

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

FINANCIAL STATEMENT AND
FEDERAL SINGLE AUDIT REPORT
OF

CLINTON CENTRAL SCHOOL CORPORATION
CLINTON COUNTY, INDIANA

July 1, 2009 to June 30, 2011



FILED

02/23/2012

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SCHEDULE OF OFFICIALS

<u>Office</u>	<u>Official</u>	<u>Term</u>
Treasurer	Robert Lease (Vacant) Jaclyn Sheets	07-01-09 to 10-28-10 10-29-10 to 11-21-10 11-22-10 to 06-12-12
Superintendent of Schools	Philip Boley Brent Kaufman (Interim) Jeff Bond Brent Kaufman (Interim) Dr. Celia Shand	07-01-09 to 10-11-10 10-12-10 to 12-31-10 01-01-11 to 01-31-11 01-31-11 to 06-30-11 07-01-11 to 06-30-14
President of the School Board	Robert Brinson Deborah Rawlings	07-01-09 to 06-30-10 07-01-10 to 06-30-12



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 THE FINANCIAL STATEMENT
AND SUPPLEMENTARY SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS

TO: THE OFFICIALS OF THE CLINTON CENTRAL SCHOOL
CORPORATION, CLINTON COUNTY, INDIANA

We have audited the accompanying financial statement of the Clinton Central 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 December 14, 2011, on our consideration of the School Corporation's internal control over financial reporting and our tests of its compliance with certain provisions of laws, regulations, contracts, grant agreements, and other matters. The purpose of that report is to describe the scope of our testing of internal control over financial reporting and compliance and the results of that testing and not to provide an opinion on the internal control over financial reporting or on compliance. That report is an integral part of an audit performed in accordance with Government Auditing Standards and should be considered in assessing the results of our audit.

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 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 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 14, 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 CLINTON CENTRAL SCHOOL
CORPORATION, CLINTON COUNTY, INDIANA

We have audited the financial statement of the Clinton Central School Corporation (School Corporation), for the years ended June 30, 2010 and 2011, and have issued our report thereon dated December 14, 2011. We conducted our audit in accordance with auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in Government Auditing Standards, issued by the Comptroller General of the United States.

Internal Control Over Financial Reporting

In planning and performing our audit, we considered the School Corporation's internal control over financial reporting as a basis for designing our auditing procedures for the purpose of expressing our 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.

Our consideration of the internal control over financial reporting was for the limited purpose described in the preceding paragraph and was not designed to identify all deficiencies in internal control over financial reporting that might be significant deficiencies or material weaknesses and therefore, there can be no assurance that all deficiencies, significant deficiencies, or material weaknesses have been identified. However, as described in the accompanying Schedule of Findings and Questioned Costs, we identified certain deficiencies in internal control over financial reporting that we consider to be material weaknesses.

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. We consider the deficiencies described in the accompanying Schedule of Findings and Questioned Costs as items 2011-1 and 2011-2 to be material weaknesses.

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

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

This report is intended solely for the information and use of the School Corporation's management, 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 14, 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.

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

	Cash and Investments 07-01-09	Receipts	Disbursements	Other Financing Sources (Uses)	Cash and Investments 06-30-10	Receipts	Disbursements	Other Financing Sources (Uses)	Cash and Investments 06-30-11
General	\$ 533,237	\$ 6,228,988	\$ 5,634,908	\$ 42,955	\$ 1,170,272	\$ 6,357,874	\$ 6,481,878	\$ (416,955)	\$ 629,313
Debt Service	(7,506)	363,045	399,500	-	(43,961)	962,375	470,497	-	447,917
Retirement/Severance Bond Debt Service	(23,608)	82,554	94,271	-	(35,325)	165,776	92,031	-	38,420
Capital Projects	49,327	759,851	884,366	-	(75,188)	1,296,891	955,966	-	265,737
School Transportation	80,918	703,571	511,070	256	273,675	1,072,802	521,412	(399,826)	425,239
School Bus Replacement	66,144	48,301	75,523	-	38,922	67,830	-	-	106,752
Special Education Preschool	36,014	16,501	40,688	(11,827)	-	-	-	-	-
Rainy Day	391,638	-	-	-	391,638	-	-	400,000	791,638
Retirement/Severance Bond	21,200	-	-	-	21,200	-	-	-	21,200
Post-Retirement/Severance Future Benefits	(7,012)	-	(7,012)	-	-	-	-	-	-
Construction	-	-	-	-	-	-	849	849	-
Construction Student Help	-	-	1,652	-	(1,652)	-	6,605	8,257	-
School Lunch	8,277	521,816	469,099	-	60,994	518,994	463,941	(60)	115,987
Textbook Rental	9,414	114,408	114,097	90	9,815	106,267	123,158	7,076	-
Repair and Replacement	-	-	-	-	-	19,014	4,137	(849)	14,028
Self-Insurance	427,976	1,422,614	1,137,454	-	713,136	1,183,925	1,474,207	-	422,854
Levy Excess	10,830	-	-	-	10,830	12,889	-	-	23,719
Educational License Plates	919	206	-	-	1,125	169	-	-	1,294
Foundation Grants	(2)	2,000	2,250	-	(252)	-	-	252	-
CC Education Foundation	-	-	-	-	-	2,331	1,735	-	596
Emerson Scholarship	1,500	1,000	1,500	-	1,000	-	1,000	-	-
Mattix Trust	1,641	512	-	-	2,153	-	-	-	2,153
Thorley Trust	-	-	-	-	-	588	594	6	-
Recreational Activities	1,390	2,445	3,835	-	-	-	-	-	-
Scholarships and Awards	791	250	-	-	1,041	-	125	-	916
Julia Davis Pearson Scholarship	26,435	888	1,000	-	26,323	887	1,000	-	26,210
Jenny Butler Scholarship	402	20	-	-	422	-	-	-	422
Everett Davis Estate	582	-	-	-	582	-	-	-	582
CCE Swimming Program	-	-	-	-	-	1,200	445	-	755
Clinton Central Recycling Project	-	41,500	28,134	-	13,366	8,036	17,745	-	3,657
Best Buy Tag Award	-	1,000	1,000	-	-	-	-	-	-
Light Pole Repair	-	13,693	7,325	-	6,368	-	6,368	-	-
High Ability Grant 2010-11	-	-	-	-	-	29,089	25,870	-	3,219
High Ability Grant 2007-08	(1,976)	-	-	-	(1,976)	-	-	1,976	-
Teacher Quality Improvement Program	13,072	-	6,499	-	6,573	-	-	2,622	9,195
High Ability Grant 2009-10	-	29,530	28,827	-	703	-	280	(423)	-
Medicaid Reimbursement	450	-	-	-	450	-	-	-	450
Non-English Speaking Programs P.L. 273-1999	725	125	-	-	850	-	-	-	850
Clinton County Drug Free	178	-	-	-	178	-	-	-	178
School Consolidation Study	12,802	-	11,333	-	1,469	-	-	-	1,469
Fresh Fruit and Vegetable Grant	(3,406)	7,671	5	-	4,260	-	-	-	4,260
Moving Forward Grant	1,322	-	-	-	1,322	-	-	-	1,322

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

CLINTON CENTRAL 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
Title I 2006-07	(6,076)	-	-	-	(6,076)	-	-	6,076	-
Title I 2007-08	35,087	-	(623)	(35,710)	-	-	-	-	-
Title I 2005-06	28,385	(28,385)	-	-	-	-	-	-	-
Title I 2008-09	(37,322)	65,643	52,111	23,790	-	-	-	-	-
Title I 2009-10	-	193,815	205,756	11,920	(21)	22,000	22,554	575	-
Title I 2010-11	-	-	-	-	-	164,554	174,003	9,449	-
Innovative Education Program Strategies Title V (Part A)	1,409	522	1,931	-	-	-	-	-	-
Title V 2005-06	69	-	-	-	69	-	-	(69)	-
Wildcat Creek 2007-08	650	-	-	-	650	-	-	(650)	-
Wildcat Creek 2006-07	(565)	-	200	-	(765)	-	-	765	-
Special Education 2007-08	(3,313)	-	-	-	(3,313)	-	-	3,313	-
Special Education 2005-06	(30)	-	-	-	(30)	-	-	30	-
Special Education Flow Through 2008-09	(91,893)	15,000	(76,893)	-	-	-	-	-	-
(IDEA, Part B) LEA Capacity Building (Sliver) Grants	-	187,086	165,901	-	21,185	-	40,323	19,138	-
Special Education Flow Through 2010-11	-	-	-	-	-	-	147,794	147,794	-
Drug Free Schools	(15)	-	-	-	(15)	-	-	15	-
5850 Title IV Safe and Drug Free	(6,192)	-	99	-	(6,291)	-	-	6,291	-
5860 Title IV Safe and Drug Free	(28,610)	-	20,031	-	(48,641)	-	1,073	49,714	-
Title V 2007-09	-	-	257	-	(257)	-	-	257	-
Carl Perkins Fund 2007-08	25,680	-	25,680	-	-	-	-	-	-
Carl Perkins Fund 2004-05	7,911	-	-	-	7,911	-	-	-	7,911
Carl Perkins Fund 2008-09	4,233	6,869	11,591	-	(489)	-	-	489	-
Carl Perkins Fund 2009-10	-	20,920	52,243	-	(31,323)	6,973	16,809	41,159	-
6271 Carl Perkins Fund 2010-11	-	-	-	-	-	15,125	-	(15,125)	-
6280 Carl Perkins Fund 2010-11	-	-	-	-	-	15,125	35,091	19,966	-
Medicaid Reimbursement - Federal	15,090	1,140	486	-	15,744	-	-	-	15,744
Improving Teaching Quality, No Child Left, Title II, Part A	(11,157)	69,366	3,720	-	54,489	1,000	-	(4,548)	50,941
Title II Part A Improving Teacher Quality	-	-	-	-	-	-	4,548	4,548	-
ITQ, Enhanced Education Through Technology, Title II, Part D	-	-	-	-	-	7,398	-	-	7,398
Rural Schools Achievement	1,535	-	407	-	1,128	-	-	-	1,128
Title III, Language Instruction	-	-	118	-	(118)	-	-	118	-
Title II 2008-09	-	-	14,495	-	(14,495)	-	-	14,495	-
Fiscal Stabilization - Education	521,791	214,522	736,313	-	-	-	-	-	-
Title I - Grants to LEAs	-	15,000	83,777	-	(68,777)	3,000	28,547	94,324	-
Special Education - Part B	-	147,012	158,633	-	(11,621)	61,568	71,113	21,166	-
Special Education - Part B - Preschool	-	8,526	8,526	-	-	-	-	-	-
Totals	\$ 2,110,341	\$ 11,279,525	\$ 10,912,083	\$ 31,474	\$ 2,509,257	\$ 12,103,680	\$ 11,191,698	\$ 22,215	\$ 3,443,454

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

CLINTON CENTRAL 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.

CLINTON CENTRAL 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.

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.

CLINTON CENTRAL SCHOOL CORPORATION
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.

CLINTON CENTRAL SCHOOL CORPORATION
NOTES TO FINANCIAL STATEMENT
(Continued)

Note 4. Deposits and Investments

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

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

Note 5. Risk Management

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

These risks can be mitigated through the purchase of insurance, establishment of a self-insurance fund, and/or participation in a risk pool. The purchase of insurance transfers the risk to an independent third party. The establishment of a self-insurance fund allows the School Corporation to set aside money for claim settlements. The self-insurance fund would be included in the financial statement. The purpose of participation in a risk pool is to provide a medium for the funding and administration of the risks. These risks may also be mitigated by the School Corporation by recording as a disbursement 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 statement and required supplementary information for the plan as a whole and for its participants. That report may be obtained by contacting:

CLINTON CENTRAL SCHOOL CORPORATION
NOTES TO FINANCIAL STATEMENT
(Continued)

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

Funding Policy and Annual Pension Cost

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

B. Teachers' Retirement Fund

Plan Description

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

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

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

Funding Policy and Annual Pension Cost

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

SUPPLEMENTARY INFORMATION – UNAUDITED

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

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

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

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

	General	Debt Service	Retirement/ Severance Bond Debt Service	Capital Projects	School Transportation	School Bus Replacement	Special Education Preschool	Rainy Day	Retirement/ Severance Bond
Cash and investments - beginning	\$ 533,237	\$ (7,506)	\$ (23,608)	\$ 49,327	\$ 80,918	\$ 66,144	\$ 36,014	\$ 391,638	\$ 21,200
Receipts:									
Local sources	40,385	363,045	82,554	757,663	703,248	48,301	-	-	-
Intermediate sources	-	-	-	-	-	-	-	-	-
State sources	6,188,504	-	-	-	-	-	16,501	-	-
Federal sources	-	-	-	-	-	-	-	-	-
Temporary loans	-	-	-	-	-	-	-	-	-
Interfund loans	-	-	-	-	-	-	-	-	-
Other	99	-	-	2,188	323	-	-	-	-
Total receipts	<u>6,228,988</u>	<u>363,045</u>	<u>82,554</u>	<u>759,851</u>	<u>703,571</u>	<u>48,301</u>	<u>16,501</u>	<u>-</u>	<u>-</u>
Disbursements:									
Current:									
Instruction	3,716,703	-	-	-	-	-	40,688	-	-
Support services	1,548,599	-	-	279,166	511,070	75,523	-	-	-
Noninstructional services	172,257	-	-	-	-	-	-	-	-
Facilities acquisition and construction	522	-	-	605,200	-	-	-	-	-
Debt services	-	399,500	94,271	-	-	-	-	-	-
Nonprogrammed charges	196,827	-	-	-	-	-	-	-	-
Interfund loans	-	-	-	-	-	-	-	-	-
Total disbursements	<u>5,634,908</u>	<u>399,500</u>	<u>94,271</u>	<u>884,366</u>	<u>511,070</u>	<u>75,523</u>	<u>40,688</u>	<u>-</u>	<u>-</u>
Excess (deficiency) of receipts over disbursements	<u>594,080</u>	<u>(36,455)</u>	<u>(11,717)</u>	<u>(124,515)</u>	<u>192,501</u>	<u>(27,222)</u>	<u>(24,187)</u>	<u>-</u>	<u>-</u>
Other financing sources (uses):									
Sale of capital assets	31,128	-	-	-	256	-	-	-	-
Transfers in	11,827	-	-	-	-	-	-	-	-
Transfers out	-	-	-	-	-	-	(11,827)	-	-
Total other financing sources (uses)	<u>42,955</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>256</u>	<u>-</u>	<u>(11,827)</u>	<u>-</u>	<u>-</u>
Excess (deficiency) of receipts and other financing sources over disbursements and other financing uses	<u>637,035</u>	<u>(36,455)</u>	<u>(11,717)</u>	<u>(124,515)</u>	<u>192,757</u>	<u>(27,222)</u>	<u>(36,014)</u>	<u>-</u>	<u>-</u>
Cash and investments - ending	<u>\$ 1,170,272</u>	<u>\$ (43,961)</u>	<u>\$ (35,325)</u>	<u>\$ (75,188)</u>	<u>\$ 273,675</u>	<u>\$ 38,922</u>	<u>\$ -</u>	<u>\$ 391,638</u>	<u>\$ 21,200</u>

CLINTON CENTRAL 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)

	Post - Retirement/ Severance Future Benefits	Construction	Construction Student Help	School Lunch	Textbook Rental	Repair and Replacement	Self- Insurance	Levy Excess	Educational License Plates
Cash and investments - beginning	\$ (7,012)	\$ -	\$ -	\$ 8,277	\$ 9,414	\$ -	\$ 427,976	\$ 10,830	\$ 919
Receipts:									
Local sources	-	-	-	317,501	78,494	-	965,192	-	-
Intermediate sources	-	-	-	-	-	-	-	-	206
State sources	-	-	-	6,291	35,914	-	-	-	-
Federal sources	-	-	-	198,024	-	-	457,422	-	-
Temporary loans	-	-	-	-	-	-	-	-	-
Interfund loans	-	-	-	-	-	-	-	-	-
Other	-	-	-	-	-	-	-	-	-
Total receipts	-	-	-	521,816	114,408	-	1,422,614	-	206
Disbursements:									
Current:									
Instruction	-	-	-	-	-	-	-	-	-
Support services	(7,012)	-	1,652	856	114,097	-	1,137,454	-	-
Noninstructional services	-	-	-	468,243	-	-	-	-	-
Facilities acquisition and construction	-	-	-	-	-	-	-	-	-
Debt services	-	-	-	-	-	-	-	-	-
Nonprogrammed charges	-	-	-	-	-	-	-	-	-
Interfund loans	-	-	-	-	-	-	-	-	-
Total disbursements	(7,012)	-	1,652	469,099	114,097	-	1,137,454	-	-
Excess (deficiency) of receipts over disbursements	7,012	-	(1,652)	52,717	311	-	285,160	-	206
Other financing sources (uses):									
Sale of capital assets	-	-	-	-	90	-	-	-	-
Transfers in	-	-	-	-	-	-	-	-	-
Transfers out	-	-	-	-	-	-	-	-	-
Total other financing sources (uses)	-	-	-	-	90	-	-	-	-
Excess (deficiency) of receipts and other financing sources over disbursements and other financing uses	7,012	-	(1,652)	52,717	401	-	285,160	-	206
Cash and investments - ending	\$ -	\$ -	\$ (1,652)	\$ 60,994	\$ 9,815	\$ -	\$ 713,136	\$ 10,830	\$ 1,125

CLINTON CENTRAL 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)

	Foundation Grants	CC Education Foundation	Emerson Scholarship	Mattix Trust	Thorley Trust	Recreational Activities	Scholarships and Awards	Julia Davis Pearson Scholarship	Jenny Butler Scholarship
Cash and investments - beginning	\$ (2)	\$ -	\$ 1,500	\$ 1,641	\$ -	\$ 1,390	\$ 791	\$ 26,435	\$ 402
Receipts:									
Local sources	2,000	-	1,000	512	-	2,445	250	888	20
Intermediate sources	-	-	-	-	-	-	-	-	-
State sources	-	-	-	-	-	-	-	-	-
Federal sources	-	-	-	-	-	-	-	-	-
Temporary loans	-	-	-	-	-	-	-	-	-
Interfund loans	-	-	-	-	-	-	-	-	-
Other	-	-	-	-	-	-	-	-	-
Total receipts	<u>2,000</u>	<u>-</u>	<u>1,000</u>	<u>512</u>	<u>-</u>	<u>2,445</u>	<u>250</u>	<u>888</u>	<u>20</u>
Disbursements:									
Current:									
Instruction	2,250	-	-	-	-	-	-	-	-
Support services	-	-	-	-	-	-	-	-	-
Noninstructional services	-	-	-	-	-	3,835	-	-	-
Facilities acquisition and construction	-	-	-	-	-	-	-	-	-
Debt services	-	-	-	-	-	-	-	-	-
Nonprogrammed charges	-	-	1,500	-	-	-	-	1,000	-
Interfund loans	-	-	-	-	-	-	-	-	-
Total disbursements	<u>2,250</u>	<u>-</u>	<u>1,500</u>	<u>-</u>	<u>-</u>	<u>3,835</u>	<u>-</u>	<u>1,000</u>	<u>-</u>
Excess (deficiency) of receipts over disbursements	<u>(250)</u>	<u>-</u>	<u>(500)</u>	<u>512</u>	<u>-</u>	<u>(1,390)</u>	<u>250</u>	<u>(112)</u>	<u>20</u>
Other financing sources (uses):									
Sale of capital assets	-	-	-	-	-	-	-	-	-
Transfers in	-	-	-	-	-	-	-	-	-
Transfers out	-	-	-	-	-	-	-	-	-
Total other financing sources (uses)	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Excess (deficiency) of receipts and other financing sources over disbursements and other financing uses	<u>(250)</u>	<u>-</u>	<u>(500)</u>	<u>512</u>	<u>-</u>	<u>(1,390)</u>	<u>250</u>	<u>(112)</u>	<u>20</u>
Cash and investments - ending	<u>\$ (252)</u>	<u>\$ -</u>	<u>\$ 1,000</u>	<u>\$ 2,153</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 1,041</u>	<u>\$ 26,323</u>	<u>\$ 422</u>

CLINTON CENTRAL 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)

	Everett Davis Estate	CCE Swimming Program	Clinton Central Recycling Project	Best Buy Tag Award	Light Pole Repair	High Ability Grant 2010-11	High Ability Grant 2007-08	Teacher Quality Improvement Program	High Ability Grant 2009-10
Cash and investments - beginning	\$ 582	\$ -	\$ -	\$ -	\$ -	\$ -	\$ (1,976)	\$ 13,072	\$ -
Receipts:									
Local sources	-	-	-	1,000	-	-	-	-	-
Intermediate sources	-	-	41,500	-	-	-	-	-	-
State sources	-	-	-	-	-	-	-	-	29,530
Federal sources	-	-	-	-	-	-	-	-	-
Temporary loans	-	-	-	-	-	-	-	-	-
Interfund loans	-	-	-	-	-	-	-	-	-
Other	-	-	-	-	13,693	-	-	-	-
Total receipts	-	-	41,500	1,000	13,693	-	-	-	29,530
Disbursements:									
Current:									
Instruction	-	-	-	-	-	-	-	6,499	28,827
Support services	-	-	28,134	1,000	7,325	-	-	-	-
Noninstructional services	-	-	-	-	-	-	-	-	-
Facilities acquisition and construction	-	-	-	-	-	-	-	-	-
Debt services	-	-	-	-	-	-	-	-	-
Nonprogrammed charges	-	-	-	-	-	-	-	-	-
Interfund loans	-	-	-	-	-	-	-	-	-
Total disbursements	-	-	28,134	1,000	7,325	-	-	6,499	28,827
Excess (deficiency) of receipts over disbursements	-	-	13,366	-	6,368	-	-	(6,499)	703
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	-	-	13,366	-	6,368	-	-	(6,499)	703
Cash and investments - ending	\$ 582	\$ -	\$ 13,366	\$ -	\$ 6,368	\$ -	\$ (1,976)	\$ 6,573	\$ 703

CLINTON CENTRAL 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)

	Medicaid Reimbursement	Non-English Speaking Programs P.L. 273-1999	Clinton County Drug Free	School Consolidation Study	Fresh Fruit and Vegetable Grant	Moving Forward Grant	Title I 2006-07	Title I 2007-08	Title I 2005-06
Cash and investments - beginning	\$ 450	\$ 725	\$ 178	\$ 12,802	\$ (3,406)	\$ 1,322	\$ (6,076)	\$ 35,087	\$ 28,385
Receipts:									
Local sources	-	-	-	-	-	-	-	-	-
Intermediate sources	-	-	-	-	-	-	-	-	-
State sources	-	125	-	-	-	-	-	-	-
Federal sources	-	-	-	-	7,671	-	-	-	(28,385)
Temporary loans	-	-	-	-	-	-	-	-	-
Interfund loans	-	-	-	-	-	-	-	-	-
Other	-	-	-	-	-	-	-	-	-
Total receipts	-	125	-	-	7,671	-	-	-	(28,385)
Disbursements:									
Current:									
Instruction	-	-	-	-	-	-	-	(623)	-
Support services	-	-	-	11,333	-	-	-	-	-
Noninstructional services	-	-	-	-	5	-	-	-	-
Facilities acquisition and construction	-	-	-	-	-	-	-	-	-
Debt services	-	-	-	-	-	-	-	-	-
Nonprogrammed charges	-	-	-	-	-	-	-	-	-
Interfund loans	-	-	-	-	-	-	-	-	-
Total disbursements	-	-	-	11,333	5	-	-	(623)	-
Excess (deficiency) of receipts over disbursements	-	125	-	(11,333)	7,666	-	-	623	(28,385)
Other financing sources (uses):									
Sale of capital assets	-	-	-	-	-	-	-	-	-
Transfers in	-	-	-	-	-	-	-	-	-
Transfers out	-	-	-	-	-	-	-	(35,710)	-
Total other financing sources (uses)	-	-	-	-	-	-	-	(35,710)	-
Excess (deficiency) of receipts and other financing sources over disbursements and other financing uses	-	125	-	(11,333)	7,666	-	-	(35,087)	(28,385)
Cash and investments - ending	\$ 450	\$ 850	\$ 178	\$ 1,469	\$ 4,260	\$ 1,322	\$ (6,076)	\$ -	\$ -

CLINTON CENTRAL 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 I 2008-09	Title I 2009-10	Title I 2010-11	Innovative Education Program Strategies Title V (Part A)	Title V 2005-06	Wildcat Creek 2007-08	Wildcat Creek 2006-07	Special Education 2007-08	Special Education 2005-06
Cash and investments - beginning	\$ (37,322)	\$ -	\$ -	\$ 1,409	\$ 69	\$ 650	\$ (565)	\$ (3,313)	\$ (30)
Receipts:									
Local sources	-	-	-	-	-	-	-	-	-
Intermediate sources	-	-	-	-	-	-	-	-	-
State sources	-	-	-	-	-	-	-	-	-
Federal sources	65,643	193,815	-	522	-	-	-	-	-
Temporary loans	-	-	-	-	-	-	-	-	-
Interfund loans	-	-	-	-	-	-	-	-	-
Other	-	-	-	-	-	-	-	-	-
Total receipts	<u>65,643</u>	<u>193,815</u>	<u>-</u>	<u>522</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Disbursements:									
Current:									
Instruction	39,761	205,756	-	-	-	-	200	-	-
Support services	12,350	-	-	1,931	-	-	-	-	-
Noninstructional services	-	-	-	-	-	-	-	-	-
Facilities acquisition and construction	-	-	-	-	-	-	-	-	-
Debt services	-	-	-	-	-	-	-	-	-
Nonprogrammed charges	-	-	-	-	-	-	-	-	-
Interfund loans	-	-	-	-	-	-	-	-	-
Total disbursements	<u>52,111</u>	<u>205,756</u>	<u>-</u>	<u>1,931</u>	<u>-</u>	<u>-</u>	<u>200</u>	<u>-</u>	<u>-</u>
Excess (deficiency) of receipts over disbursements	<u>13,532</u>	<u>(11,941)</u>	<u>-</u>	<u>(1,409)</u>	<u>-</u>	<u>-</u>	<u>(200)</u>	<u>-</u>	<u>-</u>
Other financing sources (uses):									
Sale of capital assets	-	-	-	-	-	-	-	-	-
Transfers in	35,710	11,920	-	-	-	-	-	-	-
Transfers out	<u>(11,920)</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Total other financing sources (uses)	<u>23,790</u>	<u>11,920</u>	<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>37,322</u>	<u>(21)</u>	<u>-</u>	<u>(1,409)</u>	<u>-</u>	<u>-</u>	<u>(200)</u>	<u>-</u>	<u>-</u>
Cash and investments - ending	<u>\$ -</u>	<u>\$ (21)</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 69</u>	<u>\$ 650</u>	<u>\$ (765)</u>	<u>\$ (3,313)</u>	<u>\$ (30)</u>

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

	Special Education Flow Through 2008-09	(IDEA, Part B) LEA Capacity Building (Sliver) Grants	Special Education Flow Through 2010-11	Drug Free Schools	5850 Title IV Safe and Drug Free	5860 Title IV Safe and Drug Free	Title V 2007-09	Carl Perkins Fund 2007-08	Carl Perkins Fund 2004-05
Cash and investments - beginning	\$ (91,893)	\$ -	\$ -	\$ (15)	\$ (6,192)	\$ (28,610)	\$ -	\$ 25,680	\$ 7,911
Receipts:									
Local sources	-	-	-	-	-	-	-	-	-
Intermediate sources	-	-	-	-	-	-	-	-	-
State sources	-	-	-	-	-	-	-	-	-
Federal sources	15,000	187,086	-	-	-	-	-	-	-
Temporary loans	-	-	-	-	-	-	-	-	-
Interfund loans	-	-	-	-	-	-	-	-	-
Other	-	-	-	-	-	-	-	-	-
Total receipts	15,000	187,086	-	-	-	-	-	-	-
Disbursements:									
Current:									
Instruction	(76,893)	165,901	-	-	99	20,031	-	-	-
Support services	-	-	-	-	-	-	257	25,680	-
Noninstructional services	-	-	-	-	-	-	-	-	-
Facilities acquisition and construction	-	-	-	-	-	-	-	-	-
Debt services	-	-	-	-	-	-	-	-	-
Nonprogrammed charges	-	-	-	-	-	-	-	-	-
Interfund loans	-	-	-	-	-	-	-	-	-
Total disbursements	(76,893)	165,901	-	-	99	20,031	257	25,680	-
Excess (deficiency) of receipts over disbursements	91,893	21,185	-	-	(99)	(20,031)	(257)	(25,680)	-
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	91,893	21,185	-	-	(99)	(20,031)	(257)	(25,680)	-
Cash and investments - ending	\$ -	\$ 21,185	\$ -	\$ (15)	\$ (6,291)	\$ (48,641)	\$ (257)	\$ -	\$ 7,911

CLINTON CENTRAL 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)

	Carl Perkins Fund 2008-09	Carl Perkins Fund 2009-10	6271 Carl Perkins Fund 2010-11	6280 Carl Perkins Fund 2010-11	Medicaid Reimbursement - Federal	Improving Teaching Quality, No Child Left, Title II, Part A	Title II Part A Improving Teacher Quality	ITQ, Enhanced Education Through Technology, Title II, Part D
Cash and investments - beginning	\$ 4,233	\$ -	\$ -	\$ -	\$ 15,090	\$ (11,157)	\$ -	\$ -
Receipts:								
Local sources	-	-	-	-	-	-	-	-
Intermediate sources	-	-	-	-	-	-	-	-
State sources	-	-	-	-	-	-	-	-
Federal sources	6,869	20,920	-	-	1,140	69,366	-	-
Temporary loans	-	-	-	-	-	-	-	-
Interfund loans	-	-	-	-	-	-	-	-
Other	-	-	-	-	-	-	-	-
Total receipts	6,869	20,920	-	-	1,140	69,366	-	-
Disbursements:								
Current:								
Instruction	44	-	-	-	-	-	-	-
Support services	11,547	52,243	-	-	-	3,720	-	-
Noninstructional services	-	-	-	-	-	-	-	-
Facilities acquisition and construction	-	-	-	-	486	-	-	-
Debt services	-	-	-	-	-	-	-	-
Nonprogrammed charges	-	-	-	-	-	-	-	-
Interfund loans	-	-	-	-	-	-	-	-
Total disbursements	11,591	52,243	-	-	486	3,720	-	-
Excess (deficiency) of receipts over disbursements	(4,722)	(31,323)	-	-	654	65,646	-	-
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	(4,722)	(31,323)	-	-	654	65,646	-	-
Cash and investments - ending	\$ (489)	\$ (31,323)	\$ -	\$ -	\$ 15,744	\$ 54,489	\$ -	\$ -

CLINTON CENTRAL 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)

	Rural Schools Achievement	Title III, Language Instruction	Title II 2008-09	Fiscal Stabilization - Education	Title I - Grants to LEAs	Special Education - Part B	Special Education - Part B - Preschool	Totals
Cash and investments - beginning	\$ 1,535	\$ -	\$ -	\$ 521,791	\$ -	\$ -	\$ -	\$ 2,110,341
Receipts:								
Local sources	-	-	-	-	-	-	-	3,364,498
Intermediate sources	-	-	-	-	-	-	-	41,706
State sources	-	-	-	-	-	-	-	6,276,865
Federal sources	-	-	-	214,522	15,000	147,012	8,526	1,580,153
Temporary loans	-	-	-	-	-	-	-	-
Interfund loans	-	-	-	-	-	-	-	-
Other	-	-	-	-	-	-	-	16,303
Total receipts	-	-	-	214,522	15,000	147,012	8,526	11,279,525
Disbursements:								
Current:								
Instruction	-	118	-	736,313	38,082	158,633	8,526	5,090,915
Support services	407	-	14,495	-	45,695	-	-	3,877,522
Noninstructional services	-	-	-	-	-	-	-	644,340
Facilities acquisition and construction	-	-	-	-	-	-	-	606,208
Debt services	-	-	-	-	-	-	-	493,771
Nonprogrammed charges	-	-	-	-	-	-	-	199,327
Interfund loans	-	-	-	-	-	-	-	-
Total disbursements	407	118	14,495	736,313	83,777	158,633	8,526	10,912,083
Excess (deficiency) of receipts over disbursements	(407)	(118)	(14,495)	(521,791)	(68,777)	(11,621)	-	367,442
Other financing sources (uses):								
Sale of capital assets	-	-	-	-	-	-	-	31,474
Transfers in	-	-	-	-	-	-	-	59,457
Transfers out	-	-	-	-	-	-	-	(59,457)
Total other financing sources (uses)	-	-	-	-	-	-	-	31,474
Excess (deficiency) of receipts and other financing sources over disbursements and other financing uses	(407)	(118)	(14,495)	(521,791)	(68,777)	(11,621)	-	398,916
Cash and investments - ending	\$ 1,128	\$ (118)	\$ (14,495)	\$ -	\$ (68,777)	\$ (11,621)	\$ -	\$ 2,509,257

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

	General	Debt Service	Retirement/ Severance Bond Debt Service	Capital Projects	School Transportation	School Bus Replacement	Special Education Preschool	Rainy Day	Retirement/ Severance Bond	Post - Retirement/ Severance Future Benefits
Cash and investments - beginning	\$ 1,170,272	\$ (43,961)	\$ (35,325)	\$ (75,188)	\$ 273,675	\$ 38,922	\$ -	\$ 391,638	\$ 21,200	\$ -
Receipts:										
Local sources	29,627	962,375	165,776	1,296,891	1,072,024	67,830	-	-	-	-
Intermediate sources	588	-	-	-	-	-	-	-	-	-
State sources	6,327,659	-	-	-	-	-	-	-	-	-
Federal sources	-	-	-	-	-	-	-	-	-	-
Temporary loans	-	-	-	-	-	-	-	-	-	-
Interfund loans	-	-	-	-	-	-	-	-	-	-
Other	-	-	-	-	778	-	-	-	-	-
Total receipts	<u>6,357,874</u>	<u>962,375</u>	<u>165,776</u>	<u>1,296,891</u>	<u>1,072,802</u>	<u>67,830</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Disbursements:										
Current:										
Instruction	4,575,363	-	-	-	-	-	-	-	-	-
Support services	1,625,969	-	-	469,504	521,412	-	-	-	-	-
Noninstructional services	173,156	-	-	-	-	-	-	-	-	-
Facilities acquisition and construction	-	-	-	486,462	-	-	-	-	-	-
Debt services	-	470,497	92,031	-	-	-	-	-	-	-
Nonprogrammed charges	107,390	-	-	-	-	-	-	-	-	-
Interfund loans	-	-	-	-	-	-	-	-	-	-
Total disbursements	<u>6,481,878</u>	<u>470,497</u>	<u>92,031</u>	<u>955,966</u>	<u>521,412</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Excess (deficiency) of receipts over disbursements	<u>(124,004)</u>	<u>491,878</u>	<u>73,745</u>	<u>340,925</u>	<u>551,390</u>	<u>67,830</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Other financing sources (uses):										
Sale of capital assets	14,828	-	-	-	174	-	-	-	-	-
Transfers in	-	-	-	-	-	-	-	400,000	-	-
Transfers out	(431,783)	-	-	-	(400,000)	-	-	-	-	-
Total other financing sources (uses)	<u>(416,955)</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>(399,826)</u>	<u>-</u>	<u>-</u>	<u>400,000</u>	<u>-</u>	<u>-</u>
Excess (deficiency) of receipts and other financing sources over disbursements and other financing uses	<u>(540,959)</u>	<u>491,878</u>	<u>73,745</u>	<u>340,925</u>	<u>151,564</u>	<u>67,830</u>	<u>-</u>	<u>400,000</u>	<u>-</u>	<u>-</u>
Cash and investments - ending	<u>\$ 629,313</u>	<u>\$ 447,917</u>	<u>\$ 38,420</u>	<u>\$ 265,737</u>	<u>\$ 425,239</u>	<u>\$ 106,752</u>	<u>\$ -</u>	<u>\$ 791,638</u>	<u>\$ 21,200</u>	<u>\$ -</u>

CLINTON CENTRAL 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)

	Construction	Construction Student Help	School Lunch	Textbook Rental	Repair and Replacement	Self- Insurance	Levy Excess	Educational License Plates	Foundation Grants
Cash and investments - beginning	\$ -	\$ (1,652)	\$ 60,994	\$ 9,815	\$ -	\$ 713,136	\$ 10,830	\$ 1,125	\$ (252)
Receipts:									
Local sources	-	-	324,484	77,360	-	1,183,925	12,889	-	-
Intermediate sources	-	-	-	-	-	-	-	169	-
State sources	-	-	6,008	28,907	-	-	-	-	-
Federal sources	-	-	188,502	-	-	-	-	-	-
Temporary loans	-	-	-	-	-	-	-	-	-
Interfund loans	-	-	-	-	-	-	-	-	-
Other	-	-	-	-	19,014	-	-	-	-
Total receipts	-	-	518,994	106,267	19,014	1,183,925	12,889	169	-
Disbursements:									
Current:									
Instruction	-	-	-	-	4,137	-	-	-	-
Support services	849	6,605	1,141	123,158	-	1,474,207	-	-	-
Noninstructional services	-	-	462,800	-	-	-	-	-	-
Facilities acquisition and construction	-	-	-	-	-	-	-	-	-
Debt services	-	-	-	-	-	-	-	-	-
Nonprogrammed charges	-	-	-	-	-	-	-	-	-
Interfund loans	-	-	-	-	-	-	-	-	-
Total disbursements	849	6,605	463,941	123,158	4,137	1,474,207	-	-	-
Excess (deficiency) of receipts over disbursements	(849)	(6,605)	55,053	(16,891)	14,877	(290,282)	12,889	169	-
Other financing sources (uses):									
Sale of capital assets	-	-	-	-	-	-	-	-	-
Transfers in	-	-	-	-	-	-	-	-	-
Transfers out	849	8,257	(60)	7,076	(849)	-	-	-	252
Total other financing sources (uses)	849	8,257	(60)	7,076	(849)	-	-	-	252
Excess (deficiency) of receipts and other financing sources over disbursements and other financing uses	-	1,652	54,993	(9,815)	14,028	(290,282)	12,889	169	252
Cash and investments - ending	\$ -	\$ -	\$ 115,987	\$ -	\$ 14,028	\$ 422,854	\$ 23,719	\$ 1,294	\$ -

CLINTON CENTRAL 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)

	CC Education Foundation	Emerson Scholarship	Mattix Trust	Thorley Trust	Recreational Activities	Scholarships and Awards	Julia Davis Pearson Scholarship	Jenny Butler Scholarship
Cash and investments - beginning	\$ -	\$ 1,000	\$ 2,153	\$ -	\$ -	\$ 1,041	\$ 26,323	\$ 422
Receipts:								
Local sources	2,331	-	-	588	-	-	887	-
Intermediate sources	-	-	-	-	-	-	-	-
State sources	-	-	-	-	-	-	-	-
Federal sources	-	-	-	-	-	-	-	-
Temporary loans	-	-	-	-	-	-	-	-
Interfund loans	-	-	-	-	-	-	-	-
Other	-	-	-	-	-	-	-	-
Total receipts	<u>2,331</u>	<u>-</u>	<u>-</u>	<u>588</u>	<u>-</u>	<u>-</u>	<u>887</u>	<u>-</u>
Disbursements:								
Current:								
Instruction	1,735	-	-	594	-	-	-	-
Support services	-	-	-	-	-	-	-	-
Noninstructional services	-	-	-	-	-	-	-	-
Facilities acquisition and construction	-	-	-	-	-	-	-	-
Debt services	-	-	-	-	-	-	-	-
Nonprogrammed charges	-	1,000	-	-	-	125	1,000	-
Interfund loans	-	-	-	-	-	-	-	-
Total disbursements	<u>1,735</u>	<u>1,000</u>	<u>-</u>	<u>594</u>	<u>-</u>	<u>125</u>	<u>1,000</u>	<u>-</u>
Excess (deficiency) of receipts over disbursements	<u>596</u>	<u>(1,000)</u>	<u>-</u>	<u>(6)</u>	<u>-</u>	<u>(125)</u>	<u>(113)</u>	<u>-</u>
Other financing sources (uses):								
Sale of capital assets	-	-	-	-	-	-	-	-
Transfers in	-	-	-	-	-	-	-	-
Transfers out	-	-	-	6	-	-	-	-
Total other financing sources (uses)	<u>-</u>	<u>-</u>	<u>-</u>	<u>6</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Excess (deficiency) of receipts and other financing sources over disbursements and other financing uses	<u>596</u>	<u>(1,000)</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>(125)</u>	<u>(113)</u>	<u>-</u>
Cash and investments - ending	<u>\$ 596</u>	<u>\$ -</u>	<u>\$ 2,153</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 916</u>	<u>\$ 26,210</u>	<u>\$ 422</u>

CLINTON CENTRAL 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)

	Everett Davis Estate	CCE Swimming Program	Clinton Central Recycling Project	Best Buy Tag Award	Light Pole Repair	High Ability Grant 2010-11	High Ability Grant 2007-08	Teacher Quality Improvement Program	High Ability Grant 2009-10
Cash and investments - beginning	\$ 582	\$ -	\$ 13,366	\$ -	\$ 6,368	\$ -	\$ (1,976)	\$ 6,573	\$ 703
Receipts:									
Local sources	-	1,200	36	-	-	-	-	-	-
Intermediate sources	-	-	8,000	-	-	-	-	-	-
State sources	-	-	-	-	-	29,089	-	-	-
Federal sources	-	-	-	-	-	-	-	-	-
Temporary loans	-	-	-	-	-	-	-	-	-
Interfund loans	-	-	-	-	-	-	-	-	-
Other	-	-	-	-	-	-	-	-	-
Total receipts	-	1,200	8,036	-	-	29,089	-	-	-
Disbursements:									
Current:									
Instruction	-	445	-	-	-	25,870	-	-	280
Support services	-	-	17,745	-	6,368	-	-	-	-
Noninstructional services	-	-	-	-	-	-	-	-	-
Facilities acquisition and construction	-	-	-	-	-	-	-	-	-
Debt services	-	-	-	-	-	-	-	-	-
Nonprogrammed charges	-	-	-	-	-	-	-	-	-
Interfund loans	-	-	-	-	-	-	-	-	-
Total disbursements	-	445	17,745	-	6,368	25,870	-	-	280
Excess (deficiency) of receipts over disbursements	-	755	(9,709)	-	(6,368)	3,219	-	-	(280)
Other financing sources (uses):									
Sale of capital assets	-	-	-	-	-	-	-	-	-
Transfers in	-	-	-	-	-	-	-	-	-
Transfers out	-	-	-	-	-	-	1,976	2,622	(423)
Total other financing sources (uses)	-	-	-	-	-	-	1,976	2,622	(423)
Excess (deficiency) of receipts and other financing sources over disbursements and other financing uses	-	755	(9,709)	-	(6,368)	3,219	1,976	2,622	(703)
Cash and investments - ending	\$ 582	\$ 755	\$ 3,657	\$ -	\$ -	\$ 3,219	\$ -	\$ 9,195	\$ -

CLINTON CENTRAL 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)

	Medicaid Reimbursement	Non-English Speaking Programs P.L. 273-1999	Clinton County Drug Free	School Consolidation Study	Fresh Fruit and Vegetable Grant	Moving Forward Grant	Title I 2006-07	Title I 2007-08	Title I 2005-06
Cash and investments - beginning	\$ 450	\$ 850	\$ 178	\$ 1,469	\$ 4,260	\$ 1,322	\$ (6,076)	\$ -	\$ -
Receipts:									
Local sources	-	-	-	-	-	-	-	-	-
Intermediate sources	-	-	-	-	-	-	-	-	-
State sources	-	-	-	-	-	-	-	-	-
Federal sources	-	-	-	-	-	-	-	-	-
Temporary loans	-	-	-	-	-	-	-	-	-
Interfund loans	-	-	-	-	-	-	-	-	-
Other	-	-	-	-	-	-	-	-	-
Total receipts	-	-	-	-	-	-	-	-	-
Disbursements:									
Current:									
Instruction	-	-	-	-	-	-	-	-	-
Support services	-	-	-	-	-	-	-	-	-
Noninstructional services	-	-	-	-	-	-	-	-	-
Facilities acquisition and construction	-	-	-	-	-	-	-	-	-
Debt services	-	-	-	-	-	-	-	-	-
Nonprogrammed charges	-	-	-	-	-	-	-	-	-
Interfund loans	-	-	-	-	-	-	-	-	-
Total disbursements	-	-	-	-	-	-	-	-	-
Excess (deficiency) of receipts over disbursements	-	-	-	-	-	-	-	-	-
Other financing sources (uses):									
Sale of capital assets	-	-	-	-	-	-	-	-	-
Transfers in	-	-	-	-	-	-	-	-	-
Transfers out	-	-	-	-	-	-	6,076	-	-
Total other financing sources (uses)	-	-	-	-	-	-	6,076	-	-
Excess (deficiency) of receipts and other financing sources over disbursements and other financing uses	-	-	-	-	-	-	6,076	-	-
Cash and investments - ending	\$ 450	\$ 850	\$ 178	\$ 1,469	\$ 4,260	\$ 1,322	\$ -	\$ -	\$ -

CLINTON CENTRAL 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 I 2008-09	Title I 2009-10	Title I 2010-11	Innovative Education Program Strategies Title V (Part A)	Title V 2005-06	Wildcat Creek 2007-08	Wildcat Creek 2006-07	Special Education 2007-08	Special Education 2005-06
Cash and investments - beginning	\$ -	\$ (21)	\$ -	\$ -	\$ 69	\$ 650	\$ (765)	\$ (3,313)	\$ (30)
Receipts:									
Local sources	-	-	-	-	-	-	-	-	-
Intermediate sources	-	-	-	-	-	-	-	-	-
State sources	-	-	-	-	-	-	-	-	-
Federal sources	-	22,000	164,554	-	-	-	-	-	-
Temporary loans	-	-	-	-	-	-	-	-	-
Interfund loans	-	-	-	-	-	-	-	-	-
Other	-	-	-	-	-	-	-	-	-
Total receipts	-	22,000	164,554	-	-	-	-	-	-
Disbursements:									
Current:									
Instruction	-	22,554	174,003	-	-	-	-	-	-
Support services	-	-	-	-	-	-	-	-	-
Noninstructional services	-	-	-	-	-	-	-	-	-
Facilities acquisition and construction	-	-	-	-	-	-	-	-	-
Debt services	-	-	-	-	-	-	-	-	-
Nonprogrammed charges	-	-	-	-	-	-	-	-	-
Interfund loans	-	-	-	-	-	-	-	-	-
Total disbursements	-	22,554	174,003	-	-	-	-	-	-
Excess (deficiency) of receipts over disbursements	-	(554)	(9,449)	-	-	-	-	-	-
Other financing sources (uses):									
Sale of capital assets	-	-	-	-	-	-	-	-	-
Transfers in	-	-	-	-	-	-	-	-	-
Transfers out	-	575	9,449	-	(69)	(650)	765	3,313	30
Total other financing sources (uses)	-	575	9,449	-	(69)	(650)	765	3,313	30
Excess (deficiency) of receipts and other financing sources over disbursements and other financing uses	-	21	-	-	(69)	(650)	765	3,313	30
Cash and investments - ending	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -

CLINTON CENTRAL 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)

	Special Education Flow Through 2008-09	(IDEA, Part B) LEA Capacity Building (Sliver) Grants	Special Education Flow Through 2010-11	Drug Free Schools	5850 Title IV Safe and Drug Free	5860 Title IV Safe and Drug Free	Title V 2007-09	Carl Perkins Fund 2007-08	Carl Perkins Fund 2004-05
Cash and investments - beginning	\$ -	\$ 21,185	\$ -	\$ (15)	\$ (6,291)	\$ (48,641)	\$ (257)	\$ -	\$ 7,911
Receipts:									
Local sources	-	-	-	-	-	-	-	-	-
Intermediate sources	-	-	-	-	-	-	-	-	-
State sources	-	-	-	-	-	-	-	-	-
Federal sources	-	-	-	-	-	-	-	-	-
Temporary loans	-	-	-	-	-	-	-	-	-
Interfund loans	-	-	-	-	-	-	-	-	-
Other	-	-	-	-	-	-	-	-	-
Total receipts	-	-	-	-	-	-	-	-	-
Disbursements:									
Current:									
Instruction	-	40,323	147,794	-	-	1,073	-	-	-
Support services	-	-	-	-	-	-	-	-	-
Noninstructional services	-	-	-	-	-	-	-	-	-
Facilities acquisition and construction	-	-	-	-	-	-	-	-	-
Debt services	-	-	-	-	-	-	-	-	-
Nonprogrammed charges	-	-	-	-	-	-	-	-	-
Interfund loans	-	-	-	-	-	-	-	-	-
Total disbursements	-	40,323	147,794	-	-	1,073	-	-	-
Excess (deficiency) of receipts over disbursements	-	(40,323)	(147,794)	-	-	(1,073)	-	-	-
Other financing sources (uses):									
Sale of capital assets	-	-	-	-	-	-	-	-	-
Transfers in	-	-	-	-	-	-	-	-	-
Transfers out	-	19,138	147,794	15	6,291	49,714	257	-	-
Total other financing sources (uses)	-	19,138	147,794	15	6,291	49,714	257	-	-
Excess (deficiency) of receipts and other financing sources over disbursements and other financing uses	-	(21,185)	-	15	6,291	48,641	257	-	-
Cash and investments - ending	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 7,911

CLINTON CENTRAL 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)

	Carl Perkins Fund 2008-09	Carl Perkins Fund 2009-10	6271 Carl Perkins Fund 2010-11	6280 Carl Perkins Fund 2010-11	Medicaid Reimbursement - Federal	Improving Teaching Quality, No Child Left, Title II, Part A	Title II Part A Improving Teacher Quality	ITQ, Enhanced Education Through Technology, Title II, Part D
Cash and investments - beginning	\$ (489)	\$ (31,323)	\$ -	\$ -	\$ 15,744	\$ 54,489	\$ -	\$ -
Receipts:								
Local sources	-	-	-	-	-	-	-	-
Intermediate sources	-	-	-	-	-	-	-	-
State sources	-	-	-	-	-	-	-	-
Federal sources	-	6,973	15,125	15,125	-	1,000	-	7,398
Temporary loans	-	-	-	-	-	-	-	-
Interfund loans	-	-	-	-	-	-	-	-
Other	-	-	-	-	-	-	-	-
Total receipts	-	6,973	15,125	15,125	-	1,000	-	7,398
Disbursements:								
Current:								
Instruction	-	-	-	-	-	-	-	-
Support services	-	16,809	-	35,091	-	-	4,548	-
Noninstructional services	-	-	-	-	-	-	-	-
Facilities acquisition and construction	-	-	-	-	-	-	-	-
Debt services	-	-	-	-	-	-	-	-
Nonprogrammed charges	-	-	-	-	-	-	-	-
Interfund loans	-	-	-	-	-	-	-	-
Total disbursements	-	16,809	-	35,091	-	-	4,548	-
Excess (deficiency) of receipts over disbursements	-	(9,836)	15,125	(19,966)	-	1,000	(4,548)	7,398
Other financing sources (uses):								
Sale of capital assets	-	-	-	-	-	-	-	-
Transfers in	-	-	(15,125)	15,125	-	-	-	-
Transfers out	489	41,159	-	4,841	-	(4,548)	4,548	-
Total other financing sources (uses)	489	41,159	(15,125)	19,966	-	(4,548)	4,548	-
Excess (deficiency) of receipts and other financing sources over disbursements and other financing uses	489	31,323	-	-	-	(3,548)	-	7,398
Cash and investments - ending	\$ -	\$ -	\$ -	\$ -	\$ 15,744	\$ 50,941	\$ -	\$ 7,398

CLINTON CENTRAL 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)

	Rural Schools Achievement	Title III, Language Instruction	Title II 2008-09	Fiscal Stabilization - Education	Title I - Grants to LEAs	Special Education - Part B	Special Education - Part B - Preschool	Totals
Cash and investments - beginning	\$ 1,128	\$ (118)	\$ (14,495)	\$ -	\$ (68,777)	\$ (11,621)	\$ -	\$ 2,509,257
Receipts:								
Local sources	-	-	-	-	-	-	-	5,198,223
Intermediate sources	-	-	-	-	-	-	-	8,757
State sources	-	-	-	-	-	-	-	6,391,663
Federal sources	-	-	-	-	3,000	61,568	-	485,245
Temporary loans	-	-	-	-	-	-	-	-
Interfund loans	-	-	-	-	-	-	-	-
Other	-	-	-	-	-	-	-	19,792
Total receipts	-	-	-	-	3,000	61,568	-	12,103,680
Disbursements:								
Current:								
Instruction	-	-	-	-	25,158	71,113	-	5,090,442
Support services	-	-	-	-	3,389	-	-	4,306,795
Noninstructional services	-	-	-	-	-	-	-	635,956
Facilities acquisition and construction	-	-	-	-	-	-	-	486,462
Debt services	-	-	-	-	-	-	-	562,528
Nonprogrammed charges	-	-	-	-	-	-	-	109,515
Interfund loans	-	-	-	-	-	-	-	-
Total disbursements	-	-	-	-	28,547	71,113	-	11,191,698
Excess (deficiency) of receipts over disbursements	-	-	-	-	(25,547)	(9,545)	-	911,982
Other financing sources (uses):								
Sale of capital assets	-	-	-	-	-	-	-	15,002
Transfers in	-	-	-	-	-	-	-	400,000
Transfers out	-	118	14,495	-	94,324	21,166	-	(392,787)
Total other financing sources (uses)	-	118	14,495	-	94,324	21,166	-	22,215
Excess (deficiency) of receipts and other financing sources over disbursements and other financing uses	-	118	14,495	-	68,777	11,621	-	934,197
Cash and investments - ending	\$ 1,128	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 3,443,454

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CLINTON CENTRAL SCHOOL CORPORATION
SUPPLEMENTARY INFORMATION
SCHEDULE OF LONG-TERM DEBT
June 30, 2011

The School Corporation has entered into the following debt:

Description of Debt	Ending Principal Balance	Principal and Interest Due Within One Year
Governmental activities:		
Capital leases:		
2000 Energy Savings Lease	\$ 1,028,532	\$ 115,253
2009 QSCB School Building Capital Lease	10,000,000	171,000
2010 QSCB School Building Capital Lease	2,445,000	865,500
2010 Refunding School Building Capital Lease	2,205,000	322,500
Bonds payable:		
General obligation bonds:		
2004 Pension bonds	745,000	45,150
Total governmental activities debt	\$ 16,423,532	\$ 1,519,403

CLINTON CENTRAL SCHOOL CORPORATION
OTHER REPORT

The audit report presented herein was prepared in addition to another official report prepared for the School Corporation as listed below:

Clinton Central School Corporation Supplemental Report

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 CLINTON CENTRAL SCHOOL
CORPORATION, CLINTON COUNTY, INDIANA

Compliance

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

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

In our opinion, the School Corporation complied, in all material respects, with the requirements referred to above that are applicable to each of its major federal programs for the years ended June 30, 2010 and 2011. The results of our auditing procedures also disclosed other instances of noncompliance with those requirements which are required to be reported in accordance with OMB Circular A-133 and which are described in the accompanying Schedule of Findings and Questioned Costs as items 2011-3 and 2011-4.

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

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)

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.

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

A deficiency in internal control over compliance exists when the design or operation of a control does not allow management or employees, in the normal course of performing their assigned functions, to prevent or detect and correct noncompliance with a type of compliance requirement of a federal program on a timely basis. A material weakness in internal control over compliance is a deficiency, or combination of deficiencies, in internal control over compliance, such that there is a reasonable possibility that material noncompliance with a type of compliance requirement of a federal program will not be prevented, or detected and corrected, on a timely basis. We consider the deficiency in internal control over compliance described in the accompanying Schedule of Findings and Questioned Costs as item 2011-5 to be a material weakness.

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

This report is intended solely for the information and use of the School Corporation's management, 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 14, 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.

CLINTON CENTRAL 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 2009-10 FY 2010-11	\$ 31,574 -	\$ - 28,455
Total for program			<u>31,574</u>	<u>28,455</u>
National School Lunch Program	10.555	FY 2009-10 FY 2010-11	195,054 -	- 198,218
Total for program			<u>195,054</u>	<u>198,218</u>
Total for federal grantor agency			<u>226,628</u>	<u>226,673</u>
<u>U.S. DEPARTMENT OF EDUCATION</u>				
Pass-Through Indiana Department of Education				
Title I, Part A Cluster				
Title I Grants to Local Educational Agencies	84.010	09-1150 10-1150 11-1150	52,111 205,755 -	- 38,696 174,003
Total for program			<u>257,866</u>	<u>212,699</u>
ARRA - Title I Grants to Local Educational Agencies, Recovery Act	84.389	FY 2009-10 FY 2010-11	83,777 -	- 28,548
Total for program			<u>83,777</u>	<u>28,548</u>
Total for cluster			<u>341,643</u>	<u>241,247</u>
Pass-Through Community Schools of Frankfort				
Special Education Cluster (IDEA)				
Special Education - Grants to States	84.027	FY 2008-09 FY 2009-10 FY 2010-11	15,000 165,901 -	- 40,322 147,794
Total for program			<u>180,901</u>	<u>188,116</u>
Special Education - Preschool Grants	84.173	44410-10-PN01	8,526	-
ARRA - Special Education - Grants to States, Recovery Act	84.391	33310-006-SN01 FY 2010-11	158,633 -	- 71,113
Total for program			<u>158,633</u>	<u>71,113</u>
Total for cluster			<u>348,060</u>	<u>259,229</u>
Pass-Through Indiana Department of Education				
State Fiscal Stabilization Fund Cluster				
ARRA - State Fiscal Stabilization Fund (SFSF) - Education State Grants, Recovery Act	84.394	FY 2009-10	736,314	-
Career and Technical Education - Basic Grants to States	84.048	FY 2007-08 FY 2008-09 FY 2009-10 FY 2010-11	25,680 11,590 52,243 -	- - 16,809 35,091
Total for program			<u>89,513</u>	<u>51,900</u>
Safe and Drug-Free Schools and Communities - State Grants	84.186	FY 2008-09 FY 2009-10	99 20,030	- 1,074
Total for program			<u>20,129</u>	<u>1,074</u>
State Grants for Innovative Programs	84.298	FY 2009-2010	1,931	-
Improving Teacher Quality State Grants	84.367	FY 2008-09 FY 2009-10 FY 2010-11	3,720 - 407	- 4,548 -
Total for program			<u>4,127</u>	<u>4,548</u>
Total for federal grantor agency			<u>1,541,717</u>	<u>557,998</u>
Total federal awards expended			<u>\$ 1,768,345</u>	<u>\$ 784,671</u>

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

CLINTON CENTRAL 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 Clinton Central School Corporation (School Corporation) and is presented in accordance with the cash and investment basis of accounting used in the preparation of the financial statement. Accordingly, the amount of federal awards expended is based on when the disbursement related to the award occurs except when the federal award is received on a reimbursement basis. In these instances the federal awards are considered expended when the reimbursement is received.

Circular A-133 requires an annual audit of nonfederal entities expending a total amount of federal awards equal to or in excess of \$500,000 in any fiscal year unless by constitution or statute a less frequent audit is required. In accordance with Indiana Code (IC 5-11-1 et seq.), audits of school corporations shall be conducted biennially. Such audits shall include both years within the biennial period.

Note 2. Noncash Assistance

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

Program Title	Federal CFDA Number	2010	2011
School Breakfast Program	10.553	\$ 3,985	\$ -
National School Lunch Program	10.555	24,619	28,455

CLINTON CENTRAL 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?	yes
Significant deficiency identified?	none reported
Noncompliance material to financial statement noted?	no

Federal Awards:

Internal control over major programs:	
Material weaknesses identified?	yes
Significant deficiency identified?	none reported
Type of auditor's report issued on compliance for major programs:	Unqualified
Any audit findings disclosed that are required to be reported in accordance with section 510(a) of Circular A-133?	yes

Identification of Major Programs:

Name of Federal Program or Cluster

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

FINDING 2011-1 - INTERNAL CONTROLS OVER FINANCIAL TRANSACTIONS AND REPORTING

We noted several deficiencies in the internal control system of the School Corporation related to financial transactions and reporting. We believe the following deficiencies constitute material weaknesses:

1. Lack of Segregation of Duties: Control activities should be selected and developed at various levels of the School Corporation to reduce risks to achievement of financial reporting objectives. The School Corporation has not separated incompatible actives related to receipts, disbursements, payroll and related liabilities, and cash and investment balances. The failure to establish these controls could enable material misstatements or irregularities to undetected.

CLINTON CENTRAL SCHOOL CORPORATION
SCHEDULE OF FINDINGS AND QUESTIONED COSTS
(Continued)

2. **Preparing Financial Statements:** Effective internal control over financial reporting involves the identification and analysis of the risks of material misstatement to the school corporation's audited financial statement and then determining how those identified risks should be managed. The School Corporation has not identified risks to the preparation of reliable financial statement and as a result has failed to design effective controls over the preparation of the financial statement to prevent or detect material misstatements, including notes to the financial statement.
3. **Monitoring of Controls:** Effective internal control over financial reporting requires the School Board to monitor and assess the quality of the School Corporation's system of internal control. The School Board has not performed either an ongoing or separate evaluation of their system of internal controls. The failure to exercise their oversight responsibility places the School Corporation at risk that controls may not be designed or operating effectively to provide reasonable assurance that controls will prevent or detect material misstatements in a timely manner. Additionally, the School Corporation has no process to identify or communicate corrective actions to improve controls.

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.

Controls over the receipting, disbursing, recording and accounting for the financial activities are necessary to avoid substantial risk of invalid transactions, inaccurate records and financial statements and incorrect decision making. (Accounting and Uniform Compliance Guidelines Manual for Indiana Public School Corporations, Chapter 9)

We recommended that the School Corporation consider implementing appropriate internal controls for greater assurances regarding the financial transactions and reports.

FINDING 2011-2 - TRANSFERS OF FUND BALANCES

Several transactions were recorded as "negative" receipts and disbursements. The disbursement transactions were done for the purpose of avoiding negative fund balances as shown on the School Corporation's financial statement at June 30, 2011. No evidence was noted of School Board approval of these transactions. Controls were not in place to ensure that transfers were posted correctly or approved by the governing board.

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.

Controls over the receipting, disbursing, recording and accounting for the financial activities are necessary to avoid substantial risk of invalid transactions, inaccurate records and financial statements and incorrect decision making. (Accounting and Uniform Compliance Guidelines Manual for Indiana Public School Corporations, Chapter 9)

CLINTON CENTRAL SCHOOL CORPORATION
SCHEDULE OF FINDINGS AND QUESTIONED COSTS
(Continued)

Without accurate posting or required approvals, transfers could be posted incorrectly.

We recommended that the School Corporation post transactions correctly and with the required approvals.

Section III – Federal Award Findings and Questioned Costs

FINDING 2011-3 - TITLE I REPORTING

Federal Agency: U.S. Department of Education
Federal Program: Title I Grants to Local Educational Agencies
CFDA Number: 84.010
Award Number and Year: 10-1150, 11-1150; 2009-2010, 2010-2011
Pass-Through Entity: Indiana Department of Education

The School Corporation did not file a 2010-2011 Title I Annual Expenditure Report. The 2009-2010 Annual Expenditure Report and the Quarterly Monitoring Report for the quarter ended September 30, 2009, contained errors relating to the cash balances on hand in the applicable Title I Funds. In addition, all eight of the quarterly monitoring reports required for the audit period were filed past the required date of submission. Controls were not in place to ensure that reports due, for each quarter, were filed timely or accurately.

Quarterly monitoring reports are part of the reporting requirements of Title I. These reports are due in the Title I office of the Indiana Department of Education (SEA) on the 10th of the month following the end of the quarter. The SEA uses these reports to ensure that required set-asides (professional development for schools and districts in improvement, Choice/SES, and 1 percent parental involvement reservation) have been met as well as to monitor cash management requirements.

34 CFR 80.20 states in part:

". . . (b) The financial management systems of other grantees and subgrantees must meet the following standards;

- (1) Financial reporting. Accurate, current, and complete disclosure of the financial results of financially assisted activities must be made in accordance with financial reporting requirements of the grant or subgrant. . . ."

Without accurate and timely reports the SEA may not have the proper monies set aside for future distributions.

We recommended that the School Corporation prepare and file all required reports in a timely manner and that the information submitted is supported by the Form 9's and fund ledger for the applicable time period.

CLINTON CENTRAL SCHOOL CORPORATION
SCHEDULE OF FINDINGS AND QUESTIONED COSTS
(Continued)

FINDING 2011-4 - SPECIAL EDUCATION REPORTING

Federal Agency: U.S. Department of Education
Federal Program: ARRA - Special Education - Grants To States, Recovery Act
CFDA Number: 84.391
Award Number and Year: 33310-006-SN01 FY 09-10; FY 10-11
Pass-Through Entity: Community Schools of Frankfort

Only 3 of the 24 Monthly Monitoring Reports required to be submitted to the Community Schools of Frankfort for ARRA - Part B, IDEA FY 2009-2010 and ARRA - Part B IDEA 2010-2011 project years were filed.

Monthly Monitoring Reports for ARRA - Part B, IDEA, FY 2009-2010 and FY 2010-2011 were due to the Community Schools of Frankfort (SEA) on the 10th of each month. These reports are used by the Community Schools of Frankfort to monitor cash balances of grant subrecipients so that cash management requirements at the local level are complied with. Controls were not in place to ensure that reports due, for each month, were filed timely.

34 CFR 80.20 states in part:

" . . . (b) The financial management systems of other grantees and subgrantees must meet the following standards:

- (1) Financial reporting. Accurate, current, and complete disclosure of the financial results of financially assisted activities must be made in accordance with the financial reporting requirements of the grant of subgrant. . . ."

Without accurate and timely reports the SEA will not be able to properly monitor cash balances at the subgrantee level.

We recommended that the School Corporation file the monthly monitoring reports in a timely manner.

FINDING 2011-5 - INTERNAL CONTROLS OVER FINANCIAL TRANSACTIONS AND REPORTING

Federal Agency: U.S. Department of Education
Federal Programs: Title I Grants to Local Educational Agencies; ARRA – Title I Grants to Local Educational Agencies; Special Education - Grants to States; Special Education – Preschool Grants; ARRA - Special Education –Grants to States, Recovery Act
ARRA - State Fiscal Stabilization Fund (SFSF) – Education State Grants, Recovery Act
CFDA Numbers: 84.010, 84.389
84.027, 84.173, 84.391
84.394
Award Number and Year: FY 2009-10, FY 2010-11, 44410-10-PN01, 33310-06-SN01
Pass-Through Entities: Indiana Department of Education, Community Schools of Frankfort

CLINTON CENTRAL SCHOOL CORPORATION
SCHEDULE OF FINDINGS AND QUESTIONED COSTS
(Continued)

We noted several deficiencies in the internal control system of the School Corporation related to financial transactions and reporting. We believe the following deficiencies constitute material weaknesses:

1. Lack of Segregation of Duties: Control activities should be selected and developed at various levels of the School Corporation to reduce risks to achievement of financial reporting objectives. The School Corporation has not separated incompatible activities related to receipts, disbursements, payroll and related liabilities, and cash and investment balances. The failure to establish these controls could enable material misstatements or irregularities to undetected.
2. Preparing Financial Statements: Effective internal control over financial reporting involves the identification and analysis of the risks of material misstatement to the School Corporation's audited financial statement and then determining how those identified risks should be managed. The School Corporation has not identified risks to the preparation of reliable financial statement and as a result has failed to design effective controls over the preparation of the financial statement to prevent or detect material misstatements, including notes to the financial statement.
3. Monitoring of Controls: Effective internal control over financial reporting requires the School Board to monitor and assess the quality of the School Corporation's system of internal control. The School Board has not performed either an ongoing or separate evaluation of their system of internal controls. The failure to exercise oversight responsibility places the school corporation at risk that controls may not be designed or operating effectively to provide reasonable assurance that controls will prevent or detect material misstatements in a timely manner. Additionally, the School Corporation has no process to identify or communicate corrective actions to improve controls.

Circular A133 Subpart C section .300(b) states the auditee shall: "Maintain internal control over Federal programs that provides reasonable assurance that the auditee is managing Federal awards in compliance with laws, regulations, and the provisions of contracts or grant agreements that could have a material effect on each of its Federal programs."

We recommended the School Corporation develop internal control procedures properly segregating accounting activities in the administration office.

**Clinton Central School Corporation
P.O. Box 118 – 725 North State Road 29
Michigantown, IN 46057
765-249-2515—765-249-2504 (FAX)**

Summary Schedule of Prior Audit Findings

FINDING 2009-1, TITLE I QUARTERLY REPORT COMPLIANCE

Federal Agency: U.S. Department of Education
Federal Program: Title I Grants to Local Educational Agencies
CFDA Number: 84.010
Federal Award No.: N/A
Pass-Through Entity: Indiana Department of Education
Auditee Contact Person: Jaclyn Sheets
Contact Person Title: Treasurer
Contact Phone Number: 765-249-2515

Due to personnel changes the required Title I reports are now being filed on a timely basis.



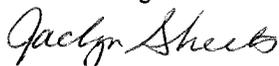
Jaclyn Sheets
Treasurer

Clinton Central School Corporation
P.O. Box 118 – 725 North State Road 29
Michigantown, IN 46057
765-249-2515—765-249-2504 (FAX)

Corrective Action Plan – Section II Financial Statement Findings

FINDING 2011-1 - INTERNAL CONTROLS OVER FINANCIAL TRANSACTIONS AND REPORTING

The management of Clinton Central School Corporation has reviewed the financial statement finding regarding inadequate internal controls. The office responsible for maintaining the accounting records has limited segregation of duties due to lack of personnel. We have separated duties whenever possible to allow for better monitoring of the various functions. We are not able to hire additional personnel at this time to improve our internal controls due to budget constraints. Management acknowledges and assumes the risk inherent with the current design of our business office.



Jaclyn Sheets
Treasurer

FINDING 2011-2 NEGATIVE DISBURSEMENTS

Going forward we will not post negative transactions to our ledgers.



Jaclyn Sheets
Treasurer



Clinton Central School Corporation
P.O. Box 118 – 725 North State Road 29
Michigantown, IN 46057
765-249-2515—765-249-2504 (FAX)

Corrective Action Plan – Section III Federal Award Findings

FINDING 2011-3 INTERNAL CONTROL/REPORTING

Federal Agency: U.S. Department of Education
Federal Program: Title I Grants to Local Educational Agencies
CFDA Number 84.010
Pass-Through Entity: Indiana Department of Education
Award Number and Year: N/A
Auditee Contact Person: Jaclyn Sheets
Title of Contact Person: Treasurer, Clinton Central School Corporation
Phone Number: 765-249-2515

We are currently filing the required Title I reports on a timely basis. Comparison of the report amounts are made to ledgers before filing to ensure accuracy.

Jaclyn Sheets
Treasurer

FINDING 2011-4 SPECIAL EDUCATION REPORTING

Federal Agency: U.S. Department of Education
Federal Program: ARRA – Special Education Grants to States
CFDA Number: 84.027
Federal Award Number and Year: 33310-006-sn01, 2009-2010, 2010-2011
Pass-Through Entity: Community Schools of Frankfort

We are currently filing the required ARRA – Special Education Program reports on a timely basis.

Jaclyn Sheets
Treasurer

Correction Action Plan (Continued)

FEDERAL FINDING 2011-5, INTERNAL CONTROLS OVER FINANCIAL TRANSACTIONS AND REPORTING

Federal Agency: U.S. Department of Education
Federal Program (CFDA Titles): Title I Grants to Local Educational Agencies
Special Education Grants to States
State Fiscal Stabilization Fund (SFSF) – Education State Grants 84.010,
CFDA Number: 84.010, 84.389, 84.027,
84.173, 84.391, 84.394
Pass-Through Entity: Indiana Department of Education, Community Schools of Frankfort
Federal Award Number and Year: FY 2009-10, FY 2010-11, 44410-10-PN01, 33310-06-SN01

The management of Clinton Central School Corporation has reviewed the financial statement finding regarding inadequate internal controls. The office responsible for maintaining the accounting records has limited segregation of duties due to lack of personnel. We have separated duties whenever possible to allow for better monitoring of the various functions. We are not able to hire additional personnel at this time to improve our internal controls due to budget constraints. Management acknowledges and assumes the risk inherent with the current design of our business office.


Jaclyn Sheets
Treasurer

CLINTON CENTRAL SCHOOL CORPORATION
EXIT CONFERENCE

The contents of this report were discussed on January 17, 2012, with Jaclyn Sheets, Treasurer; Dr. Celia Shand, Superintendent of Schools; Deborah Rawlings, President of the School Board; Robert Brinson, School Board member; and Clint Orr, School Board member. The officials concurred with our audit findings.