

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 LAWRENCE TOWNSHIP
MARION COUNTY, INDIANA

July 1, 2009 to June 30, 2011



FILED

03/13/2012

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SCHEDULE OF OFFICIALS

<u>Office</u>	<u>Official</u>	<u>Term</u>
Chief Financial Officer/ Treasurer	Robin L. Phelps	07-01-09 to 06-30-12
Superintendent of Schools	Dr. Concetta A. Raimondi	07-01-09 to 06-30-12
President of the School Board	Susan E. Fulduaer Carol Helmus	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 LAWRENCE TOWNSHIP, MARION COUNTY, INDIANA

We have audited the accompanying financial statement of the Metropolitan School District of Lawrence Township (School Corporation), for the years ended June 30, 2010 and 2011. The 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 13, 2012, on our consideration of the School Corporation's internal control over financial reporting and our tests of its compliance with certain provisions of laws, regulations, contracts, grant agreements, and other matters. The purpose of that report is to describe the scope of our testing of internal control over financial reporting and compliance and the results of that testing and not to provide an opinion on the internal control over financial reporting or on compliance. That report is an integral part of an audit performed in accordance with Government Auditing Standards and should be considered in assessing the results of our audit.

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

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

Our audit was conducted for the purpose of forming an opinion on the School Corporation's financial statement. The Combining Schedules of Receipts, Disbursements, Other Financing Sources (Uses), and Cash and Investment Balances – Regulatory Basis, Schedule of Capital Assets, and Schedule of Debt are presented for additional analysis and are not required parts of the financial statement. The Combining Schedules of Receipts, Disbursements, Other Financing Sources (Uses), and Cash and Investment Balances – Regulatory Basis, Schedule of Capital Assets, and Schedule of 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

February 13, 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 LAWRENCE TOWNSHIP, MARION COUNTY, INDIANA

We have audited the financial statement of the Metropolitan School District of Lawrence Township (School Corporation), for the years ended June 30, 2010 and 2011, and have issued our report thereon dated February 13, 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 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 Official Response and 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 13, 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 LAWRENCE 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	\$ (5,241,772)	\$ 117,074,810	\$ 115,986,737	\$ 56,443	\$ (4,097,256)	\$ 94,881,758	\$ 90,838,143	\$ 596,140	\$ 542,499
Debt Service	(5,363,755)	29,021,574	18,361,093	-	5,296,726	18,688,776	18,804,196	(500,000)	4,681,306
Retirement Bond Debt Service	(1,207,478)	3,974,785	2,394,083	-	373,224	2,432,870	2,394,373	-	411,721
Capital Projects	559,149	24,764,043	20,519,856	(1,450,586)	3,352,750	13,017,686	12,327,522	(497,943)	3,544,971
Transportation Operating	(1,967,253)	22,549,771	18,858,458	52	1,724,112	14,357,408	13,890,920	-	2,190,600
School Bus Replacement	236,316	4,525,962	2,890,628	26,850	1,898,500	960,400	1,216,305	-	1,642,595
Special Education Preschool	125,700	219,104	344,804	-	-	-	-	-	-
Rainy Day	(10,684)	-	1,029,769	1,500,000	459,547	-	557,387	500,000	402,160
Retirement Bond	7,653,170	-	2,991,287	-	4,661,883	-	1,557,975	-	3,103,908
Construction	372,554	-	-	-	372,554	-	19,856	-	352,698
Early Childhood Centers	791,203	-	45,234	-	745,969	-	6,750	-	739,219
First Mortgage Bond Series 2007	3,325,058	-	2,823,015	-	502,043	28,525	113,388	-	417,180
School Lunch	5,129,265	7,307,023	6,513,472	-	5,922,816	7,330,225	6,865,941	-	6,387,100
Textbook Rental	1,569,919	1,843,150	1,980,574	-	1,432,495	1,901,344	1,513,662	-	1,820,177
Self-Insurance	6,009,010	15,116,463	15,947,746	-	5,177,727	14,372,238	14,697,179	-	4,852,786
Levy Excess	-	-	-	-	-	228,269	-	-	228,269
Loving Care	415,754	1,504,345	1,570,818	-	349,281	1,705,237	1,616,434	-	438,084
Alternative Education	9,589	46,159	48,089	-	7,659	56,212	49,768	-	14,103
Continuing Contact Fees	8,790	-	-	-	8,790	-	8,790	-	-
Student Life Center Support	7,926	3,249	5,886	-	5,289	5,000	10,289	-	-
Lawrence North Childcare	(15,711)	15,711	-	-	-	-	-	-	-
Lawrence Central Library Grant	4,981	10,000	12,370	-	2,611	10,500	13,111	-	-
Lawrence North National Football Foundation	(5,597)	5,000	(597)	-	-	-	-	-	-
Lawrence Central AP Biology/Chemistry	93	-	93	-	-	-	-	-	-
Foundation Wish List	71	-	71	-	-	-	-	-	-
LN Library Grant	2,555	10,000	12,437	-	118	10,500	10,618	-	-
Foundation Salaries	(22,171)	271,978	280,858	-	(31,051)	223,282	224,464	-	(32,233)
Lawrence Shelter - Comp Don	-	48,578	17,596	-	30,982	343	-	-	31,325
Donation Accounts	74,915	68,484	93,870	-	49,529	71,142	67,615	-	53,056
Fairbanks Hospital FY09/10	(22,401)	92,582	44,140	-	26,041	49,108	60,432	-	14,717
Retirement Recognition	-	2,840	1,830	-	1,010	-	1,010	-	-
Community Hospital FY10/11	-	-	-	-	-	60,480	49,230	-	11,250
Fairbanks Hospital FY05/06	(3,338)	3,338	-	-	-	-	-	-	-
Community Hospital FY06/07	(46,629)	131,723	85,094	-	-	-	-	-	-
Lumina/AAEA	3,265	6,163	6,879	-	2,549	7,365	2,923	-	6,991
Community Education	(419,484)	20,643	7,310	-	(406,151)	-	-	-	(406,151)
Challenge Education	1,790	7,737	5,535	-	3,992	-	2,299	-	1,693
HS AERD	6,023	5,000	7,329	-	3,694	-	2,562	-	1,132
AVID	-	56,887	96,711	-	(39,824)	127,000	87,176	-	-
MAC	-	-	-	-	-	62,285	62,285	-	-
Training Workshops	1,672	405	-	-	2,077	46	1,497	-	626
Preschool of the Arts	(56,588)	2,014,681	2,134,110	-	(176,017)	2,142,393	2,163,327	-	(196,951)
ABE Scholarship	60,110	514	5,000	-	55,624	-	5,000	-	50,624
Luther Scholarship	32,891	281	2,000	-	31,172	-	4,000	-	27,172
Gordon Teter Scholarship	45,545	389	8,000	-	37,934	-	5,000	-	32,934
St Westoff Scholarship	6	-	6	-	-	-	-	-	-

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

METROPOLITAN SCHOOL DISTRICT OF LAWRENCE 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
Sec 125 Flex Account	173,948	397,995	370,217	-	201,726	321,963	315,947	-	207,742
Autism Advocates	914	2,939	2,818	-	1,035	3,000	2,403	-	1,632
Wellness Policy	100,517	-	11,703	-	88,814	-	27,159	-	61,655
Employee Criminal History	-	16,180	17,845	-	(1,665)	18,276	15,905	-	706
Strategic Planning	1,541	146,846	134,001	-	14,386	117,193	105,135	-	26,444
Lilly Digital Age Grant	4,070	-	4,070	-	-	-	-	-	-
Kindergarten Full Day Co-Pay	(199,172)	42,827	(156,345)	-	-	-	-	-	-
Professional Development FY07/08	12,561	-	12,561	-	-	-	-	-	-
Professional Development FY09/10	-	17,499	6,792	-	10,707	-	4,305	-	6,402
Emergency Aid	37,634	-	-	-	37,634	-	1,152	-	36,482
Professional Development FY08/09	131,119	473	107,973	-	23,619	-	12,908	-	10,711
Common Goal Initiative 07	(67,349)	93,071	105,518	-	(79,796)	87,500	45,204	-	(37,500)
Gifted/Talented FY08/09	7,399	-	7,399	-	-	-	-	-	-
Gifted/Talented FY10/11	-	-	-	-	-	93,583	74,442	-	19,141
Gifted/Talented FY09/10	-	95,009	92,140	-	2,869	-	2,869	-	-
Common School Fund - Tech#A1464	-	-	-	-	-	1,435,021	1,435,021	-	-
Common School Fund - Tech#A1451	-	388,080	393,430	-	(5,350)	1,046,941	1,041,591	-	-
Common School Fund - Tech#A1507	-	-	-	-	-	25,970	124,340	-	(98,370)
Extra Curricular Clearing	(50,839)	180,269	131,902	-	(2,472)	133,882	143,965	-	(12,555)
Arts in Education 2009	5,222	1,740	5,222	-	1,740	-	-	-	1,740
Language Assistance Program	4,153	300	215	-	4,238	-	67	-	4,171
Learning Grants	1,106	-	1,106	-	-	-	-	-	-
Non-English Speaking FY08/09	22,978	-	22,978	-	-	-	-	-	-
Non-English Speaking FY09/10	-	197,589	177,987	-	19,602	826	20,428	-	-
Non-English Speaking FY10/11	-	-	-	-	-	160,985	152,769	-	8,216
Title I FY08/09	(19,372)	205,777	102,405	(84,000)	-	-	-	-	-
Title I FY09/10	-	2,266,830	2,077,256	84,000	273,574	226,780	137,343	(363,011)	-
Title I FY10/11	-	-	-	-	-	1,843,912	2,347,501	363,011	(140,578)
School Improvement FY08/09	34,033	16,501	50,534	-	-	-	-	-	-
School Improvement FY09/10	-	148,080	133,876	-	14,204	8,000	22,204	-	-
School Improvement FY10/11	-	-	-	-	-	76,000	82,636	-	(6,636)
Title I - Summer Advantage	-	467,500	-	-	467,500	82,500	550,000	-	-
Title V, Part A FY07/08	55,914	9,135	65,049	-	-	-	-	-	-
Title V, Part A FY08/09	(9,841)	-	116,161	126,002	-	-	-	-	-
Migrant Summer 2009	29,009	2,979	31,988	-	-	-	-	-	-
Title I C - Summer Migrant	-	18,000	92	-	17,908	6,400	24,308	-	-
Title I Migrant FY09/10	-	247,392	239,307	-	8,085	-	8,085	-	-
Title I Migrant FY10/11	-	-	-	-	-	79,773	83,534	-	(3,761)
Part B Resource FY09/10	-	2,988,877	2,479,603	-	509,274	333,541	961,204	-	(118,389)
Part B Resource FY10/11	-	-	-	-	-	2,149,220	2,277,766	-	(128,546)
Part B Resource FY07/08	41,740	-	41,740	-	-	-	-	-	-
Part B Resource FY08/09	563,967	510,179	895,994	-	178,152	-	178,152	-	-
Special Ed Preschool FY08/09	12,134	9,872	15,094	-	6,912	-	6,912	-	-
Special Ed Preschool FY09/10	-	84,471	28,373	-	56,098	4,223	56,899	-	3,422
Special Ed Preschool FY10/11	-	-	-	-	-	60,539	66,558	-	(6,019)
Safe and Drug Free FY08/09	(1,725)	43,614	41,889	-	-	-	-	-	-

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

METROPOLITAN SCHOOL DISTRICT OF LAWRENCE 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
Safe and Drug Free FY07/08	18,477	-	18,477	-	-	-	-	-	-
Safe and Drug Free FY09/10	-	27,925	22,209	-	5,716	21,162	18,941	-	7,937
Team Nutrition Training Grants	-	-	-	-	-	6,075	3,854	-	2,221
McKinney Vento FY08/09	14,466	-	14,466	-	-	-	-	-	-
Health Insurance	274,704	2,184	17,152	-	259,736	-	209,000	-	50,736
McKinney Vento FY09/10	43,111	-	17,749	-	25,362	-	25,362	-	-
McKinney Vento FY10/11	-	-	-	-	-	14,286	17,913	-	(3,627)
Perkins FY08/09	(25,516)	45,334	19,818	-	-	-	-	-	-
Perkins FY09/10	-	135,377	156,502	-	(21,125)	45,125	24,000	-	-
Perkins FY10/11	-	-	-	-	-	130,969	158,615	-	(27,646)
Biomedical Science Grant FY09/10	-	8,109	10,561	-	(2,452)	6,890	4,438	-	-
Biomedical Science Grant FY10/11	-	-	-	-	-	6,484	9,259	-	(2,775)
REMS MSDLT FY10-12	-	-	-	-	-	-	70,299	-	(70,299)
Magnet Schools Assistance FY10/11	-	-	-	-	-	1,555,322	1,785,214	-	(229,892)
First Robotics, 2008	(125)	125	-	-	-	-	-	-	-
First Robotics, 2009	-	-	2,500	-	(2,500)	2,500	-	-	-
First Robotics, 2011	-	-	-	-	-	1,520	1,520	-	-
Title II Part A FY07/08	175,054	-	175,054	-	-	-	-	-	-
Title II Part A FY08/09	137,865	268,553	280,221	(126,002)	195	15,540	15,735	-	-
Title II Part A FY09/10	-	149,219	43,092	-	106,127	262,854	404,710	-	(35,729)
Title II Part A FY10/11	-	-	-	-	-	1,014	50,799	-	(49,785)
Title II, Part D Learning Tech Grant	-	-	-	-	-	150,066	120,305	-	29,761
Title III, Part A FY08/09	17,491	-	17,491	-	-	-	-	-	-
Title III, Part A FY09/10	-	155,223	131,519	-	23,704	-	23,704	-	-
Title III, Part A FY10/11	-	-	-	-	-	140,649	168,650	-	(28,001)
Fiscal Stabilization, Education	6,409,772	3,151,029	9,560,801	-	-	-	-	-	-
Fiscal Stabilization, Title I	(162,227)	1,205,635	1,040,596	-	2,812	756,224	785,651	-	(26,615)
Fiscal Stabilization, Special Education	(1,907,460)	2,955,495	1,119,401	-	(71,366)	768,494	785,096	-	(87,968)
Fiscal Stabilization, Special Ed Preschool	12,344	53,136	73,858	-	(8,378)	59,207	52,868	-	(2,039)
Fiscal Stabilization, McKinney-Vento Education for Homeless	-	20,000	11,340	-	8,660	10,000	18,660	-	-
Fiscal Stabilization, Education Jobs	-	-	-	-	-	2,202,218	2,302,082	-	(99,864)
Miscellaneous Clearing Account	(537)	19,921	19,384	-	-	179,601	179,726	-	(125)
Vision Insurance COBRA	846	21,766	21,086	-	1,526	8,227	9,753	-	-
Payroll Clearing Account	(6,315)	-	1,975	-	(8,290)	1,776	5	-	(6,519)
Foundation Grants	(4,180)	19,644	21,843	-	(6,379)	19,738	21,892	-	(8,533)
Life Insurance COBRA	406	11,524	11,110	-	820	4,564	5,384	-	-
Health Insurance COBRA	27,679	602,758	576,032	-	54,405	951,556	967,544	-	38,417
Dental Insurance COBRA	5,225	117,744	112,660	-	10,309	55,244	65,553	-	-
Clearing Account	3,629,117	33,002,240	31,271,311	-	5,360,046	29,787,918	28,747,673	-	6,400,291
Totals	\$ 21,616,317	\$ 281,296,337	\$ 267,669,292	\$ 132,759	\$ 35,376,121	\$ 218,211,643	\$ 216,634,344	\$ 98,197	\$ 37,051,617

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

METROPOLITAN SCHOOL DISTRICT OF LAWRENCE 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.

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.

METROPOLITAN SCHOOL DISTRICT OF LAWRENCE 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.

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

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

E. Disbursements

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

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

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

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

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

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

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

F. Other financing sources and uses

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

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

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

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

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

G. Fund Accounting

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

Note 2. Budgets

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

Note 3. Property Taxes

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

Note 4. Deposits and Investments

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

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

METROPOLITAN SCHOOL DISTRICT OF LAWRENCE 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 LAWRENCE 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.

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 LAWRENCE 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 Bond Debt Service	Capital Projects	Transportation Operating	School Bus Replacement	Special Education Preschool	Rainy Day	Retirement Bond	Construction
Cash and investments - beginning	\$ (5,241,772)	\$ (5,363,755)	\$ (1,207,478)	\$ 559,149	\$ (1,967,253)	\$ 236,316	\$ 125,700	\$ (10,684)	\$ 7,653,170	\$ 372,554
Receipts:										
Local sources	21,402,495	29,021,574	3,974,785	24,749,545	17,738,000	4,519,136	16,979	-	-	-
Intermediate sources	151,935	-	-	-	-	-	-	-	-	-
State sources	93,165,819	-	-	-	61,492	-	202,125	-	-	-
Federal sources	-	-	-	-	-	-	-	-	-	-
Temporary loans	2,100,000	-	-	-	4,700,000	-	-	-	-	-
Other	254,561	-	-	14,498	50,279	6,826	-	-	-	-
Total receipts	<u>117,074,810</u>	<u>29,021,574</u>	<u>3,974,785</u>	<u>24,764,043</u>	<u>22,549,771</u>	<u>4,525,962</u>	<u>219,104</u>	<u>-</u>	<u>-</u>	<u>-</u>
Disbursements:										
Current:										
Instruction	70,583,455	-	-	-	-	-	344,804	-	-	-
Support services	22,317,539	-	-	5,474,667	8,971,322	2,890,628	-	1,029,769	2,991,287	-
Noninstructional services	462,259	-	-	-	-	-	-	-	-	-
Facilities acquisition and construction	-	-	-	15,045,189	-	-	-	-	-	-
Debt services	22,523,879	18,361,093	2,394,083	-	9,887,136	-	-	-	-	-
Nonprogrammed charges	99,605	-	-	-	-	-	-	-	-	-
Total disbursements	<u>115,986,737</u>	<u>18,361,093</u>	<u>2,394,083</u>	<u>20,519,856</u>	<u>18,858,458</u>	<u>2,890,628</u>	<u>344,804</u>	<u>1,029,769</u>	<u>2,991,287</u>	<u>-</u>
Excess (deficiency) of receipts over disbursements	<u>1,088,073</u>	<u>10,660,481</u>	<u>1,580,702</u>	<u>4,244,187</u>	<u>3,691,313</u>	<u>1,635,334</u>	<u>(125,700)</u>	<u>(1,029,769)</u>	<u>(2,991,287)</u>	<u>-</u>
Other financing sources (uses):										
Sale of capital assets	56,443	-	-	49,414	52	26,850	-	-	-	-
Transfers in	-	-	-	-	-	-	-	1,500,000	-	-
Transfers out	-	-	-	(1,500,000)	-	-	-	-	-	-
Total other financing sources (uses)	<u>56,443</u>	<u>-</u>	<u>-</u>	<u>(1,450,586)</u>	<u>52</u>	<u>26,850</u>	<u>-</u>	<u>1,500,000</u>	<u>-</u>	<u>-</u>
Excess (deficiency) of receipts and other financing sources over disbursements and other financing uses	<u>1,144,516</u>	<u>10,660,481</u>	<u>1,580,702</u>	<u>2,793,601</u>	<u>3,691,365</u>	<u>1,662,184</u>	<u>(125,700)</u>	<u>470,231</u>	<u>(2,991,287)</u>	<u>-</u>
Cash and investments - ending	<u>\$ (4,097,256)</u>	<u>\$ 5,296,726</u>	<u>\$ 373,224</u>	<u>\$ 3,352,750</u>	<u>\$ 1,724,112</u>	<u>\$ 1,898,500</u>	<u>\$ -</u>	<u>\$ 459,547</u>	<u>\$ 4,661,883</u>	<u>\$ 372,554</u>

METROPOLITAN SCHOOL DISTRICT OF LAWRENCE 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 Childhood Centers	First Mortgage Bond Series 2007	School Lunch	Textbook Rental	Self- Insurance	Loving Care	Alternative Education	Continuing Contact Fees	Student Life Center Support
Cash and investments - beginning	\$ 3,325,058	\$ 791,203	\$ 5,129,265	\$ 1,569,919	\$ 6,009,010	\$ 415,754	\$ 9,589	\$ 8,790	\$ 7,926
Receipts:									
Local sources	-	-	3,092,059	1,305,490	15,116,463	1,504,345	-	-	3,249
Intermediate sources	-	-	-	-	-	-	-	-	-
State sources	-	-	71,172	537,660	-	-	46,159	-	-
Federal sources	-	-	4,143,792	-	-	-	-	-	-
Temporary loans	-	-	-	-	-	-	-	-	-
Other	-	-	-	-	-	-	-	-	-
Total receipts	<u>-</u>	<u>-</u>	<u>7,307,023</u>	<u>1,843,150</u>	<u>15,116,463</u>	<u>1,504,345</u>	<u>46,159</u>	<u>-</u>	<u>3,249</u>
Disbursements:									
Current:									
Instruction	-	-	-	-	-	1,440,987	48,089	-	5,886
Support services	-	-	17,146	1,980,574	-	129,831	-	-	-
Noninstructional services	-	-	6,422,747	-	-	-	-	-	-
Facilities acquisition and construction	45,234	2,823,015	-	-	-	-	-	-	-
Debt services	-	-	-	-	-	-	-	-	-
Nonprogrammed charges	-	-	73,579	-	15,947,746	-	-	-	-
Total disbursements	<u>45,234</u>	<u>2,823,015</u>	<u>6,513,472</u>	<u>1,980,574</u>	<u>15,947,746</u>	<u>1,570,818</u>	<u>48,089</u>	<u>-</u>	<u>5,886</u>
Excess (deficiency) of receipts over disbursements	<u>(45,234)</u>	<u>(2,823,015)</u>	<u>793,551</u>	<u>(137,424)</u>	<u>(831,283)</u>	<u>(66,473)</u>	<u>(1,930)</u>	<u>-</u>	<u>(2,637)</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>(45,234)</u>	<u>(2,823,015)</u>	<u>793,551</u>	<u>(137,424)</u>	<u>(831,283)</u>	<u>(66,473)</u>	<u>(1,930)</u>	<u>-</u>	<u>(2,637)</u>
Cash and investments - ending	<u>\$ 3,279,824</u>	<u>\$ (2,031,812)</u>	<u>\$ 5,922,816</u>	<u>\$ 1,432,495</u>	<u>\$ 5,177,727</u>	<u>\$ 349,281</u>	<u>\$ 7,659</u>	<u>\$ 8,790</u>	<u>\$ 5,289</u>

METROPOLITAN SCHOOL DISTRICT OF LAWRENCE 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)

	Lawrence North Childcare	Lawrence Central Library Grant	Lawrence North National Football Foundation	Lawrence Central AP Biology/ Chemistry	Foundation Wish List	LN Library Grant	Foundation Salaries	Lawrence Shelter - Comp Don	Donation Accounts
Cash and investments - beginning	\$ (15,711)	\$ 4,981	\$ (5,597)	\$ 93	\$ 71	\$ 2,555	\$ (22,171)	\$ -	\$ 74,915
Receipts:									
Local sources	15,711	10,000	5,000	-	-	10,000	271,978	48,578	68,484
Intermediate sources	-	-	-	-	-	-	-	-	-
State sources	-	-	-	-	-	-	-	-	-
Federal sources	-	-	-	-	-	-	-	-	-
Temporary loans	-	-	-	-	-	-	-	-	-
Other	-	-	-	-	-	-	-	-	-
Total receipts	<u>15,711</u>	<u>10,000</u>	<u>5,000</u>	<u>-</u>	<u>-</u>	<u>10,000</u>	<u>271,978</u>	<u>48,578</u>	<u>68,484</u>
Disbursements:									
Current:									
Instruction	-	-	(597)	93	-	-	-	17,596	64,257
Support services	-	12,370	-	-	-	12,437	-	-	22,361
Noninstructional services	-	-	-	-	71	-	280,858	-	4,654
Facilities acquisition and construction	-	-	-	-	-	-	-	-	2,598
Debt services	-	-	-	-	-	-	-	-	-
Nonprogrammed charges	-	-	-	-	-	-	-	-	-
Total disbursements	<u>-</u>	<u>12,370</u>	<u>(597)</u>	<u>93</u>	<u>71</u>	<u>12,437</u>	<u>280,858</u>	<u>17,596</u>	<u>93,870</u>
Excess (deficiency) of receipts over disbursements	<u>15,711</u>	<u>(2,370)</u>	<u>5,597</u>	<u>(93)</u>	<u>(71)</u>	<u>(2,437)</u>	<u>(8,880)</u>	<u>30,982</u>	<u>(25,386)</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>15,711</u>	<u>(2,370)</u>	<u>5,597</u>	<u>(93)</u>	<u>(71)</u>	<u>(2,437)</u>	<u>(8,880)</u>	<u>30,982</u>	<u>(25,386)</u>
Cash and investments - ending	<u>\$ -</u>	<u>\$ 2,611</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 118</u>	<u>\$ (31,051)</u>	<u>\$ 30,982</u>	<u>\$ 49,529</u>

METROPOLITAN SCHOOL DISTRICT OF LAWRENCE 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)

	Fairbanks Hospital FY09/10	Retirement Recognition	Fairbanks Hospital FY05/06	Community Hospital FY06/07	Lumina / AAEA	Community Education	Challenge Education	HS AERD	AVID
Cash and investments - beginning	\$ (22,401)	\$ -	\$ (3,338)	\$ (46,629)	\$ 3,265	\$ (419,484)	\$ 1,790	\$ 6,023	\$ -
Receipts:									
Local sources	92,582	2,840	3,338	131,723	6,163	20,643	7,737	5,000	56,887
Intermediate sources	-	-	-	-	-	-	-	-	-
State sources	-	-	-	-	-	-	-	-	-
Federal sources	-	-	-	-	-	-	-	-	-
Temporary loans	-	-	-	-	-	-	-	-	-
Other	-	-	-	-	-	-	-	-	-
Total receipts	<u>92,582</u>	<u>2,840</u>	<u>3,338</u>	<u>131,723</u>	<u>6,163</u>	<u>20,643</u>	<u>7,737</u>	<u>5,000</u>	<u>56,887</u>
Disbursements:									
Current:									
Instruction	44,140	-	-	85,094	6,879	7,274	5,535	7,329	-
Support services	-	1,830	-	-	-	36	-	-	96,711
Noninstructional services	-	-	-	-	-	-	-	-	-
Facilities acquisition and construction	-	-	-	-	-	-	-	-	-
Debt services	-	-	-	-	-	-	-	-	-
Nonprogrammed charges	-	-	-	-	-	-	-	-	-
Total disbursements	<u>44,140</u>	<u>1,830</u>	<u>-</u>	<u>85,094</u>	<u>6,879</u>	<u>7,310</u>	<u>5,535</u>	<u>7,329</u>	<u>96,711</u>
Excess (deficiency) of receipts over disbursements	<u>48,442</u>	<u>1,010</u>	<u>3,338</u>	<u>46,629</u>	<u>(716)</u>	<u>13,333</u>	<u>2,202</u>	<u>(2,329)</u>	<u>(39,824)</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>48,442</u>	<u>1,010</u>	<u>3,338</u>	<u>46,629</u>	<u>(716)</u>	<u>13,333</u>	<u>2,202</u>	<u>(2,329)</u>	<u>(39,824)</u>
Cash and investments - ending	<u>\$ 26,041</u>	<u>\$ 1,010</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 2,549</u>	<u>\$ (406,151)</u>	<u>\$ 3,992</u>	<u>\$ 3,694</u>	<u>\$ (39,824)</u>

METROPOLITAN SCHOOL DISTRICT OF LAWRENCE 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)

	Training Workshops	Preschool of the Arts	ABE Scholarship	Luther Scholarship	Gordon Teter Scholarship	St Westoff Scholarship	Sec 125 Flex Account	Autism Advocates	Wellness Policy
Cash and investments - beginning	\$ 1,672	\$ (56,588)	\$ 60,110	\$ 32,891	\$ 45,545	\$ 6	\$ 173,948	\$ 914	\$ 100,517
Receipts:									
Local sources	405	2,014,681	514	281	389	-	397,995	2,939	-
Intermediate sources	-	-	-	-	-	-	-	-	-
State sources	-	-	-	-	-	-	-	-	-
Federal sources	-	-	-	-	-	-	-	-	-
Temporary loans	-	-	-	-	-	-	-	-	-
Other	-	-	-	-	-	-	-	-	-
Total receipts	<u>405</u>	<u>2,014,681</u>	<u>514</u>	<u>281</u>	<u>389</u>	<u>-</u>	<u>397,995</u>	<u>2,939</u>	<u>-</u>
Disbursements:									
Current:									
Instruction	-	2,134,110	-	-	-	-	-	2,818	-
Support services	-	-	-	-	-	-	370,217	-	-
Noninstructional services	-	-	-	-	-	-	-	-	11,703
Facilities acquisition and construction	-	-	-	-	-	-	-	-	-
Debt services	-	-	-	-	-	-	-	-	-
Nonprogrammed charges	-	-	5,000	2,000	8,000	6	-	-	-
Total disbursements	<u>-</u>	<u>2,134,110</u>	<u>5,000</u>	<u>2,000</u>	<u>8,000</u>	<u>6</u>	<u>370,217</u>	<u>2,818</u>	<u>11,703</u>
Excess (deficiency) of receipts over disbursements	<u>405</u>	<u>(119,429)</u>	<u>(4,486)</u>	<u>(1,719)</u>	<u>(7,611)</u>	<u>(6)</u>	<u>27,778</u>	<u>121</u>	<u>(11,703)</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>405</u>	<u>(119,429)</u>	<u>(4,486)</u>	<u>(1,719)</u>	<u>(7,611)</u>	<u>(6)</u>	<u>27,778</u>	<u>121</u>	<u>(11,703)</u>
Cash and investments - ending	<u>\$ 2,077</u>	<u>\$ (176,017)</u>	<u>\$ 55,624</u>	<u>\$ 31,172</u>	<u>\$ 37,934</u>	<u>\$ -</u>	<u>\$ 201,726</u>	<u>\$ 1,035</u>	<u>\$ 88,814</u>

METROPOLITAN SCHOOL DISTRICT OF LAWRENCE 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)

	Employee Criminal History	Stregic Planning	Lilly Digital Age Grant	Kindergarten Full Day Co-Pay	Professional Development FY07/08	Professional Development FY09/10	Emergency Aid	Professional Development FY08/09	Common Goal Initiative 07
Cash and investments - beginning	\$ -	\$ 1,541	\$ 4,070	\$ (199,172)	\$ 12,561	\$ -	\$ 37,634	\$ 131,119	\$ (67,349)
Receipts:									
Local sources	16,180	146,846	-	42,827	-	-	-	473	93,071
Intermediate sources	-	-	-	-	-	-	-	-	-
State sources	-	-	-	-	-	17,499	-	-	-
Federal sources	-	-	-	-	-	-	-	-	-
Temporary loans	-	-	-	-	-	-	-	-	-
Other	-	-	-	-	-	-	-	-	-
Total receipts	16,180	146,846	-	42,827	-	17,499	-	473	93,071
Disbursements:									
Current:									
Instruction	-	-	-	(156,345)	-	-	-	-	105,518
Support services	17,845	134,001	4,070	-	12,561	6,792	-	107,973	-
Noninstructional services	-	-	-	-	-	-	-	-	-
Facilities acquisition and construction	-	-	-	-	-	-	-	-	-
Debt services	-	-	-	-	-	-	-	-	-
Nonprogrammed charges	-	-	-	-	-	-	-	-	-
Total disbursements	17,845	134,001	4,070	(156,345)	12,561	6,792	-	107,973	105,518
Excess (deficiency) of receipts over disbursements	(1,665)	12,845	(4,070)	199,172	(12,561)	10,707	-	(107,500)	(12,447)
Other financing sources (uses):									
Sale of capital assets	-	-	-	-	-	-	-	-	-
Transfers in	-	-	-	-	-	-	-	-	-
Transfers out	-	-	-	-	-	-	-	-	-
Total other financing sources (uses)	-	-	-	-	-	-	-	-	-
Excess (deficiency) of receipts and other financing sources over disbursements and other financing uses	(1,665)	12,845	(4,070)	199,172	(12,561)	10,707	-	(107,500)	(12,447)
Cash and investments - ending	\$ (1,665)	\$ 14,386	\$ -	\$ -	\$ -	\$ 10,707	\$ 37,634	\$ 23,619	\$ (79,796)

METROPOLITAN SCHOOL DISTRICT OF LAWRENCE 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)

	Gifted/ Talented FY08/09	Gifted/ Talented FY09/10	Common School Fund - Tech#A1451	Extra Curricular Clearing	Arts in Education 2009	Language Assistance Program	Learning Grants	Non-English Speaking FY08/09	Non-English Speaking FY09/10
Cash and investments - beginning	\$ 7,399	\$ -	\$ -	\$ (50,839)	\$ 5,222	\$ 4,153	\$ 1,106	\$ 22,978	\$ -
Receipts:									
Local sources	-	-	-	180,269	-	-	-	-	-
Intermediate sources	-	-	-	-	-	-	-	-	-
State sources	-	95,009	388,080	-	1,740	300	-	-	197,589
Federal sources	-	-	-	-	-	-	-	-	-
Temporary loans	-	-	-	-	-	-	-	-	-
Other	-	-	-	-	-	-	-	-	-
Total receipts	-	95,009	388,080	180,269	1,740	300	-	-	197,589
Disbursements:									
Current:									
Instruction	7,399	92,140	-	97,347	5,222	215	-	22,978	168,164
Support services	-	-	393,430	34,555	-	-	1,106	-	5,225
Noninstructional services	-	-	-	-	-	-	-	-	-
Facilities acquisition and construction	-	-	-	-	-	-	-	-	-
Debt services	-	-	-	-	-	-	-	-	-
Nonprogrammed charges	-	-	-	-	-	-	-	-	4,598
Total disbursements	7,399	92,140	393,430	131,902	5,222	215	1,106	22,978	177,987
Excess (deficiency) of receipts over disbursements	(7,399)	2,869	(5,350)	48,367	(3,482)	85	(1,106)	(22,978)	19,602
Other financing sources (uses):									
Sale of capital assets	-	-	-	-	-	-	-	-	-
Transfers in	-	-	-	-	-	-	-	-	-
Transfers out	-	-	-	-	-	-	-	-	-
Total other financing sources (uses)	-	-	-	-	-	-	-	-	-
Excess (deficiency) of receipts and other financing sources over disbursements and other financing uses	(7,399)	2,869	(5,350)	48,367	(3,482)	85	(1,106)	(22,978)	19,602
Cash and investments - ending	\$ -	\$ 2,869	\$ (5,350)	\$ (2,472)	\$ 1,740	\$ 4,238	\$ -	\$ -	\$ 19,602

METROPOLITAN SCHOOL DISTRICT OF LAWRENCE 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 FY08/09	Title I FY09/10	School Improvement FY08/09	School Improvement FY09/10	Title I - Summer Advantage	Title V, Part A FY07/08	Title V, Part A FY08/09	Migrant Summer 2009	Title I C - Summer Migrant
Cash and investments - beginning	\$ (19,372)	\$ -	\$ 34,033	\$ -	\$ -	\$ 55,914	\$ (9,841)	\$ 29,009	\$ -
Receipts:									
Local sources	-	-	501	-	-	-	-	-	-
Intermediate sources	-	-	-	-	-	-	-	-	-
State sources	-	-	-	-	-	-	-	-	-
Federal sources	205,777	2,266,830	16,000	148,080	467,500	9,135	-	2,979	18,000
Temporary loans	-	-	-	-	-	-	-	-	-
Other	-	-	-	-	-	-	-	-	-
Total receipts	<u>205,777</u>	<u>2,266,830</u>	<u>16,501</u>	<u>148,080</u>	<u>467,500</u>	<u>9,135</u>	<u>-</u>	<u>2,979</u>	<u>18,000</u>
Disbursements:									
Current:									
Instruction	55,377	1,176,216	5,968	-	-	-	-	12,603	92
Support services	42,861	717,193	44,566	132,076	-	65,049	111,776	-	-
Noninstructional services	4,167	183,847	-	-	-	-	-	19,385	-
Facilities acquisition and construction	-	-	-	-	-	-	-	-	-
Debt services	-	-	-	-	-	-	-	-	-
Nonprogrammed charges	-	-	-	1,800	-	-	4,385	-	-
Total disbursements	<u>102,405</u>	<u>2,077,256</u>	<u>50,534</u>	<u>133,876</u>	<u>-</u>	<u>65,049</u>	<u>116,161</u>	<u>31,988</u>	<u>92</u>
Excess (deficiency) of receipts over disbursements	<u>103,372</u>	<u>189,574</u>	<u>(34,033)</u>	<u>14,204</u>	<u>467,500</u>	<u>(55,914)</u>	<u>(116,161)</u>	<u>(29,009)</u>	<u>17,908</u>
Other financing sources (uses):									
Sale of capital assets	-	-	-	-	-	-	-	-	-
Transfers in	-	84,000	-	-	-	-	126,002	-	-
Transfers out	(84,000)	-	-	-	-	-	-	-	-
Total other financing sources (uses)	<u>(84,000)</u>	<u>84,000</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>126,002</u>	<u>-</u>	<u>-</u>
Excess (deficiency) of receipts and other financing sources over disbursements and other financing uses	<u>19,372</u>	<u>273,574</u>	<u>(34,033)</u>	<u>14,204</u>	<u>467,500</u>	<u>(55,914)</u>	<u>9,841</u>	<u>(29,009)</u>	<u>17,908</u>
Cash and investments - ending	<u>\$ -</u>	<u>\$ 273,574</u>	<u>\$ -</u>	<u>\$ 14,204</u>	<u>\$ 467,500</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 17,908</u>

METROPOLITAN SCHOOL DISTRICT OF LAWRENCE 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 Migrant FY09/10	Part B Resource FY09/10	Part B Resource FY07/08	Part B Resource FY08/09	Special Ed Preschool FY08/09	Special Ed Preschool FY09/10	Safe and Drug Free FY08/09	Safe and Drug Free FY07/08	Safe and Drug Free FY09/10
Cash and investments - beginning	\$ -	\$ -	\$ 41,740	\$ 563,967	\$ 12,134	\$ -	\$ (1,725)	\$ 18,477	\$ -
Receipts:									
Local sources	-	-	-	66	-	-	-	-	-
Intermediate sources	-	-	-	-	-	-	-	-	-
State sources	-	-	-	-	-	-	-	-	-
Federal sources	247,392	2,988,877	-	510,113	9,872	84,471	43,614	-	27,925
Temporary loans	-	-	-	-	-	-	-	-	-
Other	-	-	-	-	-	-	-	-	-
Total receipts	<u>247,392</u>	<u>2,988,877</u>	<u>-</u>	<u>510,179</u>	<u>9,872</u>	<u>84,471</u>	<u>43,614</u>	<u>-</u>	<u>27,925</u>
Disbursements:									
Current:									
Instruction	235,579	2,479,603	41,740	895,994	15,094	28,373	38,578	9,792	10,945
Support services	3,728	-	-	-	-	-	3,311	7,509	10,147
Noninstructional services	-	-	-	-	-	-	-	-	-
Facilities acquisition and construction	-	-	-	-	-	-	-	-	-
Debt services	-	-	-	-	-	-	-	-	-
Nonprogrammed charges	-	-	-	-	-	-	-	1,176	1,117
Total disbursements	<u>239,307</u>	<u>2,479,603</u>	<u>41,740</u>	<u>895,994</u>	<u>15,094</u>	<u>28,373</u>	<u>41,889</u>	<u>18,477</u>	<u>22,209</u>
Excess (deficiency) of receipts over disbursements	<u>8,085</u>	<u>509,274</u>	<u>(41,740)</u>	<u>(385,815)</u>	<u>(5,222)</u>	<u>56,098</u>	<u>1,725</u>	<u>(18,477)</u>	<u>5,716</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>8,085</u>	<u>509,274</u>	<u>(41,740)</u>	<u>(385,815)</u>	<u>(5,222)</u>	<u>56,098</u>	<u>1,725</u>	<u>(18,477)</u>	<u>5,716</u>
Cash and investments - ending	<u>\$ 8,085</u>	<u>\$ 509,274</u>	<u>\$ -</u>	<u>\$ 178,152</u>	<u>\$ 6,912</u>	<u>\$ 56,098</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 5,716</u>

METROPOLITAN SCHOOL DISTRICT OF LAWRENCE 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)

	McKinney Vento FY08/09	Health Insurance	McKinney Vento FY09/10	Perkins FY08/09	Perkins FY09/10	Biomedical Science Grant FY09/10	First Robotics, 2008	First Robotics, 2009	Title II Part A FY07/08
Cash and investments - beginning	\$ 14,466	\$ 274,704	\$ 43,111	\$ (25,516)	\$ -	\$ -	\$ (125)	\$ -	\$ 175,054
Receipts:									
Local sources	-	2,184	-	-	-	-	-	-	-
Intermediate sources	-	-	-	-	-	-	-	-	-
State sources	-	-	-	-	-	-	-	-	-
Federal sources	-	-	-	45,334	135,377	8,109	125	-	-
Temporary loans	-	-	-	-	-	-	-	-	-
Other	-	-	-	-	-	-	-	-	-
Total receipts	-	2,184	-	45,334	135,377	8,109	125	-	-
Disbursements:									
Current:									
Instruction	7,553	-	1,365	19,818	147,435	9,811	-	2,375	-
Support services	6,913	-	16,384	-	-	-	-	-	175,054
Noninstructional services	-	-	-	-	-	-	-	-	-
Facilities acquisition and construction	-	-	-	-	-	-	-	-	-
Debt services	-	-	-	-	-	-	-	-	-
Nonprogrammed charges	-	17,152	-	-	9,067	750	-	125	-
Total disbursements	14,466	17,152	17,749	19,818	156,502	10,561	-	2,500	175,054
Excess (deficiency) of receipts over disbursements	(14,466)	(14,968)	(17,749)	25,516	(21,125)	(2,452)	125	(2,500)	(175,054)
Other financing sources (uses):									
Sale of capital assets	-	-	-	-	-	-	-	-	-
Transfers in	-	-	-	-	-	-	-	-	-
Transfers out	-	-	-	-	-	-	-	-	-
Total other financing sources (uses)	-	-	-	-	-	-	-	-	-
Excess (deficiency) of receipts and other financing sources over disbursements and other financing uses	(14,466)	(14,968)	(17,749)	25,516	(21,125)	(2,452)	125	(2,500)	(175,054)
Cash and investments - ending	\$ -	\$ 259,736	\$ 25,362	\$ -	\$ (21,125)	\$ (2,452)	\$ -	\$ (2,500)	\$ -

METROPOLITAN SCHOOL DISTRICT OF LAWRENCE 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 Part A FY08/09	Title II Part A FY09/10	Title III, Part A FY08/09	Title III, Part A FY09/10	Fiscal Stabilization, Education	Fiscal Stabilization, Title I	Fiscal Stabilization, Special Education	Fiscal Stabilization, Special Ed Preschool	Fiscal Stabilization, McKinney-Vento Education for Homeless
Cash and investments - beginning	\$ 137,865	\$ -	\$ 17,491	\$ -	\$ 6,409,772	\$ (162,227)	\$ (1,907,460)	\$ 12,344	\$ -
Receipts:									
Local sources	-	-	-	-	-	-	-	-	-
Intermediate sources	-	-	-	-	-	-	-	-	-
State sources	-	-	-	-	-	-	-	-	-
Federal sources	268,553	149,219	-	155,223	3,151,029	1,205,635	2,955,495	53,136	20,000
Temporary loans	-	-	-	-	-	-	-	-	-
Other	-	-	-	-	-	-	-	-	-
Total receipts	<u>268,553</u>	<u>149,219</u>	<u>-</u>	<u>155,223</u>	<u>3,151,029</u>	<u>1,205,635</u>	<u>2,955,495</u>	<u>53,136</u>	<u>20,000</u>
Disbursements:									
Current:									
Instruction	-	-	17,242	123,759	9,560,801	705,725	1,119,401	73,858	-
Support services	270,324	43,092	249	4,656	-	316,813	-	-	11,340
Noninstructional services	-	-	-	-	-	388	-	-	-
Facilities acquisition and construction	-	-	-	-	-	-	-	-	-
Debt services	-	-	-	-	-	-	-	-	-
Nonprogrammed charges	9,897	-	-	3,104	-	17,670	-	-	-
Total disbursements	<u>280,221</u>	<u>43,092</u>	<u>17,491</u>	<u>131,519</u>	<u>9,560,801</u>	<u>1,040,596</u>	<u>1,119,401</u>	<u>73,858</u>	<u>11,340</u>
Excess (deficiency) of receipts over disbursements	<u>(11,668)</u>	<u>106,127</u>	<u>(17,491)</u>	<u>23,704</u>	<u>(6,409,772)</u>	<u>165,039</u>	<u>1,836,094</u>	<u>(20,722)</u>	<u>8,660</u>
Other financing sources (uses):									
Sale of capital assets	-	-	-	-	-	-	-	-	-
Transfers in	-	-	-	-	-	-	-	-	-
Transfers out	(126,002)	-	-	-	-	-	-	-	-
Total other financing sources (uses)	<u>(126,002)</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>(137,670)</u>	<u>106,127</u>	<u>(17,491)</u>	<u>23,704</u>	<u>(6,409,772)</u>	<u>165,039</u>	<u>1,836,094</u>	<u>(20,722)</u>	<u>8,660</u>
Cash and investments - ending	<u>\$ 195</u>	<u>\$ 106,127</u>	<u>\$ -</u>	<u>\$ 23,704</u>	<u>\$ -</u>	<u>\$ 2,812</u>	<u>\$ (71,366)</u>	<u>\$ (8,378)</u>	<u>\$ 8,660</u>

METROPOLITAN SCHOOL DISTRICT OF LAWRENCE 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)

	Miscellaneous Clearing Account	Vision Insurance COBRA	Payroll Clearing Account	Foundation Grants	Life Insurance COBRA	Health Insurance COBRA	Dental Insurance COBRA	Clearing Account	Totals
Cash and investments - beginning	\$ (537)	\$ 846	\$ (6,315)	\$ (4,180)	\$ 406	\$ 27,679	\$ 5,225	\$ 3,629,117	\$ 21,616,317
Receipts:									
Local sources	-	-	-	-	-	-	-	-	126,100,405
Intermediate sources	-	-	-	-	-	-	-	-	151,935
State sources	-	-	-	-	-	-	-	-	94,784,644
Federal sources	-	-	-	-	-	-	-	-	19,337,592
Temporary loans	-	-	-	-	-	-	-	-	6,800,000
Other	19,921	21,766	-	19,644	11,524	602,758	117,744	33,002,240	34,121,761
Total receipts	19,921	21,766	-	19,644	11,524	602,758	117,744	33,002,240	281,296,337
Disbursements:									
Current:									
Instruction	-	-	-	-	-	-	-	-	91,935,484
Support services	-	-	-	-	-	-	-	-	49,019,324
Noninstructional services	-	-	-	-	-	-	-	-	7,390,079
Facilities acquisition and construction	-	-	-	-	-	-	-	-	17,916,036
Debt services	-	-	-	-	-	-	-	-	53,166,191
Nonprogrammed charges	19,384	21,086	1,975	21,843	11,110	576,032	112,660	31,271,311	48,242,178
Total disbursements	19,384	21,086	1,975	21,843	11,110	576,032	112,660	31,271,311	267,669,292
Excess (deficiency) of receipts over disbursements	537	680	(1,975)	(2,199)	414	26,726	5,084	1,730,929	13,627,045
Other financing sources (uses):									
Sale of capital assets	-	-	-	-	-	-	-	-	132,759
Transfers in	-	-	-	-	-	-	-	-	1,710,002
Transfers out	-	-	-	-	-	-	-	-	(1,710,002)
Total other financing sources (uses)	-	-	-	-	-	-	-	-	132,759
Excess (deficiency) of receipts and other financing sources over disbursements and other financing uses	537	680	(1,975)	(2,199)	414	26,726	5,084	1,730,929	13,759,804
Cash and investments - ending	\$ -	\$ 1,526	\$ (8,290)	\$ (6,379)	\$ 820	\$ 54,405	\$ 10,309	\$ 5,360,046	\$ 35,376,121

METROPOLITAN SCHOOL DISTRICT OF LAWRENCE 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	Debt Service	Retirement Bond Debt Service	Capital Projects	Transportation Operating	School Bus Replacement	Rainy Day	Retirement Bond	Construction
Cash and investments - beginning	\$ (4,097,256)	\$ 5,296,726	\$ 373,224	\$ 3,352,750	\$ 1,724,112	\$ 1,898,500	\$ 459,547	\$ 4,661,883	\$ 372,554
Receipts:									
Local sources	768,198	18,052,944	2,432,870	13,017,686	9,218,548	960,400	-	-	-
Intermediate sources	109,630	-	-	-	-	-	-	-	-
State sources	93,701,064	635,832	-	-	25,601	-	-	-	-
Federal sources	-	-	-	-	-	-	-	-	-
Temporary loans	-	-	-	-	5,099,899	-	-	-	-
Other	302,866	-	-	-	13,360	-	-	-	-
Total receipts	<u>94,881,758</u>	<u>18,688,776</u>	<u>2,432,870</u>	<u>13,017,686</u>	<u>14,357,408</u>	<u>960,400</u>	<u>-</u>	<u>-</u>	<u>-</u>
Disbursements:									
Current:									
Instruction	68,933,254	-	-	-	-	-	-	-	-
Support services	19,264,302	-	-	5,917,116	9,105,159	1,216,305	557,387	1,557,975	-
Noninstructional services	460,624	-	-	-	-	-	-	-	-
Facilities acquisition and construction	-	-	-	6,410,406	-	-	-	-	19,856
Debt services	2,100,000	18,804,196	2,394,373	-	4,785,761	-	-	-	-
Nonprogrammed charges	79,963	-	-	-	-	-	-	-	-
Total disbursements	<u>90,838,143</u>	<u>18,804,196</u>	<u>2,394,373</u>	<u>12,327,522</u>	<u>13,890,920</u>	<u>1,216,305</u>	<u>557,387</u>	<u>1,557,975</u>	<u>19,856</u>
Excess (deficiency) of receipts over disbursements	<u>4,043,615</u>	<u>(115,420)</u>	<u>38,497</u>	<u>690,164</u>	<u>466,488</u>	<u>(255,905)</u>	<u>(557,387)</u>	<u>(1,557,975)</u>	<u>(19,856)</u>
Other financing sources (uses):									
Sale of capital assets	98,197	-	-	-	-	-	-	-	-
Transfers in	497,943	-	-	-	-	-	500,000	-	-
Transfers out	-	(500,000)	-	(497,943)	-	-	-	-	-
Total other financing sources (uses)	<u>596,140</u>	<u>(500,000)</u>	<u>-</u>	<u>(497,943)</u>	<u>-</u>	<u>-</u>	<u>500,000</u>	<u>-</u>	<u>-</u>
Excess (deficiency) of receipts and other financing sources over disbursements and other financing uses	<u>4,639,755</u>	<u>(615,420)</u>	<u>38,497</u>	<u>192,221</u>	<u>466,488</u>	<u>(255,905)</u>	<u>(57,387)</u>	<u>(1,557,975)</u>	<u>(19,856)</u>
Cash and investments - ending	<u>\$ 542,499</u>	<u>\$ 4,681,306</u>	<u>\$ 411,721</u>	<u>\$ 3,544,971</u>	<u>\$ 2,190,600</u>	<u>\$ 1,642,595</u>	<u>\$ 402,160</u>	<u>\$ 3,103,908</u>	<u>\$ 352,698</u>

METROPOLITAN SCHOOL DISTRICT OF LAWRENCE 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)

	Early Childhood Centers	First Mortgage Bond Series 2007	School Lunch	Textbook Rental	Self- Insurance	Levy Excess	Loving Care	Alternative Education	Continuing Contact Fees
Cash and investments - beginning	\$ 3,279,824	\$ (2,031,812)	\$ 5,922,816	\$ 1,432,495	\$ 5,177,727	\$ -	\$ 349,281	\$ 7,659	\$ 8,790
Receipts:									
Local sources	-	28,525	2,782,698	1,286,382	14,372,238	228,269	1,705,237	-	-
Intermediate sources	-	-	-	-	-	-	-	-	-
State sources	-	-	68,872	614,962	-	-	-	56,212	-
Federal sources	-	-	4,478,655	-	-	-	-	-	-
Temporary loans	-	-	-	-	-	-	-	-	-
Other	-	-	-	-	-	-	-	-	-
Total receipts	<u>-</u>	<u>28,525</u>	<u>7,330,225</u>	<u>1,901,344</u>	<u>14,372,238</u>	<u>228,269</u>	<u>1,705,237</u>	<u>56,212</u>	<u>-</u>
Disbursements:									
Current:									
Instruction	-	-	-	-	-	-	1,498,896	49,768	8,790
Support services	-	-	119,556	1,513,662	-	-	117,538	-	-
Noninstructional services	-	-	6,680,352	-	-	-	-	-	-
Facilities acquisition and construction	6,750	113,388	-	-	-	-	-	-	-
Debt services	-	-	-	-	-	-	-	-	-
Nonprogrammed charges	-	-	66,033	-	14,697,179	-	-	-	-
Total disbursements	<u>6,750</u>	<u>113,388</u>	<u>6,865,941</u>	<u>1,513,662</u>	<u>14,697,179</u>	<u>-</u>	<u>1,616,434</u>	<u>49,768</u>	<u>8,790</u>
Excess (deficiency) of receipts over disbursements	<u>(6,750)</u>	<u>(84,863)</u>	<u>464,284</u>	<u>387,682</u>	<u>(324,941)</u>	<u>228,269</u>	<u>88,803</u>	<u>6,444</u>	<u>(8,790)</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>(6,750)</u>	<u>(84,863)</u>	<u>464,284</u>	<u>387,682</u>	<u>(324,941)</u>	<u>228,269</u>	<u>88,803</u>	<u>6,444</u>	<u>(8,790)</u>
Cash and investments - ending	<u>\$ 3,273,074</u>	<u>\$ (2,116,675)</u>	<u>\$ 6,387,100</u>	<u>\$ 1,820,177</u>	<u>\$ 4,852,786</u>	<u>\$ 228,269</u>	<u>\$ 438,084</u>	<u>\$ 14,103</u>	<u>\$ -</u>

METROPOLITAN SCHOOL DISTRICT OF LAWRENCE 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)

	Student Life Center Support	Lawrence Central Library Grant	LN Library Grant	Foundation Salaries	Lawrence Shelter - Comp Don	Donation Accounts	Fairbanks Hospital FY09/10	Retirement Recognition	Community Hospital FY10/11
Cash and investments - beginning	\$ 5,289	\$ 2,611	\$ 118	\$ (31,051)	\$ 30,982	\$ 49,529	\$ 26,041	\$ 1,010	\$ -
Receipts:									
Local sources	5,000	10,500	10,500	223,282	343	71,142	49,108	-	60,480
Intermediate sources	-	-	-	-	-	-	-	-	-
State sources	-	-	-	-	-	-	-	-	-
Federal sources	-	-	-	-	-	-	-	-	-
Temporary loans	-	-	-	-	-	-	-	-	-
Other	-	-	-	-	-	-	-	-	-
Total receipts	5,000	10,500	10,500	223,282	343	71,142	49,108	-	60,480
Disbursements:									
Current:									
Instruction	10,289	-	-	-	-	50,744	60,432	-	49,230
Support services	-	13,111	10,618	-	-	13,931	-	1,010	-
Noninstructional services	-	-	-	224,464	-	2,940	-	-	-
Facilities acquisition and construction	-	-	-	-	-	-	-	-	-
Debt services	-	-	-	-	-	-	-	-	-
Nonprogrammed charges	-	-	-	-	-	-	-	-	-
Total disbursements	10,289	13,111	10,618	224,464	-	67,615	60,432	1,010	49,230
Excess (deficiency) of receipts over disbursements	(5,289)	(2,611)	(118)	(1,182)	343	3,527	(11,324)	(1,010)	11,250
Other financing sources (uses):									
Sale of capital assets	-	-	-	-	-	-	-	-	-
Transfers in	-	-	-	-	-	-	-	-	-
Transfers out	-	-	-	-	-	-	-	-	-
Total other financing sources (uses)	-	-	-	-	-	-	-	-	-
Excess (deficiency) of receipts and other financing sources over disbursements and other financing uses	(5,289)	(2,611)	(118)	(1,182)	343	3,527	(11,324)	(1,010)	11,250
Cash and investments - ending	\$ -	\$ -	\$ -	\$ (32,233)	\$ 31,325	\$ 53,056	\$ 14,717	\$ -	\$ 11,250

METROPOLITAN SCHOOL DISTRICT OF LAWRENCE 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)

	<u>Lumina / AAEA</u>	<u>Community Education</u>	<u>Challenge Education</u>	<u>HS AERD</u>	<u>AVID</u>	<u>MAC</u>	<u>Training Workshops</u>	<u>Preschool of the Arts</u>	<u>ABE Scholarship</u>
Cash and investments - beginning	\$ 2,549	\$ (406,151)	\$ 3,992	\$ 3,694	\$ (39,824)	\$ -	\$ 2,077	\$ (176,017)	\$ 55,624
Receipts:									
Local sources	7,365	-	-	-	127,000	62,285	46	2,075,026	-
Intermediate sources	-	-	-	-	-	-	-	-	-
State sources	-	-	-	-	-	-	-	-	-
Federal sources	-	-	-	-	-	-	-	67,367	-
Temporary loans	-	-	-	-	-	-	-	-	-
Other	-	-	-	-	-	-	-	-	-
Total receipts	<u>7,365</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>127,000</u>	<u>62,285</u>	<u>46</u>	<u>2,142,393</u>	<u>-</u>
Disbursements:									
Current:									
Instruction	2,923	-	2,299	2,562	-	-	-	2,143,036	-
Support services	-	-	-	-	87,176	62,285	1,497	20,291	-
Noninstructional services	-	-	-	-	-	-	-	-	-
Facilities acquisition and construction	-	-	-	-	-	-	-	-	-
Debt services	-	-	-	-	-	-	-	-	-
Nonprogrammed charges	-	-	-	-	-	-	-	-	5,000
Total disbursements	<u>2,923</u>	<u>-</u>	<u>2,299</u>	<u>2,562</u>	<u>87,176</u>	<u>62,285</u>	<u>1,497</u>	<u>2,163,327</u>	<u>5,000</u>
Excess (deficiency) of receipts over disbursements	<u>4,442</u>	<u>-</u>	<u>(2,299)</u>	<u>(2,562)</u>	<u>39,824</u>	<u>-</u>	<u>(1,451)</u>	<u>(20,934)</u>	<u>(5,000)</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>4,442</u>	<u>-</u>	<u>(2,299)</u>	<u>(2,562)</u>	<u>39,824</u>	<u>-</u>	<u>(1,451)</u>	<u>(20,934)</u>	<u>(5,000)</u>
Cash and investments - ending	<u>\$ 6,991</u>	<u>\$ (406,151)</u>	<u>\$ 1,693</u>	<u>\$ 1,132</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 626</u>	<u>\$ (196,951)</u>	<u>\$ 50,624</u>

METROPOLITAN SCHOOL DISTRICT OF LAWRENCE 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)

	Luther Scholarship	Gordon Teter Scholarship	Sec 125 Flex Account	Autism Advocates	Wellness Policy	Employee Criminal History	Stregic Planning	Professional Development FY09/10	Emergency Aid
Cash and investments - beginning	\$ 31,172	\$ 37,934	\$ 201,726	\$ 1,035	\$ 88,814	\$ (1,665)	\$ 14,386	\$ 10,707	\$ 37,634
Receipts:									
Local sources	-	-	321,963	3,000	-	18,276	117,193	-	-
Intermediate sources	-	-	-	-	-	-	-	-	-
State sources	-	-	-	-	-	-	-	-	-
Federal sources	-	-	-	-	-	-	-	-	-
Temporary loans	-	-	-	-	-	-	-	-	-
Other	-	-	-	-	-	-	-	-	-
Total receipts	-	-	321,963	3,000	-	18,276	117,193	-	-
Disbursements:									
Current:									
Instruction	-	-	-	2,403	-	-	-	-	-
Support services	-	-	315,947	-	-	15,905	105,135	4,305	1,152
Noninstructional services	-	-	-	-	27,159	-	-	-	-
Facilities acquisition and construction	-	-	-	-	-	-	-	-	-
Debt services	-	-	-	-	-	-	-	-	-
Nonprogrammed charges	4,000	5,000	-	-	-	-	-	-	-
Total disbursements	4,000	5,000	315,947	2,403	27,159	15,905	105,135	4,305	1,152
Excess (deficiency) of receipts over disbursements	(4,000)	(5,000)	6,016	597	(27,159)	2,371	12,058	(4,305)	(1,152)
Other financing sources (uses):									
Sale of capital assets	-	-	-	-	-	-	-	-	-
Transfers in	-	-	-	-	-	-	-	-	-
Transfers out	-	-	-	-	-	-	-	-	-
Total other financing sources (uses)	-	-	-	-	-	-	-	-	-
Excess (deficiency) of receipts and other financing sources over disbursements and other financing uses	(4,000)	(5,000)	6,016	597	(27,159)	2,371	12,058	(4,305)	(1,152)
Cash and investments - ending	\$ 27,172	\$ 32,934	\$ 207,742	\$ 1,632	\$ 61,655	\$ 706	\$ 26,444	\$ 6,402	\$ 36,482

METROPOLITAN SCHOOL DISTRICT OF LAWRENCE 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)

	Professional Development FY08/09	Common Goal Initiative 07	Gifted/ Talented FY10/11	Gifted/ Talented FY09/10	Common School Fund - Tech#A1464	Common School Fund - Tech#A1451	Common School Fund - Tech#A1507	Extra Curricular Clearing	Arts in Education 2009
Cash and investments - beginning	\$ 23,619	\$ (79,796)	\$ -	\$ 2,869	\$ -	\$ (5,350)	\$ -	\$ (2,472)	\$ 1,740
Receipts:									
Local sources	-	87,500	-	-	-	-	-	133,882	-
Intermediate sources	-	-	-	-	-	-	-	-	-
State sources	-	-	93,583	-	1,435,021	1,046,941	25,970	-	-
Federal sources	-	-	-	-	-	-	-	-	-
Temporary loans	-	-	-	-	-	-	-	-	-
Other	-	-	-	-	-	-	-	-	-
Total receipts	-	87,500	93,583	-	1,435,021	1,046,941	25,970	133,882	-
Disbursements:									
Current:									
Instruction	-	45,204	74,442	2,869	-	-	-	128,535	-
Support services	12,908	-	-	-	1,435,021	1,041,591	124,340	15,430	-
Noninstructional services	-	-	-	-	-	-	-	-	-
Facilities acquisition and construction	-	-	-	-	-	-	-	-	-
Debt services	-	-	-	-	-	-	-	-	-
Nonprogrammed charges	-	-	-	-	-	-	-	-	-
Total disbursements	12,908	45,204	74,442	2,869	1,435,021	1,041,591	124,340	143,965	-
Excess (deficiency) of receipts over disbursements	(12,908)	42,296	19,141	(2,869)	-	5,350	(98,370)	(10,083)	-
Other financing sources (uses):									
Sale of capital assets	-	-	-	-	-	-	-	-	-
Transfers in	-	-	-	-	-	-	-	-	-
Transfers out	-	-	-	-	-	-	-	-	-
Total other financing sources (uses)	-	-	-	-	-	-	-	-	-
Excess (deficiency) of receipts and other financing sources over disbursements and other financing uses	(12,908)	42,296	19,141	(2,869)	-	5,350	(98,370)	(10,083)	-
Cash and investments - ending	\$ 10,711	\$ (37,500)	\$ 19,141	\$ -	\$ -	\$ -	\$ (98,370)	\$ (12,555)	\$ 1,740

METROPOLITAN SCHOOL DISTRICT OF LAWRENCE 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)

	Language Assistance Program	Non-English Speaking FY09/10	Non-English Speaking FY10/11	Title I FY09/10	Title I FY10/11	School Improvement FY09/10	School Improvement FY10/11	Title I - Summer Advantage	Title I C - Summer Migrant
Cash and investments - beginning	\$ 4,238	\$ 19,602	\$ -	\$ 273,574	\$ -	\$ 14,204	\$ -	\$ 467,500	\$ 17,908
Receipts:									
Local sources	-	-	-	-	702	-	-	-	-
Intermediate sources	-	-	-	-	-	-	-	-	-
State sources	-	826	160,985	-	-	-	-	-	-
Federal sources	-	-	-	226,780	1,843,210	8,000	76,000	82,500	6,400
Temporary loans	-	-	-	-	-	-	-	-	-
Other	-	-	-	-	-	-	-	-	-
Total receipts	-	826	160,985	226,780	1,843,912	8,000	76,000	82,500	6,400
Disbursements:									
Current:									
Instruction	67	1,354	148,298	52,594	1,546,475	-	-	550,000	11,533
Support services	-	19,074	-	50,498	516,288	22,204	82,636	-	-
Noninstructional services	-	-	-	8,640	211,365	-	-	-	12,775
Facilities acquisition and construction	-	-	-	-	-	-	-	-	-
Debt services	-	-	-	-	-	-	-	-	-
Nonprogrammed charges	-	-	4,471	25,611	73,373	-	-	-	-
Total disbursements	67	20,428	152,769	137,343	2,347,501	22,204	82,636	550,000	24,308
Excess (deficiency) of receipts over disbursements	(67)	(19,602)	8,216	89,437	(503,589)	(14,204)	(6,636)	(467,500)	(17,908)
Other financing sources (uses):									
Sale of capital assets	-	-	-	-	-	-	-	-	-
Transfers in	-	-	-	-	363,011	-	-	-	-
Transfers out	-	-	-	(363,011)	-	-	-	-	-
Total other financing sources (uses)	-	-	-	(363,011)	363,011	-	-	-	-
Excess (deficiency) of receipts and other financing sources over disbursements and other financing uses	(67)	(19,602)	8,216	(273,574)	(140,578)	(14,204)	(6,636)	(467,500)	(17,908)
Cash and investments - ending	\$ 4,171	\$ -	\$ 8,216	\$ -	\$ (140,578)	\$ -	\$ (6,636)	\$ -	\$ -

METROPOLITAN SCHOOL DISTRICT OF LAWRENCE 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)

	Title I Migrant FY09/10	Title I Migrant FY10/11	Part B Resource FY09/10	Part B Resource FY10/11	Part B Resource FY08/09	Special Ed Preschool FY08/09	Special Ed Preschool FY09/10	Special Ed Preschool FY10/11	Safe and Drug Free FY09/10
Cash and investments - beginning	\$ 8,085	\$ -	\$ 509,274	\$ -	\$ 178,152	\$ 6,912	\$ 56,098	\$ -	\$ 5,716
Receipts:									
Local sources	-	-	-	-	-	-	-	-	-
Intermediate sources	-	-	-	-	-	-	-	-	-
State sources	-	-	-	-	-	-	-	-	-
Federal sources	-	79,773	333,541	2,149,220	-	-	4,223	60,539	21,162
Temporary loans	-	-	-	-	-	-	-	-	-
Other	-	-	-	-	-	-	-	-	-
Total receipts	-	79,773	333,541	2,149,220	-	-	4,223	60,539	21,162
Disbursements:									
Current:									
Instruction	8,085	80,779	961,204	2,277,766	178,152	6,912	56,899	66,558	-
Support services	-	2,755	-	-	-	-	-	-	18,941
Noninstructional services	-	-	-	-	-	-	-	-	-
Facilities acquisition and construction	-	-	-	-	-	-	-	-	-
Debt services	-	-	-	-	-	-	-	-	-
Nonprogrammed charges	-	-	-	-	-	-	-	-	-
Total disbursements	8,085	83,534	961,204	2,277,766	178,152	6,912	56,899	66,558	18,941
Excess (deficiency) of receipts over disbursements	(8,085)	(3,761)	(627,663)	(128,546)	(178,152)	(6,912)	(52,676)	(6,019)	2,221
Other financing sources (uses):									
Sale of capital assets	-	-	-	-	-	-	-	-	-
Transfers in	-	-	-	-	-	-	-	-	-
Transfers out	-	-	-	-	-	-	-	-	-
Total other financing sources (uses)	-	-	-	-	-	-	-	-	-
Excess (deficiency) of receipts and other financing sources over disbursements and other financing uses	(8,085)	(3,761)	(627,663)	(128,546)	(178,152)	(6,912)	(52,676)	(6,019)	2,221
Cash and investments - ending	\$ -	\$ (3,761)	\$ (118,389)	\$ (128,546)	\$ -	\$ -	\$ 3,422	\$ (6,019)	\$ 7,937

METROPOLITAN SCHOOL DISTRICT OF LAWRENCE 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)

	Team Nutrition Training Grants	Health Insurance	McKinney Vento FY09/10	McKinney Vento FY10/11	Perkins FY09/10	Perkins FY10/11	Biomedical Science Grant FY09/10	Biomedical Science Grant FY10/11	REMS MSDLT FY10-12
Cash and investments - beginning	\$ -	\$ 259,736	\$ 25,362	\$ -	\$ (21,125)	\$ -	\$ (2,452)	\$ -	\$ -
Receipts:									
Local sources	-	-	-	-	-	-	-	-	-
Intermediate sources	-	-	-	-	-	-	-	-	-
State sources	-	-	-	-	-	-	-	-	-
Federal sources	6,075	-	-	14,286	45,125	130,969	6,890	6,484	-
Temporary loans	-	-	-	-	-	-	-	-	-
Other	-	-	-	-	-	-	-	-	-
Total receipts	6,075	-	-	14,286	45,125	130,969	6,890	6,484	-
Disbursements:									
Current:									
Instruction	3,854	-	261	-	24,000	148,262	4,438	9,259	70,299
Support services	-	-	25,101	17,913	-	-	-	-	-
Noninstructional services	-	-	-	-	-	-	-	-	-
Facilities acquisition and construction	-	-	-	-	-	-	-	-	-
Debt services	-	-	-	-	-	-	-	-	-
Nonprogrammed charges	-	209,000	-	-	-	10,353	-	-	-
Total disbursements	3,854	209,000	25,362	17,913	24,000	158,615	4,438	9,259	70,299
Excess (deficiency) of receipts over disbursements	2,221	(209,000)	(25,362)	(3,627)	21,125	(27,646)	2,452	(2,775)	(70,299)
Other financing sources (uses):									
Sale of capital assets	-	-	-	-	-	-	-	-	-
Transfers in	-	-	-	-	-	-	-	-	-
Transfers out	-	-	-	-	-	-	-	-	-
Total other financing sources (uses)	-	-	-	-	-	-	-	-	-
Excess (deficiency) of receipts and other financing sources over disbursements and other financing uses	2,221	(209,000)	(25,362)	(3,627)	21,125	(27,646)	2,452	(2,775)	(70,299)
Cash and investments - ending	\$ 2,221	\$ 50,736	\$ -	\$ (3,627)	\$ -	\$ (27,646)	\$ -	\$ (2,775)	\$ (70,299)

METROPOLITAN SCHOOL DISTRICT OF LAWRENCE 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)

	Magnet Schools Assistance FY10/11	First Robotics, 2009	First Robotics, 2011	Title II Part A FY08/09	Title II Part A FY09/10	Title II Part A FY10/11	Title II, Part D Learning Tech Grant	Title III, Part A FY09/10	Title III, Part A FY10/11
Cash and investments - beginning	\$ -	\$ (2,500)	\$ -	\$ 195	\$ 106,127	\$ -	\$ -	\$ 23,704	\$ -
Receipts:									
Local sources	-	-	-	540	-	-	-	-	-
Intermediate sources	-	-	-	-	-	-	-	-	-
State sources	-	-	-	-	-	-	-	-	-
Federal sources	1,555,322	2,500	1,520	15,000	262,854	1,014	150,066	-	140,649
Temporary loans	-	-	-	-	-	-	-	-	-
Other	-	-	-	-	-	-	-	-	-
Total receipts	<u>1,555,322</u>	<u>2,500</u>	<u>1,520</u>	<u>15,540</u>	<u>262,854</u>	<u>1,014</u>	<u>150,066</u>	<u>-</u>	<u>140,649</u>
Disbursements:									
Current:									
Instruction	1,785,177	-	1,444	-	-	-	-	1,909	136,623
Support services	37	-	-	15,735	385,347	50,799	120,305	21,795	28,415
Noninstructional services	-	-	-	-	-	-	-	-	-
Facilities acquisition and construction	-	-	-	-	-	-	-	-	-
Debt services	-	-	-	-	-	-	-	-	-
Nonprogrammed charges	-	-	76	-	19,363	-	-	-	3,612
Total disbursements	<u>1,785,214</u>	<u>-</u>	<u>1,520</u>	<u>15,735</u>	<u>404,710</u>	<u>50,799</u>	<u>120,305</u>	<u>23,704</u>	<u>168,650</u>
Excess (deficiency) of receipts over disbursements	<u>(229,892)</u>	<u>2,500</u>	<u>-</u>	<u>(195)</u>	<u>(141,856)</u>	<u>(49,785)</u>	<u>29,761</u>	<u>(23,704)</u>	<u>(28,001)</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>(229,892)</u>	<u>2,500</u>	<u>-</u>	<u>(195)</u>	<u>(141,856)</u>	<u>(49,785)</u>	<u>29,761</u>	<u>(23,704)</u>	<u>(28,001)</u>
Cash and investments - ending	<u><u>\$ (229,892)</u></u>	<u><u>\$ -</u></u>	<u><u>\$ -</u></u>	<u><u>\$ -</u></u>	<u><u>\$ (35,729)</u></u>	<u><u>\$ (49,785)</u></u>	<u><u>\$ 29,761</u></u>	<u><u>\$ -</u></u>	<u><u>\$ (28,001)</u></u>

METROPOLITAN SCHOOL DISTRICT OF LAWRENCE 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)

	Fiscal Stabilization, Title I	Fiscal Stabilization, Special Education	Fiscal Stabilization, Special Ed Preschool	Fiscal Stabilization, McKinney-Vento Education for Homeless	Fiscal Stabilization, Education Jobs	Miscellaneous Clearing Account	Vision Insurance COBRA
Cash and investments - beginning	\$ 2,812	\$ (71,366)	\$ (8,378)	\$ 8,660	\$ -	\$ -	\$ 1,526
Receipts:							
Local sources	-	-	-	-	-	-	-
Intermediate sources	-	-	-	-	-	-	-
State sources	-	-	-	-	-	-	-
Federal sources	756,224	768,494	59,207	10,000	2,202,218	-	-
Temporary loans	-	-	-	-	-	-	-
Other	-	-	-	-	-	179,601	8,227
Total receipts	<u>756,224</u>	<u>768,494</u>	<u>59,207</u>	<u>10,000</u>	<u>2,202,218</u>	<u>179,601</u>	<u>8,227</u>
Disbursements:							
Current:							
Instruction	708,142	785,096	52,868	-	2,302,082	-	-
Support services	70,613	-	-	18,660	-	-	-
Noninstructional services	4,046	-	-	-	-	-	-
Facilities acquisition and construction	-	-	-	-	-	-	-
Debt services	-	-	-	-	-	-	-
Nonprogrammed charges	2,850	-	-	-	-	179,726	9,753
Total disbursements	<u>785,651</u>	<u>785,096</u>	<u>52,868</u>	<u>18,660</u>	<u>2,302,082</u>	<u>179,726</u>	<u>9,753</u>
Excess (deficiency) of receipts over disbursements	<u>(29,427)</u>	<u>(16,602)</u>	<u>6,339</u>	<u>(8,660)</u>	<u>(99,864)</u>	<u>(125)</u>	<u>(1,526)</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>
Excess (deficiency) of receipts and other financing sources over disbursements and other financing uses	<u>(29,427)</u>	<u>(16,602)</u>	<u>6,339</u>	<u>(8,660)</u>	<u>(99,864)</u>	<u>(125)</u>	<u>(1,526)</u>
Cash and investments - ending	<u>\$ (26,615)</u>	<u>\$ (87,968)</u>	<u>\$ (2,039)</u>	<u>\$ -</u>	<u>\$ (99,864)</u>	<u>\$ (125)</u>	<u>\$ -</u>

METROPOLITAN SCHOOL DISTRICT OF LAWRENCE 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)

	Payroll Clearing Account	Foundation Grants	Life Insurance COBRA	Health Insurance COBRA	Dental Insurance COBRA	Clearing Account	Totals
Cash and investments - beginning	\$ (8,290)	\$ (6,379)	\$ 820	\$ 54,405	\$ 10,309	\$ 5,360,046	\$ 35,376,121
Receipts:							
Local sources	-	-	-	-	-	-	68,239,128
Intermediate sources	-	-	-	-	-	-	109,630
State sources	-	-	-	-	-	-	97,865,869
Federal sources	-	-	-	-	-	-	15,572,267
Temporary loans	-	-	-	-	-	-	5,099,899
Other	1,776	19,738	4,564	951,556	55,244	29,787,918	31,324,850
Total receipts	1,776	19,738	4,564	951,556	55,244	29,787,918	218,211,643
Disbursements:							
Current:							
Instruction	-	-	-	-	-	-	85,046,066
Support services	-	-	-	-	-	-	44,117,769
Noninstructional services	-	-	-	-	-	-	7,632,365
Facilities acquisition and construction	-	-	-	-	-	-	6,550,400
Debt services	-	-	-	-	-	-	28,084,330
Nonprogrammed charges	5	21,892	5,384	967,544	65,553	28,747,673	45,203,414
Total disbursements	5	21,892	5,384	967,544	65,553	28,747,673	216,634,344
Excess (deficiency) of receipts over disbursements	1,771	(2,154)	(820)	(15,988)	(10,309)	1,040,245	1,577,299
Other financing sources (uses):							
Sale of capital assets	-	-	-	-	-	-	98,197
Transfers in	-	-	-	-	-	-	1,360,954
Transfers out	-	-	-	-	-	-	(1,360,954)
Total other financing sources (uses)	-	-	-	-	-	-	98,197
Excess (deficiency) of receipts and other financing sources over disbursements and other financing uses	1,771	(2,154)	(820)	(15,988)	(10,309)	1,040,245	1,675,496
Cash and investments - ending	\$ (6,519)	\$ (8,533)	\$ -	\$ 38,417	\$ -	\$ 6,400,291	\$ 37,051,617

METROPOLITAN SCHOOL DISTRICT OF LAWRENCE TOWNSHIP
 SUPPLEMENTARY INFORMATION
 SCHEDULE OF CAPITAL ASSETS
 June 30, 2011

Capital assets are reported at actual or estimated historical cost based on appraisals or deflated current replacement cost. Contributed or donated assets are reported at estimated fair value at the time received.

	Ending Balance
Capital assets, not being depreciated:	
Land	\$ 5,194,319
Buildings	37,483,180
Machinery and equipment	48,928,862
Total capital assets not being depreciated	\$ 91,606,361

METROPOLITAN SCHOOL DISTRICT OF LAWRENCE TOWNSHIP
 SUPPLEMENTARY INFORMATION
 SCHEDULE OF DEBT
 June 30, 2011

Description of Debt	Ending Principal Balance	Principal and Interest Due Within One Year
Capital leases:		
International School Building Corporation of Lawrence Township Refunding of 1993 Bonds, Series 2003	\$ 410,000	\$ 421,000
Middle School Building Corporation of Lawrence Township Construction, Series 1991	4,880,000	2,650,250
School Building Corporation of Lawrence Township Elementary School Construction and Renovation of two centralized kindergarten sites, Series 2003	15,670,000	1,768,500
Refunding of 1994 and 1997 Bonds, Series 2004	7,640,000	1,240,000
Four Early Learning Centers Construction, Series 2005	31,835,000	3,219,000
Construction and Renovations at Six Elementary Schools, a Middle School, and Both High Schools, Series 2007	50,980,000	4,138,500
Refunding of 2008 Bonds, Series 2008	<u>14,595,000</u>	<u>2,085,000</u>
Subtotal - Capital leases	<u>126,010,000</u>	<u>15,522,250</u>
Notes and loans payable:		
Common School Loans:		
A1451	1,435,021	305,401
A1464	<u>1,435,021</u>	<u>153,742</u>
Subtotal - Notes and loans payable	<u>2,870,042</u>	<u>459,143</u>
Tax anticipation warrants	<u>3,334,020</u>	<u>3,374,420</u>
Bonds payable:		
General obligation bonds:		
Pension Bond, 2002 Issue	11,855,000	1,431,843
Pension Bond, 2005 Issue	<u>9,805,000</u>	<u>968,419</u>
Subtotal - Bonds payable	<u>21,660,000</u>	<u>2,400,262</u>
Total debt	<u>\$ 153,874,062</u>	<u>\$ 21,756,075</u>

METROPOLITAN SCHOOL DISTRICT OF LAWRENCE TOWNSHIP
AUDIT RESULTS AND COMMENTS

FUND SOURCES AND USES – CAPITAL PROJECTS FUND

As stated in the prior Audit Report B31734, the School Corporation disbursed \$649,700.16 on July 7, 2006, from the Capital Projects Fund to Midwest Transit Equipment of Indiana for partial payment of school buses. Purchase of schools buses is not an allowable expense of the Capital Projects Fund; the school buses must be purchased using either the School Bus Replacement Fund or the General Fund. As of February 13, 2012, the School Corporation had not repaid the Capital Projects Fund from either of these appropriate funds.

A school corporation may establish a capital projects fund with respect to any facility used or to be used by the school corporation (other than a facility used or to be used primarily for interscholastic or extra-curricular activities, except as provided in IC 20-40-8-12, and be used for the following:

1. Planned construction, repair, replacement, or remodeling.
2. Site acquisition.
3. Site development.
4. Repair, replacement, or site acquisition that is necessitated by an emergency.
5. Except as provided in section IC 20-40-8-12, money in the fund may not be used to pay for: (1) planned construction, repair, replacement, or remodeling; (2) site acquisition; (3) site development; or (4) repair, replacement, or site acquisition that is necessitated by an emergency; of a facility used or to be used primarily for interscholastic or extra-curricular activities.
6. Money in the fund may be used to pay for the construction, repair, replacement, remodeling, or maintenance of a school sports facility. However, a school corporation's expenditures in a calendar year under this section may not exceed five percent (5%) of the property tax revenues levied for the fund in the calendar year. IC 20-40-8-12
7. Purchase, lease, repair or maintenance of equipment to be used by the school corporation (other than vehicles to be used for any purpose and equipment to be used primarily for interscholastic or extra-curricular activities).
8. To purchase, lease, upgrade, maintain, or repair computer hardware, computer software, or computer hardware and software. Wiring and computer networks. Communication access systems used to connect with computer networks or electronic gateways.
9. To pay for the services of full-time or part-time computer maintenance employees.
10. To conduct nonrecurring in-service technology training of school employees.
11. To fund the payment of advances, together with interest on the advances, from the common school fund for educational technology programs under IC 20-49.
12. To fund the acquisition of any equipment or services necessary: to implement the technology preparation curriculum under IC 20-30-12; to participate in a program to provide educational technologies, including computers, in the homes of students (commonly referred to as "the buddy system project") under IC 20-20-13, the 4R's technology program or any other program under the educational program described in IC 20-20-13; or to obtain any combination of equipment or services described in IC 20-40-8-13.

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

13. Purchase building sites; buildings in need of renovation; building materials; and equipment by vocational building trade classes to construct new buildings and to remodel existing buildings.
14. Leasing or renting of existing real estate, excluding payments authorized under IC 20-47-2 and IC 20-47-3.
15. To pay for services of school corporation employees, that are brick layers, stone masons, cement masons, tile setters, glaziers, insulation workers, asbestos removers, painters, paperhangers, drywall applicators and tapers, plasterers, pipe fitters, roofers, structural and steel workers, metal building assemblers, heating and air conditioning installers, welders, carpenters, electricians, or plumbers as these occupations are defined in the U.S. Department of Labor, Employment and Training Administration, Dictionary of Occupational Titles, Fourth Edition, Revised 1991 if: Revised 2010 - 3-7
 - (a) The employees perform construction of, renovation of, remodeling of, repair of, or maintenance on the facilities and equipment specified in IC 20-40-8-10 and IC 20-40-8-11;
 - (b) The school corporation's total annual salary and benefits paid by the school corporation to employees described are at least six hundred thousand dollars (\$600,000); and
 - (c) The payment of the employees described is included as part of the proposed Capital Projects Fund Plan in IC 20-40-8. The number of employees covered by IC 20-40-8-16 is limited to the number of employee positions described in this section that existed in the school corporation on January 1, 1993.
16. To pay for energy savings contracts under IC 36-1-12.5.

Effective 1-1-2010. Money in the fund may be used to pay for up to one hundred percent (100%) of the following costs of a school corporation: (1) Utility services. (2) Property or casualty insurance. (3) Both utility services and property or casualty insurance. A school corporation's expenditures under this section may not exceed in 2010 and in 2011 three and five-tenths percent (3.5%) of the school corporation's 2005 calendar year distribution. (Accounting and Uniform Compliance Guidelines Manual for Indiana Public School Corporations, Chapter 3)

Sources and uses of funds should be limited to those authorized by the enabling statute, ordinance, resolution, or grant agreement. (Accounting and Uniform Compliance Guidelines Manual for Indiana Public School Corporations, Chapter 9)

TEXTBOOK RENTAL FUND REPORTING

The School Corporation's financial information submitted to the Indiana Department of Education (IDOE) using IDOE Form 9 did not provide the correct activity or balances for the Textbook Rental Fund. The reported Textbook Rental Fund is a compilation of the School Corporation's Textbook Rental Fund activity plus the activity at the individual schools who maintain their own Textbook Rental Funds. However, the individual schools' submitted information was not reconciled to their submitted Financial Report of School Extra-Curricular Accounts (form SA-5) information. In addition, the Textbook Rental reimbursement received from the State was reported twice for the compiled schools.

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

At all times, the manual and/or computerized records, subsidiary ledgers, control ledger, and reconciled bank balance should agree. If the reconciled bank balance is less than the subsidiary or control ledgers, then the responsible official or employee may be held personally responsible for the amount needed to balance the fund. (Accounting and Uniform Compliance Guidelines Manual for Indiana Public School Corporations, Chapter 9)

OVERDRAWN FUND BALANCES

The fund balances of the following funds were overdrawn as indicated:

Fund	06-30-10	06-30-11
General	\$ 4,097,256	\$ -
Community Education	406,151	406,151
Preschool of the Arts	176,017	196,951
Payroll Clearing	8,290	6,519

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)

BANK RECONCILIATIONS, CASH NECESSARY TO BALANCE

The February, March, and April 2011 bank reconcilements had shortage variances of \$783, \$770, and \$922, respectively. The May 2011 bank reconciliation had a long variance of \$3,619. As of June 30, 2011, the bank reconciliation indicated cash necessary to balance of \$1,074.

Additionally, the June 30, 2011 bank reconciliation included checks outstanding in excess of two years. And the bank reconciliation included numerous items dating back to 2010 that were indicated as necessary adjustments to the books for the correction of errors but were not posted.

Indiana Code 5-11-10.5-2 states in part: "All warrants or checks drawn upon public funds of a political subdivision that are outstanding and unpaid for a period of two (2) or more years as of the last day of December of each year are void. . . ."

Indiana Code 5-11-10.5-3 states:

"Not later than March 1 of each year, the treasurer of each political subdivision shall prepare or cause to be prepared a list in triplicate of all warrants or checks that have been outstanding for a period of two (2) or more years as of December 31 of the preceding year. The original copy of each list shall be filed with the: (1) board of finance of the political subdivision; or (2) the fiscal body of a city or town. The duplicate copy shall be transmitted to the disbursing officer of the political subdivision. The triplicate copy of each list shall be filed in the office of the treasurer of the political subdivision. If the treasurer serves also as the disbursing officer of the political subdivision, only two (2) copies of each list need be prepared or caused to be prepared by the treasurer."

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

Indiana Code 5-11-10.5-5 states:

"(a) Upon the preparation and transmission of the copies of the list of the outstanding warrants or checks, the treasurer of the political subdivision shall enter the amounts so listed as a receipt into the fund or funds from which they were originally drawn and shall also remove the warrants or checks from the record of outstanding warrants or checks.

(b) If the disbursing officer does not serve also as treasurer of the political subdivision, the disbursing officer shall also enter the amounts so listed as a receipt into the fund or funds from which the warrants or checks were originally drawn. If the fund from which the warrant or check was originally drawn is not in existence, or cannot be ascertained, the amount of the outstanding warrant or check shall be receipted into the general fund of the political subdivision."

At all times, the manual and/or computerized records, subsidiary ledgers, control ledger, and reconciled bank balance should agree. If the reconciled bank balance is less than the subsidiary or control ledgers, then the responsible official or employee may be held personally responsible for the amount needed to balance the fund. (Accounting and Uniform Compliance Guidelines Manual for Indiana Public School Corporations, Chapter 9)

BOARD MEMBER PAY

Board Members were not paid through the payroll system. Instead, they were paid through the Accounts Payable process and issued a 1099 at year end.

All compensation and benefits paid to officials and employees must be included in the labor contract, salary ordinance, resolution or salary schedule adopted by the governing body unless otherwise authorized by statute. Compensation should be made in a manner that will facilitate compliance with state and federal reporting requirements. (Accounting and Uniform Compliance Guidelines Manual for Indiana Public School Corporations, Chapter 13)

Political subdivisions are required to comply with all grant agreements, rules, regulations, bulletins, directives, letters, letter rulings, and filing requirements concerning reports and other procedural matters of federal and state agencies, including opinions of the Attorney General of the State of Indiana, and court decisions. Governmental units should file accurate reports required by federal and state agencies. Noncompliance may require corrective action. (Accounting and Uniform Compliance Guidelines Manual for Indiana Public School Corporations, Chapter 9)

Each governmental unit is responsible for compliance with all rules, regulations, guidelines, and directives of the Internal Revenue Service and the Indiana Department of Revenue. All questions concerning taxes should be directed to these agencies. (Accounting and Uniform Compliance Guidelines Manual for Indiana Public School Corporations, Chapter 9)

APPROPRIATIONS

The records presented for audit indicated the following expenditures in excess of budgeted appropriations:

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

Fund	Year	Excess Amount Expended
Transportation Operating	2009	\$ 1,313,386
Special Education Preschool	2009	22,494
Rainy Day	2009	105,223

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."

TITLE I - REPORTING REQUIREMENTS

Some of the reporting requirements for the Title I Basic Grants for 2009-10 and 2010-11 were not followed.

The Annual Expenditure Report for the 2009-10 Title I grant was not filed accurately, but the School Corporation refiled an amended report on December 19, 2011. The first report contained inaccurate financial information which was corrected with the refiled report. The initial report was submitted late. It was due October 30, 2010, and filed November 24, 2010.

The Annual Expenditure Report for the 2010-11 Title I grant was not filed on time due to complications from inaccurate reporting of the 2009-10 Annual Expenditure Report. This report was due on October 10, 2011, and was filed on January 5, 2012. The School Corporation notified the Indiana Department of Education when they discovered the errors in the 2009-10 reporting.

The Title I Quarterly Monitoring Reports for the 2010-11 grant were not always filed timely. Two of the four reports reviewed were filed late, with one being 42 days late and the other 15 days late.

Political subdivisions are required to comply with all grant agreements, rules, regulations, bulletins, directives, letters, letter rulings and filing requirements concerning reports and other procedural matters of federal and state agencies, including opinions of the Attorney General of the State of Indiana, and court decisions. Governmental units should file accurate reports required by federal and state agencies. Noncompliance may require corrective action. (Accounting and Uniform Compliance Guidelines Manual for Indiana Public School Corporations, Chapter 9)

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)

SPECIAL EDUCATION – REPORTING SUPPORTING DOCUMENTATION

The School Corporation is required to submit to the Indiana Department of Education a "Uniform Child Count" on December 1, which details out the number of children being serviced with special education funds along with their disability. Due to the lack of supporting information, we were unable to verify the

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

information included in the required report. The School Corporation office personnel had not maintained a listing of the student data submitted for the reporting. They were able to reproduce the summary information which substantially agreed in total, but the disability codes counts did not agree with the reported numbers.

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 Indiana Public School Corporations, Chapter 9)

Political subdivisions are required to comply with all grant agreements, rules, regulations, bulletins, directives, letters, letter rulings and filing requirements concerning reports and other procedural matters of federal and state agencies, including opinions of the Attorney General of the State of Indiana, and court decisions. Governmental units should file accurate reports required by federal and state agencies. Noncompliance may require corrective action. (Accounting and Uniform Compliance Guidelines Manual for Indiana Public School Corporations, Chapter 9)

***FUND SOURCES AND USES – INFANT AND TODDLER FUND
(Applies to McKenzie Center for Innovation and Technology)***

The Infant and Toddler Fund was established to account for the activity of the fee-based childcare program. This program was discontinued at the McKenzie Career Center and moved to two Early Learning Centers at the end of fiscal year 2009. The remaining balance on hand of \$42,174.45 was not transferred to the Corporation for disbursement to the applicable Early Learning Centers. Instead the funds remained at McKenzie Career Center and were used as a principal's discretionary fund. During the audit period, disbursements included transfers to the Staff Activity Fund totaling \$7,000.

Sources and uses of funds should be limited to those authorized by the enabling statute, ordinance, resolution, or grant agreement. (Accounting and Uniform Compliance Guidelines Manual for Extra-Curricular Accounts, Chapter 7)

FINANCIAL REPORT (SA-5-1) (Applies to Skiles Test Elementary School)

The submitted Financial Report of the School Extra-Curricular Accounts (SA-5-1) for fiscal year 2009-2010 was actually only for the period of June 12, 2010 through June 30, 2010. The fiscal year information was not able to be regenerated and was not provided for audit.

The Financial Report of School Extra-Curricular Accounts (SA-5-1) should begin with the close of the last report and cover the school year. The report should be made in triplicate. One copy shall be filed in the school business office, a copy shall be filed with the school board and the third copy shall be filed with the superintendent of schools. The report is to be filed as an official record and must be preserved for a period of five years. All bank statements, canceled checks, duplicate checks, duplicate receipts, invoices, purchase orders, payment authorizations, claims and ledger accounts from which the report is prepared must be filed with that year-end report and preserved for five years. The law permits an audit of the records of the school extra-curricular treasurer by the State Board of Accounts and an appreciable amount of time can be saved by an orderly preservation of all records. (Accounting and Uniform Compliance Guidelines Manual for Extra-Curricular Accounts, Chapter 2)

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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
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Web Site: www.in.gov/sboa

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

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

Compliance

We have audited the compliance of the Metropolitan School District of Lawrence 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. The results of our auditing procedures also disclosed other instances of noncompliance with those requirements which are required to be reported in accordance with OMB Circular A-133 and which are described in the accompanying Schedule of Findings and Questioned Costs as items 2011-1 and 2011-2.

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 and 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 13, 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 LAWRENCE 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.S. DEPARTMENT OF AGRICULTURE				
Pass-Through Indiana Department of Education				
Child Nutrition Cluster				
School Breakfast Program	10.553	FY 2010 FY 2011	\$ 896,735 -	\$ - 1,084,673
Total for program			<u>896,735</u>	<u>1,084,673</u>
National School Lunch Program	10.555	FY 2010 FY 2011	3,611,478 -	- 3,702,193
Total for program			<u>3,611,478</u>	<u>3,702,193</u>
Summer Food Service Program for Children	10.559	FY 2010 FY 2011	25,544 -	- 106,306
Total for program			<u>25,544</u>	<u>106,306</u>
Total for cluster			<u>4,533,757</u>	<u>4,893,172</u>
Team Nutrition Grants	10.574	EDS # A58-0-1055-073	-	3,854
Total for federal grantor agency			<u>4,533,757</u>	<u>4,897,026</u>
U.S. DEPARTMENT OF LABOR				
Pass-Through Indiana Department of Workforce Development				
WIA Pilots, Demonstrations, and Research Projects				
Biomedical Sciences Grant	17.261	C1-10-SPL BIO-9-804	10,561	4,439
Biomedical Sciences Grant		C1-10-SPL BIO-10-804	-	9,259
First Robotics		CI-0-CPR-9-8-04	2,500	-
First Robotics		C1-1-CPR-0-66	-	1,520
Total for federal grantor agency			<u>13,061</u>	<u>15,218</u>
U.S. DEPARTMENT OF EDUCATION				
Pass-Through Indiana Department of Education				
Title I, Part A Cluster				
Title I Grants to Local Educational Agencies	84.010	09-5330	186,408	-
		10-5330	2,077,255	500,353
		11-5330	-	2,347,501
		09-5330, SI	50,533	-
		10-5330, SI	133,876	22,204
		11-5330, SI	-	82,636
Title I Summer Advantage		10-5330,RA	-	550,000
Total for program			<u>2,448,072</u>	<u>3,502,694</u>
ARRA - Title I Grants to Local Educational Agencies, Recovery Act	84.389	S389A090014/11-5330	1,040,596	785,650
Total for cluster			<u>3,488,668</u>	<u>4,288,344</u>

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

METROPOLITAN SCHOOL DISTRICT OF LAWRENCE 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 (IDEA)				
Special Education - Grants to States	84.027	14208-036-PY02	41,740	-
		14209-036-PN01	895,933	178,152
		14210-036-PN01	2,479,606	961,205
		14211-036-PN01	-	2,277,766
Total for program			<u>3,417,279</u>	<u>3,417,123</u>
Special Education - Preschool Grants	84.173	45709-036-PN01	15,093	6,912
		45710-036-PN01	28,372	56,899
		45711-036-PN01	-	66,558
Total for program			<u>43,465</u>	<u>130,369</u>
ARRA - Special Education - Grants to States, Recovery Act	84.391	33310-036-SN01	1,119,401	785,097
ARRA - Special Education - Preschool Grants, Recovery Act	84.392	44410-036-SN01	73,858	52,867
Total for cluster			<u>4,654,003</u>	<u>4,385,456</u>
Education of Homeless Children and Youth Cluster				
Education of Homeless Children and Youth				
Title X, Part C McKinney-Vento	84.196	SY 2008-2009	14,466	-
		SY 2009-2010	17,750	25,361
		A58-I-IDL-035	-	17,913
Total for program			<u>32,216</u>	<u>43,274</u>
ARRA - Education of Homeless Children and Youth, Recovery Act	84.387	5330	11,340	18,660
Total for cluster			<u>43,556</u>	<u>61,934</u>
Educational Technology State Grants Cluster				
Educational Technology State Grants	84.318	A58-0-10IT-056	-	120,306
State Fiscal Stabilization Fund Cluster				
ARRA - State Fiscal Stabilization Fund (SFSF) - Education State Grants, Recovery Act	84.394	S394A90015 / 5330	9,560,801	-
Direct Grant				
Magnet Schools Assistance				
Elementary and Secondary School Counseling Dem Program	84.165	U165A100092	-	1,785,215
Safe and Drug-Free Schools and Communities - National Programs				
Readiness and Emergency Management of Schools	84.184	Q184E100026	-	70,299
Pass-Through Indiana Department of Education				
Migrant Education - Basic Grants to States				
	84.011	SM-1	31,989	-
		59G00	92	24,307
		FY09-10/SY-2	239,306	8,085
		FY10-11/SY-2	-	83,533
Total for program			<u>271,387</u>	<u>115,925</u>

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

METROPOLITAN SCHOOL DISTRICT OF LAWRENCE 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 Workforce Development Career and Technical Education - Basic Grants to States	84.048	09-4700-5330 10-4700-5330 11-4700-5330	19,818 156,502 -	- 24,000 158,615
Total for program			<u>176,320</u>	<u>182,615</u>
Pass-Through Indiana Department of Education Safe and Drug-Free Schools and Communities - State Grants	84.186	SY07/08 08-5330 09-5330	18,477 41,890 22,210	- - 18,940
Total for program			<u>82,577</u>	<u>18,940</u>
State Grants for Innovative Programs	84.298	07-5330 08-5330	65,048 116,160	- -
Total for program			<u>181,208</u>	<u>-</u>
English Language Acquisition Grants	84.365	FY 2008-09 FY 2009-10 01111-058-PN01	17,491 131,519 -	- 23,704 168,650
Total for program			<u>149,010</u>	<u>192,354</u>
Improving Teacher Quality State Grants	84.367	07-5330 08-5330 09-5330 10-5330	175,054 406,223 43,092 -	- 15,734 404,710 50,800
Total for program			<u>624,369</u>	<u>471,244</u>
ARRA - Education Jobs Fund, Recovery Act	84.410	S410A100015 / 5330	-	2,302,081
Total for federal grantor agency			<u>19,231,899</u>	<u>13,994,713</u>
Total federal awards expended			<u>\$ 23,778,717</u>	<u>\$ 18,906,957</u>

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

METROPOLITAN SCHOOL DISTRICT OF LAWRENCE 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 Lawrence 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. 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	\$ 77,557	\$ 94,846
National School Lunch Program	10.555	312,409	319,671

METROPOLITAN SCHOOL DISTRICT OF LAWRENCE 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 deficiency identified?	none reported
Noncompliance material to financial statement noted?	no

Federal Awards:

Internal control over major programs:	
Material weaknesses identified?	no
Significant deficiency identified?	none reported
Type of auditor's report issued on compliance for major programs:	Unqualified

Any audit findings disclosed that are required to be reported in accordance with section 510(a) of Circular A-133?	yes
--	-----

Identification of Major Programs:

CFDA Number	Name of Federal Program or Cluster
84.165	Child Nutrition Cluster Title I, Part A Cluster Special Education Cluster Magnet Schools Assistance
84.410	State Fiscal Stabilization Fund Cluster ARRA - Education Jobs Fund, Recovery Act

Dollar threshold used to distinguish between Type A and Type B programs: \$1,280,570

Auditee qualified as low-risk auditee?	no
--	----

Section II – Financial Statement Findings

No matters are reportable.

METROPOLITAN SCHOOL DISTRICT OF LAWRENCE TOWNSHIP
SCHEDULE OF FINDINGS AND QUESTIONED COSTS
(Continued)

Section III – Federal Award Findings and Questioned Costs

FINDING 2011-1 - TITLE I - REPORTING

Federal Agency: U.S. Department of Education
Federal Program: Title I, Grants to Local Educational Agencies
CFDA Number: 84.010
Pass-Through Entity: Indiana Department of Education
Pass-Through Award No.: Project Nos. 10-5330 and 11-5330

The Title I grant agreements between the School Corporation and the Indiana Department of Education (IDOE), required the School Corporation to submit accurate and timely reporting to the IDOE. We identified four reports that did not meet this requirement. .

The School Corporation inaccurately completed the Annual Expenditure Report for the Title I Grants to Local Educational Agencies, Project No. 10-5330; the report was also filed late. The Annual Expenditure Report for Project No. 10-5330 originally incorrectly reported some revenues in Part II. The error was from funds provided by another School Corporation and reported as "Plus Monies Transferred into Title I." The incorrect amount was \$39,424.04 and the correct amount was \$13,557.40. This error also affected the cash fund balance reported. This report was required to be submitted on October 10, 2010, and the initial submission was submitted November 24, 2010. The School Corporation realized the Annual Expenditure Report for Project No. 10-5330 was incorrectly completed in late 2011 when they were preparing the Project No. 11-5330 Annual Expenditure Report. They contacted the IDOE and submitted an amended Annual Expenditure Report for Project 10-5330 in December 2011.

Additionally, some of the IDOE required Quarterly Monitoring Reports for the basic grant of Title I, Project No. 11-5330 were filed inaccurately and late

The Quarterly Monitoring Reports required for Project No. 11 - 5330 were required to be submitted on the tenth of the month following the end of the quarter. Two of the four reports were not filed timely. One report was submitted 15 days after the due date and the other 42 days. The third quarter report due on April 10 was inaccurate because it reported the cash balance of \$132,199.09 but the records stated the cash balance was \$59,525.74. A memo dated October 13, 2010, was in the grant file of the Project No 10-5330 which stated that a bookkeeping error in the amount of \$72,372.85 occurred when the IDOE changed from a draw-down basis of funding to reimbursement only. Correspondence with the IDOE supported that the unit contacted them in October 2010 to resolve the issue. The incorrect cash balance reported on the third quarter report was most likely related to the carryover error.

34 CFR Sec. 80.20 states in part:

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

- (1) Financial reporting. Accurate, current, and complete disclosure of the financial results of financially assisted activities must be made in accordance with the financial reporting requirements of the grant or subgrant.
- (2) Accounting records. Grantees and subgrantees must maintain records which adequately identify the source and application of funds provided for financially-assisted activities. These records must contain information pertaining to grant or subgrant awards and authorizations, obligations, unobligated balances, assets, liabilities, outlays or expenditures, and income. . . ."

METROPOLITAN SCHOOL DISTRICT OF LAWRENCE TOWNSHIP
SCHEDULE OF FINDINGS AND QUESTIONED COSTS
(Continued)

The School Corporation was required by IDOE to follow the federal and state requirements concerning in financial reporting of accurate financial data. Additionally, the IDOE Title I Quarterly Monitoring Report contained the following reporting requirements on the Title I Programs Application Center webpage which was the site to file the report: "Quarterly Monitoring Report is due each quarter. Your cash balance at the end of each quarter should be zero (0) or as near (0) as possible." The same report noted the report was due by the tenth of the month.

In the cases noted above, the School Corporation did not follow the federal and state financial reporting requirements of accurate and timely financial reporting. This noncompliance may cause the School Corporation to be ineligible to receive future federal awards.

We recommended that officials prepare all required reports timely and accurately. Additionally, we recommend they contact the Indiana Department of Education to resolve this finding.

FINDING 2011-2 - BIDDING PROCEDURES FOR PURCHASE ON MAGNET GRANT

Federal Agency: U.S. Department of Education
Federal Program: Magnet Schools Assistance
CFDA Number: 84.165
Federal Award Number: U165A100092

The School Corporation purchased promethean boards and voting pods using Magnet Schools Assistance grant funds and other non-grant funds. The purchase was not separately bid in accordance with federal procurement requirements and state statutes. Inquiry of the School Corporation Technology Department indicated that the School Corporation used the Central Indiana Educational Services Center (CIESC) annual bidding of audio visual equipment rather than bidding separately. The School Corporation may use the public bidding of equipment or supplies conducted by CIESC.

CIESC conducted public bidding of this equipment and other audio visual equipment. The CIESC Board of Directors awarded bids at their September 22, 2010 meeting. Multiple vendors were selected based on their pricing of different products. Based on the information provided by CIESC, all of the promethean boards and voting pods bids were awarded to the same vendor. Pricing awarded in the CIESC bidding did not agree with the prices paid by the School Corporation.

The School Corporation received a proposal from the vendor, who was chosen as the successful bidder for promethean boards at the CIESC annual audio visual equipment bidding. The proposal's total purchase price was \$618,346 for the 101 promethean boards, short throw projectors, voting pods, and movable mounts, wiring, etc. The total price also included training, installation, and shipping costs. The Magnet Schools Assistance grant paid \$343,000 with the balance being paid by funds from a Common School Fund Technology Loan. The Magnet Schools Assistance Grant had no other similar purchases.

The vendor's proposal included \$108,498 of costs for some items not originally bid by CIESC, including wiring, movable mounts, installation, and shipping fees. The prices paid for each promethean board and voting pod were less than the CIESC bid prices by \$500 and \$450, respectively. So the cost of the equipment was \$95,950 less than the CIESC bid prices approved. While the vendor's proposal to the School Corporation stated the price for the promethean boards was the CIESC bid price, the price did not agree. The vendor's proposal did not mention the voting pods as being from the CIESC bid price.

METROPOLITAN SCHOOL DISTRICT OF LAWRENCE TOWNSHIP
SCHEDULE OF FINDINGS AND QUESTIONED COSTS
(Continued)

34 CFR 80.36 stated in part:

"Procurement. (a) States. When procuring property and services under a grant, a State will follow the same policies and procedures it uses for procurements from its non-Federal funds. The State will ensure that every purchase order or other contract includes any clauses required by Federal statutes and executive orders and their implementing regulations. Other grantees and subgrantees will follow paragraphs (b) through (i) in this section. (b) Procurement standards. (1) Grantees and subgrantees will use their own procurement procedures which reflect applicable State and local laws and regulations, provided that the procurements conform to applicable Federal law and the standards identified in this section. . . ."

As stated in Indiana Code 5-22-7-1: "A purchasing agent shall follow the procedures described in this chapter in awarding a contract for supplies, unless another purchasing method is required or authorized by this article."

Because the School Corporation did not purchase the equipment based on the CIESC bid prices and did not bid the work separately, no competitive bidding was performed as required by the compliance requirements for procurement and state statutes.

We recommended that the School Corporation contact the U.S. Department of Education to resolve this comment and follow the required procurement laws.

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

No matters are reportable.



METROPOLITAN SCHOOL DISTRICT OF
LAWRENCE TOWNSHIP
INDIANAPOLIS, INDIANA

February 9, 2012

**CORRECTIVE ACTION PLAN – RESPONSE TO
FINDINGS
FEDERAL AWARDS
JULY 1, 2009 TO JUNE 30, 2011**

FEDERAL FINDING 2011-1, TITLE 1 – REPORTING

Federal Agency: U S DEPARTMENT OF EDUCATION

Federal Program: TITLE I, GRANTS TO LOCAL EDUCATIONAL AGENCIES

CFDA Number: 84.010

Pass – through Entity: Indiana Department of Education

Pass – through Award No.: Project Nos. 10-5330 and 11-5330

Corrective Action Plan – Response to Finding

The business department has been reorganized. Two people now know timelines for reporting. A sign off procedure has been put in place to ensure timeliness. To eliminate future errors in the reimbursement requests, the reimbursement requests will be completed by one person and check by another before submission.

FINDING 2011- 2 BIDDING PROCEDURES FOR PURCHASE ON MAGNET GRANT

Federal Agency: US DEPARTMENT OF EDUCATION

Federal Program: Magnet Schools Assistance

CFDA Number: 84.165

Federal Award Number: U165A100092

Corrective Action Plan – Response to Finding

In the future, the district will follow proper bidding procedures.

Sincerely,

Robin Phelps
Chief Financial Officer

METROPOLITAN SCHOOL DISTRICT OF LAWRENCE TOWNSHIP
EXIT CONFERENCE

The contents of this report were discussed on February 13, 2012, with Robin L. Phelps, Chief Financial Officer/Treasurer; Dr. Concetta A. Raimondi, Superintendent of Schools; Carol Helmus, President of the School Board; and Renae Hull, Supervisor of Business Services. The Official Response has been made a part of this report and may be found on page 67.

MSD Lawrence Township
Lawrence Education and Community Ctr.
6501 Sunnyside Road
Indianapolis, IN 46236



TEL: 317.423.8200
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Business 317.543.3336

SUPERINTENDENT
Dr. Concetta Raimondi

METROPOLITAN SCHOOL DISTRICT OF
LAWRENCE TOWNSHIP

INDIANAPOLIS, INDIANA

February 16, 2012

State Board of Accounts
302 Washington St., Room E418
Indianapolis, Indiana 46204-2765

RE: Audit response for the period ending June 30, 2011

To Whom It May Concern:

This letter is in response to your Field Examiner's examination of the MSD of Lawrence Township for the period ended June 30, 2011. We have reviewed the Audit Results and Comments as discussed in our exit conference and wish to make a formal response to these comments.

Concerning the repeat comment for proper fund sources and uses for the Capital Projects Fund, we understand the comment; however, at the time this happened, the State Police were interpreting the rules and regulations much more strictly than they had in prior inspections; therefore, rejecting many more busses than in the past. Because our fleet was so old, it did not make sense to repair these old busses, but rather replace them. Neither the General Fund nor the Bus Replacement Fund had the necessary funds for this purchase. Nor have they had the funds to pay back the Capital Projects Fund to date.

Regarding the comments on the textbook rental fund reporting, bank reconciliations, Title I reporting requirements, and special education reporting supporting documentation, new procedures have been put in place to ensure these issues are corrected. In addition, there have been staff replacements hired in both departments and a reorganization to the business department to ensure the new procedures are followed.

The State Board of Accounts also cited a finding against the district for improper bidding procedures. The district had asked the vendor to use the appropriate CIESC bid for the sited purchase. All documentation stated the purchase price was that of the CIESC bid; however, it appears the vendor had the incorrect CIESC bid price. IC 5-22-10-5 states that a purchasing agent may make a special purchase when there exists a unique opportunity to obtain supplies or services at a substantial savings to the government body. Although the district did not negotiate a price different than that of the CIESC bid with this vendor, the savings should qualify under IC 5-22-10-5 as \$50,000 is a substantial savings.

We wish to commend your auditors on this assignment. It was a valuable learning experience for all our staff and they conducted themselves very professionally throughout the audit. The administration of the MSD of Lawrence Township is constantly striving to maintain the highest level of accountability possible to our patrons and taxpayers.

Thank you for your attention to this matter.

Sincerely,

A handwritten signature in black ink, appearing to read 'Robin Phelps'.

Robin Phelps
Chief Financial Officer