

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

FINANCIAL STATEMENT AND
FEDERAL SINGLE AUDIT REPORT
OF

METROPOLITAN SCHOOL DISTRICT
OF PIKE TOWNSHIP
MARION COUNTY, INDIANA

July 1, 2009 to June 30, 2011



FILED

02/27/2012

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SCHEDULE OF OFFICIALS

<u>Office</u>	<u>Official</u>	<u>Term</u>
Treasurer	Linda J. Searles	07-01-09 to 06-30-12
Superintendent of Schools	Nathaniel Jones	07-01-09 to 06-30-12
President of the School Board	John Brown Larry W. Grau	07-01-09 to 06-30-10 07-01-10 to 06-30-12



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

TO: THE OFFICIALS OF THE METROPOLITAN SCHOOL DISTRICT
OF PIKE TOWNSHIP, MARION COUNTY, INDIANA

We have audited the accompanying financial statement of the Metropolitan School District of Pike Township (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 January 24, 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 Schedule 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 Schedule 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.

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

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

STATE BOARD OF ACCOUNTS

January 24, 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 METROPOLITAN SCHOOL DISTRICT
OF PIKE TOWNSHIP, MARION COUNTY, INDIANA

We have audited the financial statement of the Metropolitan School District of Pike Township (School Corporation), for the years ended June 30, 2010 and 2011, and have issued our report thereon dated January 24, 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.

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

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

STATE BOARD OF ACCOUNTS

January 24, 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.

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METROPOLITAN SCHOOL DISTRICT OF PIKE TOWNSHIP
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	\$ (4,501,023)	\$ 93,811,740	\$ 88,542,804	\$ 763,673	\$ 1,531,586	\$ 68,095,844	\$ 67,908,429	\$ 942,840	\$ 2,661,841
Referendum Debt	-	-	-	-	-	2,684,868	-	-	2,684,868
Debt Service	881,179	26,602,579	16,855,609	-	10,628,149	11,944,124	16,569,001	(16,842)	5,986,430
Retirement/Severance Bond Debt Service	23,061	1,220,871	833,254	-	410,678	776,133	833,107	-	353,704
Capital Projects	20,022,655	26,091,816	18,175,680	-	27,938,791	16,156,126	15,758,615	(10,717,521)	17,618,781
Transportation-Operating	2,779,896	10,715,974	11,385,634	260,234	2,370,470	6,969,291	6,932,081	3,935	2,411,615
School Bus Replacement	663,017	763,430	1,260,954	-	165,493	664,181	1,029,996	-	(200,322)
Special Education Preschool	(41,856)	154,706	55,787	(57,033)	30	-	30	-	-
Rainy Day	-	-	-	-	-	-	-	10,000,000	10,000,000
Retirement/Severance Bond	645,152	-	645,152	-	-	-	-	-	-
Construction-PHS Freshman Center	-	-	3,233,885	3,233,885	-	-	-	-	-
Eastbrook	168,251	-	86,148	-	82,103	-	82,104	1	-
Eastbrook Contr Bank Reimbursement	-	-	24,552	24,552	-	-	26,441	26,441	-
New Guion Creek Elementary School	-	-	-	-	-	45,296	7,478,456	21,260,250	13,827,090
School Lunch	783,850	4,442,321	4,190,265	46,609	1,082,515	5,021,391	4,811,751	56,871	1,349,026
Textbook Rental	489,618	1,249,425	969,017	1,311	771,337	1,123,515	1,315,514	16,926	596,264
Self-Insurance	5,080,372	13,589,111	14,695,505	-	3,973,978	16,730,044	12,164,899	-	8,539,123
Levy Excess	-	894,135	-	-	894,135	(893,750)	-	-	385
Loving Care Program	218,891	1,271,709	1,420,693	-	69,907	1,278,723	1,347,392	-	1,238
Adult Education	(10,635)	10,657	22	-	-	-	-	-	-
Alternative Education	-	77,428	77,428	-	-	-	88,806	-	-
SAFE School Haven	-	-	-	-	-	34,871	34,871	-	-
Early Intervention Grant	4,219	-	4,219	-	-	-	-	-	-
Graduation Coach	-	50,001	41,724	-	8,277	25,000	56,789	-	(23,512)
Wal-Mart/Explorer Post-Security	-	1,605	943	-	662	-	662	-	-
Pike Helps Haiti	-	15,237	15,352	-	(115)	-	(115)	-	-
Kenya Project	-	1,056	917	-	139	-	-	-	139
L.I.F.T. Foundation Scholarship	-	54,000	30,000	-	24,000	43,500	38,000	-	29,500
Professional Development	5,335	1,555	1,434	-	5,456	3,738	3,376	-	5,818
PHS/PFC Library Fund Grant	88	16,500	14,979	-	1,609	17,500	9,768	-	9,341
PHS College/Career Library-CICF	-	-	-	-	-	38,620	19,028	-	19,592
CICF Grants	-	-	-	-	-	2,500	-	-	2,500
Superintendents Scholarship Fund	10,931	5,296	14,227	-	2,000	16,818	5,178	-	13,640
Performing Arts Center	(69,600)	4,249	83,283	148,634	-	20,070	199,220	152,340	(26,810)
Instructional Support Donations	7,493	22,793	17,927	-	12,359	17,799	11,465	-	18,693
3M Grant	4,420	-	1,780	-	2,640	-	-	-	2,640
Lilly 2 - Project Clear	426,306	-	229,046	-	197,260	-	142,550	-	54,710
Lilly Endowment Grants	4,500	6,000	4,822	-	5,678	5,998	5,676	-	6,000
District Athletic Fund	18,523	23,405	26,469	-	15,459	15,711	11,166	-	20,004
Swim Club - PHS	5,342	35,949	32,596	-	8,695	32,455	35,063	-	6,087
Pike Youth Basketball League	-	8,474	8,474	-	-	20,706	17,994	-	2,712
Cultural Arts	5,802	1,934	7,434	-	302	-	302	-	-
Arts in Education Grants (IAC)	-	-	-	-	-	2,250	-	-	2,250
Excellence Scholarship Fund	6,564	100	2,641	-	4,023	4	2,000	-	2,027

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

METROPOLITAN SCHOOL DISTRICT OF PIKE TOWNSHIP
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
United Way Awards	-	2,153	-	-	2,153	-	2,153	-	-
PTEF Grants	771	20,735	6,582	-	14,924	7,168	17,470	-	4,622
Scrap Metal - Facilities	729	-	226	-	503	3,035	-	-	3,538
Donations for Security	1,501	277	375	-	1,403	280	-	-	1,683
Teen Court/Security	48	280	28	-	300	(280)	20	-	-
Supplies/GCMS Athletics	-	66,256	31,153	-	35,103	-	-	-	35,103
Lost Library Book	-	5,859	1,633	-	4,226	1,573	1,413	-	4,386
PPAC - Gifts	6,459	(6,459)	-	-	-	-	-	-	-
Vending	23,160	11,027	3,221	-	30,966	12,906	3,328	-	40,544
State Mini-Grants I	789	-	789	-	-	-	-	-	-
High Abilities Grant	10,613	71,500	62,674	-	19,439	70,429	73,894	-	15,974
High Abilities-Making a Difference	-	25,000	16,910	-	8,090	-	8,090	-	-
Medicaid Reimbursement	59,972	35,223	25,412	-	69,783	26,747	41,433	-	55,097
Technology II	166,087	127,074	284,763	-	8,398	-	8,398	-	-
Non-English Speaking Programs P.L. 273-1999	20,649	229,630	196,068	-	54,211	194,409	205,978	-	42,642
DCF Educational Technology	-	168,328	-	-	168,328	405,944	37,232	-	537,040
School Technology	-	-	39,630	-	(39,630)	219,430	172,784	-	7,016
Disability Determination Bureau	28	266	-	-	294	700	-	-	994
DieselWise Indiana Project	-	103,269	116,353	-	(13,084)	21,584	8,500	-	-
GQE Remediation	-	62,200	-	-	62,200	(62,200)	-	-	-
GQE Remediation Grant	62,200	-	34,680	-	27,520	109,176	89,719	-	46,977
Remediation ISTEP	214,422	96,123	127,363	-	183,182	52,741	148,331	-	87,592
Lumina/PHS	2,415	8,880	8,782	-	2,513	7,878	8,502	-	1,889
Smaller Learning Communities	(126)	130,059	129,933	-	-	336,757	339,045	-	(2,288)
Title I - Distinguished Schools	-	25,000	25,000	-	-	-	-	-	-
Title I	190,309	2,331,878	2,291,107	(330,414)	(99,334)	2,146,240	2,202,011	(2,275)	(157,380)
Title I - School Improvement	-	105,500	82,976	-	22,524	86,745	132,106	-	(22,837)
Title I Carry-Over	1,127	-	1,127	-	-	-	-	-	-
Title V - Part A	-	7,047	7,047	-	-	-	-	-	-
Stewart Homeless Assistance Act	-	-	-	-	-	57,074	57,931	-	(857)
Special Education - Part B Carry-Over	17,708	50,779	66,270	-	2,217	-	2,217	-	-
Special Education - Part B	7,169	1,958,746	1,990,861	-	(24,946)	1,847,582	2,057,519	-	(234,883)
Special Education - Targeted/Abilities	6,161	136,800	142,961	-	-	-	-	-	-
Special Education - Preschool	238	61,361	61,556	-	43	52,363	56,975	-	(4,569)
Safe & Drug Free Schools	11,296	32,885	43,667	-	514	37,500	43,394	-	(5,380)
Peer Friends	14,787	14,180	3,715	-	25,252	10,945	4,852	-	31,345
Bulletproof Vest Award	-	150	150	-	-	-	-	-	-
Signage - District	10,000	-	2,661	-	7,339	-	1,492	-	5,847
ICAN	27,246	661,727	686,257	-	2,716	38,984	41,700	-	-
21st Century Community Learning Center	96,662	570,848	663,250	-	4,260	513,878	534,053	-	(15,915)
21st Century/Cohort 5	-	-	-	-	-	296,215	304,803	-	(8,588)

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

METROPOLITAN SCHOOL DISTRICT OF PIKE TOWNSHIP
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
DWD Grant/Robotics	-	2,500	2,500	-	-	1,299	1,300	-	(1)
G.R.E.A.T.	(2,094)	33,612	31,518	-	-	-	-	-	-
Police Influencing Kids Through Education	3,402	-	-	-	3,402	44	3,402	-	44
Title II - Part D	-	294,000	237,862	-	56,138	-	56,138	-	-
Title III - Language Instruction	22,198	130,759	144,331	-	8,626	210,623	246,097	-	(26,848)
Title II/B Science Initiative	17,961	109,621	117,193	-	10,389	85,424	113,680	-	(17,867)
Title II/A	12,441	224,266	206,067	-	30,640	218,518	272,366	-	(23,208)
Title II/B Math Initiative	15,006	97,738	101,039	-	11,705	95,694	112,406	-	(5,007)
Title II - School Based Diversion	(4,269)	11,918	7,649	-	-	-	-	-	-
School Improvement	173,774	16,251	44,792	-	145,233	-	58,799	-	86,434
Coke Fund	204,406	115,118	132,007	-	187,517	237,905	158,739	-	266,683
Elementary Skates	495	-	-	-	495	-	116	-	379
Fiscal Stabilization - Education	5,365,351	2,182,414	7,547,765	-	-	-	-	-	-
Stimulus Title I - Grants to LEAs	-	908,639	888,999	-	19,640	644,535	725,302	-	(61,127)
Stimulus Special Education - Part B	-	1,349,165	1,345,753	-	3,412	893,079	976,115	-	(79,624)
Stimulus Special Education - Preschool	-	49,531	49,732	-	(201)	39,927	41,417	-	(1,691)
Stimulus McKinney-Vento Education for Homeless	-	11,138	11,138	-	-	-	-	-	-
Stimulus School Lunch Equipment	-	43,000	43,000	-	-	-	-	-	-
Stimulus Education Jobs	-	-	-	-	-	425,000	3,840	-	421,160
Warehouse	67,055	648,120	554,307	-	160,868	605,522	610,393	-	155,997
Refunds & Adjustments	62,213	193,767	189,377	-	66,603	288,925	77,068	-	278,460
Library Book	5,128	(4,421)	707	-	-	-	-	-	-
Clearing Account	1,400,989	21,992,172	22,330,913	-	1,062,248	22,495,417	21,854,544	-	1,703,121
Totals	<u>\$ 35,928,827</u>	<u>\$ 216,667,945</u>	<u>\$ 204,132,485</u>	<u>\$ 4,091,451</u>	<u>\$ 52,555,738</u>	<u>\$ 163,719,847</u>	<u>\$ 168,856,680</u>	<u>\$ 21,722,966</u>	<u>\$ 69,141,871</u>

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

METROPOLITAN SCHOOL DISTRICT OF PIKE TOWNSHIP
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.

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.

METROPOLITAN SCHOOL DISTRICT OF PIKE TOWNSHIP
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.

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

E. Disbursements

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

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

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

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

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

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

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

F. Other financing sources and uses

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

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.

METROPOLITAN SCHOOL DISTRICT OF PIKE TOWNSHIP
NOTES TO FINANCIAL STATEMENT
(Continued)

G. Fund Accounting

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

Note 2. Budgets

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

Note 3. Property Taxes

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

Note 4. Deposits and Investments

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

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

METROPOLITAN SCHOOL DISTRICT OF PIKE TOWNSHIP
NOTES TO FINANCIAL STATEMENT
(Continued)

Note 5. Risk Management

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

These risks can be mitigated through the purchase of insurance, establishment of a self-insurance fund, and/or participation in a risk pool. The purchase of insurance transfers the risk to an independent third party. The establishment of a self-insurance fund allows the School Corporation to set aside money for claim settlements. The self-insurance fund would be included in the financial statement. The purpose of participation in a risk pool is to provide a medium for the funding and administration of the risks. These risks may also be mitigated by the School Corporation by recording as a disbursement and replacement items purchased.

Note 6. Pension Plans

A. Public Employees' Retirement Fund

Plan Description

The Indiana Public Employees' Retirement Fund (PERF) is a defined benefit pension plan. PERF is an agent multiple-employer public employee retirement system, which provides retirement benefits to plan members and beneficiaries. All full-time employees are eligible to participate in this defined benefit plan. State statutes (IC 5-10.2 and 5-10.3) govern, through the Indiana Public Retirement System (INPRS) Board, most requirements of the system, and give the School Corporation authority to contribute to the plan. The PERF retirement benefit consists of the pension provided by employer contributions plus an annuity provided by the member's annuity savings account. The annuity savings account consists of members' contributions, set by state statute at 3 percent of compensation, plus the interest credited to the member's account. The employer may elect to make the contributions on behalf of the member.

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

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

Funding Policy and Annual Pension Cost

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

METROPOLITAN SCHOOL DISTRICT OF PIKE TOWNSHIP
NOTES TO FINANCIAL STATEMENT
(Continued)

B. Teachers' Retirement Fund

Plan Description

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

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

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

Funding Policy and Annual Pension Cost

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

The School Corporation also contributes to additional pension plans unique to the School Corporation. Information regarding these plans may be obtained from the School Corporation.

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 approved by management of the School Corporation. It is presented as intended by the School Corporation.

METROPOLITAN SCHOOL DISTRICT OF PIKE TOWNSHIP
 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	Transportation- Operating	School Bus Replacement	Special Education Preschool	Retirement/ Severance Bond	Construction-PHS Freshman Center
Cash and investments - beginning	\$ (4,501,023)	\$ 881,179	\$ 23,061	\$ 20,022,655	\$ 2,779,896	\$ 663,017	\$ (41,856)	\$ 645,152	\$ -
Receipts:									
Local sources	31,495,506	26,602,579	1,220,871	26,091,816	10,715,974	763,430	(669)	-	-
State sources	62,239,805	-	-	-	-	-	155,375	-	-
Federal sources	76,429	-	-	-	-	-	-	-	-
Other	-	-	-	-	-	-	-	-	-
Total receipts	<u>93,811,740</u>	<u>26,602,579</u>	<u>1,220,871</u>	<u>26,091,816</u>	<u>10,715,974</u>	<u>763,430</u>	<u>154,706</u>	<u>-</u>	<u>-</u>
Disbursements:									
Current:									
Instruction	40,340,867	-	-	-	-	-	55,787	633,552	-
Support services	17,521,327	17,659	-	8,543,854	6,508,826	492,870	-	11,600	-
Noninstructional services	724,314	-	-	-	-	-	-	-	-
Facilities acquisition and construction	153,260	-	-	9,631,826	-	-	-	-	3,233,885
Debt services	29,263,044	16,837,950	833,254	-	4,876,808	768,084	-	-	-
Nonprogrammed charges	539,992	-	-	-	-	-	-	-	-
Total disbursements	<u>88,542,804</u>	<u>16,855,609</u>	<u>833,254</u>	<u>18,175,680</u>	<u>11,385,634</u>	<u>1,260,954</u>	<u>55,787</u>	<u>645,152</u>	<u>3,233,885</u>
Excess (deficiency) of receipts over disbursements	<u>5,268,936</u>	<u>9,746,970</u>	<u>387,617</u>	<u>7,916,136</u>	<u>(669,660)</u>	<u>(497,524)</u>	<u>98,919</u>	<u>(645,152)</u>	<u>(3,233,885)</u>
Other financing sources (uses):									
Proceeds of long-term debt	-	-	-	-	-	-	-	-	-
Sale of capital assets	706,640	-	-	3,233,885	399	-	-	-	-
Transfers in	57,033	-	-	-	259,835	-	-	-	3,233,885
Transfers out	-	-	-	(3,233,885)	-	-	(57,033)	-	-
Total other financing sources (uses)	<u>763,673</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>260,234</u>	<u>-</u>	<u>(57,033)</u>	<u>-</u>	<u>3,233,885</u>
Excess (deficiency) of receipts and other financing sources over disbursements and other financing uses	<u>6,032,609</u>	<u>9,746,970</u>	<u>387,617</u>	<u>7,916,136</u>	<u>(409,426)</u>	<u>(497,524)</u>	<u>41,886</u>	<u>(645,152)</u>	<u>-</u>
Cash and investments - ending	<u>\$ 1,531,586</u>	<u>\$ 10,628,149</u>	<u>\$ 410,678</u>	<u>\$ 27,938,791</u>	<u>\$ 2,370,470</u>	<u>\$ 165,493</u>	<u>\$ 30</u>	<u>\$ -</u>	<u>\$ -</u>

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

	Eastbrook	Eastbrook Contr Bank Reimbursement	School Lunch	Textbook Rental	Self- Insurance	Levy Excess	Loving Care Program	Adult Education	Alternative Education
Cash and investments - beginning	\$ 168,251	\$ -	\$ 783,850	\$ 489,618	\$ 5,080,372	\$ -	\$ 218,891	\$ (10,635)	\$ -
Receipts:									
Local sources	-	-	1,545,800	601,979	13,389,277	894,135	1,258,747	-	-
State sources	-	-	34,481	647,446	-	-	-	10,657	77,428
Federal sources	-	-	2,862,040	-	-	-	12,962	-	-
Other	-	-	-	-	199,834	-	-	-	-
Total receipts	-	-	4,442,321	1,249,425	13,589,111	894,135	1,271,709	10,657	77,428
Disbursements:									
Current:									
Instruction	-	-	-	-	-	-	1,261,612	-	77,428
Support services	85,766	24,552	114,747	969,017	383,145	-	22,783	-	-
Noninstructional services	-	-	4,075,518	-	-	-	-	-	-
Facilities acquisition and construction	382	-	-	-	-	-	-	-	-
Debt services	-	-	-	-	-	-	-	-	-
Nonprogrammed charges	-	-	-	-	14,312,360	-	136,298	22	-
Total disbursements	86,148	24,552	4,190,265	969,017	14,695,505	-	1,420,693	22	77,428
Excess (deficiency) of receipts over disbursements	(86,148)	(24,552)	252,056	280,408	(1,106,394)	894,135	(148,984)	10,635	-
Other financing sources (uses):									
Proceeds of long-term debt	-	24,552	-	-	-	-	-	-	-
Sale of capital assets	-	-	46,609	1,311	-	-	-	-	-
Transfers in	-	-	-	-	-	-	-	-	-
Transfers out	-	-	-	-	-	-	-	-	-
Total other financing sources (uses)	-	24,552	46,609	1,311	-	-	-	-	-
Excess (deficiency) of receipts and other financing sources over disbursements and other financing uses	(86,148)	-	298,665	281,719	(1,106,394)	894,135	(148,984)	10,635	-
Cash and investments - ending	\$ 82,103	\$ -	\$ 1,082,515	\$ 771,337	\$ 3,973,978	\$ 894,135	\$ 69,907	\$ -	\$ -

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

	Early Intervention Grant	Graduation Coach	Wal-Mart/ Explorer Post-Security	Pike Helps Haiti	Kenya Project	L.I.F.T. Foundation Scholarship	Professional Development	PHS/PFC Library Fund Grant	Superintendents Scholarship Fund
Cash and investments - beginning	\$ 4,219	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 5,335	\$ 88	\$ 10,931
Receipts:									
Local sources	-	-	-	-	-	-	1,000	16,500	-
State sources	-	50,001	1,605	15,237	1,056	54,000	555	-	5,296
Federal sources	-	-	-	-	-	-	-	-	-
Other	-	-	-	-	-	-	-	-	-
Total receipts	-	50,001	1,605	15,237	1,056	54,000	1,555	16,500	5,296
Disbursements:									
Current:									
Instruction	4,219	-	-	-	-	-	-	-	-
Support services	-	41,724	-	-	-	-	1,434	14,979	-
Noninstructional services	-	-	943	15,352	917	-	-	-	-
Facilities acquisition and construction	-	-	-	-	-	-	-	-	-
Debt services	-	-	-	-	-	-	-	-	-
Nonprogrammed charges	-	-	-	-	-	30,000	-	-	14,227
Total disbursements	4,219	41,724	943	15,352	917	30,000	1,434	14,979	14,227
Excess (deficiency) of receipts over disbursements	(4,219)	8,277	662	(115)	139	24,000	121	1,521	(8,931)
Other financing sources (uses):									
Proceeds of long-term debt	-	-	-	-	-	-	-	-	-
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	(4,219)	8,277	662	(115)	139	24,000	121	1,521	(8,931)
Cash and investments - ending	\$ -	\$ 8,277	\$ 662	\$ (115)	\$ 139	\$ 24,000	\$ 5,456	\$ 1,609	\$ 2,000

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

	Performing Arts Center	Instructional Support Donations	3M Grant	Lilly 2- Project Clear	Lilly Endowment Grants	District Athletic Fund	Swim Club - PHS	Pike Youth Basketball League	Cultural Arts
Cash and investments - beginning	\$ (69,600)	\$ 7,493	\$ 4,420	\$ 426,306	\$ 4,500	\$ 18,523	\$ 5,342	\$ -	\$ 5,802
Receipts:									
Local sources	4,249	3,001	-	-	6,000	23,405	-	-	-
State sources	-	19,792	-	-	-	-	35,949	8,474	1,934
Federal sources	-	-	-	-	-	-	-	-	-
Other	-	-	-	-	-	-	-	-	-
Total receipts	4,249	22,793	-	-	6,000	23,405	35,949	8,474	1,934
Disbursements:									
Current:									
Instruction	-	566	-	-	4,822	-	-	-	-
Support services	83,283	12,448	1,780	211,796	-	-	-	-	7,434
Noninstructional services	-	4,913	-	17,250	-	26,469	32,596	8,474	-
Facilities acquisition and construction	-	-	-	-	-	-	-	-	-
Debt services	-	-	-	-	-	-	-	-	-
Nonprogrammed charges	-	-	-	-	-	-	-	-	-
Total disbursements	83,283	17,927	1,780	229,046	4,822	26,469	32,596	8,474	7,434
Excess (deficiency) of receipts over disbursements	(79,034)	4,866	(1,780)	(229,046)	1,178	(3,064)	3,353	-	(5,500)
Other financing sources (uses):									
Proceeds of long-term debt	-	-	-	-	-	-	-	-	-
Sale of capital assets	148,634	-	-	-	-	-	-	-	-
Transfers in	-	-	-	-	-	-	-	-	-
Transfers out	-	-	-	-	-	-	-	-	-
Total other financing sources (uses)	148,634	-	-	-	-	-	-	-	-
Excess (deficiency) of receipts and other financing sources over disbursements and other financing uses	69,600	4,866	(1,780)	(229,046)	1,178	(3,064)	3,353	-	(5,500)
Cash and investments - ending	\$ -	\$ 12,359	\$ 2,640	\$ 197,260	\$ 5,678	\$ 15,459	\$ 8,695	\$ -	\$ 302

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

	Excellence Scholarship Fund	United Way Awards	PTEF Grants	Scrap Metal - Facilities	Donations for Security	Teen Court/Security	Supplies/GCMS Athletics	Lost Library Book	PPAC - Gifts
Cash and investments - beginning	\$ 6,564	\$ -	\$ 771	\$ 729	\$ 1,501	\$ 48	\$ -	\$ -	\$ 6,459
Receipts:									
Local sources	-	2,153	-	-	-	-	-	5,859	(6,459)
State sources	100	-	20,735	-	277	280	66,256	-	-
Federal sources	-	-	-	-	-	-	-	-	-
Other	-	-	-	-	-	-	-	-	-
Total receipts	100	2,153	20,735	-	277	280	66,256	5,859	(6,459)
Disbursements:									
Current:									
Instruction	-	-	-	-	-	-	31,153	-	-
Support services	-	-	6,582	226	375	28	-	1,633	-
Noninstructional services	-	-	-	-	-	-	-	-	-
Facilities acquisition and construction	-	-	-	-	-	-	-	-	-
Debt services	-	-	-	-	-	-	-	-	-
Nonprogrammed charges	2,641	-	-	-	-	-	-	-	-
Total disbursements	2,641	-	6,582	226	375	28	31,153	1,633	-
Excess (deficiency) of receipts over disbursements	(2,541)	2,153	14,153	(226)	(98)	252	35,103	4,226	(6,459)
Other financing sources (uses):									
Proceeds of long-term debt	-	-	-	-	-	-	-	-	-
Sale of capital assets	-	-	-	-	-	-	-	-	-
Transfers in	-	-	-	-	-	-	-	-	-
Transfers out	-	-	-	-	-	-	-	-	-
Total other financing sources (uses)	-	-	-	-	-	-	-	-	-
Excess (deficiency) of receipts and other financing sources over disbursements and other financing uses	(2,541)	2,153	14,153	(226)	(98)	252	35,103	4,226	(6,459)
Cash and investments - ending	\$ 4,023	\$ 2,153	\$ 14,924	\$ 503	\$ 1,403	\$ 300	\$ 35,103	\$ 4,226	\$ -

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

	Vending	State Mini-Grants I	High Abilities Grant	High Abilities- Making a Difference	Medicaid Reimbursement	Technology II	Non-English Speaking Programs P.L. 273-1999	DCF Educational Technology	School Technology
Cash and investments - beginning	\$ 23,160	\$ 789	\$ 10,613	\$ -	\$ 59,972	\$ 166,087	\$ 20,649	\$ -	\$ -
Receipts:									
Local sources	11,027	-	-	-	-	-	-	-	-
State sources	-	-	71,500	25,000	35,223	127,074	229,630	168,328	-
Federal sources	-	-	-	-	-	-	-	-	-
Other	-	-	-	-	-	-	-	-	-
Total receipts	11,027	-	71,500	25,000	35,223	127,074	229,630	168,328	-
Disbursements:									
Current:									
Instruction	269	-	57,004	15,677	-	-	163,053	-	-
Support services	2,952	-	-	-	25,412	284,763	13,453	-	39,630
Noninstructional services	-	789	-	-	-	-	-	-	-
Facilities acquisition and construction	-	-	-	-	-	-	-	-	-
Debt services	-	-	-	-	-	-	-	-	-
Nonprogrammed charges	-	-	5,670	1,233	-	-	19,562	-	-
Total disbursements	3,221	789	62,674	16,910	25,412	284,763	196,068	-	39,630
Excess (deficiency) of receipts over disbursements	7,806	(789)	8,826	8,090	9,811	(157,689)	33,562	168,328	(39,630)
Other financing sources (uses):									
Proceeds of long-term debt	-	-	-	-	-	-	-	-	-
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	7,806	(789)	8,826	8,090	9,811	(157,689)	33,562	168,328	(39,630)
Cash and investments - ending	\$ 30,966	\$ -	\$ 19,439	\$ 8,090	\$ 69,783	\$ 8,398	\$ 54,211	\$ 168,328	\$ (39,630)

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

	Disability Determination Bureau	DieselWise Indiana Project	GQE Remediation	GQE Remediation Grant	Remediation ISTEP	Lumina/PHS	Smaller Learning Communities	Title I - Distinguished Schools	Title I
Cash and investments - beginning	\$ 28	\$ -	\$ -	\$ 62,200	\$ 214,422	\$ 2,415	\$ (126)	\$ -	\$ 190,309
Receipts:									
Local sources	-	-	-	-	-	-	-	-	-
State sources	266	103,269	62,200	-	96,123	-	-	-	-
Federal sources	-	-	-	-	-	8,880	130,059	25,000	2,331,878
Other	-	-	-	-	-	-	-	-	-
Total receipts	<u>266</u>	<u>103,269</u>	<u>62,200</u>	<u>-</u>	<u>96,123</u>	<u>8,880</u>	<u>130,059</u>	<u>25,000</u>	<u>2,331,878</u>
Disbursements:									
Current:									
Instruction	-	-	-	34,680	127,363	8,676	120,712	-	826,778
Support services	-	116,353	-	-	-	106	-	25,000	1,242,705
Noninstructional services	-	-	-	-	-	-	-	-	42,277
Facilities acquisition and construction	-	-	-	-	-	-	-	-	-
Debt services	-	-	-	-	-	-	-	-	-
Nonprogrammed charges	-	-	-	-	-	-	9,221	-	179,347
Total disbursements	<u>-</u>	<u>116,353</u>	<u>-</u>	<u>34,680</u>	<u>127,363</u>	<u>8,782</u>	<u>129,933</u>	<u>25,000</u>	<u>2,291,107</u>
Excess (deficiency) of receipts over disbursements	<u>266</u>	<u>(13,084)</u>	<u>62,200</u>	<u>(34,680)</u>	<u>(31,240)</u>	<u>98</u>	<u>126</u>	<u>-</u>	<u>40,771</u>
Other financing sources (uses):									
Proceeds of long-term debt	-	-	-	-	-	-	-	-	-
Sale of capital assets	-	-	-	-	-	-	-	-	-
Transfers in	-	-	-	-	-	-	-	-	-
Transfers out	-	-	-	-	-	-	-	-	(330,414)
Total other financing sources (uses)	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>(330,414)</u>
Excess (deficiency) of receipts and other financing sources over disbursements and other financing uses	<u>266</u>	<u>(13,084)</u>	<u>62,200</u>	<u>(34,680)</u>	<u>(31,240)</u>	<u>98</u>	<u>126</u>	<u>-</u>	<u>(289,643)</u>
Cash and investments - ending	<u>\$ 294</u>	<u>\$ (13,084)</u>	<u>\$ 62,200</u>	<u>\$ 27,520</u>	<u>\$ 183,182</u>	<u>\$ 2,513</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ (99,334)</u>

METROPOLITAN SCHOOL DISTRICT OF PIKE TOWNSHIP
 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 - School Improvement	Title I Carry-Over	Title V - Part A	Special Education - Part B Carry-Over	Special Education - Part B	Special Education - Targeted/Abilities	Special Education - Preschool	Safe & Drug Free Schools	Peer Friends
Cash and investments - beginning	\$ -	\$ 1,127	\$ -	\$ 17,708	\$ 7,169	\$ 6,161	\$ 238	\$ 11,296	\$ 14,787
Receipts:									
Local sources	-	-	-	-	-	-	-	-	-
State sources	-	-	-	-	-	-	61,361	-	14,180
Federal sources	105,500	-	7,047	50,779	1,958,746	136,800	-	32,885	-
Other	-	-	-	-	-	-	-	-	-
Total receipts	105,500	-	7,047	50,779	1,958,746	136,800	61,361	32,885	14,180
Disbursements:									
Current:									
Instruction	-	-	-	62,151	1,763,523	99,187	57,618	8,000	3,715
Support services	76,738	1,127	7,047	-	91,403	22,840	-	27,854	-
Noninstructional services	-	-	-	-	-	-	-	5,467	-
Facilities acquisition and construction	-	-	-	-	-	-	-	-	-
Debt services	-	-	-	-	-	-	-	-	-
Nonprogrammed charges	6,238	-	-	4,119	135,935	20,934	3,938	2,346	-
Total disbursements	82,976	1,127	7,047	66,270	1,990,861	142,961	61,556	43,667	3,715
Excess (deficiency) of receipts over disbursements	22,524	(1,127)	-	(15,491)	(32,115)	(6,161)	(195)	(10,782)	10,465
Other financing sources (uses):									
Proceeds of long-term debt	-	-	-	-	-	-	-	-	-
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	22,524	(1,127)	-	(15,491)	(32,115)	(6,161)	(195)	(10,782)	10,465
Cash and investments - ending	\$ 22,524	\$ -	\$ -	\$ 2,217	\$ (24,946)	\$ -	\$ 43	\$ 514	\$ 25,252

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

	Bulletproof Vest Award	Signage - District	ICAN	21st Century Community Learning Center	DWD Grant/ Robotics	G.R.E.A.T.	Police Influencing Kids Through Education	Title II - Part D	Title III - Language Instruction
Cash and investments - beginning	\$ -	\$ 10,000	\$ 27,246	\$ 96,662	\$ -	\$ (2,094)	\$ 3,402	\$ -	\$ 22,198
Receipts:									
Local sources	-	-	-	-	-	-	-	-	-
State sources	150	-	-	-	2,500	33,612	-	-	-
Federal sources	-	-	661,727	570,848	-	-	-	294,000	130,759
Other	-	-	-	-	-	-	-	-	-
Total receipts	150	-	661,727	570,848	2,500	33,612	-	294,000	130,759
Disbursements:									
Current:									
Instruction	-	-	-	613,470	2,375	-	-	-	140,530
Support services	150	-	622,062	-	-	-	-	234,122	-
Noninstructional services	-	188	-	-	-	29,140	-	-	-
Facilities acquisition and construction	-	-	-	-	-	-	-	-	-
Debt services	-	-	-	-	-	-	-	-	-
Nonprogrammed charges	-	2,473	64,195	49,780	125	2,378	-	3,740	3,801
Total disbursements	150	2,661	686,257	663,250	2,500	31,518	-	237,862	144,331
Excess (deficiency) of receipts over disbursements	-	(2,661)	(24,530)	(92,402)	-	2,094	-	56,138	(13,572)
Other financing sources (uses):									
Proceeds of long-term debt	-	-	-	-	-	-	-	-	-
Sale of capital assets	-	-	-	-	-	-	-	-	-
Transfers in	-	-	-	-	-	-	-	-	-
Transfers out	-	-	-	-	-	-	-	-	-
Total other financing sources (uses)	-	-	-	-	-	-	-	-	-
Excess (deficiency) of receipts and other financing sources over disbursements and other financing uses	-	(2,661)	(24,530)	(92,402)	-	2,094	-	56,138	(13,572)
Cash and investments - ending	\$ -	\$ 7,339	\$ 2,716	\$ 4,260	\$ -	\$ -	\$ 3,402	\$ 56,138	\$ 8,626

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

	Title II/B Science Initiative	Title II/A	Title II/B Math Initiative	Title II - School Based Diversion	School Improvement	Coke Fund	Elementary Skates	Fiscal Stabilization - Education	Stimulus Title I - Grants to LEAs
Cash and investments - beginning	\$ 17,961	\$ 12,441	\$ 15,006	\$ (4,269)	\$ 173,774	\$ 204,406	\$ 495	\$ 5,365,351	\$ -
Receipts:									
Local sources	-	-	-	-	-	115,118	-	-	-
State sources	-	-	-	11,918	16,251	-	-	-	-
Federal sources	109,621	224,266	97,738	-	-	-	-	2,182,414	908,639
Other	-	-	-	-	-	-	-	-	-
Total receipts	109,621	224,266	97,738	11,918	16,251	115,118	-	2,182,414	908,639
Disbursements:									
Current:									
Instruction	-	169,920	-	-	-	11,518	-	7,547,765	611,226
Support services	105,696	18,126	90,840	-	44,792	119,678	-	-	202,011
Noninstructional services	-	-	-	7,075	-	811	-	-	2,349
Facilities acquisition and construction	-	-	-	-	-	-	-	-	-
Debt services	-	-	-	-	-	-	-	-	-
Nonprogrammed charges	11,497	18,021	10,199	574	-	-	-	-	73,413
Total disbursements	117,193	206,067	101,039	7,649	44,792	132,007	-	7,547,765	888,999
Excess (deficiency) of receipts over disbursements	(7,572)	18,199	(3,301)	4,269	(28,541)	(16,889)	-	(5,365,351)	19,640
Other financing sources (uses):									
Proceeds of long-term debt	-	-	-	-	-	-	-	-	-
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	(7,572)	18,199	(3,301)	4,269	(28,541)	(16,889)	-	(5,365,351)	19,640
Cash and investments - ending	\$ 10,389	\$ 30,640	\$ 11,705	\$ -	\$ 145,233	\$ 187,517	\$ 495	\$ -	\$ 19,640

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

	Stimulus Special Education - Part B	Stimulus Special Education - Preschool	Stimulus McKinney- Vento Education for Homeless	Stimulus School Lunch Equipment	Warehouse	Refunds & Adjustments	Library Book	Clearing Account	Totals
Cash and investments - beginning	\$ -	\$ -	\$ -	\$ -	\$ 67,055	\$ 62,213	\$ 5,128	\$ 1,400,989	\$ 35,928,827
Receipts:									
Local sources	-	-	-	-	-	-	-	-	114,761,298
State sources	-	-	-	-	-	-	-	-	64,505,324
Federal sources	1,349,165	49,531	11,138	43,000	-	-	-	-	14,371,851
Other	-	-	-	-	648,120	193,767	(4,421)	21,992,172	23,029,472
Total receipts	<u>1,349,165</u>	<u>49,531</u>	<u>11,138</u>	<u>43,000</u>	<u>648,120</u>	<u>193,767</u>	<u>(4,421)</u>	<u>21,992,172</u>	<u>216,667,945</u>
Disbursements:									
Current:									
Instruction	1,251,248	46,611	-	-	-	-	-	-	56,153,075
Support services	-	-	11,138	-	-	-	-	-	38,505,866
Noninstructional services	-	-	-	-	-	-	-	-	4,994,842
Facilities acquisition and construction	-	-	-	43,000	-	-	-	-	13,062,353
Debt services	-	-	-	-	-	-	-	-	52,579,140
Nonprogrammed charges	94,505	3,121	-	-	554,307	189,377	707	22,330,913	38,837,209
Total disbursements	<u>1,345,753</u>	<u>49,732</u>	<u>11,138</u>	<u>43,000</u>	<u>554,307</u>	<u>189,377</u>	<u>707</u>	<u>22,330,913</u>	<u>204,132,485</u>
Excess (deficiency) of receipts over disbursements	<u>3,412</u>	<u>(201)</u>	<u>-</u>	<u>-</u>	<u>93,813</u>	<u>4,390</u>	<u>(5,128)</u>	<u>(338,741)</u>	<u>12,535,460</u>
Other financing sources (uses):									
Proceeds of long-term debt	-	-	-	-	-	-	-	-	24,552
Sale of capital assets	-	-	-	-	-	-	-	-	4,137,478
Transfers in	-	-	-	-	-	-	-	-	3,550,753
Transfers out	-	-	-	-	-	-	-	-	(3,621,332)
Total other financing sources (uses)	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>4,091,451</u>
Excess (deficiency) of receipts and other financing sources over disbursements and other financing uses	<u>3,412</u>	<u>(201)</u>	<u>-</u>	<u>-</u>	<u>93,813</u>	<u>4,390</u>	<u>(5,128)</u>	<u>(338,741)</u>	<u>16,626,911</u>
Cash and investments - ending	<u>\$ 3,412</u>	<u>\$ (201)</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 160,868</u>	<u>\$ 66,603</u>	<u>\$ -</u>	<u>\$ 1,062,248</u>	<u>\$ 52,555,738</u>

METROPOLITAN SCHOOL DISTRICT OF PIKE TOWNSHIP
 COMBINING SCHEDULE OF RECEIPTS, DISBURSEMENTS, OTHER FINANCING SOURCES (USES), AND CASH AND INVESTMENT BALANCES -
 REGULATORY BASIS
 For the Year Ended June 30, 2011

	General	Referendum Debt	Debt Service	Retirement/ Severance Bond Debt Service	Capital Projects	Transportation- Operating	School Bus Replacement	Special Education Preschool	Rainy Day	Eastbrook
Cash and investments - beginning	\$ 1,531,586	\$ -	\$ 10,628,149	\$ 410,678	\$ 27,938,791	\$ 2,370,470	\$ 165,493	\$ 30	\$ -	\$ 82,103
Receipts:										
Local sources	3,539,393	2,684,868	11,936,998	776,133	16,156,126	6,969,291	664,181	-	-	-
State sources	64,468,642	-	7,126	-	-	-	-	-	-	-
Federal sources	87,809	-	-	-	-	-	-	-	-	-
Other	-	-	-	-	-	-	-	-	-	-
Total receipts	<u>68,095,844</u>	<u>2,684,868</u>	<u>11,944,124</u>	<u>776,133</u>	<u>16,156,126</u>	<u>6,969,291</u>	<u>664,181</u>	<u>-</u>	<u>-</u>	<u>-</u>
Disbursements:										
Current:										
Instruction	48,893,857	-	-	-	-	-	-	30	-	-
Support services	17,782,744	-	-	-	10,715,838	6,932,081	1,029,996	-	-	879
Noninstructional services	655,073	-	-	-	-	-	-	-	-	-
Facilities acquisition and construction	-	-	-	-	5,042,777	-	-	-	-	81,225
Debt services	-	-	16,569,001	833,107	-	-	-	-	-	-
Nonprogrammed charges	576,755	-	-	-	-	-	-	-	-	-
Total disbursements	<u>67,908,429</u>	<u>-</u>	<u>16,569,001</u>	<u>833,107</u>	<u>15,758,615</u>	<u>6,932,081</u>	<u>1,029,996</u>	<u>30</u>	<u>-</u>	<u>82,104</u>
Excess (deficiency) of receipts over disbursements	<u>187,415</u>	<u>2,684,868</u>	<u>(4,624,877)</u>	<u>(56,974)</u>	<u>397,511</u>	<u>37,210</u>	<u>(365,815)</u>	<u>(30)</u>	<u>-</u>	<u>(82,104)</u>
Other financing sources (uses):										
Proceeds of long-term debt	-	-	-	-	-	-	-	-	-	1
Sale of capital assets	225,319	-	-	-	-	1,660	-	-	-	-
Transfers in	717,521	-	-	-	(717,521)	2,275	-	-	10,000,000	-
Transfers out	-	-	(16,842)	-	(10,000,000)	-	-	-	-	-
Total other financing sources (uses)	<u>942,840</u>	<u>-</u>	<u>(16,842)</u>	<u>-</u>	<u>(10,717,521)</u>	<u>3,935</u>	<u>-</u>	<u>-</u>	<u>10,000,000</u>	<u>1</u>
Excess (deficiency) of receipts and other financing sources over disbursements and other financing uses	<u>1,130,255</u>	<u>2,684,868</u>	<u>(4,641,719)</u>	<u>(56,974)</u>	<u>(10,320,010)</u>	<u>41,145</u>	<u>(365,815)</u>	<u>(30)</u>	<u>10,000,000</u>	<u>(82,103)</u>
Cash and investments - ending	<u>\$ 2,661,841</u>	<u>\$ 2,684,868</u>	<u>\$ 5,986,430</u>	<u>\$ 353,704</u>	<u>\$ 17,618,781</u>	<u>\$ 2,411,615</u>	<u>\$ (200,322)</u>	<u>\$ -</u>	<u>\$ 10,000,000</u>	<u>\$ -</u>

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

	Eastbrook Contr Bank Reimbursement	New Guion Creek Elementary School	School Lunch	Textbook Rental	Self- Insurance	Levy Excess	Loving Care Program	Alternative Education	SAFE School Haven	Graduation Coach
Cash and investments - beginning	\$ -	\$ -	\$ 1,082,515	\$ 771,337	\$ 3,973,978	\$ 894,135	\$ 69,907	\$ -	\$ -	\$ 8,277
Receipts:										
Local sources	-	45,296	1,415,073	502,388	16,730,044	(893,750)	1,250,706	-	-	-
State sources	-	-	65,847	621,127	-	-	-	88,806	-	25,000
Federal sources	-	-	3,540,471	-	-	-	28,017	-	34,871	-
Other	-	-	-	-	-	-	-	-	-	-
Total receipts	-	45,296	5,021,391	1,123,515	16,730,044	(893,750)	1,278,723	88,806	34,871	25,000
Disbursements:										
Current:										
Instruction	-	-	-	-	-	-	1,199,502	88,806	33,233	-
Support services	24,303	52,390	102,943	1,315,514	416,258	-	17,733	-	-	56,789
Noninstructional services	-	-	3,808,808	-	-	-	-	-	-	-
Facilities acquisition and construction	2,138	7,426,066	-	-	-	-	-	-	-	-
Debt services	-	-	-	-	-	-	-	-	-	-
Nonprogrammed charges	-	-	900,000	-	11,748,641	-	130,157	-	1,638	-
Total disbursements	26,441	7,478,456	4,811,751	1,315,514	12,164,899	-	1,347,392	88,806	34,871	56,789
Excess (deficiency) of receipts over disbursements	(26,441)	(7,433,160)	209,640	(191,999)	4,565,145	(893,750)	(68,669)	-	-	(31,789)
Other financing sources (uses):										
Proceeds of long-term debt	26,441	21,260,250	-	-	-	-	-	-	-	-
Sale of capital assets	-	-	56,871	84	-	-	-	-	-	-
Transfers in	-	-	-	16,842	-	-	-	-	-	-
Transfers out	-	-	-	-	-	-	-	-	-	-
Total other financing sources (uses)	26,441	21,260,250	56,871	16,926	-	-	-	-	-	-
Excess (deficiency) of receipts and other financing sources over disbursements and other financing uses	-	13,827,090	266,511	(175,073)	4,565,145	(893,750)	(68,669)	-	-	(31,789)
Cash and investments - ending	\$ -	\$ 13,827,090	\$ 1,349,026	\$ 596,264	\$ 8,539,123	\$ 385	\$ 1,238	\$ -	\$ -	\$ (23,512)

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

	Wal-Mart/ Explorer Post-Security	Pike Helps Haiti	Kenya Project	L.I.F.T. Foundation Scholarship	Professional Development	PHS/PFC Library Fund Grant	PHS College/Career Library-CICF	CICF Grants	Superintendents Scholarship Fund
Cash and investments - beginning	\$ 662	\$ (115)	\$ 139	\$ 24,000	\$ 5,456	\$ 1,609	\$ -	\$ -	\$ 2,000
Receipts:									
Local sources	-	-	-	-	600	17,500	38,620	2,500	-
State sources	-	-	-	43,500	3,138	-	-	-	16,818
Federal sources	-	-	-	-	-	-	-	-	-
Other	-	-	-	-	-	-	-	-	-
Total receipts	-	-	-	43,500	3,738	17,500	38,620	2,500	16,818
Disbursements:									
Current:									
Instruction	-	-	-	-	-	-	-	-	-
Support services	-	-	-	-	3,376	9,768	19,028	-	-
Noninstructional services	662	(115)	-	-	-	-	-	-	1,178
Facilities acquisition and construction	-	-	-	-	-	-	-	-	-
Debt services	-	-	-	-	-	-	-	-	-
Nonprogrammed charges	-	-	-	38,000	-	-	-	-	4,000
Total disbursements	662	(115)	-	38,000	3,376	9,768	19,028	-	5,178
Excess (deficiency) of receipts over disbursements	(662)	115	-	5,500	362	7,732	19,592	2,500	11,640
Other financing sources (uses):									
Proceeds of long-term debt	-	-	-	-	-	-	-	-	-
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	(662)	115	-	5,500	362	7,732	19,592	2,500	11,640
Cash and investments - ending	\$ -	\$ -	\$ 139	\$ 29,500	\$ 5,818	\$ 9,341	\$ 19,592	\$ 2,500	\$ 13,640

METROPOLITAN SCHOOL DISTRICT OF PIKE TOWNSHIP
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 REGULATORY BASIS
 For the Year Ended June 30, 2011
 (Continued)

	Performing Arts Center	Instructional Support Donations	3M Grant	Lilly 2- Project Clear	Lilly Endowment Grants	District Athletic Fund	Swim Club - PHS	Pike Youth Basketball League	Cultural Arts
Cash and investments - beginning	\$ -	\$ 12,359	\$ 2,640	\$ 197,260	\$ 5,678	\$ 15,459	\$ 8,695	\$ -	\$ 302
Receipts:									
Local sources	20,070	17,799	-	-	-	15,711	-	-	-
State sources	-	-	-	-	5,998	-	32,455	20,706	-
Federal sources	-	-	-	-	-	-	-	-	-
Other	-	-	-	-	-	-	-	-	-
Total receipts	20,070	17,799	-	-	5,998	15,711	32,455	20,706	-
Disbursements:									
Current:									
Instruction	-	541	-	-	5,676	-	-	-	-
Support services	199,220	4,837	-	121,310	-	-	-	-	302
Noninstructional services	-	6,087	-	21,240	-	11,166	35,063	17,994	-
Facilities acquisition and construction	-	-	-	-	-	-	-	-	-
Debt services	-	-	-	-	-	-	-	-	-
Nonprogrammed charges	-	-	-	-	-	-	-	-	-
Total disbursements	199,220	11,465	-	142,550	5,676	11,166	35,063	17,994	302
Excess (deficiency) of receipts over disbursements	(179,150)	6,334	-	(142,550)	322	4,545	(2,608)	2,712	(302)
Other financing sources (uses):									
Proceeds of long-term debt	-	-	-	-	-	-	-	-	-
Sale of capital assets	152,340	-	-	-	-	-	-	-	-
Transfers in	-	-	-	-	-	-	-	-	-
Transfers out	-	-	-	-	-	-	-	-	-
Total other financing sources (uses)	152,340	-	-	-	-	-	-	-	-
Excess (deficiency) of receipts and other financing sources over disbursements and other financing uses	(26,810)	6,334	-	(142,550)	322	4,545	(2,608)	2,712	(302)
Cash and investments - ending	\$ (26,810)	\$ 18,693	\$ 2,640	\$ 54,710	\$ 6,000	\$ 20,004	\$ 6,087	\$ 2,712	\$ -

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

	Arts in Education Grants (IAC)	Excellence Scholarship Fund	United Way Awards	PTEF Grants	Scrap Metal - Facilities	Donations for Security	Teen Court/Security	Supplies/GCMS Athletics	Lost Library Book
Cash and investments - beginning	\$ -	\$ 4,023	\$ 2,153	\$ 14,924	\$ 503	\$ 1,403	\$ 300	\$ 35,103	\$ 4,226
Receipts:									
Local sources	-	-	-	-	-	-	-	-	1,573
State sources	2,250	4	-	7,168	-	280	(280)	-	-
Federal sources	-	-	-	-	3,035	-	-	-	-
Other	-	-	-	-	-	-	-	-	-
Total receipts	<u>2,250</u>	<u>4</u>	<u>-</u>	<u>7,168</u>	<u>3,035</u>	<u>280</u>	<u>(280)</u>	<u>-</u>	<u>1,573</u>
Disbursements:									
Current:									
Instruction	-	-	-	10,172	-	-	-	-	-
Support services	-	-	-	5,630	-	-	20	-	1,413
Noninstructional services	-	-	2,153	1,668	-	-	-	-	-
Facilities acquisition and construction	-	-	-	-	-	-	-	-	-
Debt services	-	-	-	-	-	-	-	-	-
Nonprogrammed charges	-	2,000	-	-	-	-	-	-	-
Total disbursements	<u>-</u>	<u>2,000</u>	<u>2,153</u>	<u>17,470</u>	<u>-</u>	<u>-</u>	<u>20</u>	<u>-</u>	<u>1,413</u>
Excess (deficiency) of receipts over disbursements	<u>2,250</u>	<u>(1,996)</u>	<u>(2,153)</u>	<u>(10,302)</u>	<u>3,035</u>	<u>280</u>	<u>(300)</u>	<u>-</u>	<u>160</u>
Other financing sources (uses):									
Proceeds of long-term debt	-	-	-	-	-	-	-	-	-
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>2,250</u>	<u>(1,996)</u>	<u>(2,153)</u>	<u>(10,302)</u>	<u>3,035</u>	<u>280</u>	<u>(300)</u>	<u>-</u>	<u>160</u>
Cash and investments - ending	<u>\$ 2,250</u>	<u>\$ 2,027</u>	<u>\$ -</u>	<u>\$ 4,622</u>	<u>\$ 3,538</u>	<u>\$ 1,683</u>	<u>\$ -</u>	<u>\$ 35,103</u>	<u>\$ 4,386</u>

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

	Vending	High Abilities Grant	High Abilities- Making a Difference	Medicaid Reimbursement	Technology II	Non-English Speaking Programs P.L. 273-1999	DCF Educational Technology	School Technology	Disability Determination Bureau
Cash and investments - beginning	\$ 30,966	\$ 19,439	\$ 8,090	\$ 69,783	\$ 8,398	\$ 54,211	\$ 168,328	\$ (39,630)	\$ 294
Receipts:									
Local sources	12,906	-	-	-	-	-	-	-	-
State sources	-	70,429	-	26,747	-	194,409	405,944	219,430	700
Federal sources	-	-	-	-	-	-	-	-	-
Other	-	-	-	-	-	-	-	-	-
Total receipts	12,906	70,429	-	26,747	-	194,409	405,944	219,430	700
Disbursements:									
Current:									
Instruction	-	69,872	4,546	-	-	132,153	-	-	-
Support services	3,328	170	3,133	41,433	8,398	63,171	37,232	172,784	-
Noninstructional services	-	-	-	-	-	-	-	-	-
Facilities acquisition and construction	-	-	-	-	-	-	-	-	-
Debt services	-	-	-	-	-	-	-	-	-
Nonprogrammed charges	-	3,852	411	-	-	10,654	-	-	-
Total disbursements	3,328	73,894	8,090	41,433	8,398	205,978	37,232	172,784	-
Excess (deficiency) of receipts over disbursements	9,578	(3,465)	(8,090)	(14,686)	(8,398)	(11,569)	368,712	46,646	700
Other financing sources (uses):									
Proceeds of long-term debt	-	-	-	-	-	-	-	-	-
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	9,578	(3,465)	(8,090)	(14,686)	(8,398)	(11,569)	368,712	46,646	700
Cash and investments - ending	\$ 40,544	\$ 15,974	\$ -	\$ 55,097	\$ -	\$ 42,642	\$ 537,040	\$ 7,016	\$ 994

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

	DieselWise Indiana Project	GQE Remediation	GQE Remediation Grant	Remediation ISTEP	Lumina/PHS	Smaller Learning Communities	Title I	Title I - School Improvement	Stewart Homeless Assistance Act
Cash and investments - beginning	\$ (13,084)	\$ 62,200	\$ 27,520	\$ 183,182	\$ 2,513	\$ -	\$ (99,334)	\$ 22,524	\$ -
Receipts:									
Local sources	-	-	-	-	-	-	-	-	57,074
State sources	21,584	(62,200)	109,176	52,741	-	-	-	-	-
Federal sources	-	-	-	-	7,878	336,757	2,146,240	86,745	-
Other	-	-	-	-	-	-	-	-	-
Total receipts	21,584	(62,200)	109,176	52,741	7,878	336,757	2,146,240	86,745	57,074
Disbursements:									
Current:									
Instruction	-	-	89,719	148,331	8,206	256,698	921,681	-	12,684
Support services	8,500	-	-	-	296	67,344	1,095,948	124,863	42,525
Noninstructional services	-	-	-	-	-	-	23,497	-	-
Facilities acquisition and construction	-	-	-	-	-	-	-	-	-
Debt services	-	-	-	-	-	-	-	-	-
Nonprogrammed charges	-	-	-	-	-	15,003	160,885	7,243	2,722
Total disbursements	8,500	-	89,719	148,331	8,502	339,045	2,202,011	132,106	57,931
Excess (deficiency) of receipts over disbursements	13,084	(62,200)	19,457	(95,590)	(624)	(2,288)	(55,771)	(45,361)	(857)
Other financing sources (uses):									
Proceeds of long-term debt	-	-	-	-	-	-	-	-	-
Sale of capital assets	-	-	-	-	-	-	-	-	-
Transfers in	-	-	-	-	-	-	-	-	-
Transfers out	-	-	-	-	-	-	(2,275)	-	-
Total other financing sources (uses)	-	-	-	-	-	-	(2,275)	-	-
Excess (deficiency) of receipts and other financing sources over disbursements and other financing uses	13,084	(62,200)	19,457	(95,590)	(624)	(2,288)	(58,046)	(45,361)	(857)
Cash and investments - ending	\$ -	\$ -	\$ 46,977	\$ 87,592	\$ 1,889	\$ (2,288)	\$ (157,380)	\$ (22,837)	\$ (857)

METROPOLITAN SCHOOL DISTRICT OF PIKE TOWNSHIP
 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 - Part B Carry-Over	Special Education - Part B	Special Education - Preschool	Safe & Drug Free Schools	Peer Friends	Signage - District	ICAN	21st Century Community Learning Center	21st Century/ Cohort 5
Cash and investments - beginning	\$ 2,217	\$ (24,946)	\$ 43	\$ 514	\$ 25,252	\$ 7,339	\$ 2,716	\$ 4,260	\$ -
Receipts:									
Local sources	-	-	-	-	-	-	-	-	-
State sources	-	-	52,363	-	10,945	-	-	-	-
Federal sources	-	1,847,582	-	37,500	-	-	38,984	513,878	296,215
Other	-	-	-	-	-	-	-	-	-
Total receipts	-	1,847,582	52,363	37,500	10,945	-	38,984	513,878	296,215
Disbursements:									
Current:									
Instruction	1,730	1,817,147	53,840	-	4,852	-	-	516,791	290,483
Support services	-	123,577	-	39,862	-	-	38,564	-	-
Noninstructional services	-	-	-	1,596	-	1,492	-	-	-
Facilities acquisition and construction	-	-	-	-	-	-	-	-	-
Debt services	-	-	-	-	-	-	-	-	-
Nonprogrammed charges	487	116,795	3,135	1,936	-	-	3,136	17,262	14,320
Total disbursements	2,217	2,057,519	56,975	43,394	4,852	1,492	41,700	534,053	304,803
Excess (deficiency) of receipts over disbursements	(2,217)	(209,937)	(4,612)	(5,894)	6,093	(1,492)	(2,716)	(20,175)	(8,588)
Other financing sources (uses):									
Proceeds of long-term debt	-	-	-	-	-	-	-	-	-
Sale of capital assets	-	-	-	-	-	-	-	-	-
Transfers in	-	-	-	-	-	-	-	-	-
Transfers out	-	-	-	-	-	-	-	-	-
Total other financing sources (uses)	-	-	-	-	-	-	-	-	-
Excess (deficiency) of receipts and other financing sources over disbursements and other financing uses	(2,217)	(209,937)	(4,612)	(5,894)	6,093	(1,492)	(2,716)	(20,175)	(8,588)
Cash and investments - ending	\$ -	\$ (234,883)	\$ (4,569)	\$ (5,380)	\$ 31,345	\$ 5,847	\$ -	\$ (15,915)	\$ (8,588)

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

	DWD Grant/ Robotics	Police Influencing Kids Through Education	Title II - Part D	Title III - Language Instruction	Title II/B Science Initiative	Title II/A	Title II/B Math Initiative	School Improvement	Coke Fund
Cash and investments - beginning	\$ -	\$ 3,402	\$ 56,138	\$ 8,626	\$ 10,389	\$ 30,640	\$ 11,705	\$ 145,233	\$ 187,517
Receipts:									
Local sources	-	-	-	-	-	-	-	-	237,905
State sources	1,299	-	-	-	-	-	-	-	-
Federal sources	-	44	-	210,623	85,424	218,518	95,694	-	-
Other	-	-	-	-	-	-	-	-	-
Total receipts	1,299	44	-	210,623	85,424	218,518	95,694	-	237,905
Disbursements:									
Current:									
Instruction	1,239	-	-	241,985	-	186,446	-	-	-
Support services	-	3,402	53,626	-	108,052	66,182	106,799	58,799	158,600
Noninstructional services	-	-	-	-	-	-	-	-	139
Facilities acquisition and construction	-	-	-	-	-	-	-	-	-
Debt services	-	-	-	-	-	-	-	-	-
Nonprogrammed charges	61	-	2,512	4,112	5,628	19,738	5,607	-	-
Total disbursements	1,300	3,402	56,138	246,097	113,680	272,366	112,406	58,799	158,739
Excess (deficiency) of receipts over disbursements	(1)	(3,358)	(56,138)	(35,474)	(28,256)	(53,848)	(16,712)	(58,799)	79,166
Other financing sources (uses):									
Proceeds of long-term debt	-	-	-	-	-	-	-	-	-
Sale of capital assets	-	-	-	-	-	-	-	-	-
Transfers in	-	-	-	-	-	-	-	-	-
Transfers out	-	-	-	-	-	-	-	-	-
Total other financing sources (uses)	-	-	-	-	-	-	-	-	-
Excess (deficiency) of receipts and other financing sources over disbursements and other financing uses	(1)	(3,358)	(56,138)	(35,474)	(28,256)	(53,848)	(16,712)	(58,799)	79,166
Cash and investments - ending	\$ (1)	\$ 44	\$ -	\$ (26,848)	\$ (17,867)	\$ (23,208)	\$ (5,007)	\$ 86,434	\$ 266,683

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

	Elementary Skates	Stimulus Title I - Grants to LEAs	Stimulus Special Education - Part B	Stimulus Special Education - Preschool	Stimulus Education Jobs	Warehouse	Refunds & Adjustments	Clearing Account	Totals
Cash and investments - beginning	\$ 495	\$ 19,640	\$ 3,412	\$ (201)	\$ -	\$ 160,868	\$ 66,603	\$ 1,062,248	\$ 52,555,738
Receipts:									
Local sources	-	-	-	-	-	-	-	-	62,199,005
State sources	-	-	-	-	-	-	-	-	66,512,152
Federal sources	-	644,535	893,079	39,927	425,000	-	-	-	11,618,826
Other	-	-	-	-	-	605,522	288,925	22,495,417	23,389,864
Total receipts	-	644,535	893,079	39,927	425,000	605,522	288,925	22,495,417	163,719,847
Disbursements:									
Current:									
Instruction	116	292,370	920,124	38,492	3,840	-	-	-	56,245,162
Support services	-	283,845	-	-	-	-	-	-	41,522,805
Noninstructional services	-	88,412	-	-	-	-	-	-	4,676,113
Facilities acquisition and construction	-	-	-	-	-	-	-	-	12,552,206
Debt services	-	-	-	-	-	-	-	-	17,402,108
Nonprogrammed charges	-	60,675	55,991	2,925	-	610,393	77,068	21,854,544	36,458,286
Total disbursements	116	725,302	976,115	41,417	3,840	610,393	77,068	21,854,544	168,856,680
Excess (deficiency) of receipts over disbursements	(116)	(80,767)	(83,036)	(1,490)	421,160	(4,871)	211,857	640,873	(5,136,833)
Other financing sources (uses):									
Proceeds of long-term debt	-	-	-	-	-	-	-	-	21,286,692
Sale of capital assets	-	-	-	-	-	-	-	-	436,274
Transfers in	-	-	-	-	-	-	-	-	10,019,117
Transfers out	-	-	-	-	-	-	-	-	(10,019,117)
Total other financing sources (uses)	-	-	-	-	-	-	-	-	21,722,966
Excess (deficiency) of receipts and other financing sources over disbursements and other financing uses	(116)	(80,767)	(83,036)	(1,490)	421,160	(4,871)	211,857	640,873	16,586,133
Cash and investments - ending	\$ 379	\$ (61,127)	\$ (79,624)	\$ (1,691)	\$ 421,160	\$ 155,997	\$ 278,460	\$ 1,703,121	\$ 69,141,871

METROPOLITAN SCHOOL DISTRICT OF PIKE TOWNSHIP
 SUPPLEMENTARY INFORMATION
 SCHEDULE OF LONG-TERM DEBT
 June 30, 2011

Description of Debt	Ending Principal Balance	Principal and Interest Due Within One Year
Capital leases:		
2002 Capital Lease	\$ 7,590,000	\$ 7,779,750
2006 Capital Lease	100,000	102,250
2008 Capital Lease	19,685,000	3,098,694
Pike Township Multi-School Building Corp New Capital Lease	21,475,000	248,752
Bonds payable:		
General obligation bonds:		
Pension Bond Series 8A	<u>4,250,000</u>	<u>803,670</u>
Total debt	<u>\$ 53,100,000</u>	<u>\$ 12,033,116</u>

METROPOLITAN SCHOOL DISTRICT OF PIKE TOWNSHIP
AUDIT RESULTS AND COMMENTS

OVERDRAWN FUND BALANCES

The fund balance of the School Bus Replacement Fund was overdrawn by \$200,322 at June 30, 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)

ECA DEPOSITS

Receipts were not always deposited within a reasonable time at seven of the schools within the Corporation.

Pertaining to Central Elementary School, receipts, in some instances, were held for periods in excess of 7 days before depositing. In one instance, receipts accumulated to over \$861 before a deposit was made.

Pertaining to College Park Elementary School, receipts, in some instances, were held for periods in excess of 7 days before depositing. In one instance, receipts accumulated to over \$702.37 before a deposit was made.

Pertaining to Deer Run Elementary School, receipts, in some instances, were held for periods in excess of 3 months. We identified checks that were received at the end of May, were not deposited until September. In one instance, receipts accumulated to over \$2,464.11 before a deposit was made.

Pertaining to Guion Creek Middle School, receipts, in some instances, were held for periods in excess of 8 days before depositing. In one instance, receipts, accumulated to over \$1,380.50 before a deposit was made.

Pertaining to Lincoln Middle School, receipts, in some instances, were held for periods in excess of 6 days before depositing. In one instance, receipts accumulated to over \$13,695.06 before a deposit was made.

Pertaining to Fishback Creek Public Academy, receipts in numerous instances were not deposited timely. One receipt reviewed was not deposited for over 2 months.

Pertaining to New Augusta Public Academy North, receipts, in some instances, were held for periods in excess of 11 days before depositing. In one instance, receipts accumulated to over \$1,792.25 before a deposit was made.

Indiana Code 20-5-7-4 states in part: ". . . receipts shall be deposited without unreasonable delay. . . ."

METROPOLITAN SCHOOL DISTRICT OF PIKE TOWNSHIP
AUDIT RESULTS AND COMMENTS
(Continued)

CONDITION OF RECORDS - ECA ACCOUNTS

The condition of records for three schools within the School Corporation had some deficiencies during the audit period.

The following deficiencies related to the recordkeeping at Deer Run Elementary School were identified during the audit.

1. Record balances were not reconciled to depository balances. At June 30, 2011, the bank reconciliation was \$899.58 long when comparing the ledgers to the bank statement. The bank reconciliements were not being completed properly. Deposits in transit listed were not actually deposits in transit and the outstanding check list was not properly maintained.
2. There were a considerable number of posting errors. These errors included deposits not receipted, checks and receipts not recorded in the proper amounts, interest not posted, and nonsufficient funds checks incorrectly posted. The records were not being kept up to date which was causing a considerable amount of posting errors.

The following deficiencies related to the recordkeeping at New Augusta Public Academy South were identified during the audit.

1. Record balances were not reconciled to depository balances. The ECA Treasurer was using the bank balance in the financial system rather than using the ledger balance to reconcile each month. This caused there to be a considerable number of posting errors which resulted in cash being long by \$1,652.34.
2. There were a considerable number of posting errors. These errors included deposits not receipted, checks and receipts not recorded in the proper amounts, interest not posted, and nonsufficient funds checks incorrectly posted.
3. Some transactions were recorded as "negative" receipts and disbursements.

The following deficiencies related to the recordkeeping at Pacers Academy were identified during the audit period.

1. Monthly bank reconciliements were not presented for audit and the reconciliements presented were not accurate.
2. The financial records of the ECA account were not maintained properly. Numerous posting errors and omissions in the ECA ledger were identified. These errors included bank deposits that were not receipted into the ledger, checks and receipts that were not recorded in the proper amounts, "negative" receipt and disbursement postings, and bank interest income that was not receipted into the ECA ledger.

Lastly, it was identified that there was a lack of internal control in relation to the oversight of the ECA records by the School Corporation. Several posting and reconciling issues went undetected for several months. If proper oversight had been conducted, these issues would have been addressed in a timelier manner.

Indiana Code 5-13-6-1(e) states: "All local investment officers shall reconcile at least monthly the balance of public funds, as disclosed by the records of the local officers, with the balance statements provided by the respective depositories."

METROPOLITAN SCHOOL DISTRICT OF PIKE TOWNSHIP
AUDIT RESULTS AND COMMENTS
(Continued)

Receipt and disbursement corrections or other errors should be corrected by memorandum entry with the issuance of a check and receipt to document the flow of the transactions. (Accounting and Uniform Compliance Guidelines Manual for Extra-Curricular Accounts, Chapter 7)

All documents and entries to records should be done in a timely manner to ensure that accurate financial information is available to allow the governmental unit to make informed management decisions and to help ensure compliance with IC 5-15-1-1 et seq., commonly referred to as the Public Records Law. (Accounting and Uniform Compliance Guidelines Manual for Extra-Curricular Accounts, Chapter 7)

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 Extra-Curricular Accounts, Chapter 7)

RECEIPT ISSUANCE (Applies to Deer Run Elementary School)

Receipts were not always issued or recorded when the transaction actually occurred. We noted multiple receipts being issued on the same day for transactions that clearly occurred throughout the month.

Receipts shall be issued and recorded at the time of the transaction; for example, when cash or a check is received, a receipt is to be immediately prepared and given to the person making payment. (Accounting and Uniform Compliance Guidelines Manual for Extra-Curricular Accounts, Chapter 7)

INTERNAL CONTROLS-TEXTBOOK RENTAL PROCESS (Applies to Pacers Academy)

The controls over the Textbook Rental billing and collection processes at Pacers Academy were insufficient during the audit period. Employees were not fully aware of the correct procedures in relation to the billing and collecting of the student's textbook rental charges. Staff at Pacers Academy was required to bill and collect textbook rental for students that started the school year at Pacers Academy. However, the staff was unable to provide documentation indicating that students were properly billed for textbook rental charges nor were they able to provide documentation that collection had been made or attempted. Further inquiry with other ECA and corporation staff indicated a conflicting perception of the proper textbook rental billing and collection procedures.

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 objectives, and compliance with laws and regulations. Among other things, segregation of duties, safeguarding controls over cash and all other assets and all forms of information processing are necessary for proper internal control. (Accounting and Uniform Compliance Guidelines Manual for Extra-Curricular Accounts, Chapter 7)

PUBLIC RECORDS RETENTION (Applies to Pacers Academy)

Records for the time period of July 1, 2009 to December 31, 2009, and January 1, 2011 to June 30, 2011, were not presented for audit. Documentation such as receipts, claims for payment, deposit tickets, canceled checks, and bank reconcilements were not available.

METROPOLITAN SCHOOL DISTRICT OF PIKE TOWNSHIP
AUDIT RESULTS AND COMMENTS
(Continued)

Indiana Code 5-15-6-3(f) states in part: "Original records may be disposed of only with the approval of the commission according to guidelines established by the commission. . . ."

Supporting documentation such as receipts, canceled checks, tickets, invoices, bills, contracts, and other public records must be available for audit to provide supporting information for the validity and accountability of monies disbursed. Payments without supporting documentation may be the personal obligation of the responsible official or employee. (Accounting and Uniform Compliance Guidelines Manual for Extra-Curricular Accounts, Chapter 7)

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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

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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 METROPOLITAN SCHOOL DISTRICT
OF PIKE TOWNSHIP, MARION COUNTY, INDIANA

Compliance

We have audited the compliance of the Metropolitan School District of Pike Township (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.

The School Corporation's response to the findings identified in our audit is described in the accompanying Official Response. 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

January 24, 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.

METROPOLITAN SCHOOL DISTRICT OF PIKE TOWNSHIP
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	\$ 517,051 -	\$ - 860,841
Total for program			<u>517,051</u>	<u>860,841</u>
National School Lunch Program	10.555	FY 2009-10 FY 2010-11	2,305,228 -	- 2,630,829
Total for program			<u>2,305,228</u>	<u>2,630,829</u>
Summer Food Service Program for Children	10.559	FY 2009-10 FY 2010-11	39,761 -	- 69,845
Total for program			<u>39,761</u>	<u>69,845</u>
Total for cluster			<u>2,862,040</u>	<u>3,561,515</u>
Child and Adult Care Food Program	10.558	FY 2009-10 FY 2010-11	12,962 -	- 43,494
Total for program			<u>12,962</u>	<u>43,494</u>
ARRA - Child Nutrition Discretionary Grants, Recovery Act Limited Availability	10.579	FY 2009-10	43,000	-
Total for federal grantor agency			<u>2,918,002</u>	<u>3,605,009</u>
<u>U.S. DEPARTMENT OF JUSTICE</u>				
Direct Grant				
Bulletproof Vest Partnership Program	16.607	FY 2009-10	150	-
Direct Grant				
Gang Resistant Education and Training GREAT Grant	16.737	2008-JV-FX-0071	31,518	-
Pass-Through Indiana Criminal Justice Institute				
Juvenile Justice and Delinquency Prevention - Allocation to States	16.540	2007-JF-FX-0008	7,649	-
Total for federal grantor agency			<u>39,317</u>	<u>-</u>
<u>NATIONAL ENDOWMENT FOR THE ART</u>				
Pass-Through Indiana Art Commission				
Promotion of the Arts - Partnership Agreements Arts in Education Granting Program	45.025		7,434	302
<u>U.S. ENVIRONMENTAL PROTECTION AGENCY</u>				
Pass-Through Indiana Department Environmental Management				
ARRA - State Clean Diesel Grant Program, Recovery Act Diesel Wise Indiana	66.040	A305-10-14	116,353	8,500
<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		393,177	-
Title I - Basic Compensatory Education		08-5350	-	-
		09-5350	2,228,343	408,072
		10-5350	-	1,796,212
		08-5350	1,127	-
Title I - Carry-over 07/08		09-5350	25,000	-
Title I Distinguished Schools		09-5350	82,976	45,824
Title I School Improvement		10-5350	-	86,282
Total for program			<u>2,730,623</u>	<u>2,336,390</u>
ARRA - Title I Grants to Local Education Agencies, Recovery Act Compensatory Education	84.389	FY 2009-10 FY 2010-11	888,998 -	- 725,303
Total for program			<u>888,998</u>	<u>725,303</u>
Total for cluster			<u>3,619,621</u>	<u>3,061,693</u>

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

METROPOLITAN SCHOOL DISTRICT OF PIKE TOWNSHIP
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.S. DEPARTMENT OF EDUCATION (continued)				
Pass-Through Indiana Department of Education (continued)				
Special Education Cluster				
Special Education - Grants to States	84.027			
Discretionary/Targeted-Abilities		14208-035-DY03	142,961	-
Discretionary/ICAN		14208-019-DY09	424,899	-
Discretionary/Targeted-TASL		14210-029-DY10	261,358	41,700
Part B		14209-073-PN01	244,305	-
		14210-073-PN01	1,746,555	441,646
		14211-073-PN01	-	1,615,871
Part B Carry-over		14208-073-PY02	17,708	-
		14209-073-PY02	<u>48,562</u>	<u>2,217</u>
Total for program			<u>2,886,348</u>	<u>2,101,434</u>
Special Education - Preschool Grants				
Preschool	84.173			
Preschool		45709-073-PN01	11,314	-
Preschool		45710-073-PN01	50,241	7,943
Preschool		45711-073-PN01	-	<u>49,031</u>
Total for program			<u>61,555</u>	<u>56,974</u>
ARRA - Special Education - Grants to States, Recovery Act				
Part B	84.391			
		33310-073-SN01	<u>1,345,753</u>	<u>976,114</u>
ARRA - Special Education - Preschool Grants, Recovery Act				
Preschool	84.392			
		44410-073-SN01	<u>49,731</u>	<u>41,417</u>
Total for cluster			<u>4,343,387</u>	<u>3,175,939</u>
State Fiscal Stabilization Fund Cluster				
ARRA - State Fiscal Stabilization Fund (SFSF) - Education State Grants, Recovery Act	84.394		<u>7,547,765</u>	<u>-</u>
Direct Grant				
Fund for the Improvement of Education Smaller Learning Communities	84.215			
		S215LO80741	<u>129,933</u>	<u>339,046</u>
Pass-Through Indiana Department of Workforce Development				
Career and Technical Education - Basic Grants to States	84.048			
DWD/Robotics		CPR-9-72	2,500	-
DWD/Robotics		CPR-0-72	-	<u>1,300</u>
Total for program			<u>2,500</u>	<u>1,300</u>
Pass-Through Indiana Department of Education				
Safe and Drug-Free Schools and Communities - State Grants	84.186			
Safe and Drug-Free		5350-07	24,796	-
Safe and Drug-Free		5350-08	18,870	6,948
Safe and Drug-Free		5350-09	-	<u>36,445</u>
Total for program			<u>43,666</u>	<u>43,393</u>
Education of Homeless Children and Youth Cluster				
Education of Homeless Children and Youth	84.196			
ARRA - Education of Homeless Children and Youth, Recovery Act		A58-1-11DL-060 FY 2009-10	-	57,931
			<u>11,138</u>	<u>-</u>
Total for cluster			<u>11,138</u>	<u>57,931</u>
Twenty-First Century Community Learning Centers				
21st CLCC Cohort 4	84.287			
21st CLCC Cohort 5		A58-0-10DL-063	663,250	534,054
		A58-0-10DL-115	-	<u>304,804</u>
Total for program			<u>663,250</u>	<u>838,858</u>
State Grants for Innovative Programs Title V Part A	84.298			
		08-5350	<u>7,047</u>	<u>-</u>

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

METROPOLITAN SCHOOL DISTRICT OF PIKE TOWNSHIP
SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS
For The Years Ended June 30, 2010 and 2011
(Continued)

Federal Grantor Agency/Pass-Through Entity Cluster Title/Program Title/Project Title	Federal CFDA Number	Pass-Through Entity (or Other) Identifying Number	Total Federal Awards Expended 06-30-10	Total Federal Awards Expended 06-30-11
<u>U.S. DEPARTMENT OF EDUCATION (continued)</u>				
Pass-Through Indiana Department of Education (continued)				
Education Technology State Grants Cluster				
Education Technology State Grants	84.318			
Title II, Part D - Tech Learning Grant		C209T5350	237,862	56,138
Advanced Placement Program	84.330			
		FY 2009-10	1,883	-
English Language Acquisition Grants	84.365			
Title III FY 08/09		5350-08	22,198	-
Title III FY 09/10		62620/59K00	122,134	67,926
Title III FY 10/11		01111-06-PN01	-	178,171
Total for program			144,332	246,097
Mathematics and Science Partnerships	84.366			
Yr 1 of 3 - Science		A58-0-10CI-181	395	102,896
Yr 2 of 3 - Science		6000-182500	14,044	-
Yr 3 of 3 - Science		6000-182500	102,753	10,783
Yr 1 of 3 - Math		A58-0-10CI-162	-	100,701
Yr 2 of 3 - Math		6000-182500	20,424	-
Yr 3 of 3 - Math		6000-182500	80,614	11,705
Total for program			218,230	226,085
Improving Teacher Quality State Grants	84.367			
Title II Part A		08-5350	162,492	20,850
Title II Part A		09-5350	43,574	222,612
Title II Part A		10-5350	-	28,903
Total for program			206,066	272,365
ARRA - Education Jobs Fund, Recovery Act	84.410			
		FY 2010-11	-	3,840
Total for federal grantor agency			17,176,680	8,322,685
Total federal awards expended			<u>\$ 20,257,786</u>	<u>\$ 11,936,496</u>

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

METROPOLITAN SCHOOL DISTRICT OF PIKE TOWNSHIP
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 Metropolitan School District of Pike Township (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. Subrecipients

Of the federal expenditures presented in the schedule, the School Corporation provided federal awards to subrecipients as follows for the years ended June 30, 2010 and 2011:

Program Title	Federal CFDA Number	2010	2011
Title I	84.010	\$ 173,872	\$ 239,294

Note 3. 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	\$ 530,159	\$ 249,910

METROPOLITAN SCHOOL DISTRICT OF PIKE TOWNSHIP
SCHEDULE OF FINDINGS AND QUESTIONED COSTS

Section I – Summary of Auditor's Results

Financial Statement:

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

Federal Awards:

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

Identification of Major Programs:

CFDA Number	Name of Federal Program or Cluster
84.287	Title I, Part A Cluster Special Education Cluster State Fiscal Stabilization Fund Cluster 21 st Century Community Learning Centers

Dollar threshold used to distinguish between Type A and Type B programs: \$966,008

Auditee qualified as low-risk auditee? yes

Section II – Financial Statement Findings

No matters are reportable.

Section III – Federal Award Findings and Questioned Costs

No matters are reportable.

METROPOLITAN SCHOOL DISTRICT OF PIKE TOWNSHIP
SUMMARY SCHEDULE OF PRIOR AUDIT FINDINGS

No matters are reportable.

METROPOLITAN SCHOOL DISTRICT OF PIKE TOWNSHIP
EXIT CONFERENCE

The contents of this report were discussed on January 24, 2012, with Linda J. Searles, Treasurer; Nathaniel Jones, Superintendent of Schools; Karen Cartmell, Deputy Treasurer; and Larry W. Grau, President of the School Board. The Official Response has been made a part of this report and may be found on page 57.



METROPOLITAN SCHOOL DISTRICT OF PIKE TOWNSHIP

Administrative Service Center

6901 Zionsville Road, Indianapolis, Indiana 46268-2467

Phone: 317-293-0393 Fax: 317-297-7896

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Linda J. Searles, RSBO
Chief Financial Officer

February 4, 2012

Via Fax – Original Mailed

Indiana State Board of Accounts
Indiana Government Center South
302 West Washington Street, Room E418
Indianapolis, IN 46204-2738

Re: Official Response - Audit of the MSD of Pike Township for the period of 7/1/09-6/30/11

To whom it may concern:

We are submitting this official response to the audit conducted by the Indiana State Board of Accounts for the time period July 1, 2009 through June 30, 2011. Below is the response of the MSD of Pike Township (the “School Corporation”) to the final draft of the “Audit Results and Comments” provided to the School Corporation on January 14, 2012.

1. **OVERDRAWN CASH BALANCES:** The Bus Replacement Fund was overdrawn by \$200,322 at 6/30/2011 due to buses being purchased in June 2011 and approved revenue for the budget year not being fully distributed to the School Corporation until December 2011. The School Corporation never exceeded the approved budget appropriation and did not feel it was prudent to incur additional borrowing and interest expense in the form of Tax Anticipation Warrants when total cash in bank across all funds exceeded \$69 million and was more than sufficient to temporarily cover the shortfall until approved revenues were distributed to the School Corporation. To temporarily transfer money from another fund to make this fund appear to have a positive balance, would give an unfair picture of the status of the revenue in this fund.

The MSD of Pike Township would like to commend your auditors on this assignment. They were efficient and thorough in representing the Indiana State Board of Accounts and they conducted themselves very professionally throughout the audit.

Respectfully,

Linda J. Searles
Chief Financial Officer
MSD of Pike Township

Cc: Nathaniel Jones, Superintendent