

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

FINANCIAL STATEMENT AND
FEDERAL SINGLE AUDIT REPORT
OF

BATESVILLE COMMUNITY SCHOOL CORPORATION
RIPLEY COUNTY, INDIANA

July 1, 2009 to June 30, 2011



FILED
03/16/2012

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SCHEDULE OF OFFICIALS

<u>Office</u>	<u>Official</u>	<u>Term</u>
Treasurer	Constance M. Wintz	07-01-09 to 06-30-12
Superintendent of Schools	Dr. James S. Roberts	07-01-09 to 06-30-12
President of the School Board	Chris R. Lowery	07-01-09 to 06-30-12



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

TO: THE OFFICIALS OF THE BATESVILLE COMMUNITY
SCHOOL CORPORATION, RIPLEY COUNTY, INDIANA

We have audited the accompanying financial statement of the Batesville Community School Corporation (School Corporation), for the years ended June 30, 2010 and 2011. This financial statement is the responsibility of the School Corporation's management. Our responsibility is to express an opinion on this 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 Long-Term Debt are presented for additional analysis and are not required parts of the financial statement. The Combining Schedules of Receipts, Disbursements, Other Financing Sources (Uses), and Cash and Investment Balances – Regulatory Basis, Schedule of Capital Assets, and Schedule of Long-Term Debt have not been subjected to the auditing procedures applied by us in the audit of the financial statement and, accordingly, we express no opinion on them.

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

STATE BOARD OF ACCOUNTS

February 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 BATESVILLE COMMUNITY
SCHOOL CORPORATION, RIPLEY COUNTY, INDIANA

We have audited the financial statement of the Batesville Community School Corporation (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.

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

A deficiency in internal control exists when the design or operation of a control does not allow management or employees, in the normal course of performing their assigned functions, to prevent or detect and correct misstatements on a timely basis. A material weakness is a deficiency or combination of deficiencies in internal control, such that there is a reasonable possibility that a material misstatement of the entity's financial statement will not be prevented or detected and corrected on a timely basis. We consider the deficiency described in the accompanying Schedule of Findings and Questioned Costs as item 2011-1 to be a material weakness.

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

Compliance and Other Matters

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

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

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

STATE BOARD OF ACCOUNTS

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

	Cash and Investments 07-01-09	Receipts	Disbursements	Other Financing Sources (Uses)	Cash and Investments 06-30-10	Receipts	Disbursements	Other Financing Sources (Uses)	Cash and Investments 06-30-11
General	\$ 148,512	\$ 11,733,928	\$ 11,838,512	\$ 64,170	\$ 108,098	\$ 11,971,614	\$ 11,592,794	\$ (44,585)	\$ 442,333
Debt Service	225,235	2,492,747	1,660,745	-	1,057,237	1,541,226	1,650,504	-	947,959
Capital Projects	309,859	3,765,731	2,236,343	(60,877)	1,778,370	2,641,977	2,323,749	130,581	2,227,179
School Transportation	119,046	1,765,378	1,077,331	(136,371)	670,722	1,160,509	1,060,484	567	771,314
School Bus Replacement	62,744	151,125	-	-	213,869	105,681	102,308	-	217,242
Special Education Preschool	73,246	57,479	85,789	(44,936)	-	-	-	-	-
Rainy Day	77,030	-	158,237	255,000	173,793	-	230,066	80,000	23,727
Construction	236,129	-	98,477	24,916	162,568	-	162,568	-	-
Construction Fund Project Advertising	-	-	-	-	-	-	13,948	13,948	-
School Lunch	251,521	715,085	669,823	13,832	310,615	833,927	754,171	4,563	394,934
Textbook Rental	57,565	174,281	179,651	-	52,195	151,874	119,664	-	84,405
Levy Excess	-	13,950	-	-	13,950	18,165	-	(32,115)	-
Joint Services and Supply - Special Education Cooperative	127	-	127	-	-	-	-	-	-
Educational License Plates	1,801	487	2,232	-	56	638	-	-	694
Nora Wanning Scholarship	78,871	75,505	78,100	-	76,276	77,326	76,000	-	77,602
Burst Educational Foundation	1,571	-	-	-	1,571	-	-	-	1,571
OCCOF	-	-	-	-	-	18,915	1,241	-	17,674
Donations Primary Reading	2,509	8,601	10,846	-	264	8,150	264	-	8,150
Project Lead The Way	-	9,080	8,361	2,200	2,919	37,353	40,272	-	-
Pepsi Advertising Signs	-	6,000	5,529	-	471	6,001	2,081	-	4,391
Batesville Community Education	870	-	183	-	687	12,467	12,467	-	687
SICCEC High School Learning Center	7,162	-	3,485	-	3,677	-	2,876	-	801
Create Foundation	20,131	37,243	37,004	-	20,370	-	12,320	-	8,050
Student Incentive	1	2,170	1,849	-	322	2,330	1,341	-	1,311
Donations - Staff Appreciation	-	-	-	-	-	2,403	1,610	-	793
Rising Sun Grant - Huber #1544	-	35,000	-	-	35,000	-	36,999	1,999	-
Rising Sun Grant #1316 - MS AV EQ	41	-	41	-	-	-	-	-	-
Rising Sun BIS #1379	908	-	908	-	-	-	-	-	-
ECO 15 Grant	-	42,010	36,527	-	5,483	9,122	14,605	-	-
Rising Sun Ceiling Sun Mount System	48,877	-	48,877	-	-	-	-	-	-
Gifted and Talented 2009-10	-	33,989	12,279	-	21,710	-	21,710	-	-
Gifted and Talented 2008-09	1,426	-	1,426	-	-	33,479	14,793	-	18,686
Computer Consortium Advancement	-	41,500	41,141	-	359	-	359	-	-
Art-In-Education	149	-	144	-	5	-	-	-	5
Scholarships and Awards	-	7,511	7,511	-	-	-	-	-	-
Non-English Speaking Programs P.L. 273-1999	1,445	-	5,532	5,102	1,015	5,898	8,531	4,965	3,347
School Technology	23,437	-	11,330	-	12,107	3,780	3,879	-	12,008
Access Indiana	7,000	-	-	-	7,000	-	-	-	7,000
Excess PTRC Distributions	-	-	-	-	-	-	-	61,765	61,765
SPF-SIG Strategic Prevention	51,678	-	50,105	-	1,573	-	547	349	1,375
Title I	29,826	140,373	133,661	-	36,538	120,498	163,978	-	(6,942)
P.L. Innovative Education Program Strategies Title V (Part A)	-	1,277	1,277	-	-	-	-	-	-
Title V Part A 2007-08	774	1,638	2,412	-	-	-	-	-	-
Safe and Drug Free 2007-08	2,064	-	1,212	-	852	-	383	-	469
Safe and Drug Free 2009-10	-	-	-	-	-	-	6,822	-	(6,822)
Drug Free Choices Director	20,159	-	24,281	9,000	4,878	-	4,878	-	-
Improving Teaching Quality, No Child Left, Title II, Part A	14,308	84,508	56,721	-	42,095	11,563	54,761	-	(1,103)
Fiscal Stabilization - Education	513,239	418,732	931,971	-	-	-	-	-	-
Title I - Grants to LEAs	-	39,920	39,920	-	-	39,047	41,973	-	(2,926)
Special Education - Part B	-	18,709	44,369	-	(25,660)	154,047	123,566	-	4,821
Totals	\$ 2,389,261	\$ 21,873,957	\$ 19,604,269	\$ 132,036	\$ 4,790,985	\$ 18,967,990	\$ 18,658,512	\$ 222,037	\$ 5,322,500

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

BATESVILLE COMMUNITY SCHOOL CORPORATION
NOTES TO FINANCIAL STATEMENT

Note 1. Summary of Significant Accounting Policies

A. Reporting Entity

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

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

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

B. Basis of Accounting

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

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

C. Cash and Investments

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

D. Receipts

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

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

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

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

BATESVILLE COMMUNITY SCHOOL CORPORATION
NOTES TO FINANCIAL STATEMENT
(Continued)

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

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

E. Disbursements

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

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

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

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.

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.

BATESVILLE COMMUNITY SCHOOL CORPORATION
NOTES TO FINANCIAL STATEMENT
(Continued)

G. Fund Accounting

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

Note 2. Budgets

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

Note 3. Property Taxes

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

Note 4. Deposits and Investments

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

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

BATESVILLE COMMUNITY SCHOOL CORPORATION
NOTES TO FINANCIAL STATEMENT
(Continued)

Note 5. Risk Management

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

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

Note 6. Pension 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.

BATESVILLE COMMUNITY SCHOOL CORPORATION
NOTES TO FINANCIAL STATEMENT
(Continued)

B. Teachers' Retirement Fund

Plan Description

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

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

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

Funding Policy and Annual Pension Cost

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

SUPPLEMENTARY INFORMATION – UNAUDITED

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

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

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

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

	General	Debt Service	Capital Projects	School Transportation	School Bus Replacement	Special Education Preschool	Rainy Day	Construction	Construction Fund Project Advertising
Cash and investments - beginning	\$ 148,512	\$ 225,235	\$ 309,859	\$ 119,046	\$ 62,744	\$ 73,246	\$ 77,030	\$ 236,129	\$ -
Receipts:									
Local sources	840,313	2,492,747	3,765,731	1,765,378	151,125	29,979	-	-	-
Intermediate sources	7,497	-	-	-	-	-	-	-	-
State sources	10,886,118	-	-	-	-	27,500	-	-	-
Federal sources	-	-	-	-	-	-	-	-	-
Other	-	-	-	-	-	-	-	-	-
Total receipts	<u>11,733,928</u>	<u>2,492,747</u>	<u>3,765,731</u>	<u>1,765,378</u>	<u>151,125</u>	<u>57,479</u>	-	-	-
Disbursements:									
Current:									
Instruction	7,624,625	-	-	-	-	30,789	-	-	-
Support services	3,163,350	-	1,228,938	1,077,331	-	-	158,237	-	-
Noninstructional services	216,029	-	-	-	-	-	-	-	-
Facilities acquisition and construction	-	-	1,007,405	-	-	-	-	98,477	-
Debt services	-	1,660,745	-	-	-	-	-	-	-
Nonprogrammed charges	834,508	-	-	-	-	55,000	-	-	-
Total disbursements	<u>11,838,512</u>	<u>1,660,745</u>	<u>2,236,343</u>	<u>1,077,331</u>	-	<u>85,789</u>	<u>158,237</u>	<u>98,477</u>	-
Excess (deficiency) of receipts over disbursements	<u>(104,584)</u>	<u>832,002</u>	<u>1,529,388</u>	<u>688,047</u>	<u>151,125</u>	<u>(28,310)</u>	<u>(158,237)</u>	<u>(98,477)</u>	-
Other financing sources (uses):									
Sale of capital assets	19,234	-	54,123	3,629	-	-	-	24,916	-
Transfers in	44,936	-	-	-	-	-	255,000	-	-
Transfers out	-	-	(115,000)	(140,000)	-	(44,936)	-	-	-
Total other financing sources (uses)	<u>64,170</u>	-	<u>(60,877)</u>	<u>(136,371)</u>	-	<u>(44,936)</u>	<u>255,000</u>	<u>24,916</u>	-
Excess (deficiency) of receipts and other financing sources over disbursements and other financing uses	<u>(40,414)</u>	<u>832,002</u>	<u>1,468,511</u>	<u>551,676</u>	<u>151,125</u>	<u>(73,246)</u>	<u>96,763</u>	<u>(73,561)</u>	-
Cash and investments - ending	<u>\$ 108,098</u>	<u>\$ 1,057,237</u>	<u>\$ 1,778,370</u>	<u>\$ 670,722</u>	<u>\$ 213,869</u>	<u>\$ -</u>	<u>\$ 173,793</u>	<u>\$ 162,568</u>	<u>\$ -</u>

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

	School Lunch	Textbook Rental	Levy Excess	Joint Services and Supply - Special Education Cooperative	Educational License Plates	Nora Wonning Scholarship	Burst Educational Foundation	OCOF	Donations Primary Reading
Cash and investments - beginning	\$ 251,521	\$ 57,565	\$ -	\$ 127	\$ 1,801	\$ 78,871	\$ 1,571	\$ -	\$ 2,509
Receipts:									
Local sources	461,820	145,397	-	-	-	75,505	-	-	8,601
Intermediate sources	-	-	-	-	487	-	-	-	-
State sources	14,127	28,884	13,950	-	-	-	-	-	-
Federal sources	237,527	-	-	-	-	-	-	-	-
Other	1,611	-	-	-	-	-	-	-	-
Total receipts	<u>715,085</u>	<u>174,281</u>	<u>13,950</u>	<u>-</u>	<u>487</u>	<u>75,505</u>	<u>-</u>	<u>-</u>	<u>8,601</u>
Disbursements:									
Current:									
Instruction	-	-	-	127	-	78,100	-	-	10,846
Support services	-	179,651	-	-	2,232	-	-	-	-
Noninstructional services	669,823	-	-	-	-	-	-	-	-
Facilities acquisition and construction	-	-	-	-	-	-	-	-	-
Debt services	-	-	-	-	-	-	-	-	-
Nonprogrammed charges	-	-	-	-	-	-	-	-	-
Total disbursements	<u>669,823</u>	<u>179,651</u>	<u>-</u>	<u>127</u>	<u>2,232</u>	<u>78,100</u>	<u>-</u>	<u>-</u>	<u>10,846</u>
Excess (deficiency) of receipts over disbursements	<u>45,262</u>	<u>(5,370)</u>	<u>13,950</u>	<u>(127)</u>	<u>(1,745)</u>	<u>(2,595)</u>	<u>-</u>	<u>-</u>	<u>(2,245)</u>
Other financing sources (uses):									
Sale of capital assets	13,832	-	-	-	-	-	-	-	-
Transfers in	-	-	-	-	-	-	-	-	-
Transfers out	-	-	-	-	-	-	-	-	-
Total other financing sources (uses)	<u>13,832</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>59,094</u>	<u>(5,370)</u>	<u>13,950</u>	<u>(127)</u>	<u>(1,745)</u>	<u>(2,595)</u>	<u>-</u>	<u>-</u>	<u>(2,245)</u>
Cash and investments - ending	<u>\$ 310,615</u>	<u>\$ 52,195</u>	<u>\$ 13,950</u>	<u>\$ -</u>	<u>\$ 56</u>	<u>\$ 76,276</u>	<u>\$ 1,571</u>	<u>\$ -</u>	<u>\$ 264</u>

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

	Project Lead The Way	Pepsi Advertising Sings	Batesville Community Education	SICCEC High School Learning Center	Create Foundation	Student Incentive	Donations - Staff Appreciation	Rising Sun Grant - Huber #1544	Rising Sun Grant #1316 - MS AV EQ
Cash and investments - beginning	\$ -	\$ -	\$ 870	\$ 7,162	\$ 20,131	\$ 1	\$ -	\$ -	\$ 41
Receipts:									
Local sources	9,080	6,000	-	-	37,243	2,170	-	35,000	-
Intermediate sources	-	-	-	-	-	-	-	-	-
State sources	-	-	-	-	-	-	-	-	-
Federal sources	-	-	-	-	-	-	-	-	-
Other	-	-	-	-	-	-	-	-	-
Total receipts	<u>9,080</u>	<u>6,000</u>	<u>-</u>	<u>-</u>	<u>37,243</u>	<u>2,170</u>	<u>-</u>	<u>35,000</u>	<u>-</u>
Disbursements:									
Current:									
Instruction	8,361	-	-	3,485	-	1,849	-	-	41
Support services	-	5,529	183	-	37,004	-	-	-	-
Noninstructional services	-	-	-	-	-	-	-	-	-
Facilities acquisition and construction	-	-	-	-	-	-	-	-	-
Debt services	-	-	-	-	-	-	-	-	-
Nonprogrammed charges	-	-	-	-	-	-	-	-	-
Total disbursements	<u>8,361</u>	<u>5,529</u>	<u>183</u>	<u>3,485</u>	<u>37,004</u>	<u>1,849</u>	<u>-</u>	<u>-</u>	<u>41</u>
Excess (deficiency) of receipts over disbursements	<u>719</u>	<u>471</u>	<u>(183)</u>	<u>(3,485)</u>	<u>239</u>	<u>321</u>	<u>-</u>	<u>35,000</u>	<u>(41)</u>
Other financing sources (uses):									
Sale of capital assets	2,200	-	-	-	-	-	-	-	-
Transfers in	-	-	-	-	-	-	-	-	-
Transfers out	-	-	-	-	-	-	-	-	-
Total other financing sources (uses)	<u>2,200</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Excess (deficiency) of receipts and other financing sources over disbursements and other financing uses	<u>2,919</u>	<u>471</u>	<u>(183)</u>	<u>(3,485)</u>	<u>239</u>	<u>321</u>	<u>-</u>	<u>35,000</u>	<u>(41)</u>
Cash and investments - ending	<u>\$ 2,919</u>	<u>\$ 471</u>	<u>\$ 687</u>	<u>\$ 3,677</u>	<u>\$ 20,370</u>	<u>\$ 322</u>	<u>\$ -</u>	<u>\$ 35,000</u>	<u>\$ -</u>

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

	Rising Sun BIS #1379	ECO 15 Grant	Rising Sun Ceiling Sun Mount System	Gifted and Talented 2009-10	Gifted and Talented 2008-09	Computer Consortium Advancement	Art-In- Education	Scholarships and Awards	Non-English Speaking Programs P.L. 273-1999
Cash and investments - beginning	\$ 908	\$ -	\$ 48,877	\$ -	\$ 1,426	\$ -	\$ 149	\$ -	\$ 1,445
Receipts:									
Local sources	-	42,010	-	-	-	-	-	-	-
Intermediate sources	-	-	-	-	-	-	-	-	-
State sources	-	-	-	33,989	-	41,500	-	7,511	-
Federal sources	-	-	-	-	-	-	-	-	-
Other	-	-	-	-	-	-	-	-	-
Total receipts	-	42,010	-	33,989	-	41,500	-	7,511	-
Disbursements:									
Current:									
Instruction	908	36,527	48,877	12,279	1,426	-	144	7,511	5,532
Support services	-	-	-	-	-	41,141	-	-	-
Noninstructional services	-	-	-	-	-	-	-	-	-
Facilities acquisition and construction	-	-	-	-	-	-	-	-	-
Debt services	-	-	-	-	-	-	-	-	-
Nonprogrammed charges	-	-	-	-	-	-	-	-	-
Total disbursements	908	36,527	48,877	12,279	1,426	41,141	144	7,511	5,532
Excess (deficiency) of receipts over disbursements	(908)	5,483	(48,877)	21,710	(1,426)	359	(144)	-	(5,532)
Other financing sources (uses):									
Sale of capital assets	-	-	-	-	-	-	-	-	5,102
Transfers in	-	-	-	-	-	-	-	-	-
Transfers out	-	-	-	-	-	-	-	-	-
Total other financing sources (uses)	-	-	-	-	-	-	-	-	5,102
Excess (deficiency) of receipts and other financing sources over disbursements and other financing uses	(908)	5,483	(48,877)	21,710	(1,426)	359	(144)	-	(430)
Cash and investments - ending	\$ -	\$ 5,483	\$ -	\$ 21,710	\$ -	\$ 359	\$ 5	\$ -	\$ 1,015

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

	School Technology	Access Indiana	Excess PTRC Distributions	SDF-SIG Strategic Prevention	Title I	P.L. Innovative Education Program Strategies Title V (Part A)	Title V Part A 2007-08	Safe and Drug Free 2007-08
Cash and investments - beginning	\$ 23,437	\$ 7,000	\$ -	\$ 51,678	\$ 29,826	\$ -	\$ 774	\$ 2,064
Receipts:								
Local sources	-	-	-	-	-	-	-	-
Intermediate sources	-	-	-	-	-	-	-	-
State sources	-	-	-	-	-	-	-	-
Federal sources	-	-	-	-	140,373	1,277	1,638	-
Other	-	-	-	-	-	-	-	-
Total receipts	-	-	-	-	140,373	1,277	1,638	-
Disbursements:								
Current:								
Instruction	-	-	-	-	126,317	734	2,412	1,212
Support services	11,330	-	-	-	7,344	543	-	-
Noninstructional services	-	-	-	50,105	-	-	-	-
Facilities acquisition and construction	-	-	-	-	-	-	-	-
Debt services	-	-	-	-	-	-	-	-
Nonprogrammed charges	-	-	-	-	-	-	-	-
Total disbursements	11,330	-	-	50,105	133,661	1,277	2,412	1,212
Excess (deficiency) of receipts over disbursements	(11,330)	-	-	(50,105)	6,712	-	(774)	(1,212)
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	(11,330)	-	-	(50,105)	6,712	-	(774)	(1,212)
Cash and investments - ending	\$ 12,107	\$ 7,000	\$ -	\$ 1,573	\$ 36,538	\$ -	\$ -	\$ 852

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

	Safe and Drug Free 2009-10	Drug Free Choices Director	Improving Teaching Quality, No Child Left, Title II, Part A	Fiscal Stabilization - Education	Title I - Grants to LEAs	Special Education - Part B	Totals
Cash and investments - beginning	\$ -	\$ 20,159	\$ 14,308	\$ 513,239	\$ -	\$ -	\$ 2,389,261
Receipts:							
Local sources	-	-	-	-	-	400	9,868,499
Intermediate sources	-	-	-	-	-	-	7,984
State sources	-	-	-	-	-	-	11,053,579
Federal sources	-	-	84,508	418,732	39,920	18,309	942,284
Other	-	-	-	-	-	-	1,611
Total receipts	-	-	84,508	418,732	39,920	18,709	21,873,957
Disbursements:							
Current:							
Instruction	-	24,281	50,742	877,588	39,920	44,369	9,039,002
Support services	-	-	5,979	-	-	-	5,918,792
Noninstructional services	-	-	-	-	-	-	935,957
Facilities acquisition and construction	-	-	-	-	-	-	1,105,882
Debt services	-	-	-	-	-	-	1,660,745
Nonprogrammed charges	-	-	-	54,383	-	-	943,891
Total disbursements	-	24,281	56,721	931,971	39,920	44,369	19,604,269
Excess (deficiency) of receipts over disbursements	-	(24,281)	27,787	(513,239)	-	(25,660)	2,269,688
Other financing sources (uses):							
Sale of capital assets	-	9,000	-	-	-	-	132,036
Transfers in	-	-	-	-	-	-	299,936
Transfers out	-	-	-	-	-	-	(299,936)
Total other financing sources (uses)	-	9,000	-	-	-	-	132,036
Excess (deficiency) of receipts and other financing sources over disbursements and other financing uses	-	(15,281)	27,787	(513,239)	-	(25,660)	2,401,724
Cash and investments - ending	\$ -	\$ 4,878	\$ 42,095	\$ -	\$ -	\$ (25,660)	\$ 4,790,985

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

	General	Debt Service	Capital Projects	School Transportation	School Bus Replacement	Special Education Preschool	Rainy Day	Construction	Construction Fund Project Advertising
Cash and investments - beginning	\$ 108,098	\$ 1,057,237	\$ 1,778,370	\$ 670,722	\$ 213,869	\$ -	\$ 173,793	\$ 162,568	\$ -
Receipts:									
Local sources	989,635	1,541,226	2,641,977	1,154,412	105,681	-	-	-	-
Intermediate sources	197	-	-	-	-	-	-	-	-
State sources	10,981,782	-	-	-	-	-	-	-	-
Federal sources	-	-	-	-	-	-	-	-	-
Other	-	-	-	6,097	-	-	-	-	-
Total receipts	11,971,614	1,541,226	2,641,977	1,160,509	105,681	-	-	-	-
Disbursements:									
Current:									
Instruction	7,827,130	-	-	-	-	-	-	-	-
Support services	2,762,329	753	1,192,659	1,060,484	102,308	-	230,066	-	-
Noninstructional services	197,736	-	-	-	-	-	-	-	-
Facilities acquisition and construction	-	-	1,131,090	-	-	-	-	162,568	13,948
Debt services	-	1,649,751	-	-	-	-	-	-	-
Nonprogrammed charges	805,599	-	-	-	-	-	-	-	-
Total disbursements	11,592,794	1,650,504	2,323,749	1,060,484	102,308	-	230,066	162,568	13,948
Excess (deficiency) of receipts over disbursements	378,820	(109,278)	318,228	100,025	3,373	-	(230,066)	(162,568)	(13,948)
Other financing sources (uses):									
Sale of capital assets	17,180	-	170,581	8,452	-	-	-	-	13,948
Transfers in	-	-	-	32,115	-	-	80,000	-	-
Transfers out	(61,765)	-	(40,000)	(40,000)	-	-	-	-	-
Total other financing sources (uses)	(44,585)	-	130,581	567	-	-	80,000	-	13,948
Excess (deficiency) of receipts and other financing sources over disbursements and other financing uses	334,235	(109,278)	448,809	100,592	3,373	-	(150,066)	(162,568)	-
Cash and investments - ending	\$ 442,333	\$ 947,959	\$ 2,227,179	\$ 771,314	\$ 217,242	\$ -	\$ 23,727	\$ -	\$ -

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

	School Lunch	Textbook Rental	Levy Excess	Joint Services and Supply - Special Education Cooperative	Educational License Plates	Nora Wonning Scholarship	Burst Educational Foundation	OCOF	Donations Primary Reading
Cash and investments - beginning	\$ 310,615	\$ 52,195	\$ 13,950	\$ -	\$ 56	\$ 76,276	\$ 1,571	\$ -	\$ 264
Receipts:									
Local sources	514,749	121,303	-	-	-	77,326	-	18,915	8,150
Intermediate sources	-	-	-	-	638	-	-	-	-
State sources	13,743	30,571	18,165	-	-	-	-	-	-
Federal sources	302,712	-	-	-	-	-	-	-	-
Other	2,723	-	-	-	-	-	-	-	-
Total receipts	833,927	151,874	18,165	-	638	77,326	-	18,915	8,150
Disbursements:									
Current:									
Instruction	-	-	-	-	-	76,000	-	-	264
Support services	-	119,664	-	-	-	-	-	1,241	-
Noninstructional services	754,171	-	-	-	-	-	-	-	-
Facilities acquisition and construction	-	-	-	-	-	-	-	-	-
Debt services	-	-	-	-	-	-	-	-	-
Nonprogrammed charges	-	-	-	-	-	-	-	-	-
Total disbursements	754,171	119,664	-	-	-	76,000	-	1,241	264
Excess (deficiency) of receipts over disbursements	79,756	32,210	18,165	-	638	1,326	-	17,674	7,886
Other financing sources (uses):									
Sale of capital assets	4,563	-	-	-	-	-	-	-	-
Transfers in	-	-	-	-	-	-	-	-	-
Transfers out	-	-	(32,115)	-	-	-	-	-	-
Total other financing sources (uses)	4,563	-	(32,115)	-	-	-	-	-	-
Excess (deficiency) of receipts and other financing sources over disbursements and other financing uses	84,319	32,210	(13,950)	-	638	1,326	-	17,674	7,886
Cash and investments - ending	\$ 394,934	\$ 84,405	\$ -	\$ -	\$ 694	\$ 77,602	\$ 1,571	\$ 17,674	\$ 8,150

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

	Project Lead The Way	Pepsi Advertising Sings	Batesville Community Education	SICCEC High School Learning Center	Create Foundation	Student Incentive	Donations - Staff Appreciation	Rising Sun Grant - Huber #1544	Rising Sun Grant #1316 - MS AV EQ
Cash and investments - beginning	\$ 2,919	\$ 471	\$ 687	\$ 3,677	\$ 20,370	\$ 322	\$ -	\$ 35,000	\$ -
Receipts:									
Local sources	37,353	6,001	12,467	-	-	2,330	2,403	-	-
Intermediate sources	-	-	-	-	-	-	-	-	-
State sources	-	-	-	-	-	-	-	-	-
Federal sources	-	-	-	-	-	-	-	-	-
Other	-	-	-	-	-	-	-	-	-
Total receipts	<u>37,353</u>	<u>6,001</u>	<u>12,467</u>	<u>-</u>	<u>-</u>	<u>2,330</u>	<u>2,403</u>	<u>-</u>	<u>-</u>
Disbursements:									
Current:									
Instruction	40,272	-	12,467	2,876	-	1,341	-	36,999	-
Support services	-	2,081	-	-	12,320	-	1,610	-	-
Noninstructional services	-	-	-	-	-	-	-	-	-
Facilities acquisition and construction	-	-	-	-	-	-	-	-	-
Debt services	-	-	-	-	-	-	-	-	-
Nonprogrammed charges	-	-	-	-	-	-	-	-	-
Total disbursements	<u>40,272</u>	<u>2,081</u>	<u>12,467</u>	<u>2,876</u>	<u>12,320</u>	<u>1,341</u>	<u>1,610</u>	<u>36,999</u>	<u>-</u>
Excess (deficiency) of receipts over disbursements	<u>(2,919)</u>	<u>3,920</u>	<u>-</u>	<u>(2,876)</u>	<u>(12,320)</u>	<u>989</u>	<u>793</u>	<u>(36,999)</u>	<u>-</u>
Other financing sources (uses):									
Sale of capital assets	-	-	-	-	-	-	-	1,999	-
Transfers in	-	-	-	-	-	-	-	-	-
Transfers out	-	-	-	-	-	-	-	-	-
Total other financing sources (uses)	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>1,999</u>	<u>-</u>
Excess (deficiency) of receipts and other financing sources over disbursements and other financing uses	<u>(2,919)</u>	<u>3,920</u>	<u>-</u>	<u>(2,876)</u>	<u>(12,320)</u>	<u>989</u>	<u>793</u>	<u>(35,000)</u>	<u>-</u>
Cash and investments - ending	<u>\$ -</u>	<u>\$ 4,391</u>	<u>\$ 687</u>	<u>\$ 801</u>	<u>\$ 8,050</u>	<u>\$ 1,311</u>	<u>\$ 793</u>	<u>\$ -</u>	<u>\$ -</u>

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

	Rising Sun BIS #1379	ECO 15 Grant	Rising Sun Ceiling Sun Mount System	Gifted and Talented 2009-10	Gifted and Talented 2008-09	Computer Consortium Advancement	Art-In- Education	Scholarships and Awards	Non-English Speaking Programs P.L. 273-1999
Cash and investments - beginning	\$ -	\$ 5,483	\$ -	\$ 21,710	\$ -	\$ 359	\$ 5	\$ -	\$ 1,015
Receipts:									
Local sources	-	3,422	-	-	-	-	-	-	-
Intermediate sources	-	5,700	-	-	-	-	-	-	-
State sources	-	-	-	-	33,479	-	-	-	5,898
Federal sources	-	-	-	-	-	-	-	-	-
Other	-	-	-	-	-	-	-	-	-
Total receipts	-	9,122	-	-	33,479	-	-	-	5,898
Disbursements:									
Current:									
Instruction	-	14,605	-	21,710	14,793	-	-	-	8,531
Support services	-	-	-	-	-	359	-	-	-
Noninstructional services	-	-	-	-	-	-	-	-	-
Facilities acquisition and construction	-	-	-	-	-	-	-	-	-
Debt services	-	-	-	-	-	-	-	-	-
Nonprogrammed charges	-	-	-	-	-	-	-	-	-
Total disbursements	-	14,605	-	21,710	14,793	359	-	-	8,531
Excess (deficiency) of receipts over disbursements	-	(5,483)	-	(21,710)	18,686	(359)	-	-	(2,633)
Other financing sources (uses):									
Sale of capital assets	-	-	-	-	-	-	-	-	4,965
Transfers in	-	-	-	-	-	-	-	-	-
Transfers out	-	-	-	-	-	-	-	-	-
Total other financing sources (uses)	-	-	-	-	-	-	-	-	4,965
Excess (deficiency) of receipts and other financing sources over disbursements and other financing uses	-	(5,483)	-	(21,710)	18,686	(359)	-	-	2,332
Cash and investments - ending	\$ -	\$ -	\$ -	\$ -	\$ 18,686	\$ -	\$ 5	\$ -	\$ 3,347

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

	School Technology	Access Indiana	Excess PTRC Distributions	SDF-SIG Strategic Prevention	Title I	P.L. Innovative Education Program Strategies Title V (Part A)	Title V Part A 2007-08	Safe and Drug Free 2007-08
Cash and investments - beginning	\$ 12,107	\$ 7,000	\$ -	\$ 1,573	\$ 36,538	\$ -	\$ -	\$ 852
Receipts:								
Local sources	-	-	-	-	-	-	-	-
Intermediate sources	-	-	-	-	-	-	-	-
State sources	3,780	-	-	-	-	-	-	-
Federal sources	-	-	-	-	120,498	-	-	-
Other	-	-	-	-	-	-	-	-
Total receipts	<u>3,780</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>120,498</u>	<u>-</u>	<u>-</u>	<u>-</u>
Disbursements:								
Current:								
Instruction	-	-	-	-	157,031	-	-	383
Support services	3,879	-	-	-	6,947	-	-	-
Noninstructional services	-	-	-	547	-	-	-	-
Facilities acquisition and construction	-	-	-	-	-	-	-	-
Debt services	-	-	-	-	-	-	-	-
Nonprogrammed charges	-	-	-	-	-	-	-	-
Total disbursements	<u>3,879</u>	<u>-</u>	<u>-</u>	<u>547</u>	<u>163,978</u>	<u>-</u>	<u>-</u>	<u>383</u>
Excess (deficiency) of receipts over disbursements	<u>(99)</u>	<u>-</u>	<u>-</u>	<u>(547)</u>	<u>(43,480)</u>	<u>-</u>	<u>-</u>	<u>(383)</u>
Other financing sources (uses):								
Sale of capital assets	-	-	-	349	-	-	-	-
Transfers in	-	-	61,765	-	-	-	-	-
Transfers out	-	-	-	-	-	-	-	-
Total other financing sources (uses)	<u>-</u>	<u>-</u>	<u>61,765</u>	<u>349</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Excess (deficiency) of receipts and other financing sources over disbursements and other financing uses	<u>(99)</u>	<u>-</u>	<u>61,765</u>	<u>(198)</u>	<u>(43,480)</u>	<u>-</u>	<u>-</u>	<u>(383)</u>
Cash and investments - ending	<u>\$ 12,008</u>	<u>\$ 7,000</u>	<u>\$ 61,765</u>	<u>\$ 1,375</u>	<u>\$ (6,942)</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 469</u>

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

	Safe and Drug Free 2009-10	Drug Free Choices Director	Improving Teaching Quality, No Child Left, Title II, Part A	Fiscal Stabilization - Education	Title I - Grants to LEAs	Special Education - Part B	Totals
Cash and investments - beginning	\$ -	\$ 4,878	\$ 42,095	\$ -	\$ -	\$ (25,660)	\$ 4,790,985
Receipts:							
Local sources	-	-	-	-	-	-	7,237,350
Intermediate sources	-	-	-	-	-	-	6,535
State sources	-	-	-	-	-	-	11,087,418
Federal sources	-	-	11,563	-	39,047	154,047	627,867
Other	-	-	-	-	-	-	8,820
Total receipts	-	-	11,563	-	39,047	154,047	18,967,990
Disbursements:							
Current:							
Instruction	6,822	4,878	49,674	-	41,973	123,566	8,441,315
Support services	-	-	5,087	-	-	-	5,501,787
Noninstructional services	-	-	-	-	-	-	952,454
Facilities acquisition and construction	-	-	-	-	-	-	1,307,606
Debt services	-	-	-	-	-	-	1,649,751
Nonprogrammed charges	-	-	-	-	-	-	805,599
Total disbursements	6,822	4,878	54,761	-	41,973	123,566	18,658,512
Excess (deficiency) of receipts over disbursements	(6,822)	(4,878)	(43,198)	-	(2,926)	30,481	309,478
Other financing sources (uses):							
Sale of capital assets	-	-	-	-	-	-	222,037
Transfers in	-	-	-	-	-	-	173,880
Transfers out	-	-	-	-	-	-	(173,880)
Total other financing sources (uses)	-	-	-	-	-	-	222,037
Excess (deficiency) of receipts and other financing sources over disbursements and other financing uses	(6,822)	(4,878)	(43,198)	-	(2,926)	30,481	531,515
Cash and investments - ending	\$ (6,822)	\$ -	\$ (1,103)	\$ -	\$ (2,926)	\$ 4,821	\$ 5,322,500

BATESVILLE COMMUNITY SCHOOL CORPORATION
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>Primary Government</u>	<u>Ending Balance</u>
Governmental activities:	
Capital assets, not being depreciated:	
Buildings	\$ 24,920,157
Machinery and equipment	<u>827,892</u>
Total governmental activities, capital assets not being depreciated	<u>\$ 25,748,049</u>

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

Description of Debt	Ending Principal Balance	Principal and Interest Due Within One Year	Fund
Capital leases:			
Batesville Elementary School Building Corporation	\$ 72,459	\$ 290,750	Debt Service
Batesville School Building Corporation - 2005 Issue	6,160,000	966,500	Debt Service
Batesville School Building Corporation - 2011 Issue	12,000,000	261,500	Debt Service
Notes and loans payable:			
Textbook loans payable	88,037	67,528	Textbook Rental
Common school loans payable	79,625	71,692	Debt Service
Total debt	<u>\$ 18,400,121</u>	<u>\$ 1,657,970</u>	

BATESVILLE COMMUNITY SCHOOL CORPORATION
AUDIT RESULT AND COMMENT

INTERNAL CONTROLS - SEGREGATION OF DUTIES

The School Corporation does not have adequate segregation of accounting duties or compensating controls in place to ensure the accuracy of financial reporting and the safeguarding of cash as described below:

The Treasurer is responsible for writing receipts; making deposits; writing vendor checks; recording receipts and vendor checks in the ledger; entering adjustment/correction transactions to the ledger; reconciling ledger reports within the accounting application system in order to ensure all activity is properly posted throughout the accounting application system; and performing month end bank reconciliations. In addition, the Treasurer is responsible for all payroll functions including posting time worked to employee records, maintaining employee service and earnings records, posting payroll transactions to the corporation records, authorizing electronic transfers of funds, making adjustments, reconciling payroll and corporation records.

Segregation of duties is the concept of having different people do different tasks within the organization. Segregation of duties provides the foundation of good internal control by assuring that no one individual is in a position to perpetuate and conceal errors or irregularities in the normal course of their authorized duties. Compensating controls are safeguards put in place to mitigate the effects of the lack of segregation of duties.

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

Governmental units should have internal controls in effect which provide reasonable assurance regarding the reliability of financial information and records, effectiveness and efficiency of operations, proper execution of management's objectives, and compliance with laws and regulations. Among other things, segregation of duties, safeguarding controls over cash and all other assets and all forms of information processing are necessary for proper internal control.

Controls over the receipting, disbursing, recording, and accounting for the financial activities are necessary to avoid substantial risk of invalid transactions, inaccurate records and financial statements and incorrect decision making. (Accounting and Uniform Compliance Guidelines Manual for Indiana Public School Corporations, Chapter 9)

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

SUPPLEMENTAL AUDIT OF
FEDERAL AWARDS



STATE OF INDIANA
AN EQUAL OPPORTUNITY EMPLOYER

STATE BOARD OF ACCOUNTS
302 WEST WASHINGTON STREET
ROOM E418
INDIANAPOLIS, INDIANA 46204-2769

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

TO: THE OFFICIALS OF THE BATESVILLE COMMUNITY
SCHOOL CORPORATION, RIPLEY COUNTY, INDIANA

Compliance

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

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

In our opinion, the School Corporation complied, in all material respects, with the requirements referred to above that are applicable to each of its major federal programs for the years ended June 30, 2010 and 2011. The results of our auditing procedure also disclosed an instance 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 item 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)

Our consideration of internal control over compliance was for the limited purpose described in the preceding paragraph and was not designed to identify all deficiencies in internal control over compliance that might be significant deficiencies or material weaknesses and therefore, there is no assurance that all deficiencies, significant deficiencies, or material weaknesses have been identified. However, as discussed below, we identified a deficiency in internal control over compliance that we consider to be a material weakness.

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. We consider the deficiency in internal control over compliance described in the accompanying Schedule of Findings and Questioned Costs as item 2011-2 to be a material weakness.

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

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

STATE BOARD OF ACCOUNTS

February 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.

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

Federal Grantor Agency/Pass-Through Entity Cluster Title/Program Title/Project Title	Federal CFDA Number	Pass-Through Entity (or Other) Identifying Number	Total Federal Awards Expended 06-30-10	Total Federal Awards Expended 06-30-11
<u>U.S. DEPARTMENT OF AGRICULTURE</u>				
Pass-Through Indiana Department of Education Child Nutrition Cluster School Breakfast Program	10.553	FY 09-10 FY 10-11	\$ 55,536 -	\$ - 66,447
Total for program			<u>55,536</u>	<u>66,447</u>
National School Lunch Program	10.555	FY 09-10 FY 10-11	243,267 -	- 284,718
Total for program			<u>243,267</u>	<u>284,718</u>
Total for federal grantor agency			<u>298,803</u>	<u>351,165</u>
<u>U.S. DEPARTMENT OF EDUCATION</u>				
Pass-Through Indiana Department of Education Title I, Part A Cluster Title I Grants to Local Educational Agencies	84.010	09-6895 10-6895 11-6895	29,826 103,835 -	- 36,537 127,441
Total for program			<u>133,661</u>	<u>163,978</u>
ARRA - Title I Grants to Local Educational Agencies, Recovery Act	84.389	10-6895	39,920	41,973
Total for cluster			<u>173,581</u>	<u>205,951</u>
Pass-Through Sunman Dearborn Community School Corporation Special Education Cluster ARRA - Special Education - Grants to States (IDEA, Part B), Recovery Act	84.391	FY 09-10 FY 10-11	44,368 -	- 123,566
Total for cluster			<u>44,368</u>	<u>123,566</u>
Pass-Through Indiana Department of Education State Fiscal Stabilization Fund Cluster ARRA - State Fiscal Stabilization Fund (SFSF) - Education State Grants, Recovery Act	84.394	10-6895	931,971	-
Safe and Drug-Free Schools and Communities - State Grants	84.186	08-6895 10-6895	1,212 -	383 6,822
Total for program			<u>1,212</u>	<u>7,205</u>
State Grants for Innovative Programs	84.298	08-6895 09-6895	2,412 1,277	- -
Total for program			<u>3,689</u>	<u>-</u>
Improving Teacher Quality State Grants	84.367	08-6895 09-6895 10-6895	35,684 21,037 -	- 43,974 10,786
Total for program			<u>56,721</u>	<u>54,760</u>
Total for federal grantor agency			<u>1,211,542</u>	<u>391,482</u>
Total federal awards expended			<u>\$ 1,510,345</u>	<u>\$ 742,647</u>

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

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

Note 1. Basis of Presentation

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

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

Note 2. Noncash Assistance

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

Program Title	Federal CFDA Number	2010	2011
School Breakfast Program	10.553	\$ 9,545	\$ 8,660
National School Lunch Program	10.555	42,231	39,772

BATESVILLE COMMUNITY SCHOOL CORPORATION
SCHEDULE OF FINDINGS AND QUESTIONED COSTS

Section I – Summary of Auditor's Results

Financial Statement:

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

Federal Awards:

Internal control over major programs:	
Material weakness identified?	yes
Significant deficiencies identified?	none reported
Type of auditor's report issued on compliance for major programs:	Unqualified
Any audit findings disclosed that are required to be reported in accordance with section 510(a) of Circular A-133?	yes

Identification of Major Programs:

Name of Federal Program or Cluster

Title I, Part A Cluster
State Fiscal Stabilization Fund Cluster

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

Auditee qualified as low-risk auditee? no

Section II – Financial Statement Findings

FINDING 2011-1 - INTERNAL CONTROLS - SEGREGATION OF DUTIES

The School Corporation does not have adequate segregation of accounting duties or compensating controls in place to ensure the accuracy of financial reporting and the safeguarding of cash as described below:

The Treasurer is responsible for writing receipts; making deposits; writing vendor checks; recording receipts and vendor checks in the ledger; entering adjustment/correction transactions to the ledger; reconciling ledger reports within the accounting application system in order to ensure all activity is properly posted throughout the accounting application system; and performing month end bank reconciliations. In addition, the Treasurer is responsible for all payroll functions including posting time worked to employee records, maintaining employee service and earnings records, posting payroll transactions to the corporation records, authorizing electronic transfers of funds, making adjustments, reconciling payroll and corporation records.

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

Segregation of duties is the concept of having different people do different tasks within the organization. Segregation of duties provides the foundation of good internal control by assuring that no one individual is in a position to perpetuate and conceal errors or irregularities in the normal course of their authorized duties. Compensating controls are safeguards put in place to mitigate the effects of the lack of segregation of duties.

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

Governmental units should have internal controls in effect which provide reasonable assurance regarding the reliability of financial information and records, effectiveness and efficiency of operations, proper execution of management's objectives, and compliance with laws and regulations. Among other things, segregation of duties, safeguarding controls over cash and all other assets and all forms of information processing are necessary for proper internal control.

Controls over the receipting, disbursing, recording, and accounting for the financial activities are necessary to avoid substantial risk of invalid transactions, inaccurate records and financial statements and incorrect decision making. (Accounting and Uniform Compliance Guidelines Manual for Indiana Public School Corporations, Chapter 9)

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

Section III – Federal Award Findings and Questioned Costs

FINDING 2011-2 - REPORTING

Federal Agency: U.S. Department of Education
Federal Program: Title I Grants to Local Educational Agencies
CFDA Numbers: 84.010
Pass-Through Entity: Indiana Department of Education
Federal Award Number: 09-6895; 10-6895; 11-6895

The School Corporation has not implemented controls sufficient to provide timely and accurate program monitoring reports to the Indiana Department of Education (pass-through entity). Controls were not in place to account for projects in a manner sufficient to allocate expenditures to the respective projects; to prepare project reports based on project ledger expenditures; reconcile cumulative project expenditures reported to the project records; and maintain a reporting schedule to ensure timely filing of reports. The following deficiencies were noted in regards to the reporting of financial information to the Indiana Department of Education.

1. Quarterly Monitoring Reports, required to be filed with the Indiana Department of Education (pass-through entity), request information regarding the cumulative receipt and disbursement totals and the cash balance at the end of the reporting period for each Title I Grants to Local Educational Agencies project.

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

Reports showing cumulative financial activity were not accurate. Expenditure amounts reported from one quarterly report to the next were inconsistent with amounts previously reported. The first Quarterly Monitoring Report for project 10-6895 reported expenditures of \$48,576 through the date of September 30, 2009. The second Quarterly Monitoring Report for the same project showed total expenditures for the project through the end date of December 31, 2009, to be \$28,551.

The cash balance reported on the first Quarterly Monitoring Report for project 10-6895 did not agree with the cash balance per the School Corporation's financial records due to disbursements being included on the report that were related to another project. A review of subsequently Quarterly Monitoring Report also identified differences between the reported cash balance and the balance shown per the School Corporation's financial records. The following is a comparison of cash balances reported on the Quarterly Monitoring Reports and the project ledgers cash balances for project 10-6895:

<u>Date</u>	<u>Reported Cash Balance</u>	<u>Ledger Cash Balance</u>	<u>Variance</u>
09-30-09	\$ (48,576)	\$ (18,750)	\$ 29,826
12-31-09	29,621	10,871	(18,750)
03-31-10	(5,187)	(23,934)	(18,747)
06-30-10	6,711	(12,036)	(18,747)

2. A Final Annual Expenditure Report is required to be filed with the Indiana Department of Education at the completion of the project. The Final Annual Expenditure Report for project 10-6895 included disbursements not related to the project causing disbursements and cash balances to be incorrectly reported to the pass-through entity. The following is a comparison of the cash balance reported on the Final Annual Expenditure Report and the ledger project cash balance for the grant:

<u>Project Ending Date</u>	<u>Reported Cash Balance</u>	<u>Ledger Cash Balance</u>	<u>Variance</u>
09-30-10	<u>\$ (29,371)</u>	<u>\$ 43,029</u>	<u>\$ (72,400)</u>

3. Reports required to be filed with the pass-through entity were not filed by the due dates specified in the grant agreement. Reports required to be filed during the 2009-2010 and 2010-2011 school years were filed 89 to 185 days after the due dates. Reports for the following grant project were filed late as shown below:

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

Project Number	Report Type	Period Ending Date	Due Date	Date Filed	Number of Days Filed Late
10-6895	Quarterly Monitoring Report	09-30-09	10-10-09	01-07-10	89
11-6895	Quarterly Monitoring Report	09-30-10	10-10-10	11-15-10	36
11-6895	Quarterly Monitoring Report	12-31-10	10-10-11	02-28-11	49
11-6895	Quarterly Monitoring Report	03-31-11	04-10-11	04-21-11	11
11-6895	Quarterly Monitoring Report	06-30-11	07-10-11	01-11-12	185

The pass-through entity Quarterly Monitoring Report form indicated a report due date of the 10th of the month following the quarter ending date. The Final Annual Expenditure Report form indicated the report due date as 30 days after the reporting period.

CFR 34 80.20(b) states in part:

"The financial management system 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. . . ."

We recommended that School Corporation officials implement controls to ensure that reports are prepared based upon the activity of the grant funds. Another individual should review the reports making comparisons to the general ledger to ensure accuracy and timeliness. School Corporation officials should also implement a system to ensure that all reporting be filed by the required due date.

BATESVILLE COMMUNITY SCHOOL CORPORATION
SUMMARY SCHEDULE OF PRIOR AUDIT FINDINGS

No matters are reportable.

Batesville Community School Corporation

626 N. Huntersville Rd. *** P.O. Box 121 *** Batesville, Indiana 47006

Dr. James S. Roberts, Superintendent
Mr. Tim Hunter, Director of Buildings & Grounds
Mr. Ed Krause, Director of Transportation & Safety

Phone (812) 934-2194

FAX (812) 933-0833

FINDING NO. 2011-1 SEGREGATION OF DUTIES

Contact Person: Dr. James S. Roberts
Title: Superintendent
Phone Number: 812 934-2194

Corrective Action Planned:

Batesville Community School Corporation will review and implement procedures involving current staff that would provide, to some degree, additional segregation of duties. However, management and governance have determined that the cost of employing additional staff to provide segregation of duties would outweigh the benefits of a stronger internal control structure. Management acknowledges and assumes the risks inherent in the internal control structure.

FINDING NO. 2011-2 INTERNAL CONTROL OVER REPORTING

Federal Agency: U.S. Department of Education
Pass-Through: Indiana Department of Education
Federal Program: Title I Grants to Local Educational Agencies
CFDA Number: 84.010

Corrective Action Planned:

Batesville Community School Corporation has reviewed and implemented internal controls that will provide for accurate and timely monitoring reports.

Accounting for Title I projects is now done through the use of separate funds for the respective projects. Project reports are prepared based on the financial activity in the separate project funds. Monitoring reports are reviewed and reconciled to the corresponding project fund prior to report submission. A reporting schedule is maintained to ensure timely reporting. Reports not filed for previous projects have been filed. We plan to contact the Indiana Department of Education to determine actions to take in regards to errors on previous reports.



(Official)

Superintendent

(Title)

2/13/12

(Date)

A tradition of excellence ensuring success for tomorrow.

BATESVILLE COMMUNITY SCHOOL CORPORATION
EXIT CONFERENCE

The contents of this report were discussed on February 13, 2012, with Constance M. Wintz, Treasurer; Michael A. Bettice, Vice President of the School Board; Timothy E. Hunter, Director Buildings and Grounds; and Dr. James S. Roberts, Superintendent of Schools. The officials concurred with our audit findings.