

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

FINANCIAL STATEMENT AND  
FEDERAL SINGLE AUDIT REPORT  
OF

BENTON COMMUNITY SCHOOL CORPORATION  
BENTON COUNTY, INDIANA

July 1, 2009 to June 30, 2011



**FILED**

02/24/2012



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### SCHEDULE OF OFFICIALS

<u>Office</u>	<u>Official</u>	<u>Term</u>
Treasurer	Tracy Albertson	07-01-09 to 06-30-12
Superintendent of Schools	Ross L. Sloat William Glentzer Destin Haas	07-01-09 to 08-15-10 08-16-10 to 07-31-11 08-01-11 to 06-30-12
President of the School Board	James Deckard Tammy Muthig	07-01-09 to 06-30-11 07-01-11 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](http://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 BENTON COMMUNITY SCHOOL  
CORPORATION, BENTON COUNTY, INDIANA

We have audited the accompanying financial statement of the Benton Community School Corporation (School Corporation), for the years ended June 30, 2010 and 2011. This financial statement is the responsibility of the School Corporation's management. Our responsibility is to express an opinion on the financial statement based on our audit.

We conducted our audit in accordance with auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in Government Auditing Standards, issued by the Comptroller General of the United States. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statement is free of material misstatement. An audit includes consideration of internal control over financial reporting as a basis for designing audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the School Corporation's internal control over reporting. Accordingly, we express no such opinion. An audit includes examining, on a test basis, evidence supporting the amounts and disclosures in the financial statement. An audit also includes assessing the accounting principles used and significant estimates made by management, as well as evaluating the overall financial statement presentation. We believe that our audit provides a reasonable basis for our 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 February 2, 2012, on our consideration of the School Corporation's internal control over financial reporting and our tests of its compliance with certain provisions of laws, regulations, contracts, grant agreements, and other matters. The purpose of that report is to describe the scope of our testing of internal control over financial reporting and compliance and the results of that testing and not to provide an opinion on the internal control over financial reporting or on compliance. That report is an integral part of an audit performed in accordance with Government Auditing Standards and should be considered in assessing the results of our audit.

INDEPENDENT AUDITOR'S REPORT ON THE FINANCIAL STATEMENT  
AND SUPPLEMENTARY SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS  
(Continued)

Our audit was conducted for the purpose of forming an opinion on the School Corporation's financial statement. The accompanying Schedule of Expenditures of Federal Awards is presented for purposes of additional analysis as required by the U.S. Office of Management and Budget Circular A-133, Audits of States, Local Governments, and Non-Profit Organizations, and is not a required part of the financial statement. Such information has been subjected to the auditing procedures applied in the audit of the financial statement and, in our opinion, is fairly stated, in all material respects, in relation to the financial statement taken as a whole.

Our audit was conducted for the purpose of forming an opinion on the School Corporation's financial statement. The Combining Schedules of Receipts, Disbursements, Other Financing Sources (Uses), and Cash and Investment Balances – Regulatory Basis 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

February 2, 2012



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

TO: THE OFFICIALS OF THE BENTON COMMUNITY SCHOOL  
CORPORATION, BENTON COUNTY, INDIANA

We have audited the financial statement of the Benton Community School Corporation (School Corporation), for the years ended June 30, 2010 and 2011, and have issued our report thereon dated February 2, 2012. We conducted our audit in accordance with auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in Government Auditing Standards, issued by the Comptroller General of the United States.

Internal Control Over Financial Reporting

In planning and performing our audit, we considered the School Corporation's internal control over financial reporting as a basis for designing our auditing procedures for the purpose of expressing our opinion on the financial statement, but not for the purpose of expressing an opinion on the effectiveness of the School Corporation's internal control over financial reporting. Accordingly, we do not express an opinion on the effectiveness of the School Corporation's internal control over financial reporting.

A deficiency in internal control exists when the design or operation of a control does not allow management or employees, in the normal course of performing their assigned functions, to prevent or detect and correct misstatements on a timely basis. A material weakness is a deficiency, or combination of deficiencies in internal control, such that there is a reasonable possibility that a material misstatement of the entity's financial statement will not be prevented or detected and corrected on a timely basis.

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

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

Compliance and Other Matters

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

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

STATE BOARD OF ACCOUNTS

February 2, 2012

## FINANCIAL STATEMENT

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

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

	Cash and Investments 07-01-09	Receipts	Disbursements	Other Financing Sources (Uses)	Cash and Investments 06-30-10	Receipts	Disbursements	Other Financing Sources (Uses)	Cash and Investments 06-30-11
General	\$ 758,231	\$ 12,964,447	\$ 12,730,136	\$ 2,173	\$ 994,715	\$ 12,643,848	\$ 12,876,544	\$ -	\$ 762,019
Debt Service	(1,155,568)	6,546,340	3,314,437	(800,000)	1,276,335	3,280,929	3,444,571	(1,076,659)	36,034
Retirement/Severance Bond Debt Service	(108,045)	532,781	265,039	-	159,697	337,961	402,189	-	95,469
Capital Projects	644,389	4,374,159	2,760,001	(200,000)	2,058,547	1,991,117	3,050,949	14,089	1,012,804
School Transportation	(192,310)	3,247,970	1,697,024	-	1,358,636	1,799,706	2,152,791	(149,131)	856,420
School Bus Replacement	197,049	622,077	-	(200,000)	619,126	137,269	373,912	314	382,797
Special Education Preschool	30,068	41,105	69,000	(2,173)	-	-	-	-	-
Rainy Day	4,076,133	-	28,264	1,200,000	5,247,869	-	1,010,743	1,300,000	5,537,126
Retirement/Severance Bond	629,063	2,175	126,494	-	504,744	1,862	105,675	-	400,931
Reconstruction	352	3,261	3,613	-	-	21,259	25,214	-	(3,955)
Construction - High School	73,984	-	-	-	73,984	-	67,774	-	6,210
School Lunch	248,798	906,135	841,510	-	313,423	910,945	822,905	-	401,463
Textbook Rental	205,385	216,100	225,623	-	195,862	198,767	160,174	-	234,455
Levy Excess	-	-	-	-	-	10,869	-	(10,869)	-
Perkins Vocational 2008-09	9,858	5,125	14,970	-	13	-	-	-	13
Perkins Grant 2009-10	-	15,791	20,377	-	(4,586)	5,264	678	-	-
Perkins Grant 2010-11	-	-	-	-	-	17,687	24,693	-	(7,006)
Artist in Residence	-	-	-	-	-	2,363	3,112	-	(749)
Educational License Plates	10,314	394	500	-	10,208	2,700	-	-	12,908
SAFE School Haven	97	-	97	-	-	-	-	-	-
SAFE Haven Grant	-	20,001	20,228	-	(227)	227	-	-	-
SAFE Haven Grant 2010-11	-	-	-	-	-	15,000	15,000	-	-
Early Intervention Grant	868	-	777	-	91	-	89	-	2
Gifts/Donations	(12,161)	60,080	59,610	20	(11,671)	84,806	73,793	-	(658)
After School Program	-	44,121	50,725	-	(6,604)	45,572	45,943	-	(6,975)
Benton Community Foundation	-	2,862	2,762	(20)	80	6,992	7,136	-	(64)
Cooperative School Services	353,326	46,791	445,757	-	(45,640)	90,228	89,253	-	(44,665)
Windmill Money	479,440	737,906	421,129	-	796,217	337,446	541,508	-	592,155
Tech Prep - Project Lead the Way	-	19,934	19,972	-	(38)	3,312	(38)	(3,312)	-
Medicaid Reimbursement	19,999	-	4,660	-	15,339	-	4,815	-	10,524
Non-English Speaking Programs P.L. 273-1999	2,938	-	2,831	-	107	-	-	-	107
Non-English Speaking Grant	-	10,125	733	-	9,392	3,001	12,393	-	-
Fund 3713 Non-English Speaking Program	-	-	-	-	-	5,080	5,080	-	-
Fund 3714 Non-English Speaking Program	-	-	-	-	-	7,213	5,112	-	2,101
School Technology	-	-	-	-	-	4,439	3,329	-	1,110
CHANCES for Youth	2,234	-	-	-	2,234	-	2,234	-	-

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

BENTON COMMUNITY SCHOOL CORPORATION  
STATEMENT OF RECEIPTS, DISBURSEMENTS, OTHER FINANCING SOURCES (USES), AND CASH AND INVESTMENT BALANCES -  
REGULATORY BASIS  
For the Years Ended June 30, 2010 and 2011  
(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
Gifted and Talented 2008-09	6,733	-	6,318	-	415	-	415	-	-
Gifted and Talented 2009-10	-	32,970	17,318	-	15,652	-	15,652	-	-
Gifted and Talented 2010-11	-	-	-	-	-	32,475	21,965	-	10,510
Excess PTRC Distributions	-	77,744	-	-	77,744	-	-	(77,744)	-
Title I 2008-09	33,345	-	33,345	-	-	-	-	-	-
Title I 2009-10	-	217,125	178,862	-	38,263	-	38,263	-	-
Title I 2010-11	-	-	-	-	-	156,251	181,955	-	(25,704)
Innovative Education Program Strategies Title V (Part A)	-	1,194	1,194	-	-	-	-	-	-
Adult Education Fund 2008-09	298	-	298	-	-	-	-	-	-
Adult Education 2009-10	-	29,053	40,459	-	(11,406)	8,690	(2,716)	-	-
Adult Education Grant	-	-	-	-	-	25,764	30,371	-	(4,607)
Title IV, Part A - Drug Free	1,332	-	132	(1,200)	-	-	-	-	-
Title IV - Drug Free Schools	3,091	-	3,091	-	-	-	-	-	-
Title IV - Drug Grant 2008-09	-	3,859	5,059	1,200	-	-	-	-	-
Safe and Drug Free Grant 2009-10	-	-	-	-	-	1,741	1,741	-	-
Vocational and Technical Board Grants	-	-	-	-	-	11,018	14,661	3,312	(331)
Medicaid Reimbursement - Federal	49,275	-	-	-	49,275	-	25,833	-	23,442
Improving Teaching Quality, No Child Left, Title II, Part A	18,670	17,270	35,940	-	-	-	-	-	-
Title II Part A 2009-10	-	80,428	68,699	-	11,729	-	10,692	-	1,037
Title II Part A 2010-11	-	-	-	-	-	19,709	37,193	-	(17,484)
Title III Non-English Speaking	-	5,493	9,592	-	(4,099)	7,099	3,000	-	-
Title III ESL 2010-11	-	-	-	-	-	7,126	7,126	-	-
Fiscal Stabilization - Education	-	376,305	376,305	-	-	-	-	-	-
Title I - School Improvement	-	134,132	121,773	-	12,359	-	12,359	-	-
Special Education - Part B	-	358,718	345,337	-	13,381	71,786	85,167	-	-
Education Technology	-	70,511	53,937	-	16,574	-	16,487	-	87
School Lunch Equipment	-	14,250	14,250	-	-	-	-	-	-
James and Mable Wright Scholarship	-	150	150	-	-	-	-	-	-
Kevin Klemme Memorial Scholarship	-	500	500	-	-	-	-	-	-
<b>Totals</b>	<b>\$ 6,387,186</b>	<b>\$ 31,839,382</b>	<b>\$ 24,438,828</b>	<b>\$ -</b>	<b>\$ 13,787,740</b>	<b>\$ 22,307,521</b>	<b>\$ 25,827,735</b>	<b>\$ -</b>	<b>\$ 10,267,526</b>

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

BENTON COMMUNITY SCHOOL CORPORATION  
NOTES TO FINANCIAL STATEMENT

**Note 1. Summary of Significant Accounting Policies**

*A. Reporting Entity*

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

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

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

*B. Basis of Accounting*

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

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

*C. Cash and Investments*

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

*D. Receipts*

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

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

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

BENTON COMMUNITY SCHOOL CORPORATION  
NOTES TO FINANCIAL STATEMENT  
(Continued)

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

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

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.

BENTON COMMUNITY SCHOOL CORPORATION  
NOTES TO FINANCIAL STATEMENT  
(Continued)

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

*F. Other financing sources and uses*

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

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

BENTON COMMUNITY SCHOOL CORPORATION  
NOTES TO FINANCIAL STATEMENT  
(Continued)

based upon the preceding year's March 1 (lien date) assessed valuations adjusted for various tax credits. Taxable property is assessed at 100 percent of the true tax value (determined in accordance with rules and regulations adopted by the Indiana Department of Local Government Finance). Taxes may be paid in two equal installments which normally become delinquent if not paid by May 10 and November 10, respectively.

**Note 4. Deposits and Investments**

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

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

**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.

BENTON COMMUNITY SCHOOL CORPORATION  
NOTES TO FINANCIAL STATEMENT  
(Continued)

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

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

*Funding Policy and Annual Pension Cost*

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

*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.

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

	General	Debt Service	Retirement/ Severance Bond Debt Service	Capital Projects	School Transportation	School Bus Replacement	Special Education Preschool	Rainy Day	Retirement/ Severance Bond
Cash and investments - beginning	\$ 758,231	\$ (1,155,568)	\$ (108,045)	\$ 644,389	\$ (192,310)	\$ 197,049	\$ 30,068	\$ 4,076,133	\$ 629,063
Receipts:									
Local sources	257,263	5,419,340	388,781	3,131,159	2,573,970	622,077	(145)	-	2,175
Intermediate sources	2,476	-	-	-	-	-	-	-	-
State sources	12,044,708	-	-	-	-	-	41,250	-	-
Federal sources	-	-	-	-	-	-	-	-	-
Temporary loans	660,000	1,127,000	144,000	1,243,000	674,000	-	-	-	-
Other	-	-	-	-	-	-	-	-	-
Total receipts	12,964,447	6,546,340	532,781	4,374,159	3,247,970	622,077	41,105	-	2,175
Disbursements:									
Current:									
Instruction	8,153,954	-	-	-	-	-	-	28,264	126,494
Support services	4,018,091	-	-	1,022,546	1,467,024	-	-	-	-
Noninstructional services	-	-	-	-	-	-	-	-	-
Facilities acquisition and construction	-	-	-	728,455	-	-	-	-	-
Debt services	521,000	3,314,437	265,039	1,009,000	230,000	-	69,000	-	-
Nonprogrammed charges	37,091	-	-	-	-	-	-	-	-
Total disbursements	12,730,136	3,314,437	265,039	2,760,001	1,697,024	-	69,000	28,264	126,494
Excess (deficiency) of receipts over disbursements	234,311	3,231,903	267,742	1,614,158	1,550,946	622,077	(27,895)	(28,264)	(124,319)
Other financing sources (uses):									
Transfers in	2,173	(800,000)	-	(200,000)	-	(200,000)	-	1,200,000	-
Transfers out	-	-	-	-	-	-	(2,173)	-	-
Total other financing sources (uses)	2,173	(800,000)	-	(200,000)	-	(200,000)	(2,173)	1,200,000	-
Excess (deficiency) of receipts and other financing sources over disbursements and other financing uses	236,484	2,431,903	267,742	1,414,158	1,550,946	422,077	(30,068)	1,171,736	(124,319)
Cash and investments - ending	\$ 994,715	\$ 1,276,335	\$ 159,697	\$ 2,058,547	\$ 1,358,636	\$ 619,126	\$ -	\$ 5,247,869	\$ 504,744

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

	Reconstruction	Construction - High School	School Lunch	Textbook Rental	Levy Excess	Perkins Vocational 2008-09	Perkins Grant 2009-10	Perkins Grant 2010-11	Artist In Residence
Cash and investments - beginning	\$ 352	\$ 73,984	\$ 248,798	\$ 205,385	\$ -	\$ 9,858	\$ -	\$ -	\$ -
Receipts:									
Local sources	-	-	443,886	147,561	-	-	-	-	-
Intermediate sources	-	-	-	-	-	-	-	-	-
State sources	-	-	461,499	68,539	-	-	-	-	-
Federal sources	-	-	-	-	-	5,125	15,791	-	-
Temporary loans	-	-	-	-	-	-	-	-	-
Other	3,261	-	750	-	-	-	-	-	-
Total receipts	3,261	-	906,135	216,100	-	5,125	15,791	-	-
Disbursements:									
Current:									
Instruction	-	-	-	-	-	-	5,539	-	-
Support services	3,613	-	949	225,623	-	14,970	14,838	-	-
Noninstructional services	-	-	840,561	-	-	-	-	-	-
Facilities acquisition and construction	-	-	-	-	-	-	-	-	-
Debt services	-	-	-	-	-	-	-	-	-
Nonprogrammed charges	-	-	-	-	-	-	-	-	-
Total disbursements	3,613	-	841,510	225,623	-	14,970	20,377	-	-
Excess (deficiency) of receipts over disbursements	(352)	-	64,625	(9,523)	-	(9,845)	(4,586)	-	-
Other financing sources (uses):									
Transfers in	-	-	-	-	-	-	-	-	-
Transfers out	-	-	-	-	-	-	-	-	-
Total other financing sources (uses)	-	-	-	-	-	-	-	-	-
Excess (deficiency) of receipts and other financing sources over disbursements and other financing uses	(352)	-	64,625	(9,523)	-	(9,845)	(4,586)	-	-
Cash and investments - ending	\$ -	\$ 73,984	\$ 313,423	\$ 195,862	\$ -	\$ 13	\$ (4,586)	\$ -	\$ -

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

	Educational License Plates	SAFE School Haven	SAFE Haven Grant	SAFE Haven Grant 2010-11	Early Intervention Grant	Gifts/ Donations	After School Program	Benton Community Foundation
Cash and investments - beginning	\$ 10,314	\$ 97	\$ -	\$ -	\$ 868	\$ (12,161)	\$ -	\$ -
Receipts:								
Local sources	-	-	1	-	-	60,080	44,121	2,862
Intermediate sources	394	-	-	-	-	-	-	-
State sources	-	-	20,000	-	-	-	-	-
Federal sources	-	-	-	-	-	-	-	-
Temporary loans	-	-	-	-	-	-	-	-
Other	-	-	-	-	-	-	-	-
Total receipts	394	-	20,001	-	-	60,080	44,121	2,862
Disbursements:								
Current:								
Instruction	-	97	20,228	-	777	54,610	50,725	2,762
Support services	-	-	-	-	-	5,000	-	-
Noninstructional services	500	-	-	-	-	-	-	-
Facilities acquisition and construction	-	-	-	-	-	-	-	-
Debt services	-	-	-	-	-	-	-	-
Nonprogrammed charges	-	-	-	-	-	-	-	-
Total disbursements	500	97	20,228	-	777	59,610	50,725	2,762
Excess (deficiency) of receipts over disbursements	(106)	(97)	(227)	-	(777)	470	(6,604)	100
Other financing sources (uses):								
Transfers in	-	-	-	-	-	-	-	(20)
Transfers out	-	-	-	-	-	20	-	-
Total other financing sources (uses)	-	-	-	-	-	20	-	(20)
Excess (deficiency) of receipts and other financing sources over disbursements and other financing uses	(106)	(97)	(227)	-	(777)	490	(6,604)	80
Cash and investments - ending	\$ 10,208	\$ -	\$ (227)	\$ -	\$ 91	\$ (11,671)	\$ (6,604)	\$ 80

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

	Cooperative School Services	Windmill Money	Tech Prep - Project Lead the Way	Medicaid Reimbursement	Non-English Speaking Programs P.L. 273-1999	Non-English Speaking Grant	Fund 3713 Non-English Speaking Program	Fund 3714 Non-English Speaking Program
Cash and investments - beginning	\$ 353,326	\$ 479,440	\$ -	\$ 19,999	\$ 2,938	\$ -	\$ -	\$ -
Receipts:								
Local sources	46,791	737,906	-	-	-	-	-	-
Intermediate sources	-	-	-	-	-	-	-	-
State sources	-	-	19,934	-	-	10,125	-	-
Federal sources	-	-	-	-	-	-	-	-
Temporary loans	-	-	-	-	-	-	-	-
Other	-	-	-	-	-	-	-	-
Total receipts	46,791	737,906	19,934	-	-	10,125	-	-
Disbursements:								
Current:								
Instruction	57,881	381,359	19,972	110	2,831	733	-	-
Support services	1,374	35,529	-	4,550	-	-	-	-
Noninstructional services	-	-	-	-	-	-	-	-
Facilities acquisition and construction	386,502	4,241	-	-	-	-	-	-
Debt services	-	-	-	-	-	-	-	-
Nonprogrammed charges	-	-	-	-	-	-	-	-
Total disbursements	445,757	421,129	19,972	4,660	2,831	733	-	-
Excess (deficiency) of receipts over disbursements	(398,966)	316,777	(38)	(4,660)	(2,831)	9,392	-	-
Other financing sources (uses):								
Transfers in	-	-	-	-	-	-	-	-
Transfers out	-	-	-	-	-	-	-	-
Total other financing sources (uses)	-	-	-	-	-	-	-	-
Excess (deficiency) of receipts and other financing sources over disbursements and other financing uses	(398,966)	316,777	(38)	(4,660)	(2,831)	9,392	-	-
Cash and investments - ending	\$ (45,640)	\$ 796,217	\$ (38)	\$ 15,339	\$ 107	\$ 9,392	\$ -	\$ -

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

	School Technology	CHANCES for Youth	Gifted and Talented 2008-09	Gifted and Talented 2009-10	Gifted and Talented 2010-11	Excess PTRC Distributions	Title I 2008-09	Title I 2009-10
Cash and investments - beginning	\$ -	\$ 2,234	\$ 6,733	\$ -	\$ -	\$ -	\$ 33,345	\$ -
Receipts:								
Local sources	-	-	-	-	-	-	-	-
Intermediate sources	-	-	-	-	-	-	-	-
State sources	-	-	-	32,970	-	77,744	-	-
Federal sources	-	-	-	-	-	-	-	217,125
Temporary loans	-	-	-	-	-	-	-	-
Other	-	-	-	-	-	-	-	-
Total receipts	-	-	-	32,970	-	77,744	-	217,125
Disbursements:								
Current:								
Instruction	-	-	6,318	17,318	-	-	32,845	171,552
Support services	-	-	-	-	-	-	500	6,654
Noninstructional services	-	-	-	-	-	-	-	656
Facilities acquisition and construction	-	-	-	-	-	-	-	-
Debt services	-	-	-	-	-	-	-	-
Nonprogrammed charges	-	-	-	-	-	-	-	-
Total disbursements	-	-	6,318	17,318	-	-	33,345	178,862
Excess (deficiency) of receipts over disbursements	-	-	(6,318)	15,652	-	77,744	(33,345)	38,263
Other financing sources (uses):								
Transfers in	-	-	-	-	-	-	-	-
Transfers out	-	-	-	-	-	-	-	-
Total other financing sources (uses)	-	-	-	-	-	-	-	-
Excess (deficiency) of receipts and other financing sources over disbursements and other financing uses	-	-	(6,318)	15,652	-	77,744	(33,345)	38,263
Cash and investments - ending	\$ -	\$ 2,234	\$ 415	\$ 15,652	\$ -	\$ 77,744	\$ -	\$ 38,263

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

	Title I 2010-11	Innovative Education Program Strategies Title V (Part A)	Adult Education Fund 2008-09	Adult Education 2009-10	Adult Education Grant	Title IV, Part A - Drug Free	Title IV - Drug Free Schools	Title IV - Drug Grant 2008-09
Cash and investments - beginning	\$ -	\$ -	\$ 298	\$ -	\$ -	\$ 1,332	\$ 3,091	\$ -
Receipts:								
Local sources	-	-	-	-	-	-	-	157
Intermediate sources	-	-	-	-	-	-	-	-
State sources	-	-	-	-	-	-	-	-
Federal sources	-	1,194	-	29,053	-	-	-	3,702
Temporary loans	-	-	-	-	-	-	-	-
Other	-	-	-	-	-	-	-	-
Total receipts	-	1,194	-	29,053	-	-	-	3,859
Disbursements:								
Current:								
Instruction	-	1,194	298	37,916	-	-	-	-
Support services	-	-	-	2,543	-	132	3,091	5,059
Noninstructional services	-	-	-	-	-	-	-	-
Facilities acquisition and construction	-	-	-	-	-	-	-	-
Debt services	-	-	-	-	-	-	-	-
Nonprogrammed charges	-	-	-	-	-	-	-	-
Total disbursements	-	1,194	298	40,459	-	132	3,091	5,059
Excess (deficiency) of receipts over disbursements	-	-	(298)	(11,406)	-	(132)	(3,091)	(1,200)
Other financing sources (uses):								
Transfers in	-	-	-	-	-	-	-	1,200
Transfers out	-	-	-	-	-	(1,200)	-	-
Total other financing sources (uses)	-	-	-	-	-	(1,200)	-	1,200
Excess (deficiency) of receipts and other financing sources over disbursements and other financing uses	-	-	(298)	(11,406)	-	(1,332)	(3,091)	-
Cash and investments - ending	\$ -	\$ -	\$ -	\$ (11,406)	\$ -	\$ -	\$ -	\$ -

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

	Safe and Drug Free Grant 2009-10	Vocational and Technical Board Grants	Medicaid Reimbursement Federal	Improving Teaching Quality No Child Left Title II, Part A	Title II Part A 2009-10	Title II Part A 2010-11	Title III Non-English Speaking	Title III ESL 2010-11
Cash and investments - beginning	\$ -	\$ -	\$ 49,275	\$ 18,670	\$ -	\$ -	\$ -	\$ -
Receipts:								
Local sources	-	-	-	-	-	-	(1)	-
Intermediate sources	-	-	-	-	-	-	-	-
State sources	-	-	-	-	-	-	1,247	-
Federal sources	-	-	-	17,270	80,428	-	4,247	-
Temporary loans	-	-	-	-	-	-	-	-
Other	-	-	-	-	-	-	-	-
Total receipts	-	-	-	17,270	80,428	-	5,493	-
Disbursements:								
Current:								
Instruction	-	-	-	35,940	67,677	-	9,592	-
Support services	-	-	-	-	1,022	-	-	-
Noninstructional services	-	-	-	-	-	-	-	-
Facilities acquisition and construction	-	-	-	-	-	-	-	-
Debt services	-	-	-	-	-	-	-	-
Nonprogrammed charges	-	-	-	-	-	-	-	-
Total disbursements	-	-	-	35,940	68,699	-	9,592	-
Excess (deficiency) of receipts over disbursements	-	-	-	(18,670)	11,729	-	(4,099)	-
Other financing sources (uses):								
Transfers in	-	-	-	-	-	-	-	-
Transfers out	-	-	-	-	-	-	-	-
Total other financing sources (uses)	-	-	-	-	-	-	-	-
Excess (deficiency) of receipts and other financing sources over disbursements and other financing uses	-	-	-	(18,670)	11,729	-	(4,099)	-
Cash and investments - ending	\$ -	\$ -	\$ 49,275	\$ -	\$ 11,729	\$ -	\$ (4,099)	\$ -

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

	Fiscal Stabilization Education	Title I School Improvement	Special Education Part B	Education Technology	School Lunch Equipment	James and Mable Wright Scholarship	Kevin Klemme Memorial Scholarship	Totals
Cash and investments - beginning	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 6,387,186
Receipts:								
Local sources	-	-	-	-	-	-	-	13,877,984
Intermediate sources	-	-	-	-	-	-	-	2,870
State sources	-	-	-	-	-	-	-	12,778,016
Federal sources	376,305	134,132	358,718	70,511	14,250	-	-	1,327,851
Temporary loans	-	-	-	-	-	-	-	3,848,000
Other	-	-	-	-	-	150	500	4,661
Total receipts	<u>376,305</u>	<u>134,132</u>	<u>358,718</u>	<u>70,511</u>	<u>14,250</u>	<u>150</u>	<u>500</u>	<u>31,839,382</u>
Disbursements:								
Current:								
Instruction	376,305	23,916	187,814	15,550	-	-	-	9,890,571
Support services	-	97,857	76,453	-	-	-	-	7,007,418
Noninstructional services	-	-	-	-	-	150	500	842,367
Facilities acquisition and construction	-	-	-	38,387	14,250	-	-	1,171,835
Debt services	-	-	-	-	-	-	-	5,408,476
Nonprogrammed charges	-	-	81,070	-	-	-	-	118,161
Total disbursements	<u>376,305</u>	<u>121,773</u>	<u>345,337</u>	<u>53,937</u>	<u>14,250</u>	<u>150</u>	<u>500</u>	<u>24,438,828</u>
Excess (deficiency) of receipts over disbursements	<u>-</u>	<u>12,359</u>	<u>13,381</u>	<u>16,574</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>7,400,554</u>
Other financing sources (uses):								
Transfers in	-	-	-	-	-	-	-	3,353
Transfers out	-	-	-	-	-	-	-	(3,353)
Total other financing sources (uses)	<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>-</u>	<u>12,359</u>	<u>13,381</u>	<u>16,574</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>7,400,554</u>
Cash and investments - ending	<u>\$ -</u>	<u>\$ 12,359</u>	<u>\$ 13,381</u>	<u>\$ 16,574</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 13,787,740</u>

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

	General	Debt Service	Retirement/ Severance Bond Debt Service	Capital Projects	School Transportation	School Bus Replacement	Special Education Preschool	Rainy Day	Retirement/ Severance Bond
Cash and investments - beginning	\$ 994,715	\$ 1,276,335	\$ 159,697	\$ 2,058,547	\$ 1,358,636	\$ 619,126	\$ -	\$ 5,247,869	\$ 504,744
Receipts:									
Local sources	378,979	3,280,929	337,961	1,991,117	1,799,706	137,269	-	-	1,862
Intermediate sources	2,528	-	-	-	-	-	-	-	-
State sources	12,262,341	-	-	-	-	-	-	-	-
Federal sources	-	-	-	-	-	-	-	-	-
Other	-	-	-	-	-	-	-	-	-
Total receipts	<u>12,643,848</u>	<u>3,280,929</u>	<u>337,961</u>	<u>1,991,117</u>	<u>1,799,706</u>	<u>137,269</u>	<u>-</u>	<u>-</u>	<u>1,862</u>
Disbursements:									
Current:									
Instruction	8,343,368	-	-	-	-	-	-	620,522	105,675
Support services	3,835,650	-	-	1,005,842	1,478,791	373,912	-	132,534	-
Noninstructional services	-	-	-	-	-	-	-	9,438	-
Facilities acquisition and construction	-	-	-	802,107	-	-	-	248,249	-
Debt services	660,000	3,444,571	402,189	1,243,000	674,000	-	-	-	-
Nonprogrammed charges	37,526	-	-	-	-	-	-	-	-
Total disbursements	<u>12,876,544</u>	<u>3,444,571</u>	<u>402,189</u>	<u>3,050,949</u>	<u>2,152,791</u>	<u>373,912</u>	<u>-</u>	<u>1,010,743</u>	<u>105,675</u>
Excess (deficiency) of receipts over disbursements	<u>(232,696)</u>	<u>(163,642)</u>	<u>(64,228)</u>	<u>(1,059,832)</u>	<u>(353,085)</u>	<u>(236,643)</u>	<u>-</u>	<u>(1,010,743)</u>	<u>(103,813)</u>
Other financing sources (uses):									
Transfers in	-	(1,076,659)	-	14,089	(149,131)	314	-	1,300,000	-
Transfers out	-	-	-	-	-	-	-	-	-
Total other financing sources (uses)	<u>-</u>	<u>(1,076,659)</u>	<u>-</u>	<u>14,089</u>	<u>(149,131)</u>	<u>314</u>	<u>-</u>	<u>1,300,000</u>	<u>-</u>
Excess (deficiency) of receipts and other financing sources over disbursements and other financing uses	<u>(232,696)</u>	<u>(1,240,301)</u>	<u>(64,228)</u>	<u>(1,045,743)</u>	<u>(502,216)</u>	<u>(236,329)</u>	<u>-</u>	<u>289,257</u>	<u>(103,813)</u>
Cash and investments - ending	<u>\$ 762,019</u>	<u>\$ 36,034</u>	<u>\$ 95,469</u>	<u>\$ 1,012,804</u>	<u>\$ 856,420</u>	<u>\$ 382,797</u>	<u>\$ -</u>	<u>\$ 5,537,126</u>	<u>\$ 400,931</u>

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

	Reconstruction	Construction - High School	School Lunch	Textbook Rental	Levy Excess	Perkins Vocational 2008-09	Perkins Grant 2009-10	Perkins Grant 2010-11	Artist In Residence
Cash and investments - beginning	\$ -	\$ 73,984	\$ 313,423	\$ 195,862	\$ -	\$ 13	\$ (4,586)	\$ -	\$ -
Receipts:									
Local sources	-	-	427,799	141,618	10,869	-	-	-	-
Intermediate sources	-	-	-	-	-	-	-	-	-
State sources	-	-	483,146	57,149	-	-	-	-	2,363
Federal sources	-	-	-	-	-	-	5,264	17,687	-
Other	21,259	-	-	-	-	-	-	-	-
Total receipts	21,259	-	910,945	198,767	10,869	-	5,264	17,687	2,363
Disbursements:									
Current:									
Instruction	-	-	-	-	-	-	3	-	-
Support services	25,214	65,739	1,039	160,174	-	-	675	24,693	3,112
Noninstructional services	-	-	821,866	-	-	-	-	-	-
Facilities acquisition and construction	-	2,035	-	-	-	-	-	-	-
Debt services	-	-	-	-	-	-	-	-	-
Nonprogrammed charges	-	-	-	-	-	-	-	-	-
Total disbursements	25,214	67,774	822,905	160,174	-	-	678	24,693	3,112
Excess (deficiency) of receipts over disbursements	(3,955)	(67,774)	88,040	38,593	10,869	-	4,586	(7,006)	(749)
Other financing sources (uses):									
Transfers in	-	-	-	-	26,992	-	-	-	-
Transfers out	-	-	-	-	(37,861)	-	-	-	-
Total other financing sources (uses)	-	-	-	-	(10,869)	-	-	-	-
Excess (deficiency) of receipts and other financing sources over disbursements and other financing uses	(3,955)	(67,774)	88,040	38,593	-	-	4,586	(7,006)	(749)
Cash and investments - ending	\$ (3,955)	\$ 6,210	\$ 401,463	\$ 234,455	\$ -	\$ 13	\$ -	\$ (7,006)	\$ (749)

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

	Educational License Plates	SAFE School Haven	SAFE Haven Grant	SAFE Haven Grant 2010-11	Early Intervention Grant	Gifts/ Donations	After School Program	Benton Community Foundation
Cash and investments - beginning	\$ 10,208	\$ -	\$ (227)	\$ -	\$ 91	\$ (11,671)	\$ (6,604)	\$ 80
Receipts:								
Local sources	-	-	227	-	-	84,806	45,572	6,992
Intermediate sources	2,700	-	-	-	-	-	-	-
State sources	-	-	-	15,000	-	-	-	-
Federal sources	-	-	-	-	-	-	-	-
Other	-	-	-	-	-	-	-	-
Total receipts	2,700	-	227	15,000	-	84,806	45,572	6,992
Disbursements:								
Current:								
Instruction	-	-	-	15,000	89	60,191	45,881	7,136
Support services	-	-	-	-	-	2,124	62	-
Noninstructional services	-	-	-	-	-	-	-	-
Facilities acquisition and construction	-	-	-	-	-	11,478	-	-
Debt services	-	-	-	-	-	-	-	-
Nonprogrammed charges	-	-	-	-	-	-	-	-
Total disbursements	-	-	-	15,000	89	73,793	45,943	7,136
Excess (deficiency) of receipts over disbursements	2,700	-	227	-	(89)	11,013	(371)	(144)
Other financing sources (uses):								
Transfers in	-	-	-	-	-	-	-	-
Transfers out	-	-	-	-	-	-	-	-
Total other financing sources (uses)	-	-	-	-	-	-	-	-
Excess (deficiency) of receipts and other financing sources over disbursements and other financing uses	2,700	-	227	-	(89)	11,013	(371)	(144)
Cash and investments - ending	\$ 12,908	\$ -	\$ -	\$ -	\$ 2	\$ (658)	\$ (6,975)	\$ (64)

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

	Cooperative School Services	Windmill Money	Tech Prep - Project Lead the Way	Medicaid Reimbursement	Non-English Speaking Programs P.L. 273-1999	Non-English Speaking Grant	Fund 3713 Non-English Speaking Program	Fund 3714 Non-English Speaking Program
Cash and investments - beginning	\$ (45,640)	\$ 796,217	\$ (38)	\$ 15,339	\$ 107	\$ 9,392	\$ -	\$ -
Receipts:								
Local sources	90,228	337,446	-	-	-	-	-	-
Intermediate sources	-	-	-	-	-	-	-	-
State sources	-	-	3,312	-	-	3,001	5,080	7,213
Federal sources	-	-	-	-	-	-	-	-
Other	-	-	-	-	-	-	-	-
Total receipts	90,228	337,446	3,312	-	-	3,001	5,080	7,213
Disbursements:								
Current:								
Instruction	88,702	488,527	(38)	1,743	-	7,313	5,080	5,112
Support services	551	52,981	-	-	-	5,080	-	-
Noninstructional services	-	-	-	-	-	-	-	-
Facilities acquisition and construction	-	-	-	3,072	-	-	-	-
Debt services	-	-	-	-	-	-	-	-
Nonprogrammed charges	-	-	-	-	-	-	-	-
Total disbursements	89,253	541,508	(38)	4,815	-	12,393	5,080	5,112
Excess (deficiency) of receipts over disbursements	975	(204,062)	3,350	(4,815)	-	(9,392)	-	2,101
Other financing sources (uses):								
Transfers in	-	-	-	-	-	-	-	-
Transfers out	-	-	(3,312)	-	-	-	-	-
Total other financing sources (uses)	-	-	(3,312)	-	-	-	-	-
Excess (deficiency) of receipts and other financing sources over disbursements and other financing uses	975	(204,062)	38	(4,815)	-	(9,392)	-	2,101
Cash and investments - ending	\$ (44,665)	\$ 592,155	\$ -	\$ 10,524	\$ 107	\$ -	\$ -	\$ 2,101

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

	School Technology	CHANCES for Youth	Gifted and Talented 2008-09	Gifted and Talented 2009-10	Gifted and Talented 2010-11	Excess PTRC Distributions	Title I 2008-09	Title I 2009-10
Cash and investments - beginning	\$ -	\$ 2,234	\$ 415	\$ 15,652	\$ -	\$ 77,744	\$ -	\$ 38,263
Receipts:								
Local sources	-	-	-	-	-	-	-	-
Intermediate sources	-	-	-	-	-	-	-	-
State sources	4,439	-	-	-	32,475	-	-	-
Federal sources	-	-	-	-	-	-	-	-
Other	-	-	-	-	-	-	-	-
Total receipts	4,439	-	-	-	32,475	-	-	-
Disbursements:								
Current:								
Instruction	-	2,234	415	15,652	21,965	-	-	37,972
Support services	3,329	-	-	-	-	-	-	141
Noninstructional services	-	-	-	-	-	-	-	150
Facilities acquisition and construction	-	-	-	-	-	-	-	-
Debt services	-	-	-	-	-	-	-	-
Nonprogrammed charges	-	-	-	-	-	-	-	-
Total disbursements	3,329	2,234	415	15,652	21,965	-	-	38,263
Excess (deficiency) of receipts over disbursements	1,110	(2,234)	(415)	(15,652)	10,510	-	-	(38,263)
Other financing sources (uses):								
Transfers in	-	-	-	-	-	-	-	-
Transfers out	-	-	-	-	-	(77,744)	-	-
Total other financing sources (uses)	-	-	-	-	-	(77,744)	-	-
Excess (deficiency) of receipts and other financing sources over disbursements and other financing uses	1,110	(2,234)	(415)	(15,652)	10,510	(77,744)	-	(38,263)
Cash and investments - ending	\$ 1,110	\$ -	\$ -	\$ -	\$ 10,510	\$ -	\$ -	\$ -

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

	Title I 2010-11	Innovative Education Program Strategies Title V (Part A)	Adult Education Fund 2008-09	Adult Education 2009-10	Adult Education Grant	Title IV, Part A - Drug Free	Title IV - Drug Free Schools	Title IV - Drug Grant 2008-09
Cash and investments - beginning	\$ -	\$ -	\$ -	\$ (11,406)	\$ -	\$ -	\$ -	\$ -
Receipts:								
Local sources	-	-	-	-	-	-	-	-
Intermediate sources	-	-	-	-	-	-	-	-
State sources	-	-	-	-	-	-	-	-
Federal sources	156,251	-	-	8,690	25,764	-	-	-
Other	-	-	-	-	-	-	-	-
Total receipts	<u>156,251</u>	<u>-</u>	<u>-</u>	<u>8,690</u>	<u>25,764</u>	<u>-</u>	<u>-</u>	<u>-</u>
Disbursements:								
Current:								
Instruction	181,689	-	-	(1,084)	30,317	-	-	-
Support services	216	-	-	(1,632)	54	-	-	-
Noninstructional services	50	-	-	-	-	-	-	-
Facilities acquisition and construction	-	-	-	-	-	-	-	-
Debt services	-	-	-	-	-	-	-	-
Nonprogrammed charges	-	-	-	-	-	-	-	-
Total disbursements	<u>181,955</u>	<u>-</u>	<u>-</u>	<u>(2,716)</u>	<u>30,371</u>	<u>-</u>	<u>-</u>	<u>-</u>
Excess (deficiency) of receipts over disbursements	<u>(25,704)</u>	<u>-</u>	<u>-</u>	<u>11,406</u>	<u>(4,607)</u>	<u>-</u>	<u>-</u>	<u>-</u>
Other financing sources (uses):								
Transfers in	-	-	-	-	-	-	-	-
Transfers out	-	-	-	-	-	-	-	-
Total other financing sources (uses)	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Excess (deficiency) of receipts and other financing sources over disbursements and other financing uses	<u>(25,704)</u>	<u>-</u>	<u>-</u>	<u>11,406</u>	<u>(4,607)</u>	<u>-</u>	<u>-</u>	<u>-</u>
Cash and investments - ending	<u>\$ (25,704)</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ (4,607)</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>

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

	Safe and Drug Free Grant 2009-10	Vocational and Technical Board Grants	Medicaid Reimbursement Federal	Improving Teaching Quality No Child Left Title II, Part A	Title II Part A 2009-10	Title II Part A 2010-11	Title III Non-English Speaking	Title III ESL 2010-11
Cash and investments - beginning	\$ -	\$ -	\$ 49,275	\$ -	\$ 11,729	\$ -	\$ (4,099)	\$ -
Receipts:								
Local sources	-	-	-	-	-	-	7,099	-
Intermediate sources	-	-	-	-	-	-	-	-
State sources	-	11,018	-	-	-	-	-	-
Federal sources	1,741	-	-	-	-	19,709	-	7,126
Other	-	-	-	-	-	-	-	-
Total receipts	1,741	11,018	-	-	-	19,709	7,099	7,126
Disbursements:								
Current:								
Instruction	1,741	14,661	-	-	9,053	37,193	-	7,126
Support services	-	-	25,833	-	1,639	-	3,000	-
Noninstructional services	-	-	-	-	-	-	-	-
Facilities acquisition and construction	-	-	-	-	-	-	-	-
Debt services	-	-	-	-	-	-	-	-
Nonprogrammed charges	-	-	-	-	-	-	-	-
Total disbursements	1,741	14,661	25,833	-	10,692	37,193	3,000	7,126
Excess (deficiency) of receipts over disbursements	-	(3,643)	(25,833)	-	(10,692)	(17,484)	4,099	-
Other financing sources (uses):								
Transfers in	-	3,312	-	-	-	-	-	-
Transfers out	-	-	-	-	-	-	-	-
Total other financing sources (uses)	-	3,312	-	-	-	-	-	-
Excess (deficiency) of receipts and other financing sources over disbursements and other financing uses	-	(331)	(25,833)	-	(10,692)	(17,484)	4,099	-
Cash and investments - ending	\$ -	\$ (331)	\$ 23,442	\$ -	\$ 1,037	\$ (17,484)	\$ -	\$ -

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

	Fiscal Stabilization Education	Title I School Improvement	Special Education Part B	Education Technology	School Lunch Equipment	James and Mable Wright Scholarship	Kevin Klemme Memorial Scholarship	Totals
Cash and investments - beginning	\$ -	\$ 12,359	\$ 13,381	\$ 16,574	\$ -	\$ -	\$ -	\$ 13,787,740
Receipts:								
Local sources	-	-	-	-	-	-	-	9,080,479
Intermediate sources	-	-	-	-	-	-	-	5,228
State sources	-	-	-	-	-	-	-	12,886,537
Federal sources	-	-	71,786	-	-	-	-	314,018
Other	-	-	-	-	-	-	-	21,259
Total receipts	-	-	71,786	-	-	-	-	22,307,521
Disbursements:								
Current:								
Instruction	-	12,359	31,583	-	-	-	-	10,197,180
Support services	-	-	53,584	-	-	-	-	7,254,337
Noninstructional services	-	-	-	-	-	-	-	831,504
Facilities acquisition and construction	-	-	-	16,487	-	-	-	1,083,428
Debt services	-	-	-	-	-	-	-	6,423,760
Nonprogrammed charges	-	-	-	-	-	-	-	37,526
Total disbursements	-	12,359	85,167	16,487	-	-	-	25,827,735
Excess (deficiency) of receipts over disbursements	-	(12,359)	(13,381)	(16,487)	-	-	-	(3,520,214)
Other financing sources (uses):								
Transfers in	-	-	-	-	-	-	-	118,917
Transfers out	-	-	-	-	-	-	-	(118,917)
Total other financing sources (uses)	-	-	-	-	-	-	-	-
Excess (deficiency) of receipts and other financing sources over disbursements and other financing uses	-	(12,359)	(13,381)	(16,487)	-	-	-	(3,520,214)
Cash and investments - ending	\$ -	\$ -	\$ -	\$ 87	\$ -	\$ -	\$ -	\$ 10,267,526

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

The School Corporation has entered into the following debt:

Description of Debt	Ending Principal Balance	Principal and Interest Due Within One Year	Fund/ Department
Governmental activities:			
Capital leases:			
High School Building	\$ 7,659,649	\$ 824,000	Debt Service
Elementary School Building	14,083,315	1,404,500	Debt Service
Share of Cooperative Building	195,025	22,816	Debt Service
Notes and loans payable	609,140	83,297	Capital Projects
Bonds payable:			
General obligation bonds:			
2002 Pension bonds	1,335,000	78,899	Retirement/Severance Bond Debt Service
2006 Pension bonds	745,000	47,575	Retirement/Severance Bond Debt Service
Total governmental activities debt	<u>\$ 24,627,129</u>	<u>\$ 2,461,087</u>	

BENTON COMMUNITY SCHOOL CORPORATION  
AUDIT RESULT AND COMMENT

***OVERDRAWN FUND BALANCES***

The fund balances of the After School Program Fund and Gifts/Donations Fund were overdrawn at June 30, 2010 and 2011.

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

SUPPLEMENTAL AUDIT OF  
FEDERAL AWARDS



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

TO: THE OFFICIALS OF THE BENTON COMMUNITY SCHOOL  
CORPORATION, BENTON COUNTY, INDIANA

Compliance

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

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

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

Internal Control Over Compliance

Management of the School Corporation is responsible for establishing and maintaining effective internal control over compliance with requirements of laws, regulations, contracts, and grants applicable to federal programs. In planning and performing our audit, we considered the School Corporation's internal control over compliance with requirements that could have a direct and material effect on a major federal program in order to determine our auditing procedures for the purpose of expressing our opinion on compliance and to test and report on internal control over compliance in accordance with OMB Circular A-133, but not for the purpose of expressing an opinion on the effectiveness of internal control over compliance. Accordingly, we do not express an opinion on the effectiveness of the School Corporation's internal control over compliance.

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

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

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

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

STATE BOARD OF ACCOUNTS

February 2, 2012

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## SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS

The Schedule of Expenditures of Federal Awards and accompanying notes presented were approved by management of the School Corporation. The schedule and notes are presented as intended by the School Corporation.

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

Federal Grantor Agency/Pass-Through Entity Cluster Title/Program Title/Project Title	Federal CFDA Number	Pass-Through Entity (or Other) Identifying Number	Total Federal Awards Expended 06-30-10	Total Federal Awards Expended 06-30-11
<u>U.S. DEPARTMENT OF AGRICULTURE</u>				
Pass-Through Indiana Department of Education Child Nutrition Cluster School Breakfast Program	10.553	FY 2009-10 FY 2010-11	\$ 79,191 -	\$ - 81,081
Total for program			79,191	81,081
National School Lunch Program	10.555	FY 2009-10 FY 2010-11	418,548 -	- 446,045
Total for program			418,548	446,045
Total for cluster			497,739	527,126
Pass-Through Indiana Department of Education ARRA - Child Nutrition Discretionary Grants Limited Availability, Recovery Act	10.579	FY 2009-10	14,250	-
Total for federal grantor agency			511,989	527,126
<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	09-0395 10-0395 11-0395	33,345 178,861 -	- 38,263 181,954
Total for program			212,206	220,217
Pass-Through Indiana Department of Education ARRA - Title I Grants to Local Educational Agencies, Recovery Act	84.389	FY 2009-10	121,772	12,359
Total for cluster			333,978	232,576
Pass-Through Beech Grove School Corporation Educational Technology State Grants Cluster ARRA - Educational Technology State Grants, Recovery Act	84.386A	FY 2009-10	53,938	16,487
Total for cluster			53,938	16,487
Pass-Through Cooperative School Services Special Education Cluster ARRA - Special Education - Grants to States, Recovery Act	84.391A	FY 2010	345,336	85,167
Total for cluster			345,336	85,167
Pass-Through Indiana Department of Education State Fiscal Stabilization Fund Cluster ARRA - State Fiscal Stabilization Fund - Education State Grants, Recovery Act	84.394	FY 2009-10	376,306	-
Total for cluster			376,306	-
Pass-Through Indiana Department of Education Adult Education - Basic Grants to States	84.002	FY 2008-09 FY 2009-10	298 59,710	- -
Pass-Through Lafayette School Corporation Adult Education - Basic Grants to States	84.002	FY 2010-11	-	30,370
Total for program			60,008	30,370

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

BENTON COMMUNITY SCHOOL CORPORATION  
SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS  
For The Years Ended June 30, 2010 and 2011  
(Continued)

Federal Grantor Agency/Pass-Through Entity Cluster Title/Program Title/Project Title	Federal CFDA Number	Pass-Through Entity (or Other) Identifying Number	Total Federal Awards Expended 06-30-10	Total Federal Awards Expended 06-30-11
<u>U.S. DEPARTMENT OF EDUCATION</u>				
Pass-Through Tippecanoe School Corporation Career and Technical Education - Basic Grants to States	84.048	FY 2008-09 FY 2009-10 FY 2010-11	14,970 20,377 -	- 678 24,693
Total for program			<u>35,347</u>	<u>25,371</u>
Pass-Through Indiana Department of Education Safe and Drug-Free Schools and Communities - State Grants	84.186	06-0395 07-0395 08-0395 09-0395	1,332 3,091 5,059 -	- - - 1,741
Total for program			<u>9,482</u>	<u>1,741</u>
Pass-Through Indiana Department of Education Tech-Prep Education	84.243	C1-10-PLTW-9-803 A58-1-11CI-023	19,933 -	- 14,661
Total for program			<u>19,933</u>	<u>14,661</u>
Pass-Through Indiana Department of Education State Grants for Innovative Programs	84.298	After School Program	1,194	-
Pass-Through Indiana Department of Education Improving Teacher Quality State Grants	84.367	FY 2008-09 FY 2009-10 FY 2010-11	35,940 68,699 -	- 10,692 37,193
Total for program			<u>104,639</u>	<u>47,885</u>
Total for federal grantor agency			<u>1,340,161</u>	<u>454,258</u>
Total federal awards expended			<u>\$ 1,852,150</u>	<u>\$ 981,384</u>

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

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

**Note 1. Basis of Presentation**

The accompanying Schedule of Expenditures of Federal Awards includes the federal grant activity of the Benton Community School Corporation (School Corporation) and is presented in accordance with the cash and investment basis of accounting used in the preparation of the financial statement. Accordingly, the amount of federal awards expended is based on when the disbursement related to the award occurs except when the federal award is received on a reimbursement basis. In these instances the federal awards are considered expended when the reimbursement is received.

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

**Note 2. Noncash Assistance**

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

Program Title	Federal CFDA Number	2010	2011
National School Lunch Program	10.555	\$ 47,201	\$ 54,700

BENTON COMMUNITY SCHOOL CORPORATION  
SCHEDULE OF FINDINGS AND QUESTIONED COSTS

**Section I – Summary of Auditor's Results**

Financial Statement:

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

Federal Awards:

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

Identification of Major Programs:

CFDA Number	Name of Federal Program or Cluster
10.579	Child Nutrition Cluster Child Nutrition Discretionary Grants Limited Availability Title I, Part A Cluster Educational Technology State Grants Cluster Special Education Cluster 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?	yes
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**Section II – Financial Statement Findings**

No matters are reportable.

**Section III – Federal Award Findings and Questioned Costs**

No matters are reportable.

BENTON COMMUNITY SCHOOL CORPORATION  
SUMMARY SCHEDULE OF PRIOR AUDIT FINDINGS

No matters are reportable.

BENTON COMMUNITY SCHOOL CORPORATION  
EXIT CONFERENCE

The contents of this report were discussed on February 2, 2012, with Tracy Albertson, Treasurer; Tammy Muthig, President of the School Board; and Destin Haas, Superintendent of Schools. The officials concurred with our audit findings.