

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

FINANCIAL STATEMENT AND  
FEDERAL SINGLE AUDIT REPORT  
OF

LAWRENCEBURG COMMUNITY SCHOOL CORPORATION  
DEARBORN COUNTY, INDIANA

July 1, 2009 to June 30, 2011



**FILED**

03/09/2012



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### SCHEDULE OF OFFICIALS

<u>Office</u>	<u>Official</u>	<u>Term</u>
Treasurer	Pam Taylor	01-01-09 to 12-31-12
Superintendent of Schools	Karl Gale	07-01-09 to 06-30-12
President of the School Board	Kelly Mollaun Greg McAdams Kelly Mollaun	01-01-09 to 12-31-09 01-01-10 to 12-31-11 01-01-12 to 12-31-12



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

TO: THE OFFICIALS OF THE LAWRENCEBURG COMMUNITY  
SCHOOL CORPORATION, DEARBORN COUNTY, INDIANA

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

We conducted our audit in accordance with auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in Government Auditing Standards, issued by the Comptroller General of the United States. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statement is free of material misstatement. An audit includes consideration of internal control over financial reporting as a basis for designing audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the School Corporation's internal control over reporting. Accordingly, we express no such opinion. An audit includes examining, on a test basis, evidence supporting the amounts and disclosures in the financial statement. An audit also includes assessing the accounting principles used and significant estimates made by management, as well as evaluating the overall financial statement presentation. We believe that our audit provides a reasonable basis for our opinion.

As discussed in Note 1, the School Corporation prepares its financial statement on the prescribed basis of accounting that demonstrates compliance with the reporting requirements established by the State Board of Accounts as allowed by state statute (IC 5-11-1-6), which is a comprehensive basis of accounting other than accounting principles generally accepted in the United States of America. The basis of accounting noted above is a different basis than that used in the prior year.

In our opinion, the financial statement referred to above presents fairly, in all material respects, the financial position and results of operations of the School Corporation for the years ended June 30, 2010 and 2011, on the basis of accounting described in Note 1.

In accordance with Government Auditing Standards, we have also issued a report dated February 2, 2012, on our consideration of the School Corporation's internal control over financial reporting and our tests of its compliance with certain provisions of laws, regulations, contracts, grant agreements, and other matters. The purpose of that report is to describe the scope of our testing of internal control over financial reporting and compliance and the results of that testing and not to provide an opinion on the internal control over financial reporting or on compliance. That report is an integral part of an audit performed in accordance with Government Auditing Standards and should be considered in assessing the results of our audit.

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

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

Our audit was conducted for the purpose of forming an opinion on the School Corporation's financial statement. The Combining Schedules of Receipts, Disbursements, Other Financing Sources (Uses), and Cash and Investment Balances – Regulatory Basis and Schedule of Long-Term Debt are presented for additional analysis and are not required parts of the financial statement. The Combining Schedules of Receipts, Disbursements, Other Financing Sources (Uses), and Cash and Investment Balances – Regulatory Basis and Schedule of Long-Term Debt have not been subjected to the auditing procedures applied by us in the audit of the financial statement and, accordingly, we express no opinion on them.

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

STATE BOARD OF ACCOUNTS

February 2, 2012



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

TO: THE OFFICIALS OF THE LAWRENCEBURG COMMUNITY  
SCHOOL CORPORATION, DEARBORN COUNTY, INDIANA

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

Internal Control Over Financial Reporting

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

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

A deficiency in internal control exists when the design or operation of a control does not allow management or employees, in the normal course of performing their assigned functions, to prevent or detect and correct misstatements on a timely basis. A material weakness is a deficiency or combination of deficiencies in internal control, such that there is a reasonable possibility that a material misstatement of the entity's financial statement will not be prevented or detected and corrected on a timely basis. We consider the deficiency described in the accompanying Schedule of Findings and Questioned Costs as item 2011-01 to be a material weakness.

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

Compliance and Other Matters

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

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

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

STATE BOARD OF ACCOUNTS

February 2, 2012

## FINANCIAL STATEMENT

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

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

	Cash and Investments 07-01-09	Receipts	Disbursements	Other Financing Sources (Uses)	Cash and Investments 06-30-10	Receipts	Disbursements	Other Financing Sources (Uses)	Cash and Investments 06-30-11
General	\$ 173,143	\$ 12,315,088	\$ 10,739,320	\$ (38,152)	\$ 1,710,759	\$ 12,623,776	\$ 12,625,615	\$ (29,380)	\$ 1,679,540
Debt Service	762,182	1,794,245	1,671,603	-	884,824	1,592,949	1,670,500	-	807,273
Capital Projects	1,409,190	2,450,040	1,300,212	1,150	2,560,168	2,187,671	1,900,937	106	2,847,008
School Transportation	331,304	694,746	871,831	-	154,219	568,235	666,461	-	55,993
School Bus Replacement	158,411	429,703	425,071	-	163,043	219,806	81,585	-	301,264
Special Education Preschool	-	20,625	20,625	-	-	-	-	-	-
Post-Retirement/Severance Future Benefits	66,712	-	-	39,177	105,889	-	-	29,380	135,269
School Lunch	52,521	726,850	656,287	-	123,084	777,269	662,884	-	237,469
Textbook Rental	(93,980)	240,415	311,350	-	(164,915)	263,157	246,963	-	(148,721)
Self-Insurance	7,078	39,694	39,855	-	6,917	44,187	39,786	-	11,318
Levy Excess	-	-	-	-	-	33,451	-	-	33,451
Safe Haven Character Counts	-	5,259	5,259	-	-	-	-	-	-
Safe Haven School Resource Officer	-	9,683	9,683	-	-	-	-	-	-
Safe Haven AI's Pals	-	13,838	13,838	-	-	-	-	-	-
CAPE Grant	(3,052)	27,052	24,000	-	-	-	-	-	-
PLATO Project	(4,313)	130,747	131,010	-	(4,576)	91,374	86,798	-	-
Project Lead the Way	(4,093)	48,456	49,657	-	(5,294)	54,269	48,975	-	-
Athletic Trainer	-	21,826	23,133	-	(1,307)	16,987	15,680	-	-
Alternative to Suspension	(6,757)	86,358	88,744	-	(9,143)	98,202	89,059	-	-
Diagnostic Assessments Grant	-	8,032	8,032	-	-	-	-	-	-
Student Resource/ Homework Help	-	20,827	26,322	-	(5,495)	62,979	57,484	-	-
Indiana Student Achievement Institute Grant	-	29,973	30,003	-	(30)	29,030	29,000	-	-
Shakespear Grant	-	-	-	-	-	2,765	2,739	-	26
One Community One Family	-	-	-	-	-	43,000	-	-	43,000
Extra-Curricular Activities	-	5,905	6,913	-	(1,008)	17,070	16,062	-	-
Drivers Education	-	-	7,838	-	(7,838)	17,399	9,561	-	-
Scholarships and Awards	103,079	2,190	1,900	-	103,369	2,588	4,300	-	101,657
Homework Assistance Program	929	-	929	-	-	-	-	-	-
Drug Free Communities	710	-	241	-	469	-	238	-	231
Non-English Speaking Programs P.L. 273-1999	571	1,380	964	-	987	1,388	2,283	-	92
School Technology	-	-	-	-	-	13,558	9,899	-	3,659
Gifted and Talented	11,135	32,187	26,227	-	17,095	31,706	30,981	-	17,820
Latchkey	-	26,378	23,325	-	3,053	28,184	22,293	-	8,944
Title I, Part D 2008/09	25,678	2,001	12,917	(14,762)	-	-	-	-	-
Title I, Part D 2009/10	-	40,867	28,121	14,762	27,508	5,194	1,751	(30,951)	-
Title I, Part D 2010/11	-	-	-	-	-	-	25,969	30,952	4,983
Title I, Part A 2008/09	6,954	18,282	11,875	(13,361)	-	-	-	-	-
Title I, Part A 2009/10	-	219,833	233,194	13,361	-	10,700	-	(10,700)	-
Title I, Part A 2010/11	-	-	-	-	-	199,462	210,162	10,700	-
Title V, Part A	-	1,071	1,071	-	-	-	-	-	-
Title IV, Part A 2008/09	4,623	-	4,623	-	-	-	-	-	-
Title IV, Part A 2009/10	-	4,236	2,161	-	2,075	-	2,075	-	-
Title IV, Part A 2010/11	-	3,000	-	-	3,000	1,244	2,875	-	1,369
Medicaid Reimbursement - Federal	3,875	-	3,224	-	651	-	282	-	369
Improving Teaching Quality, No Child Left, Title II, Part A	-	113,381	98,519	-	14,862	53,442	68,304	-	-
ITQ, Enhanced Education Through Technology, Title II, Part D	-	27,721	-	-	27,721	65,953	93,667	-	7
Title III, Language Instruction	1,275	-	267	-	1,008	227	1,226	-	9
Fiscal Stabilization - Education	907,708	350,278	1,257,986	-	-	-	-	-	-
Title I - Grants to LEAs	-	78,972	62,086	-	16,886	49,496	66,382	-	-
Special Education - Part B	-	40,544	45,159	-	(4,615)	50,300	45,685	-	-
Title I - Part D, Subpart 2	-	-	-	-	-	23,928	23,928	-	-
<b>Totals</b>	<b>\$ 3,914,883</b>	<b>\$ 20,081,683</b>	<b>\$ 18,275,375</b>	<b>\$ 2,175</b>	<b>\$ 5,723,366</b>	<b>\$ 19,280,946</b>	<b>\$ 18,862,389</b>	<b>\$ 107</b>	<b>\$ 6,142,030</b>

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

LAWRENCEBURG COMMUNITY SCHOOL CORPORATION  
NOTES TO FINANCIAL STATEMENT

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

*A. Reporting Entity*

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

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

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

*B. Basis of Accounting*

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

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

*C. Cash and Investments*

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

*D. Receipts*

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

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

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

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.

LAWRENCEBURG COMMUNITY SCHOOL CORPORATION  
NOTES TO FINANCIAL STATEMENT  
(Continued)

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

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.

Non-instructional 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.

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

*F. Other financing sources and uses*

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

Sale of capital assets which includes money received when land, buildings, or equipment owned by the School Corporation is sold.

Transfers in which includes money received by one fund as a result of transferring money from another fund. The transfers are used for cash flow purposes as provided by various statutory provisions.

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.

LAWRENCEBURG COMMUNITY SCHOOL CORPORATION  
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.

LAWRENCEBURG COMMUNITY SCHOOL CORPORATION  
NOTES TO FINANCIAL STATEMENT  
(Continued)

**Note 5. Risk Management**

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

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

**Note 6. Pension Plan**

*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.

LAWRENCEBURG COMMUNITY SCHOOL CORPORATION  
NOTES TO FINANCIAL STATEMENT  
(Continued)

*B. Teachers' Retirement Fund*

*Plan Description*

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

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

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

*Funding Policy and Annual Pension Cost*

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

## SUPPLEMENTARY INFORMATION – UNAUDITED

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

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

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

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

	General	Debt Service	Capital Projects	School Transportation	School Bus Replacement	Special Education Preschool	Post - Retirement/ Severance Future Benefits	School Lunch	Textbook Rental
Cash and investments - beginning	\$ 173,143	\$ 762,182	\$ 1,409,190	\$ 331,304	\$ 158,411	\$ -	\$ 66,712	\$ 52,521	\$ (93,980)
Receipts:									
Local sources	1,411,486	1,794,245	2,429,384	694,746	429,703	-	-	333,045	192,965
Intermediate sources	1,069	-	-	-	-	-	-	-	-
State sources	10,901,443	-	-	-	-	20,625	-	9,604	47,450
Federal sources	-	-	-	-	-	-	-	384,201	-
Other	1,090	-	20,656	-	-	-	-	-	-
Total receipts	<u>12,315,088</u>	<u>1,794,245</u>	<u>2,450,040</u>	<u>694,746</u>	<u>429,703</u>	<u>20,625</u>	<u>-</u>	<u>726,850</u>	<u>240,415</u>
Disbursements:									
Current:									
Instruction	6,099,103	-	-	-	-	20,625	-	-	-
Support services	3,705,867	-	567,709	623,257	425,071	-	-	-	311,350
Noninstructional services	257,876	-	-	-	-	-	-	656,287	-
Facilities acquisition and construction	-	-	732,503	-	-	-	-	-	-
Debt services	-	1,671,603	-	248,574	-	-	-	-	-
Nonprogrammed charges	676,474	-	-	-	-	-	-	-	-
Total disbursements	<u>10,739,320</u>	<u>1,671,603</u>	<u>1,300,212</u>	<u>871,831</u>	<u>425,071</u>	<u>20,625</u>	<u>-</u>	<u>656,287</u>	<u>311,350</u>
Excess (deficiency) of receipts over disbursements	<u>1,575,768</u>	<u>122,642</u>	<u>1,149,828</u>	<u>(177,085)</u>	<u>4,632</u>	<u>-</u>	<u>-</u>	<u>70,563</u>	<u>(70,935)</u>
Other financing sources (uses):									
Sale of capital assets	1,025	-	1,150	-	-	-	-	-	-
Transfers in	-	-	-	-	-	-	39,177	-	-
Transfers out	(39,177)	-	-	-	-	-	-	-	-
Total other financing sources (uses)	<u>(38,152)</u>	<u>-</u>	<u>1,150</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>39,177</u>	<u>-</u>	<u>-</u>
Excess (deficiency) of receipts and other financing sources over disbursements and other financing uses	<u>1,537,616</u>	<u>122,642</u>	<u>1,150,978</u>	<u>(177,085)</u>	<u>4,632</u>	<u>-</u>	<u>39,177</u>	<u>70,563</u>	<u>(70,935)</u>
Cash and investments - ending	<u>\$ 1,710,759</u>	<u>\$ 884,824</u>	<u>\$ 2,560,168</u>	<u>\$ 154,219</u>	<u>\$ 163,043</u>	<u>\$ -</u>	<u>\$ 105,889</u>	<u>\$ 123,084</u>	<u>\$ (164,915)</u>

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

	Self- Insurance	Safe Haven Character Counts	Safe Haven School Resource Officer	Safe Haven Al's Pals	CAPE Grant	PLATO Project	Project Lead the Way	Athletic Trainer	Alternative to Suspension
Cash and investments - beginning	\$ 7,078	\$ -	\$ -	\$ -	\$ (3,052)	\$ (4,313)	\$ (4,093)	\$ -	\$ (6,757)
Receipts:									
Local sources	39,694	-	-	-	27,052	130,747	48,456	21,826	86,358
Intermediate sources	-	-	-	-	-	-	-	-	-
State sources	-	5,259	9,683	13,838	-	-	-	-	-
Federal sources	-	-	-	-	-	-	-	-	-
Other	-	-	-	-	-	-	-	-	-
Total receipts	<u>39,694</u>	<u>5,259</u>	<u>9,683</u>	<u>13,838</u>	<u>27,052</u>	<u>130,747</u>	<u>48,456</u>	<u>21,826</u>	<u>86,358</u>
Disbursements:									
Current:									
Instruction	-	-	-	-	-	131,010	49,657	-	88,744
Support services	-	5,259	9,683	13,838	24,000	-	-	-	-
Noninstructional services	-	-	-	-	-	-	-	23,133	-
Facilities acquisition and construction	-	-	-	-	-	-	-	-	-
Debt services	-	-	-	-	-	-	-	-	-
Nonprogrammed charges	39,855	-	-	-	-	-	-	-	-
Total disbursements	<u>39,855</u>	<u>5,259</u>	<u>9,683</u>	<u>13,838</u>	<u>24,000</u>	<u>131,010</u>	<u>49,657</u>	<u>23,133</u>	<u>88,744</u>
Excess (deficiency) of receipts over disbursements	<u>(161)</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>3,052</u>	<u>(263)</u>	<u>(1,201)</u>	<u>(1,307)</u>	<u>(2,386)</u>
Other financing sources (uses):									
Sale of capital assets	-	-	-	-	-	-	-	-	-
Transfers in	-	-	-	-	-	-	-	-	-
Transfers out	-	-	-	-	-	-	-	-	-
Total other financing sources (uses)	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Excess (deficiency) of receipts and other financing sources over disbursements and other financing uses	<u>(161)</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>3,052</u>	<u>(263)</u>	<u>(1,201)</u>	<u>(1,307)</u>	<u>(2,386)</u>
Cash and investments - ending	<u>\$ 6,917</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ (4,576)</u>	<u>\$ (5,294)</u>	<u>\$ (1,307)</u>	<u>\$ (9,143)</u>

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

	Diagnostic Assessments Grant	Student Resource/ Homework Help	Indiana Student Achievement Institute Grant	Extra- Curricular Activities	Drivers Education	Scholarships and Awards	Homework Assistance Program	Drug Free Communities	Non-English Speaking Programs P.L. 273-1999
Cash and investments - beginning	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 103,079	\$ 929	\$ 710	\$ 571
Receipts:									
Local sources	8,032	20,827	29,973	5,905	-	2,190	-	-	-
Intermediate sources	-	-	-	-	-	-	-	-	-
State sources	-	-	-	-	-	-	-	-	1,380
Federal sources	-	-	-	-	-	-	-	-	-
Other	-	-	-	-	-	-	-	-	-
Total receipts	<u>8,032</u>	<u>20,827</u>	<u>29,973</u>	<u>5,905</u>	<u>-</u>	<u>2,190</u>	<u>-</u>	<u>-</u>	<u>1,380</u>
Disbursements:									
Current:									
Instruction	8,032	829	4,973	-	7,838	-	929	241	964
Support services	-	25,493	25,030	5,060	-	-	-	-	-
Noninstructional services	-	-	-	1,853	-	-	-	-	-
Facilities acquisition and construction	-	-	-	-	-	-	-	-	-
Debt services	-	-	-	-	-	-	-	-	-
Nonprogrammed charges	-	-	-	-	-	1,900	-	-	-
Total disbursements	<u>8,032</u>	<u>26,322</u>	<u>30,003</u>	<u>6,913</u>	<u>7,838</u>	<u>1,900</u>	<u>929</u>	<u>241</u>	<u>964</u>
Excess (deficiency) of receipts over disbursements	<u>-</u>	<u>(5,495)</u>	<u>(30)</u>	<u>(1,008)</u>	<u>(7,838)</u>	<u>290</u>	<u>(929)</u>	<u>(241)</u>	<u>416</u>
Other financing sources (uses):									
Sale of capital assets	-	-	-	-	-	-	-	-	-
Transfers in	-	-	-	-	-	-	-	-	-
Transfers out	-	-	-	-	-	-	-	-	-
Total other financing sources (uses)	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Excess (deficiency) of receipts and other financing sources over disbursements and other financing uses	<u>-</u>	<u>(5,495)</u>	<u>(30)</u>	<u>(1,008)</u>	<u>(7,838)</u>	<u>290</u>	<u>(929)</u>	<u>(241)</u>	<u>416</u>
Cash and investments - ending	<u>\$ -</u>	<u>\$ (5,495)</u>	<u>\$ (30)</u>	<u>\$ (1,008)</u>	<u>\$ (7,838)</u>	<u>\$ 103,369</u>	<u>\$ -</u>	<u>\$ 469</u>	<u>\$ 987</u>

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

	Gifted and Talented	Latchkey	Title I, Part D 2008/09	Title I, Part D 2009/10	Title I, Part A 2008/09	Title I, Part A 2009/10	Title V, Part A	Title IV, Part A 2008/09	Title IV, Part A 2009/10
Cash and investments - beginning	\$ 11,135	\$ -	\$ 25,678	\$ -	\$ 6,954	\$ -	\$ -	\$ 4,623	\$ -
Receipts:									
Local sources	-	26,378	-	1,468	-	-	-	-	-
Intermediate sources	-	-	-	-	-	-	-	-	-
State sources	32,187	-	-	-	-	-	-	-	-
Federal sources	-	-	2,001	39,399	18,282	219,833	1,071	-	4,236
Other	-	-	-	-	-	-	-	-	-
Total receipts	<u>32,187</u>	<u>26,378</u>	<u>2,001</u>	<u>40,867</u>	<u>18,282</u>	<u>219,833</u>	<u>1,071</u>	<u>-</u>	<u>4,236</u>
Disbursements:									
Current:									
Instruction	26,227	-	12,917	28,121	11,875	232,236	1,071	-	-
Support services	-	-	-	-	-	958	-	4,623	2,161
Noninstructional services	-	23,325	-	-	-	-	-	-	-
Facilities acquisition and construction	-	-	-	-	-	-	-	-	-
Debt services	-	-	-	-	-	-	-	-	-
Nonprogrammed charges	-	-	-	-	-	-	-	-	-
Total disbursements	<u>26,227</u>	<u>23,325</u>	<u>12,917</u>	<u>28,121</u>	<u>11,875</u>	<u>233,194</u>	<u>1,071</u>	<u>4,623</u>	<u>2,161</u>
Excess (deficiency) of receipts over disbursements	<u>5,960</u>	<u>3,053</u>	<u>(10,916)</u>	<u>12,746</u>	<u>6,407</u>	<u>(13,361)</u>	<u>-</u>	<u>(4,623)</u>	<u>2,075</u>
Other financing sources (uses):									
Sale of capital assets	-	-	-	-	-	-	-	-	-
Transfers in	-	-	-	14,762	-	13,361	-	-	-
Transfers out	-	-	(14,762)	-	(13,361)	-	-	-	-
Total other financing sources (uses)	<u>-</u>	<u>-</u>	<u>(14,762)</u>	<u>14,762</u>	<u>(13,361)</u>	<u>13,361</u>	<u>-</u>	<u>-</u>	<u>-</u>
Excess (deficiency) of receipts and other financing sources over disbursements and other financing uses	<u>5,960</u>	<u>3,053</u>	<u>(25,678)</u>	<u>27,508</u>	<u>(6,954)</u>	<u>-</u>	<u>-</u>	<u>(4,623)</u>	<u>2,075</u>
Cash and investments - ending	<u>\$ 17,095</u>	<u>\$ 3,053</u>	<u>\$ -</u>	<u>\$ 27,508</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 2,075</u>

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

	Title IV, Part A 2010/11	Medicaid Reimbursement - Federal	Improving Teaching Quality, No Child Left, Title II, Part A	ITQ, Enhanced Education Through Technology, Title II, Part D	Title III, Language Instruction	Fiscal Stabilization - Education	Title I - Grants to LEAs	Special Education - Part B	Totals
Cash and investments - beginning	\$ -	\$ 3,875	\$ -	\$ -	\$ 1,275	\$ 907,708	\$ -	\$ -	\$ 3,914,883
Receipts:									
Local sources	-	-	-	-	-	-	-	-	7,734,480
Intermediate sources	-	-	-	-	-	-	-	-	1,069
State sources	-	-	-	-	-	-	-	-	11,041,469
Federal sources	3,000	-	113,381	27,721	-	350,278	78,972	40,544	1,282,919
Other	-	-	-	-	-	-	-	-	21,746
Total receipts	3,000	-	113,381	27,721	-	350,278	78,972	40,544	20,081,683
Disbursements:									
Current:									
Instruction	-	-	85,578	-	267	897,955	-	45,159	7,754,351
Support services	-	3,224	12,941	-	-	323,171	62,086	-	6,150,781
Noninstructional services	-	-	-	-	-	36,860	-	-	999,334
Facilities acquisition and construction	-	-	-	-	-	-	-	-	732,503
Debt services	-	-	-	-	-	-	-	-	1,920,177
Nonprogrammed charges	-	-	-	-	-	-	-	-	718,229
Total disbursements	-	3,224	98,519	-	267	1,257,986	62,086	45,159	18,275,375
Excess (deficiency) of receipts over disbursements	3,000	(3,224)	14,862	27,721	(267)	(907,708)	16,886	(4,615)	1,806,308
Other financing sources (uses):									
Sale of capital assets	-	-	-	-	-	-	-	-	2,175
Transfers in	-	-	-	-	-	-	-	-	67,300
Transfers out	-	-	-	-	-	-	-	-	(67,300)
Total other financing sources (uses)	-	-	-	-	-	-	-	-	2,175
Excess (deficiency) of receipts and other financing sources over disbursements and other financing uses	3,000	(3,224)	14,862	27,721	(267)	(907,708)	16,886	(4,615)	1,808,483
Cash and investments - ending	\$ 3,000	\$ 651	\$ 14,862	\$ 27,721	\$ 1,008	\$ -	\$ 16,886	\$ (4,615)	\$ 5,723,366

LAWRENCEBURG COMMUNITY SCHOOL CORPORATION  
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	General	Debt Service	Capital Projects	School Transportation	School Bus Replacement	Post - Retirement/ Severance Future Benefits	School Lunch	Textbook Rental	Self-Insurance	Levy Excess
Cash and investments - beginning	\$ 1,710,759	\$ 884,824	\$ 2,560,168	\$ 154,219	\$ 163,043	\$ 105,889	\$ 123,084	\$ (164,915)	\$ 6,917	\$ -
Receipts:										
Local sources	1,096,712	1,592,949	2,179,134	568,235	213,557	-	335,315	204,566	44,187	33,451
Intermediate sources	50	-	-	-	-	-	-	-	-	-
State sources	11,527,014	-	-	-	-	-	9,473	58,591	-	-
Federal sources	-	-	-	-	-	-	432,481	-	-	-
Other	-	-	8,537	-	6,249	-	-	-	-	-
Total receipts	<u>12,623,776</u>	<u>1,592,949</u>	<u>2,187,671</u>	<u>568,235</u>	<u>219,806</u>	<u>-</u>	<u>777,269</u>	<u>263,157</u>	<u>44,187</u>	<u>33,451</u>
Disbursements:										
Current:										
Instruction	7,417,114	-	-	-	-	-	-	-	-	-
Support services	3,892,732	-	903,131	666,461	81,585	-	-	246,963	-	-
Noninstructional services	270,560	-	-	-	-	-	662,884	-	-	-
Facilities acquisition and construction	-	-	997,806	-	-	-	-	-	-	-
Debt services	-	1,670,500	-	-	-	-	-	-	-	-
Nonprogrammed charges	1,045,209	-	-	-	-	-	-	-	39,786	-
Total disbursements	<u>12,625,615</u>	<u>1,670,500</u>	<u>1,900,937</u>	<u>666,461</u>	<u>81,585</u>	<u>-</u>	<u>662,884</u>	<u>246,963</u>	<u>39,786</u>	<u>-</u>
Excess (deficiency) of receipts over disbursements	<u>(1,839)</u>	<u>(77,551)</u>	<u>286,734</u>	<u>(98,226)</u>	<u>138,221</u>	<u>-</u>	<u>114,385</u>	<u>16,194</u>	<u>4,401</u>	<u>33,451</u>
Other financing sources (uses):										
Sale of capital assets	-	-	106	-	-	-	-	-	-	-
Transfers in	-	-	-	-	-	29,380	-	-	-	-
Transfers out	(29,380)	-	-	-	-	-	-	-	-	-
Total other financing sources (uses)	<u>(29,380)</u>	<u>-</u>	<u>106</u>	<u>-</u>	<u>-</u>	<u>29,380</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Excess (deficiency) of receipts and other financing sources over disbursements and other financing uses	<u>(31,219)</u>	<u>(77,551)</u>	<u>286,840</u>	<u>(98,226)</u>	<u>138,221</u>	<u>29,380</u>	<u>114,385</u>	<u>16,194</u>	<u>4,401</u>	<u>33,451</u>
Cash and investments - ending	<u>\$ 1,679,540</u>	<u>\$ 807,273</u>	<u>\$ 2,847,008</u>	<u>\$ 55,993</u>	<u>\$ 301,264</u>	<u>\$ 135,269</u>	<u>\$ 237,469</u>	<u>\$ (148,721)</u>	<u>\$ 11,318</u>	<u>\$ 33,451</u>

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 REGULATORY BASIS  
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 (Continued)

	PLATO Project	Project Lead the Way	Athletic Trainer	Alternative to Suspension	Student Resource/ Homework Help	Indiana Student Achievement Institute Grant	Shakespear Grant	One Community One Family	Extra- Curricular Activities	Drivers Education
Cash and investments - beginning	\$ (4,576)	\$ (5,294)	\$ (1,307)	\$ (9,143)	\$ (5,495)	\$ (30)	\$ -	\$ -	\$ (1,008)	\$ (7,838)
Receipts:										
Local sources	91,374	54,269	16,987	98,202	62,979	29,030	2,765	43,000	17,070	17,399
Intermediate sources	-	-	-	-	-	-	-	-	-	-
State sources	-	-	-	-	-	-	-	-	-	-
Federal sources	-	-	-	-	-	-	-	-	-	-
Other	-	-	-	-	-	-	-	-	-	-
Total receipts	<u>91,374</u>	<u>54,269</u>	<u>16,987</u>	<u>98,202</u>	<u>62,979</u>	<u>29,030</u>	<u>2,765</u>	<u>43,000</u>	<u>17,070</u>	<u>17,399</u>
Disbursements:										
Current:										
Instruction	86,798	48,975	-	89,059	-	-	2,739	-	-	9,561
Support services	-	-	-	-	57,484	29,000	-	-	11,147	-
Noninstructional services	-	-	15,680	-	-	-	-	-	4,915	-
Facilities acquisition and construction	-	-	-	-	-	-	-	-	-	-
Debt services	-	-	-	-	-	-	-	-	-	-
Nonprogrammed charges	-	-	-	-	-	-	-	-	-	-
Total disbursements	<u>86,798</u>	<u>48,975</u>	<u>15,680</u>	<u>89,059</u>	<u>57,484</u>	<u>29,000</u>	<u>2,739</u>	<u>-</u>	<u>16,062</u>	<u>9,561</u>
Excess (deficiency) of receipts over disbursements	<u>4,576</u>	<u>5,294</u>	<u>1,307</u>	<u>9,143</u>	<u>5,495</u>	<u>30</u>	<u>26</u>	<u>43,000</u>	<u>1,008</u>	<u>7,838</u>
Other financing sources (uses):										
Sale of capital assets	-	-	-	-	-	-	-	-	-	-
Transfers in	-	-	-	-	-	-	-	-	-	-
Transfers out	-	-	-	-	-	-	-	-	-	-
Total other financing sources (uses)	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Excess (deficiency) of receipts and other financing sources over disbursements and other financing uses	<u>4,576</u>	<u>5,294</u>	<u>1,307</u>	<u>9,143</u>	<u>5,495</u>	<u>30</u>	<u>26</u>	<u>43,000</u>	<u>1,008</u>	<u>7,838</u>
Cash and investments - ending	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 26</u>	<u>\$ 43,000</u>	<u>\$ -</u>	<u>\$ -</u>

LAWRENCEBURG COMMUNITY SCHOOL CORPORATION  
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 REGULATORY BASIS  
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 (Continued)

	Scholarships and Awards	Drug Free Communities	Non-English Speaking Programs P.L. 273-1999	School Technology	Gifted and Talented	Latchkey	Title I, Part D 2009/10	Title I, Part D 2010/11	Title I, Part A 2009/10	Title I, Part A 2010/11
Cash and investments - beginning	\$ 103,369	\$ 469	\$ 987	\$ -	\$ 17,095	\$ 3,053	\$ 27,508	\$ -	\$ -	\$ -
Receipts:										
Local sources	2,588	-	-	6,028	-	28,184	337	-	-	-
Intermediate sources	-	-	-	-	-	-	-	-	-	-
State sources	-	-	1,388	7,530	31,706	-	-	-	-	-
Federal sources	-	-	-	-	-	-	4,857	-	10,700	199,462
Other	-	-	-	-	-	-	-	-	-	-
Total receipts	2,588	-	1,388	13,558	31,706	28,184	5,194	-	10,700	199,462
Disbursements:										
Current:										
Instruction	-	238	2,283	-	30,981	-	1,751	7,450	-	205,496
Support services	-	-	-	9,899	-	-	-	18,519	-	2,314
Noninstructional services	-	-	-	-	-	22,293	-	-	-	2,352
Facilities acquisition and construction	-	-	-	-	-	-	-	-	-	-
Debt services	-	-	-	-	-	-	-	-	-	-
Nonprogrammed charges	4,300	-	-	-	-	-	-	-	-	-
Total disbursements	4,300	238	2,283	9,899	30,981	22,293	1,751	25,969	-	210,162
Excess (deficiency) of receipts over disbursements	(1,712)	(238)	(895)	3,659	725	5,891	3,443	(25,969)	10,700	(10,700)
Other financing sources (uses):										
Sale of capital assets	-	-	-	-	-	-	-	-	-	-
Transfers in	-	-	-	-	-	-	-	30,952	-	10,700
Transfers out	-	-	-	-	-	-	(30,951)	-	(10,700)	-
Total other financing sources (uses)	-	-	-	-	-	-	(30,951)	30,952	(10,700)	10,700
Excess (deficiency) of receipts and other financing sources over disbursements and other financing uses	(1,712)	(238)	(895)	3,659	725	5,891	(27,508)	4,983	-	-
Cash and investments - ending	\$ 101,657	\$ 231	\$ 92	\$ 3,659	\$ 17,820	\$ 8,944	\$ -	\$ 4,983	\$ -	\$ -

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

	Title IV, Part A 2009/10	Title IV, Part A 2010/11	Medicaid Reimbursement - Federal	Improving Teaching Quality, No Child Left, Title II, Part A	ITQ, Enhanced Education Through Technology, Title II, Part D	Title III, Language Instruction	Title I - Grants to LEAs	Special Education - Part B	Title I - Part D, Subpart 2	Totals
Cash and investments - beginning	\$ 2,075	\$ 3,000	\$ 651	\$ 14,862	\$ 27,721	\$ 1,008	\$ 16,886	\$ (4,615)	\$ -	\$ 5,723,366
Receipts:										
Local sources	-	-	-	-	-	227	-	-	-	6,738,545
Intermediate sources	-	-	-	-	-	-	-	-	-	50
State sources	-	-	-	-	-	-	-	-	-	11,635,702
Federal sources	-	1,244	-	53,442	65,953	-	49,496	50,300	23,928	891,863
Other	-	-	-	-	-	-	-	-	-	14,786
Total receipts	-	1,244	-	53,442	65,953	227	49,496	50,300	23,928	19,280,946
Disbursements:										
Current:										
Instruction	-	-	-	66,615	-	1,226	18,433	45,685	5,985	8,040,389
Support services	2,075	2,875	282	1,689	93,667	-	47,949	-	17,943	6,085,715
Noninstructional services	-	-	-	-	-	-	-	-	-	978,684
Facilities acquisition and construction	-	-	-	-	-	-	-	-	-	997,806
Debt services	-	-	-	-	-	-	-	-	-	1,670,500
Nonprogrammed charges	-	-	-	-	-	-	-	-	-	1,089,295
Total disbursements	2,075	2,875	282	68,304	93,667	1,226	66,382	45,685	23,928	18,862,389
Excess (deficiency) of receipts over disbursements	(2,075)	(1,631)	(282)	(14,862)	(27,714)	(999)	(16,886)	4,615	-	418,557
Other financing sources (uses):										
Sale of capital assets	-	-	-	-	-	-	-	-	-	106
Transfers in	-	-	-	-	-	-	-	-	-	71,032
Transfers out	-	-	-	-	-	-	-	-	-	(71,031)
Total other financing sources (uses)	-	-	-	-	-	-	-	-	-	107
Excess (deficiency) of receipts and other financing sources over disbursements and other financing uses	(2,075)	(1,631)	(282)	(14,862)	(27,714)	(999)	(16,886)	4,615	-	418,664
Cash and investments - ending	\$ -	\$ 1,369	\$ 369	\$ -	\$ 7	\$ 9	\$ -	\$ -	\$ -	\$ 6,142,030

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

Description of Debt	Ending Principal Balance	Principal and Interest Due Within One Year
Governmental activities:		
Capital leases:		
Primary school construction and middle school renovation	\$ 17,710,000	\$ 1,670,500

LAWRENCEBURG COMMUNITY SCHOOL CORPORATION  
AUDIT RESULTS AND COMMENTS

***INTERNAL CONTROLS - SEGREGATION OF DUTIES***

The School Corporation does not have adequate segregation of accounting duties or compensating controls in place as described below:

The Treasurer is responsible for writing receipts; making deposits; writing vendor checks; recording receipts and vendor checks in the ledger; entering adjustment/correction transactions to the ledger; reconciling ledger reports within the accounting application system in order to ensure all activity is properly posted throughout the accounting application system; and performing month end bank reconciliations.

The Deputy Treasurer is responsible for processing payroll which includes the calculation of payroll and payroll withholding amounts; writing payroll checks; processing payroll direct deposits; writing payroll withholding checks; and creating new employee records and the applicable pay rates in the computerized payroll system.

Segregation of duties is the concept of having different people do different tasks within the organization. Compensating controls are safeguards put in place to mitigate the effects of the lack of segregation of duties. The failure to establish these controls could enable material misstatements or irregularities to go undetected. We consider the above internal control deficiency to be a material weakness over financial transactions and reporting.

The lack of segregation of duties is caused by the School Corporation having a small staff that limits the School Corporation's ability to segregate accounting functions.

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 Indiana Public School Corporations, Chapter 9)

We recommended that the School Corporation officials make a determination on whether it is practical to enhance segregation of accounting duties or to implement compensating controls.

LAWRENCEBURG COMMUNITY SCHOOL CORPORATION  
AUDIT RESULTS AND COMMENTS  
(Continued)

**OVERDRAWN FUND BALANCES**

Fund balances were overdrawn as follows:

Fund	2010	2011
Textbook Rental	\$ 164,915	\$ 148,721
Drivers Education	7,838	-

The 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)

A similar comment was included in prior Reports B31757 and B35931.

**EXPENDITURES IN EXCESS OF APPROPRIATIONS**

Records presented for audit showed expenditures exceeded budgeted appropriations for the School Bus Replacement fund by \$50,134 during the calendar year 2010.

Indiana Code 6-1.1-18-4 states in part: ". . . the proper officers of a political subdivision shall appropriate funds in such a manner that the expenditures for a year do not exceed its budget for that year as finally determined under this article."

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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

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

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

TO: THE OFFICIALS OF THE LAWRENCEBURG COMMUNITY  
SCHOOL CORPORATION, DEARBORN COUNTY, INDIANA

Compliance

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

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

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

Internal Control Over Compliance

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

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

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

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

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

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

STATE BOARD OF ACCOUNTS

February 2, 2012

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## SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS

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

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

Federal Grantor Agency/Pass-Through Entity Cluster Title/Program Title/Project Title	Federal CFDA Number	Pass-Through Entity (or Other) Identifying Number	Total Federal Awards Expended 06-30-10	Total Federal Awards Expended 06-30-11
<b>U.S. DEPARTMENT OF AGRICULTURE</b>				
Pass-Through Indiana Department of Education Child Nutrition Cluster School Breakfast Program	10.553		\$ 97,768	\$ -
		FY 10		
		FY 11	-	123,461
Total for program			97,768	123,461
National School Lunch Program	10.555			
		FY 10	329,176	-
		FY 11	-	350,941
Total for program			329,176	350,941
Total for federal grantor agency			426,944	474,402
<b>U.S. DEPARTMENT OF EDUCATION</b>				
Pass-Through Indiana Department of Education State Fiscal Stabilization Fund Cluster ARRA - State Fiscal Stabilization Fund (SFSF) - Education State Grants, Recovery Act	84.394			
		FY 10	1,257,986	-
Title I, Part A Cluster Title I Grants to Local Educational Agencies	84.010			
		09-1620	11,875	-
		10-1620	233,194	-
		11-1620	-	210,162
		09-1620 Part D, Subpart 2	12,917	-
		10-1620 Part D, Subpart 2	28,121	1,751
		11-1620 Part D, Subpart 2	-	25,969
Total for program			286,107	237,882
ARRA - Title I Grants to Local Educational Agencies, Recovery Act	84.389			
		10-1620	62,086	-
		11-1620	-	66,382
		11-1620 Part D, Subpart 2	-	23,982
Total for program			62,086	90,364
Total for cluster			348,193	328,246
Safe and Drug-Free Schools and Communities - State Grants	84.186			
		08-1620	2,161	2,075
		09-1620	-	2,875
Total for program			2,161	4,950
Education Technology State Grants Cluster Education Technology State Grants	84.318			
		A58-0-10IT061	-	93,667
Improving Teacher Quality State Grants	84.367			
		08-1620	98,518	14,862
		09-1620	-	53,441
Total for program			98,518	68,303
Total for federal grantor agency			1,706,858	495,166
Total federal awards expended			\$ 2,133,802	\$ 969,568

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

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

**Note 1. Basis of Presentation**

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

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

**Note 2. Noncash Assistance**

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

Program Title	Federal CFDA Number	2010	2011
School Breakfast Program	10.553	\$ 9,788	\$ 10,910
National School Lunch Program	10.555	32,955	31,011

LAWRENCEBURG COMMUNITY SCHOOL CORPORATION  
SCHEDULE OF FINDINGS AND QUESTIONED COSTS

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

Financial Statement:

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

Federal Awards:

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

Identification of Major Programs:

Name of Federal Program or Cluster

Child Nutrition Cluster  
Title I, Part A Cluster  
State Fiscal Stabilization Fund Cluster

Dollar threshold used to distinguish between Type A and Type B programs: \$300,000

Auditee qualified as low-risk auditee? yes

**Section II – Financial Statement Findings**

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

The School Corporation does not have adequate segregation of accounting duties or compensating controls in place as described below:

The Treasurer is responsible for writing receipts; making deposits; writing vendor checks; recording receipts and vendor checks in the ledger; entering adjustment/correction transactions to the ledger; reconciling ledger reports within the accounting application system in order to ensure all activity is properly posted throughout the accounting application system; and performing month end bank reconciliations.

LAWRENCEBURG COMMUNITY SCHOOL CORPORATION  
SCHEDULE OF FINDINGS AND QUESTIONED COSTS  
(Continued)

The Deputy Treasurer is responsible for processing payroll which includes the calculation of payroll and payroll withholding amounts; writing payroll checks; processing payroll direct deposits; writing payroll withholding checks; and creating new employee records and the applicable pay rates in the computerized payroll system.

Segregation of duties is the concept of having different people do different tasks within the organization. Compensating controls are safeguards put in place to mitigate the effects of the lack of segregation of duties. The failure to establish these controls could enable material misstatements or irregularities to go undetected. We consider the above internal control deficiency to be a material weakness over financial transactions and reporting.

The lack of segregation of duties is caused by the School Corporation having a small staff that limits the School Corporation's ability to segregate accounting functions.

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 Indiana Public School Corporations, Chapter 9)

We recommended that the School Corporation officials make a determination on whether it is practical to enhance segregation of accounting duties or to implement compensating controls.

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

No matters are reportable.

LAWRENCEBURG COMMUNITY SCHOOL CORPORATION  
SUMMARY SCHEDULE OF PRIOR AUDIT FINDINGS

No matters are reportable.

LAWRENCEBURG COMMUNITY SCHOOLS

300 TIGER BLVD.  
LAWRENCEBURG, INDIANA 47025  
(812) 537-7200  
Fax (812) 537-0759

Date 2/2/12

TO: Indiana State Board of Accounts

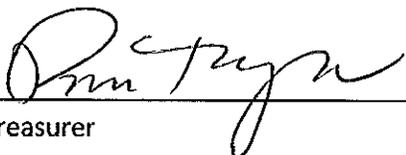
CORRECTIVE ACTION PLAN CONCERNING:

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

Contact Person: Pam Taylor  
Title: Treasurer/Business Manager  
Phone Number: 812-537-7202  
Expected Completion Date: Immediately

Lawrenceburg Community School Corporation has corrected the concern by: 1) assigning responsibility for receiving and logging in checks/cash to an employee who has no other responsibility in the financial operations; 2) assigning responsibility for receiving, opening, and signing original bank statements to an employee who has no other responsibility in the financial operations; and 3) ensuring bank statements for our three financial accounts are reconciled each month by an employee other than the one who has primary responsibility for that account.

In addition, the Treasurer periodically reviews payroll distributions to ensure everyone paid is entitled to pay and payroll is properly distributed.

  
\_\_\_\_\_  
Treasurer

2/2/12  
\_\_\_\_\_  
Date

LAWRENCEBURG COMMUNITY SCHOOL CORPORATION  
EXIT CONFERENCE

The contents of this report were discussed on February 2, 2012, with Karl Galey, Superintendent of Schools; Pam Taylor, Treasurer; and Patrick Myers, Vice President of the School Board. The officials concurred with our audit findings.