transactions and reporting.

Changes to applications for free and reduced school lunches entered at the beginning of the school year were not always reflected on the cafeteria module of the software system. The school's point-of-sale software system was internally changing the status of students free or reduced status. The Central Office and the Junior-Senior High School utilized one server, while the elementary school utilized a separate server. The fact that the status on the cafeteria module was sometimes incorrect led to incorrect amounts being collected.

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

OVERDRAWN FUND BALANCE

The fund balance of the School Bus Replacement Fund was overdrawn \$10,625 at June 30, 2011. A similar comment was included in several prior reports.

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

AVERAGE DAILY MEMBERSHIP (ADM) - AMOUNT REFUNDED BY THE STATE OF INDIANA DUE TO CORRECTED ENROLLMENT FIGURES

Prior Report B35922 noted a difference of nine students between the student count reported for Average Daily Membership and the verified figures for the 2007-2008 school year. The Audit Report concluded that School Officials should contact the Indiana Department of Education, Division of School Finance, to determine possible steps to be taken to correct any underpayment the School Corporation has received or could receive in the future because of incorrect reporting.

The Department of Education notified the School Corporation by letter dated May 11, 2011, of the recalculation of the Basic Grant based upon the State Board of Accounts Audit and subsequent corrected counts for average daily membership which resulted in the School Corporation being refunded a total of \$21,249 by the State of Indiana.

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) (Accounting and Uniform Compliance Guidelines Manual for Extra-Curricular Accounts, Chapter 7)

SUPPLEMENTAL AUDIT OF
FEDERAL AWARDS



STATE OF INDIANA
AN EQUAL OPPORTUNITY EMPLOYER

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

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

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 TELL CITY-TROY TOWNSHIP
SCHOOL CORPORATION, PERRY COUNTY, INDIANA

Compliance

We have audited the compliance of the Tell City-Troy Township School Corporation (School Corporation) with the types of compliance requirements described in the U.S. Office of Management and Budget (OMB) Circular A-133 Compliance Supplement that are applicable to each of its major federal programs for the years ended June 30, 2010 and 2011. The School Corporation's major federal programs are identified in the Summary of Auditor's Results section of the accompanying Schedule of Findings and Questioned Costs. Compliance with the requirements of laws, regulations, contracts, and grants applicable to each of its major federal programs is the responsibility of the School Corporation's management. Our responsibility is to express an opinion on the School Corporation's compliance based on our audit.

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

In our opinion, the School Corporation complied, in all material respects, with the requirements referred to above that are applicable to each of its major federal programs for the years ended June 30, 2010 and 2011.

Internal Control Over Compliance

Management of the School Corporation is responsible for establishing and maintaining effective internal control over compliance with requirements of laws, regulations, contracts, and grants applicable to federal programs. In planning and performing our audit, we considered the School Corporation's internal control over compliance with requirements that could have a direct and material effect on a major federal program in order to determine our auditing procedures for the purpose of expressing our opinion 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

January 12, 2012

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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.

TELL CITY-TROY TOWNSHIP SCHOOL CORPORATION
SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS
For The Years Ended June 30, 2010 and 2011

Federal Grantor Agency/Pass-Through Entity Cluster Title/Program Title/Project Title	Federal CFDA Number	Pass-Through Entity (or Other) Identifying Number	Total Federal Awards Expended 06-30-10	Total Federal Awards Expended 06-30-11
<u>U.S. DEPARTMENT OF AGRICULTURE</u>				
Pass-Through Indiana Department of Education Child Nutrition Cluster School Breakfast Program	10.553			
		FY 09/10	\$ 82,460	\$ -
		FY 10/11	-	101,162
Total for program			<u>82,460</u>	<u>101,162</u>
National School Lunch Program	10.555			
		FY 09/10	336,099	-
		FY 10/11	-	362,593
Total for program			<u>336,099</u>	<u>362,593</u>
Total for cluster			<u>418,559</u>	<u>463,755</u>
Team Nutrition Grants Game-On	10.574	EDS #A58-0-1055-081	-	5,998
Total for federal grantor agency			<u>418,559</u>	<u>469,753</u>
<u>U.S. DEPARTMENT OF LABOR</u>				
Pass-Through University of Southern Indiana H-1B Job Training Grants Project Lead the Way	17.268			
		PLTW	5,000	-
<u>U.S. DEPARTMENT OF TRANSPORTATION</u>				
Pass-Through Indiana Department of Transportation Highway Planning and Construction Cluster Highway Planning and Construction Safe Routes to School	20.205			
		EDS #A249-10-3201751	513	9,989
<u>U.S. DEPARTMENT OF EDUCATION</u>				
Pass-Through Indiana Department of Education Title I, Part A Cluster Title I Grants to Local Educational Agencies	84.010			
		FY 09/10	232,868	2,928
		FY 10/11	-	224,723
Total for program			<u>232,868</u>	<u>227,651</u>
ARRA - Title I Grants to Local Educational Agencies, Recovery Act FY 09/10	84.389			
		6350	104,933	41,091
Total for cluster			<u>337,801</u>	<u>268,742</u>
Pass-Through Indiana State University Special Education Cluster Special Education-Grants to States Blumberg Program	84.027			
		14208-006-DY23	1,065	-
Pass-Through Indiana Department of Education ARRA - Special Education - Grants to States, Recovery Act	84.391			
		6350	148,976	191,257
ARRA - Special Education - Preschool Grants, Recovery Act	84.392			
		6350	7,216	3,482
Total for cluster			<u>157,257</u>	<u>194,739</u>
State Fiscal Stabilization Fund Cluster ARRA - State Fiscal Stabilization Fund (SFSF) - Education State Grants, Recovery Act	84.394			
		6350	1,060,961	494
Career and Technical Education - Basic Grants to States	84.048			
		09-6350	10,889	-
		10-6350	29,440	6,490
		11-6350	-	21,600
Total for program			<u>40,329</u>	<u>28,090</u>

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

TELL CITY-TROY TOWNSHIP SCHOOL CORPORATION
SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS
For The Years Ended June 30, 2010 and 2011
(Continued)

Federal Grantor Agency/Pass-Through Entity Cluster Title/Program Title/Project Title	Federal CFDA Number	Pass-Through Entity (or Other) Identifying Number	Total Federal Awards Expended 06-30-10	Total Federal Awards Expended 06-30-11
<u>U.S. DEPARTMENT OF EDUCATION (continued)</u>				
Pass-Through Indiana Department of Education				
Safe and Drug-Free Schools and Communities - State Grants	84.186			
		6350-07	180	-
		6350-08	2,636	1,905
		6350-09	-	5,318
			<u>2,816</u>	<u>7,223</u>
Total for program				
Tech-Prep Education	84.243			
		05-6350	1,407	-
		06-6350	2,067	-
		09-6350	1,304	-
		10-6350	14,344	656
		11-6350	-	10,937
			<u>19,122</u>	<u>11,593</u>
Total for program				
State Grants for Innovative Programs	84.298			
		08-6350	1,959	-
		09-6350	9,414	-
			<u>11,373</u>	<u>-</u>
Total for program				
Improving Teacher Quality State Grants	84.367			
		05-6350	90	-
		07-6350	9,484	-
		08-6350	24,673	18,751
		09-6350	6,372	45,530
			<u>40,619</u>	<u>64,281</u>
Total for program				
ARRA - Education Jobs Fund, Recovery Act	84.410			
		6350	-	18,410
			<u>-</u>	<u>18,410</u>
Total for federal grantor agency			<u>1,670,278</u>	<u>593,572</u>
Total federal awards expended			<u>\$ 2,094,350</u>	<u>\$ 1,073,314</u>

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

TELL CITY-TROY TOWNSHIP 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 Tell City-Troy Township 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
Child Nutrition Cluster:			
Food Commodities:			
School Breakfast Program	10.553	\$ 8,124	\$ 10,426
National School Lunch Program	10.555	33,114	34,944

TELL CITY-TROY TOWNSHIP 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?	yes
Noncompliance material to financial statement noted?	no

Federal Awards:

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

Identification of Major Programs:

- Name of Federal Program or Cluster
- Child Nutrition 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: \$300,00

Auditee qualified as low-risk auditee?	yes
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TELL CITY-TROY TOWNSHIP SCHOOL CORPORATION
SCHEDULE OF FINDINGS AND QUESTIONED COSTS
(Continued)

Section II – Financial Statement Findings

FINDING 2011-1 - INTERNAL CONTROLS – SCHOOL LUNCH PROGRAM FREE AND REDUCED STATUS

We noted a deficiency in the internal control system of the School Corporation related to financial transactions and reporting.

Changes to applications for free and reduced school lunches entered at the beginning of the school year were not always reflected on the cafeteria module of the software system. The school's point-of-sale software system was internally changing the status of students free or reduced status. The Central Office and the Junior-Senior High School utilized one server, while the elementary school utilized a separate server. The fact that the status on the cafeteria module was sometimes incorrect led to incorrect amounts being collected. However upon further review, it was determined that two students that met the qualifications to be classified to receive reduced lunch prices were classified by the software program as free and two students that met the qualifications to be classified to receive free lunch prices were classified as reduced.

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

Section III – Federal Award Findings and Questioned Costs

No matters are reportable.

TELL CITY-TROY TOWNSHIP SCHOOL CORPORATION
SUMMARY SCHEDULE OF PRIOR AUDIT FINDINGS

No matters are reportable.

Tell City-Troy Township School Corporation

Lynn Blinzinger
Superintendent
lblinzinger@tellcity.k12.in.us

"Home of the Marksmen"

Bruce Chinn
Assistant to the Superintendent
bchinn@tellcity.k12.in.us

Administrative Office
837 17th Street
Tell City, IN 47586
Phone: (812) 547-3300
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January 12, 2012

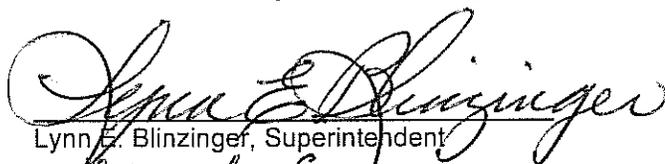
Corrective Action Plan

Auditee Contact Person: Debra A. Elder
Title of Contact Person: Treasurer
Phone Number: 812-547-3300

Section II-Financial Statement Findings

Finding 2011-01, INTERNAL CONTROLS – SCHOOL LUNCH PROGRAM FREE AND REDUCED STATUS

During a conference call with the software provider, it was determined that this problem was mainly caused by the fact that two different servers were being used by the Junior-Senior High School and the Elementary School. Thus, changes to applications after the start of the school year were not carried from one school building to the other. This situation has been corrected as only one server is being used in the 2011-2012 school year. A training session was held in the summer of 2011 for school employees involved in the handling of free and reduced applications. The administrative office personnel are now proactively monitoring the software system to ensure that any errors are detected and prevented in the future. The Indiana Department of Education notified us by letter dated July 6, 2011 that the corrective actions taken are acceptable.



Lynn E. Blinzinger, Superintendent



Debra A. Elder, Treasurer



Jerry D. Hoagland, School Board President

TELL CITY-TROY TOWNSHIP SCHOOL CORPORATION
EXIT CONFERENCE

The contents of this report were discussed on January 12, 2012, with Lynn E. Blinzinger, Superintendent of Schools; Ronald B. Etienne, former Superintendent of Schools; Debra A. Elder, Treasurer; Jerry D. Hoagland, President of the School Board; and Mack Cail, Vice President of the School Board.