

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

FINANCIAL STATEMENT EXAMINATION REPORT

OF

REGION 8 EDUCATION SERVICE CENTER

HUNTINGTON COUNTY, INDIANA

July 1, 2009 to June 30, 2011



FILED

03/15/2012

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OFFICIALS

<u>Office</u>	<u>Official</u>	<u>Term</u>
Treasurer	Christine A. Gamble	07-01-09 to 06-30-12
Executive Director	Robert K. Huffman	07-01-09 to 06-30-12
President of the Executive Board	Celia A. Herrell-Shand Jerry L. Harshman Tracey R. Shafer	07-01-09 to 06-30-10 07-01-10 to 06-30-11 07-01-11 to 06-30-12



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302 WEST WASHINGTON STREET
ROOM E418
INDIANAPOLIS, INDIANA 46204-2769

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

INDEPENDENT ACCOUNTANT'S REPORT

TO: THE OFFICIALS OF THE REGION 8 EDUCATION
SERVICE CENTER, HUNTINGTON COUNTY, INDIANA

We have examined the financial statement of the Region 8 Education Service Center (School Corporation), for the period of July 1, 2009 to June 30, 2011. The School Corporation's management is responsible for the financial statement. Our responsibility is to express an opinion based on our examination.

Our examination was conducted in accordance with attestation standards established by the American Institute of Certified Public Accountants and, accordingly, included examining, on a test basis, evidence supporting the financial statement and performing such other procedures as we considered necessary in the circumstances. We believe that our examination 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 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.

The Combining Schedules of Receipts, Disbursements, Other Financing Sources (Uses), and Cash and Investment Balances – Regulatory Basis, and Schedule of Capital Assets, as listed in the Table of Contents, are presented for additional analysis and are not required parts of the financial statement. They have not been subjected to the examination procedures applied to the financial statement and, accordingly, we express no opinion on them.

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

STATE BOARD OF ACCOUNTS

January 26, 2012

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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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REGION 8 EDUCATION SERVICE CENTER
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	\$ 149,649	\$ 496,474	\$ 420,211	\$ -	\$ 225,912	\$ 300,273	\$ 404,494	\$ -	\$ 121,691
Capital Expenditures	148,739	271,688	185,118	(40,000)	195,309	134,868	158,781	(20,000)	151,396
SEMS	75,299	92,001	107,149	-	60,151	82,401	53,899	-	88,653
Program	23,363	20,719	41,482	-	2,600	8,750	9,100	-	2,250
SNAP	12,042	8,663	4,351	-	16,354	2,717	1,729	-	17,342
Workshop	28,306	169,008	175,268	-	22,046	189,065	171,565	-	39,546
Repair	1,575	1,999	1,845	-	1,729	1,082	955	-	1,856
Custodial and Maintenance	12,558	14,415	10,789	-	16,184	3,775	714	-	19,245
Co-op Purchasing	32,326	12,434	21,840	-	22,920	9,258	22,337	-	9,841
Supplemental Educational Services	19,525	620,718	502,913	(20,000)	117,330	337,542	337,872	-	117,000
Alternative Education	4,091	-	-	-	4,091	-	4,091	-	-
Reading Recovery	13,166	69,930	59,774	-	23,322	15,147	27,977	-	10,492
Talent Initiative Grant	-	-	-	-	-	624,949	53,131	-	571,818
Capital Accumulation	91,556	-	55,984	60,000	95,572	-	55,770	20,000	59,802
Professional Development Academy	1,000	-	-	-	1,000	-	-	-	1,000
Staff Application System	11,214	6,750	11,108	-	6,856	6,750	8,220	-	5,386
Acenet Consortium Network	63,663	204,073	221,721	-	46,015	157,756	194,327	-	9,444
Future Projects Training and Service	3,943	7,958	107	-	11,794	20,593	14,955	-	17,432
PL 101-476 PATINS Grant	8,670	148,805	157,475	-	-	3,213	3,213	-	-
English Language Federal Grant	-	35,490	25,645	-	9,845	6,422	16,267	-	-
Totals	\$ 700,685	\$ 2,181,125	\$ 2,002,780	\$ -	\$ 879,030	\$ 1,904,561	\$ 1,539,397	\$ -	\$ 1,244,194

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

REGION 8 EDUCATION SERVICE CENTER
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.

REGION 8 EDUCATION SERVICE CENTER
NOTES TO FINANCIAL STATEMENT
(Continued)

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

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

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

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

E. Disbursements

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

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

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

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

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

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

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

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

REGION 8 EDUCATION SERVICE CENTER
NOTES TO FINANCIAL STATEMENT
(Continued)

F. Other financing sources and uses

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

Proceeds of long-term debt which includes money received in relation to the issuance of bonds or other long-term debt issues.

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

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

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

G. Fund Accounting

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

Note 2. Budgets

The executive director of the School Corporation submits to the governing board a proposed operating budget for the year. The governing board (after amendments, if any), approves the budget for the next year. The budget does not require approval of the Indiana Department of Local Government Finance.

Note 3. 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.

REGION 8 EDUCATION SERVICE CENTER
NOTES TO FINANCIAL STATEMENT
(Continued)

Note 4. 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 5. Pension Plan

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.

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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 examination. This is a common occurrence in any financial statement examination. The financial information presented in this report is examined information, and the accuracy of such information can be determined by reading the opinion given in the Independent Accountant's Report.

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

REGION 8 EDUCATION SERVICE CENTER
 COMBINING SCHEDULE OF RECEIPTS, DISBURSEMENTS, OTHER FINANCING SOURCES (USES), AND CASH AND INVESTMENT BALANCES -
 REGULATORY BASIS
 For the Year Ended June 30, 2010

	General	Capital Expenditures	SEMS	Program	SNAP	Workshop	Repair	Custodial and Maintenance	Co-op Purchasing	Supplemental Educational Services
Cash and investments - beginning	\$ 149,649	\$ 148,739	\$ 75,299	\$ 23,363	\$ 12,042	\$ 28,306	\$ 1,575	\$ 12,558	\$ 32,326	\$ 19,525
Receipts:										
Local sources	356,824	189,671	92,001	20,719	8,663	168,629	1,999	14,415	12,434	620,718
State sources	139,650	82,017	-	-	-	-	-	-	-	-
Federal sources	-	-	-	-	-	-	-	-	-	-
Other	-	-	-	-	-	379	-	-	-	-
Total receipts	<u>496,474</u>	<u>271,688</u>	<u>92,001</u>	<u>20,719</u>	<u>8,663</u>	<u>169,008</u>	<u>1,999</u>	<u>14,415</u>	<u>12,434</u>	<u>620,718</u>
Disbursements:										
Current:										
Instruction	-	-	-	-	-	-	-	-	-	502,913
Support services	420,211	148,825	107,149	41,482	-	175,268	1,845	10,789	21,840	-
Noninstructional services	-	-	-	-	4,351	-	-	-	-	-
Facilities acquisition and construction	-	36,293	-	-	-	-	-	-	-	-
Nonprogrammed charges	-	-	-	-	-	-	-	-	-	-
Total disbursements	<u>420,211</u>	<u>185,118</u>	<u>107,149</u>	<u>41,482</u>	<u>4,351</u>	<u>175,268</u>	<u>1,845</u>	<u>10,789</u>	<u>21,840</u>	<u>502,913</u>
Excess (deficiency) of receipts over disbursements	<u>76,263</u>	<u>86,570</u>	<u>(15,148)</u>	<u>(20,763)</u>	<u>4,312</u>	<u>(6,260)</u>	<u>154</u>	<u>3,626</u>	<u>(9,406)</u>	<u>117,805</u>
Other financing sources (uses):										
Transfers in	-	-	-	-	-	-	-	-	-	30,000
Transfers out	-	(40,000)	-	-	-	-	-	-	-	(50,000)
Total other financing sources (uses)	<u>-</u>	<u>(40,000)</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>(20,000)</u>
Excess (deficiency) of receipts and other financing sources over disbursements and other financing uses	<u>76,263</u>	<u>46,570</u>	<u>(15,148)</u>	<u>(20,763)</u>	<u>4,312</u>	<u>(6,260)</u>	<u>154</u>	<u>3,626</u>	<u>(9,406)</u>	<u>97,805</u>
Cash and investments - ending	<u>\$ 225,912</u>	<u>\$ 195,309</u>	<u>\$ 60,151</u>	<u>\$ 2,600</u>	<u>\$ 16,354</u>	<u>\$ 22,046</u>	<u>\$ 1,729</u>	<u>\$ 16,184</u>	<u>\$ 22,920</u>	<u>\$ 117,330</u>

REGION 8 EDUCATION SERVICE CENTER
 COMBINING SCHEDULE OF RECEIPTS, DISBURSEMENTS, OTHER FINANCING SOURCES (USES), AND CASH AND INVESTMENT BALANCES -
 REGULATORY BASIS
 For the Year Ended June 30, 2010
 (Continued)

	Alternative Education	Reading Recovery	Capital Accumulation	Professional Development Academy	Staff Application System	Acenet Consortium Network	Future Projects Training and Service	PL 101-476 PATINS Grant	English Language Federal Grant	Totals
Cash and investments - beginning	\$ 4,091	\$ 13,166	\$ 91,556	\$ 1,000	\$ 11,214	\$ 63,663	\$ 3,943	\$ 8,670	\$ -	\$ 700,685
Receipts:										
Local sources	-	69,930	-	-	6,750	204,073	7,958	235	-	1,775,019
State sources	-	-	-	-	-	-	-	-	-	221,667
Federal sources	-	-	-	-	-	-	-	148,570	35,490	184,060
Other	-	-	-	-	-	-	-	-	-	379
Total receipts	-	69,930	-	-	6,750	204,073	7,958	148,805	35,490	2,181,125
Disbursements:										
Current:										
Instruction	-	-	-	-	-	-	-	157,475	-	660,388
Support services	-	50,699	55,984	-	11,108	221,721	107	-	25,645	1,292,673
Noninstructional services	-	-	-	-	-	-	-	-	-	4,351
Facilities acquisition and construction	-	-	-	-	-	-	-	-	-	36,293
Nonprogrammed charges	-	9,075	-	-	-	-	-	-	-	9,075
Total disbursements	-	59,774	55,984	-	11,108	221,721	107	157,475	25,645	2,002,780
Excess (deficiency) of receipts over disbursements	-	10,156	(55,984)	-	(4,358)	(17,648)	7,851	(8,670)	9,845	178,345
Other financing sources (uses):										
Transfers in	-	-	90,000	-	-	-	-	-	-	120,000
Transfers out	-	-	(30,000)	-	-	-	-	-	-	(120,000)
Total other financing sources (uses)	-	-	60,000	-	-	-	-	-	-	-
Excess (deficiency) of receipts and other financing sources over disbursements and other financing uses	-	10,156	4,016	-	(4,358)	(17,648)	7,851	(8,670)	9,845	178,345
Cash and investments - ending	\$ 4,091	\$ 23,322	\$ 95,572	\$ 1,000	\$ 6,856	\$ 46,015	\$ 11,794	\$ -	\$ 9,845	\$ 879,030

REGION 8 EDUCATION SERVICE CENTER
 COMBINING SCHEDULE OF RECEIPTS, DISBURSEMENTS, OTHER FINANCING SOURCES (USES), AND CASH AND INVESTMENT BALANCES -
 REGULATORY BASIS
 For the Year Ended June 30, 2011

	General	Capital Expenditures	SEMS	Program	SNAP	Workshop	Repair	Custodial and Maintenance
Cash and investments - beginning	\$ 225,912	\$ 195,309	\$ 60,151	\$ 2,600	\$ 16,354	\$ 22,046	\$ 1,729	\$ 16,184
Receipts:								
Local sources	300,273	134,868	82,401	8,750	2,717	189,065	1,082	3,775
Intermediate sources	-	-	-	-	-	-	-	-
Federal sources	-	-	-	-	-	-	-	-
Total receipts	<u>300,273</u>	<u>134,868</u>	<u>82,401</u>	<u>8,750</u>	<u>2,717</u>	<u>189,065</u>	<u>1,082</u>	<u>3,775</u>
Disbursements:								
Current:								
Instruction	-	-	-	-	-	-	-	-
Support services	404,494	136,021	53,899	9,100	-	171,565	955	714
Noninstructional services	-	-	-	-	1,729	-	-	-
Facilities acquisition and construction	-	22,760	-	-	-	-	-	-
Nonprogrammed charges	-	-	-	-	-	-	-	-
Total disbursements	<u>404,494</u>	<u>158,781</u>	<u>53,899</u>	<u>9,100</u>	<u>1,729</u>	<u>171,565</u>	<u>955</u>	<u>714</u>
Excess (deficiency) of receipts over disbursements	<u>(104,221)</u>	<u>(23,913)</u>	<u>28,502</u>	<u>(350)</u>	<u>988</u>	<u>17,500</u>	<u>127</u>	<u>3,061</u>
Other financing sources (uses):								
Transfers in	-	-	-	-	-	-	-	-
Transfers out	-	(20,000)	-	-	-	-	-	-
Total other financing sources (uses)	<u>-</u>	<u>(20,000)</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>(104,221)</u>	<u>(43,913)</u>	<u>28,502</u>	<u>(350)</u>	<u>988</u>	<u>17,500</u>	<u>127</u>	<u>3,061</u>
Cash and investments - ending	<u>\$ 121,691</u>	<u>\$ 151,396</u>	<u>\$ 88,653</u>	<u>\$ 2,250</u>	<u>\$ 17,342</u>	<u>\$ 39,546</u>	<u>\$ 1,856</u>	<u>\$ 19,245</u>

REGION 8 EDUCATION SERVICE CENTER
 COMBINING SCHEDULE OF RECEIPTS, DISBURSEMENTS, OTHER FINANCING SOURCES (USES), AND CASH AND INVESTMENT BALANCES -
 REGULATORY BASIS
 For the Year Ended June 30, 2011
 (Continued)

	Co-op Purchasing	Supplemental Educational Services	Alternative Education	Reading Recovery	Talent Initiative Grant	Capital Accumulation	Professional Development Academy
Cash and investments - beginning	\$ 22,920	\$ 117,330	\$ 4,091	\$ 23,322	\$ -	\$ 95,572	\$ 1,000
Receipts:							
Local sources	9,258	337,542	-	15,147	-	-	-
Intermediate sources	-	-	-	-	624,949	-	-
Federal sources	-	-	-	-	-	-	-
Total receipts	<u>9,258</u>	<u>337,542</u>	<u>-</u>	<u>15,147</u>	<u>624,949</u>	<u>-</u>	<u>-</u>
Disbursements:							
Current:							
Instruction	-	337,872	-	-	-	-	-
Support services	22,337	-	4,091	26,777	53,131	26,379	-
Noninstructional services	-	-	-	-	-	-	-
Facilities acquisition and construction	-	-	-	-	-	29,391	-
Nonprogrammed charges	-	-	-	1,200	-	-	-
Total disbursements	<u>22,337</u>	<u>337,872</u>	<u>4,091</u>	<u>27,977</u>	<u>53,131</u>	<u>55,770</u>	<u>-</u>
Excess (deficiency) of receipts over disbursements	<u>(13,079)</u>	<u>(330)</u>	<u>(4,091)</u>	<u>(12,830)</u>	<u>571,818</u>	<u>(55,770)</u>	<u>-</u>
Other financing sources (uses):							
Transfers in	-	-	-	-	-	20,000	-
Transfers out	-	-	-	-	-	-	-
Total other financing sources (uses)	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>20,000</u>	<u>-</u>
Excess (deficiency) of receipts and other financing sources over disbursements and other financing uses	<u>(13,079)</u>	<u>(330)</u>	<u>(4,091)</u>	<u>(12,830)</u>	<u>571,818</u>	<u>(35,770)</u>	<u>-</u>
Cash and investments - ending	<u>\$ 9,841</u>	<u>\$ 117,000</u>	<u>\$ -</u>	<u>\$ 10,492</u>	<u>\$ 571,818</u>	<u>\$ 59,802</u>	<u>\$ 1,000</u>

REGION 8 EDUCATION SERVICE CENTER
 COMBINING SCHEDULE OF RECEIPTS, DISBURSEMENTS, OTHER FINANCING SOURCES (USES), AND CASH AND INVESTMENT BALANCES -
 REGULATORY BASIS
 For the Year Ended June 30, 2011
 (Continued)

	Staff Application System	Acenet Consortium Network	Future Projects Training and Service	PL 101-476 PATINS Grant	English Language Federal Grant	Totals
Cash and investments - beginning	\$ 6,856	\$ 46,015	\$ 11,794	\$ -	\$ 9,845	\$ 879,030
Receipts:						
Local sources	6,750	157,756	20,593	3,213	-	1,273,190
Intermediate sources	-	-	-	-	-	624,949
Federal sources	-	-	-	-	6,422	6,422
Total receipts	<u>6,750</u>	<u>157,756</u>	<u>20,593</u>	<u>3,213</u>	<u>6,422</u>	<u>1,904,561</u>
Disbursements:						
Current:						
Instruction	-	-	-	3,213	-	341,085
Support services	8,220	194,327	14,955	-	16,267	1,143,232
Noninstructional services	-	-	-	-	-	1,729
Facilities acquisition and construction	-	-	-	-	-	52,151
Nonprogrammed charges	-	-	-	-	-	1,200
Total disbursements	<u>8,220</u>	<u>194,327</u>	<u>14,955</u>	<u>3,213</u>	<u>16,267</u>	<u>1,539,397</u>
Excess (deficiency) of receipts over disbursements	<u>(1,470)</u>	<u>(36,571)</u>	<u>5,638</u>	<u>-</u>	<u>(9,845)</u>	<u>365,164</u>
Other financing sources (uses):						
Transfers in	-	-	-	-	-	20,000
Transfers out	-	-	-	-	-	(20,000)
Total other financing sources (uses)	<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>(1,470)</u>	<u>(36,571)</u>	<u>5,638</u>	<u>-</u>	<u>(9,845)</u>	<u>365,164</u>
Cash and investments - ending	<u>\$ 5,386</u>	<u>\$ 9,444</u>	<u>\$ 17,432</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 1,244,194</u>

REGION 8 EDUCATION SERVICE CENTER
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.

	<u>Ending Balance</u>
Capital assets, not being depreciated:	
Land	\$ 4,400
Machinery and equipment	<u>278,609</u>
 Total capital assets not being depreciated	 <u>\$ 283,009</u>

REGION 8 EDUCATION SERVICE CENTER
EXAMINATION RESULT AND COMMENT

CERTIFIED REPORT NOT FILED

The School Corporation did not file a Certified Report of Names, Addresses, Duties and Compensation of Public Employees (Form 100-R or its equivalent) with the State Board of Accounts for the years 2010 or 2011.

Indiana Code 5-11-13-1 states in part:

"Every state, county, city, town, township, or school official . . . shall during the month of January of each year prepare, make, and sign a written or printed certified report, correctly and completely showing the names and addresses of each and all officers, employees, and agents . . . and the respective duties and compensation of each, and shall forthwith file said report in the office of the state examiner of the state board of accounts. . . ."

REGION 8 EDUCATION SERVICE CENTER
EXIT CONFERENCE

The contents of this report were discussed on January 26, 2012, with Christine A. Gamble, Treasurer; and Robert K. Huffman, Executive Director. The officials concurred with our finding.