

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

FINANCIAL STATEMENT AND
FEDERAL SINGLE AUDIT REPORT
OF

SOUTH SPENCER COUNTY SCHOOL CORPORATION
SPENCER 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	Diane Parsley	07-01-09 to 06-30-12
Superintendent of Schools	H. Mike Robinson Candis Haskell	07-01-09 to 06-30-11 07-01-11 to 06-30-12
President of the Board of School Trustees	Jeff Roberts Chris Brown Jane Whitney James Boyer	07-01-09 to 01-10-10 01-11-10 to 01-10-11 01-11-11 to 01-09-12 01-10-12 to 01-09-13



STATE OF INDIANA
AN EQUAL OPPORTUNITY EMPLOYER

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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 SOUTH SPENCER COUNTY SCHOOL
CORPORATION, SPENCER COUNTY, INDIANA

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

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

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

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

In accordance with Government Auditing Standards, we have also issued a report dated February 16, 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, Board of School Trustees, 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 16, 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 SOUTH SPENCER COUNTY SCHOOL
CORPORATION, SPENCER COUNTY, INDIANA

We have audited the financial statement of the South Spencer County School Corporation (School Corporation), for the years ended June 30, 2010 and 2011, and have issued our report thereon dated February 16, 2012. We conducted our audit in accordance with auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in Government Auditing Standards, issued by the Comptroller General of the United States.

Internal Control Over Financial Reporting

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

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

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

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

Compliance and Other Matters

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

This report is intended solely for the information and use of the School Corporation's management, Board of School Trustees, 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 16, 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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SOUTH SPENCER COUNTY 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	\$ 2,826,873	\$ 8,583,668	\$ 8,170,483	\$ 51,826	\$ 3,291,884	\$ 8,879,591	\$ 9,018,867	\$ (38,840)	\$ 3,113,768
Debt Service	254,468	2,112,216	1,418,000	(734)	947,950	1,529,384	1,417,500	(101,148)	958,686
Retirement/Severance Bond Debt Service	(385,521)	1,312,722	891,158	-	36,043	947,105	888,450	-	94,698
Capital Projects	4,331,415	2,242,056	1,414,341	-	5,159,130	1,964,161	1,300,440	(155,000)	5,667,851
School Transportation	2,040,536	1,497,291	662,284	-	2,875,543	905,311	652,364	(211,358)	2,917,132
School Bus Replacement	110,306	259,480	224,924	-	144,862	231,667	159,202	(20,000)	197,327
Special Education Preschool	54,931	31,626	34,505	(52,052)	-	-	-	-	-
Rainy Day	500,000	-	-	-	500,000	-	-	500,000	1,000,000
Retirement/Severance Bond	1,527,979	20,710	187,384	-	1,361,305	10,875	170,343	-	1,201,837
School Lunch	4,518	710,197	694,158	-	20,557	722,993	705,255	-	38,295
Textbook Rental	191,211	129,235	161,642	734	159,538	125,392	62,887	1,148	223,191
Self-Insurance	921,917	118,283	29,524	-	1,010,676	1,328,693	1,300,000	-	1,039,369
Levy Excess	-	13,642	-	-	13,642	-	-	(13,642)	-
Child Care Program Preschool	674	20,852	19,997	-	1,529	29,199	23,566	-	7,162
Educational License Plates	2,300	188	-	-	2,488	75	-	-	2,563
Alternative Education	176	751	1,177	250	-	926	1,235	309	-
Early Intervention Grant	-	2,650	-	-	2,650	-	5,600	-	(2,950)
Reading Recovery	-	-	-	-	-	7,001	1,214	-	5,787
Spencer County Community Foundation	1,211	-	120	-	1,091	-	1,091	-	-
Community Foundation Marsh	1,965	5,000	5,167	-	1,798	3,500	4,418	-	880
Toyota Grant	1,400	-	933	-	467	-	467	-	-
SINE Alt Ed	1,115	-	-	-	1,115	-	137	-	978
Adult and Continuing Education	26	512	512	-	26	280	306	-	-
SINE Adult Literacy	-	5,000	-	-	5,000	-	5,000	-	-
Extra-Curricular Activities	(41)	6,127	6,086	-	-	-	-	-	-
Fluoride	711	439	622	-	528	417	453	-	492
Samatovage Trust	44,293	13,339	-	-	57,632	5	-	-	57,637
Alcoa Grant Luce Reading	4,501	-	4,313	-	188	-	188	-	-
Welborn Wellness Grant	-	-	-	-	-	22,571	15,626	-	6,945
National Archer Program Donation	-	-	-	-	-	1,000	1,000	-	-
Gifted/Talented 2009/2010	-	31,263	29,869	-	1,394	-	1,394	-	-
Gifted/Talented 2010/2011	2,838	-	2,838	-	-	30,794	30,013	-	781
Adult Ed Reimbursable	(6,296)	38,327	70,041	-	(38,010)	38,866	47,453	39,007	(7,590)
Non-English Speaking Programs P.L. 273-1999	711	1,534	188	-	2,057	-	1,465	-	592
School Technology	21,490	3,084	10,673	-	13,901	7,931	12,553	-	9,279
Title I 2010-2011	14,776	11,000	15,582	(10,194)	-	152,556	159,527	876	(6,095)
Title I 2009-2010	-	160,587	172,488	10,194	(1,707)	20,000	17,417	(876)	-
Title V Part A 2007-2008	946	-	946	-	-	-	-	-	-
Drug Free Schools 2009-10	-	4,576	3,991	-	585	-	585	-	-
Medicaid Reimbursement - Federal	21,881	844	2,878	(24)	19,823	1,518	2,924	(476)	17,941
Improving Teaching Quality, No Child Left, Title II, F	6,090	69,261	62,439	-	12,912	63,476	75,636	-	752
Fiscal Stabilization - Education	711,774	289,390	1,001,164	-	-	-	-	-	-
Title I - Grants to LEAs	-	114,309	107,120	-	7,189	-	7,176	-	13
Special Education - Part B	-	135,151	150,105	-	(14,954)	191,148	168,524	-	7,670
Special Education - Part B - Preschool	-	10,840	10,840	-	-	-	-	-	-
Education Jobs	-	-	-	-	-	274,381	274,381	-	-
Totals	\$ 13,211,174	\$ 17,956,150	\$ 15,568,492	\$ -	\$ 15,598,832	\$ 17,490,816	\$ 16,534,657	\$ -	\$ 16,554,991

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

SOUTH SPENCER COUNTY 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, 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.

SOUTH SPENCER COUNTY 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.

SOUTH SPENCER COUNTY 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.

SOUTH SPENCER COUNTY 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.

SOUTH SPENCER COUNTY 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.

SOUTH SPENCER COUNTY 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	Retirement/ Severance Bond Debt Service	Capital Projects	School Transportation	School Bus Replacement	Special Education Preschool	Rainy Day	Retirement/ Severance Bond	School Lunch
Cash and investments - beginning	\$ 2,826,873	\$ 254,468	\$ (385,521)	\$ 4,331,415	\$ 2,040,536	\$ 110,306	\$ 54,931	\$ 500,000	\$ 1,527,979	\$ 4,518
Receipts:										
Local sources	234,087	2,112,216	1,312,722	2,203,058	1,497,291	259,480	-	-	20,710	343,028
Intermediate sources	451	-	-	-	-	-	-	-	-	-
State sources	8,349,130	-	-	-	-	-	31,626	-	-	7,209
Federal sources	-	-	-	-	-	-	-	-	-	359,960
Other	-	-	-	38,998	-	-	-	-	-	-
Total receipts	8,583,668	2,112,216	1,312,722	2,242,056	1,497,291	259,480	31,626	-	20,710	710,197
Disbursements:										
Current:										
Instruction	5,601,169	-	-	-	-	-	34,505	-	187,384	-
Support services	2,445,658	-	-	586,229	662,284	224,924	-	-	-	-
Noninstructional services	103,161	-	-	-	-	-	-	-	-	694,158
Facilities acquisition and construction	-	-	-	828,112	-	-	-	-	-	-
Debt services	-	1,418,000	891,158	-	-	-	-	-	-	-
Nonprogrammed charges	20,495	-	-	-	-	-	-	-	-	-
Total disbursements	8,170,483	1,418,000	891,158	1,414,341	662,284	224,924	34,505	-	187,384	694,158
Excess (deficiency) of receipts over disbursements	413,185	694,216	421,564	827,715	835,007	34,556	(2,879)	-	(166,674)	16,039
Other financing sources (uses):										
Transfers in	52,091	-	-	-	-	-	-	-	-	-
Transfers out	(265)	(734)	-	-	-	-	(52,052)	-	-	-
Total other financing sources (uses)	51,826	(734)	-	-	-	-	(52,052)	-	-	-
Excess (deficiency) of receipts and other financing sources over disbursements and other financing uses	465,011	693,482	421,564	827,715	835,007	34,556	(54,931)	-	(166,674)	16,039
Cash and investments - ending	\$ 3,291,884	\$ 947,950	\$ 36,043	\$ 5,159,130	\$ 2,875,543	\$ 144,862	\$ -	\$ 500,000	\$ 1,361,305	\$ 20,557

SOUTH SPENCER COUNTY 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)

	Textbook Rental	Self- Insurance	Levy Excess	Child Care Program Preschool	Educational License Plates	Alternative Education	Early Intervention Grant	Reading Recovery	Spencer County Community Foundation	Community Foundation Marsh
Cash and investments - beginning	\$ 191,211	\$ 921,917	\$ -	\$ 674	\$ 2,300	\$ 176	\$ -	\$ -	\$ 1,211	\$ 1,965
Receipts:										
Local sources	89,905	118,283	13,642	20,852	-	-	-	-	-	5,000
Intermediate sources	-	-	-	-	188	-	-	-	-	-
State sources	39,330	-	-	-	-	751	2,650	-	-	-
Federal sources	-	-	-	-	-	-	-	-	-	-
Other	-	-	-	-	-	-	-	-	-	-
Total receipts	<u>129,235</u>	<u>118,283</u>	<u>13,642</u>	<u>20,852</u>	<u>188</u>	<u>751</u>	<u>2,650</u>	<u>-</u>	<u>-</u>	<u>5,000</u>
Disbursements:										
Current:										
Instruction	-	-	-	19,997	-	1,177	-	-	120	5,167
Support services	161,642	15,896	-	-	-	-	-	-	-	-
Noninstructional services	-	-	-	-	-	-	-	-	-	-
Facilities acquisition and construction	-	-	-	-	-	-	-	-	-	-
Debt services	-	-	-	-	-	-	-	-	-	-
Nonprogrammed charges	-	13,628	-	-	-	-	-	-	-	-
Total disbursements	<u>161,642</u>	<u>29,524</u>	<u>-</u>	<u>19,997</u>	<u>-</u>	<u>1,177</u>	<u>-</u>	<u>-</u>	<u>120</u>	<u>5,167</u>
Excess (deficiency) of receipts over disbursements	<u>(32,407)</u>	<u>88,759</u>	<u>13,642</u>	<u>855</u>	<u>188</u>	<u>(426)</u>	<u>2,650</u>	<u>-</u>	<u>(120)</u>	<u>(167)</u>
Other financing sources (uses):										
Transfers in	734	-	-	81	-	250	-	-	-	-
Transfers out	-	-	-	(81)	-	-	-	-	-	-
Total other financing sources (uses)	<u>734</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>250</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Excess (deficiency) of receipts and other financing sources over disbursements and other financing uses	<u>(31,673)</u>	<u>88,759</u>	<u>13,642</u>	<u>855</u>	<u>188</u>	<u>(176)</u>	<u>2,650</u>	<u>-</u>	<u>(120)</u>	<u>(167)</u>
Cash and investments - ending	<u>\$ 159,538</u>	<u>\$ 1,010,676</u>	<u>\$ 13,642</u>	<u>\$ 1,529</u>	<u>\$ 2,488</u>	<u>\$ -</u>	<u>\$ 2,650</u>	<u>\$ -</u>	<u>\$ 1,091</u>	<u>\$ 1,798</u>

SOUTH SPENCER COUNTY 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)

	Toyota Grant	SINE Alt Ed	Adult and Continuing Education	SINE Adult Literacy	Extra- Curricular Activities	Fluoride	Samatovage Trust	Alcoa Grant Luce Reading	Welborn Wellness Grant
Cash and investments - beginning	\$ 1,400	\$ 1,115	\$ 26	\$ -	\$ (41)	\$ 711	\$ 44,293	\$ 4,501	\$ -
Receipts:									
Local sources	-	-	512	5,000	6,127	439	13,339	-	-
Intermediate sources	-	-	-	-	-	-	-	-	-
State sources	-	-	-	-	-	-	-	-	-
Federal sources	-	-	-	-	-	-	-	-	-
Other	-	-	-	-	-	-	-	-	-
Total receipts	-	-	512	5,000	6,127	439	13,339	-	-
Disbursements:									
Current:									
Instruction	933	-	512	-	6,086	622	-	4,313	-
Support services	-	-	-	-	-	-	-	-	-
Noninstructional services	-	-	-	-	-	-	-	-	-
Facilities acquisition and construction	-	-	-	-	-	-	-	-	-
Debt services	-	-	-	-	-	-	-	-	-
Nonprogrammed charges	-	-	-	-	-	-	-	-	-
Total disbursements	933	-	512	-	6,086	622	-	4,313	-
Excess (deficiency) of receipts over disbursements	(933)	-	-	5,000	41	(183)	13,339	(4,313)	-
Other financing sources (uses):									
Transfers in	-	-	-	-	-	-	-	-	-
Transfers out	-	-	-	-	-	-	-	-	-
Total other financing sources (uses)	-	-	-	-	-	-	-	-	-
Excess (deficiency) of receipts and other financing sources over disbursements and other financing uses	(933)	-	-	5,000	41	(183)	13,339	(4,313)	-
Cash and investments - ending	\$ 467	\$ 1,115	\$ 26	\$ 5,000	\$ -	\$ 528	\$ 57,632	\$ 188	\$ -

SOUTH SPENCER COUNTY 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)

	National Archer Program Donation	Gifted/ Talented 2009/2010	Gifted/ Talented 2010/2011	Adult Ed Reimbursable	Non-English Speaking Programs P.L. 273-1999	School Technology	Title I 2010-2011	Title I 2009-2010	Title V Part A 2007-2008
Cash and investments - beginning	\$ -	\$ -	\$ 2,838	\$ (6,296)	\$ 711	\$ 21,490	\$ 14,776	\$ -	\$ 946
Receipts:									
Local sources	-	-	-	-	-	-	-	-	-
Intermediate sources	-	-	-	-	-	-	-	-	-
State sources	-	31,263	-	38,327	1,534	3,084	-	-	-
Federal sources	-	-	-	-	-	-	11,000	160,587	-
Other	-	-	-	-	-	-	-	-	-
Total receipts	-	31,263	-	38,327	1,534	3,084	11,000	160,587	-
Disbursements:									
Current:									
Instruction	-	29,869	2,838	70,041	120	-	4,999	166,856	-
Support services	-	-	-	-	68	10,673	10,132	4,632	946
Noninstructional services	-	-	-	-	-	-	451	1,000	-
Facilities acquisition and construction	-	-	-	-	-	-	-	-	-
Debt services	-	-	-	-	-	-	-	-	-
Nonprogrammed charges	-	-	-	-	-	-	-	-	-
Total disbursements	-	29,869	2,838	70,041	188	10,673	15,582	172,488	946
Excess (deficiency) of receipts over disbursements	-	1,394	(2,838)	(31,714)	1,346	(7,589)	(4,582)	(11,901)	(946)
Other financing sources (uses):									
Transfers in	-	-	-	-	-	-	-	10,194	-
Transfers out	-	-	-	-	-	-	(10,194)	-	-
Total other financing sources (uses)	-	-	-	-	-	-	(10,194)	10,194	-
Excess (deficiency) of receipts and other financing sources over disbursements and other financing uses	-	1,394	(2,838)	(31,714)	1,346	(7,589)	(14,776)	(1,707)	(946)
Cash and investments - ending	\$ -	\$ 1,394	\$ -	\$ (38,010)	\$ 2,057	\$ 13,901	\$ -	\$ (1,707)	\$ -

SOUTH SPENCER COUNTY 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)

	Drug Free Schools 2009-10	Medicaid Reimbursement - Federal	Improving Teaching Quality, No Child Left, Title II, Part A	Fiscal Stabilization - Education	Title I - Grants to LEAs	Special Education - Part B	Special Education - Part B - Preschool	Education Jobs	Totals
Cash and investments - beginning	\$ -	\$ 21,881	\$ 6,090	\$ 711,774	\$ -	\$ -	\$ -	\$ -	\$ 13,211,174
Receipts:									
Local sources	-	-	-	-	-	-	-	-	8,255,691
Intermediate sources	-	-	-	-	-	-	-	-	639
State sources	-	-	-	-	-	-	-	-	8,504,904
Federal sources	4,576	844	69,261	289,390	114,309	135,151	10,840	-	1,155,918
Other	-	-	-	-	-	-	-	-	38,998
Total receipts	4,576	844	69,261	289,390	114,309	135,151	10,840	-	17,956,150
Disbursements:									
Current:									
Instruction	-	-	51,928	816,031	107,120	124,976	10,840	-	7,247,603
Support services	3,991	2,878	10,511	184,463	-	25,129	-	-	4,350,056
Noninstructional services	-	-	-	670	-	-	-	-	799,440
Facilities acquisition and construction	-	-	-	-	-	-	-	-	828,112
Debt services	-	-	-	-	-	-	-	-	2,309,158
Nonprogrammed charges	-	-	-	-	-	-	-	-	34,123
Total disbursements	3,991	2,878	62,439	1,001,164	107,120	150,105	10,840	-	15,568,492
Excess (deficiency) of receipts over disbursements	585	(2,034)	6,822	(711,774)	7,189	(14,954)	-	-	2,387,658
Other financing sources (uses):									
Transfers in	-	15	-	-	-	-	-	-	63,365
Transfers out	-	(39)	-	-	-	-	-	-	(63,365)
Total other financing sources (uses)	-	(24)	-	-	-	-	-	-	-
Excess (deficiency) of receipts and other financing sources over disbursements and other financing uses	585	(2,058)	6,822	(711,774)	7,189	(14,954)	-	-	2,387,658
Cash and investments - ending	\$ 585	\$ 19,823	\$ 12,912	\$ -	\$ 7,189	\$ (14,954)	\$ -	\$ -	\$ 15,598,832

SOUTH SPENCER COUNTY 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	Retirement/ Severance Bond Debt Service	Capital Projects	School Transportation	School Bus Replacement	Special Education Preschool	Rainy Day	Retirement/ Severance Bond	School Lunch
Cash and investments - beginning	\$ 3,291,884	\$ 947,950	\$ 36,043	\$ 5,159,130	\$ 2,875,543	\$ 144,862	\$ -	\$ 500,000	\$ 1,361,305	\$ 20,557
Receipts:										
Local sources	187,408	1,529,384	947,105	1,957,197	905,311	231,667	-	-	10,875	323,934
Intermediate sources	451	-	-	-	-	-	-	-	-	-
State sources	8,691,732	-	-	-	-	-	-	-	-	7,926
Federal sources	-	-	-	-	-	-	-	-	-	391,133
Other	-	-	-	6,964	-	-	-	-	-	-
Total receipts	<u>8,879,591</u>	<u>1,529,384</u>	<u>947,105</u>	<u>1,964,161</u>	<u>905,311</u>	<u>231,667</u>	<u>-</u>	<u>-</u>	<u>10,875</u>	<u>722,993</u>
Disbursements:										
Current:										
Instruction	6,233,018	-	-	-	-	-	-	-	162,530	-
Support services	2,672,425	-	-	588,617	652,364	159,202	-	-	7,813	-
Noninstructional services	82,191	-	-	-	-	-	-	-	-	705,255
Facilities acquisition and construction	-	-	-	711,823	-	-	-	-	-	-
Debt services	-	1,417,500	888,450	-	-	-	-	-	-	-
Nonprogrammed charges	31,233	-	-	-	-	-	-	-	-	-
Total disbursements	<u>9,018,867</u>	<u>1,417,500</u>	<u>888,450</u>	<u>1,300,440</u>	<u>652,364</u>	<u>159,202</u>	<u>-</u>	<u>-</u>	<u>170,343</u>	<u>705,255</u>
Excess (deficiency) of receipts over disbursements	<u>(139,276)</u>	<u>111,884</u>	<u>58,655</u>	<u>663,721</u>	<u>252,947</u>	<u>72,465</u>	<u>-</u>	<u>-</u>	<u>(159,468)</u>	<u>17,738</u>
Other financing sources (uses):										
Transfers in	476	-	-	-	13,642	-	-	500,000	-	-
Transfers out	(39,316)	(101,148)	-	(155,000)	(225,000)	(20,000)	-	-	-	-
Total other financing sources (uses)	<u>(38,840)</u>	<u>(101,148)</u>	<u>-</u>	<u>(155,000)</u>	<u>(211,358)</u>	<u>(20,000)</u>	<u>-</u>	<u>500,000</u>	<u>-</u>	<u>-</u>
Excess (deficiency) of receipts and other financing sources over disbursements and other financing uses	<u>(178,116)</u>	<u>10,736</u>	<u>58,655</u>	<u>508,721</u>	<u>41,589</u>	<u>52,465</u>	<u>-</u>	<u>500,000</u>	<u>(159,468)</u>	<u>17,738</u>
Cash and investments - ending	<u>\$ 3,113,768</u>	<u>\$ 958,686</u>	<u>\$ 94,698</u>	<u>\$ 5,667,851</u>	<u>\$ 2,917,132</u>	<u>\$ 197,327</u>	<u>\$ -</u>	<u>\$ 1,000,000</u>	<u>\$ 1,201,837</u>	<u>\$ 38,295</u>

SOUTH SPENCER COUNTY 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)

	Textbook Rental	Self- Insurance	Levy Excess	Child Care Program Preschool	Educational License Plates	Alternative Education	Early Intervention Grant	Reading Recovery	Spencer County Community Foundation	Community Foundation Marsh
Cash and investments - beginning	\$ 159,538	\$ 1,010,676	\$ 13,642	\$ 1,529	\$ 2,488	\$ -	\$ 2,650	\$ -	\$ 1,091	\$ 1,798
Receipts:										
Local sources	87,984	1,328,693	-	29,199	-	-	-	7,001	-	3,500
Intermediate sources	-	-	-	-	75	-	-	-	-	-
State sources	37,408	-	-	-	-	926	-	-	-	-
Federal sources	-	-	-	-	-	-	-	-	-	-
Other	-	-	-	-	-	-	-	-	-	-
Total receipts	<u>125,392</u>	<u>1,328,693</u>	<u>-</u>	<u>29,199</u>	<u>75</u>	<u>926</u>	<u>-</u>	<u>7,001</u>	<u>-</u>	<u>3,500</u>
Disbursements:										
Current:										
Instruction	-	-	-	23,566	-	1,235	5,600	-	177	4,418
Support services	62,887	600,000	-	-	-	-	-	1,214	914	-
Noninstructional services	-	-	-	-	-	-	-	-	-	-
Facilities acquisition and construction	-	-	-	-	-	-	-	-	-	-
Debt services	-	-	-	-	-	-	-	-	-	-
Nonprogrammed charges	-	700,000	-	-	-	-	-	-	-	-
Total disbursements	<u>62,887</u>	<u>1,300,000</u>	<u>-</u>	<u>23,566</u>	<u>-</u>	<u>1,235</u>	<u>5,600</u>	<u>1,214</u>	<u>1,091</u>	<u>4,418</u>
Excess (deficiency) of receipts over disbursements	<u>62,505</u>	<u>28,693</u>	<u>-</u>	<u>5,633</u>	<u>75</u>	<u>(309)</u>	<u>(5,600)</u>	<u>5,787</u>	<u>(1,091)</u>	<u>(918)</u>
Other financing sources (uses):										
Transfers in	1,148	-	-	-	-	309	-	-	-	-
Transfers out	-	-	(13,642)	-	-	-	-	-	-	-
Total other financing sources (uses)	<u>1,148</u>	<u>-</u>	<u>(13,642)</u>	<u>-</u>	<u>-</u>	<u>309</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Excess (deficiency) of receipts and other financing sources over disbursements and other financing uses	<u>63,653</u>	<u>28,693</u>	<u>(13,642)</u>	<u>5,633</u>	<u>75</u>	<u>-</u>	<u>(5,600)</u>	<u>5,787</u>	<u>(1,091)</u>	<u>(918)</u>
Cash and investments - ending	<u>\$ 223,191</u>	<u>\$ 1,039,369</u>	<u>\$ -</u>	<u>\$ 7,162</u>	<u>\$ 2,563</u>	<u>\$ -</u>	<u>\$ (2,950)</u>	<u>\$ 5,787</u>	<u>\$ -</u>	<u>\$ 880</u>

SOUTH SPENCER COUNTY 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)

	Toyota Grant	SINE Alt Ed	Adult and Continuing Education	SINE Adult Literacy	Extra- Curricular Activities	Fluoride	Samatovage Trust	Alcoa Grant Luce Reading	Welborn Wellness Grant
Cash and investments - beginning	\$ 467	\$ 1,115	\$ 26	\$ 5,000	\$ -	\$ 528	\$ 57,632	\$ 188	\$ -
Receipts:									
Local sources	-	-	280	-	-	417	5	-	22,571
Intermediate sources	-	-	-	-	-	-	-	-	-
State sources	-	-	-	-	-	-	-	-	-
Federal sources	-	-	-	-	-	-	-	-	-
Other	-	-	-	-	-	-	-	-	-
Total receipts	-	-	280	-	-	417	5	-	22,571
Disbursements:									
Current:									
Instruction	467	137	306	5,000	-	453	-	188	1,615
Support services	-	-	-	-	-	-	-	-	14,011
Noninstructional services	-	-	-	-	-	-	-	-	-
Facilities acquisition and construction	-	-	-	-	-	-	-	-	-
Debt services	-	-	-	-	-	-	-	-	-
Nonprogrammed charges	-	-	-	-	-	-	-	-	-
Total disbursements	467	137	306	5,000	-	453	-	188	15,626
Excess (deficiency) of receipts over disbursements	(467)	(137)	(26)	(5,000)	-	(36)	5	(188)	6,945
Other financing sources (uses):									
Transfers in	-	-	-	-	-	-	-	-	-
Transfers out	-	-	-	-	-	-	-	-	-
Total other financing sources (uses)	-	-	-	-	-	-	-	-	-
Excess (deficiency) of receipts and other financing sources over disbursements and other financing uses	(467)	(137)	(26)	(5,000)	-	(36)	5	(188)	6,945
Cash and investments - ending	\$ -	\$ 978	\$ -	\$ -	\$ -	\$ 492	\$ 57,637	\$ -	\$ 6,945

SOUTH SPENCER COUNTY 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)

	National Archer Program Donation	Gifted/ Talented 2009/2010	Gifted/ Talented 2010/2011	Adult Ed Reimbursable	Non-English Speaking Programs P.L. 273-1999	School Technology	Title I 2010-2011	Title I 2009-2010	Title V Part A 2007-2008
Cash and investments - beginning	\$ -	\$ 1,394	\$ -	\$ (38,010)	\$ 2,057	\$ 13,901	\$ -	\$ (1,707)	\$ -
Receipts:									
Local sources	1,000	-	-	-	-	-	-	-	-
Intermediate sources	-	-	-	-	-	-	-	-	-
State sources	-	-	30,794	38,866	-	7,931	-	-	-
Federal sources	-	-	-	-	-	-	152,556	20,000	-
Other	-	-	-	-	-	-	-	-	-
Total receipts	1,000	-	30,794	38,866	-	7,931	152,556	20,000	-
Disbursements:									
Current:									
Instruction	1,000	1,394	30,013	47,453	-	-	144,217	17,417	-
Support services	-	-	-	-	1,465	12,553	15,310	-	-
Noninstructional services	-	-	-	-	-	-	-	-	-
Facilities acquisition and construction	-	-	-	-	-	-	-	-	-
Debt services	-	-	-	-	-	-	-	-	-
Nonprogrammed charges	-	-	-	-	-	-	-	-	-
Total disbursements	1,000	1,394	30,013	47,453	1,465	12,553	159,527	17,417	-
Excess (deficiency) of receipts over disbursements	-	(1,394)	781	(8,587)	(1,465)	(4,622)	(6,971)	2,583	-
Other financing sources (uses):									
Transfers in	-	-	-	39,007	-	-	876	-	-
Transfers out	-	-	-	-	-	-	-	(876)	-
Total other financing sources (uses)	-	-	-	39,007	-	-	876	(876)	-
Excess (deficiency) of receipts and other financing sources over disbursements and other financing uses	-	(1,394)	781	30,420	(1,465)	(4,622)	(6,095)	1,707	-
Cash and investments - ending	\$ -	\$ -	\$ 781	\$ (7,590)	\$ 592	\$ 9,279	\$ (6,095)	\$ -	\$ -

SOUTH SPENCER COUNTY 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)

	Drug Free Schools 2009-10	Medicaid Reimbursement - Federal	Improving Teaching Quality, No Child Left, Title II, Part A	Fiscal Stabilization - Education	Title I - Grants to LEAs	Special Education - Part B	Special Education - Part B - Preschool	Education Jobs	Totals
Cash and investments - beginning	\$ 585	\$ 19,823	\$ 12,912	\$ -	\$ 7,189	\$ (14,954)	\$ -	\$ -	\$ 15,598,832
Receipts:									
Local sources	-	-	-	-	-	-	-	-	7,573,531
Intermediate sources	-	-	-	-	-	-	-	-	526
State sources	-	-	-	-	-	-	-	-	8,815,583
Federal sources	-	1,518	63,476	-	-	191,148	-	274,381	1,094,212
Other	-	-	-	-	-	-	-	-	6,964
Total receipts	-	1,518	63,476	-	-	191,148	-	274,381	17,490,816
Disbursements:									
Current:									
Instruction	-	-	50,026	-	6,711	148,001	-	274,381	7,159,323
Support services	585	2,924	25,610	-	465	20,523	-	-	4,838,882
Noninstructional services	-	-	-	-	-	-	-	-	787,446
Facilities acquisition and construction	-	-	-	-	-	-	-	-	711,823
Debt services	-	-	-	-	-	-	-	-	2,305,950
Nonprogrammed charges	-	-	-	-	-	-	-	-	731,233
Total disbursements	585	2,924	75,636	-	7,176	168,524	-	274,381	16,534,657
Excess (deficiency) of receipts over disbursements	(585)	(1,406)	(12,160)	-	(7,176)	22,624	-	-	956,159
Other financing sources (uses):									
Transfers in	-	-	-	-	-	-	-	-	555,458
Transfers out	-	(476)	-	-	-	-	-	-	(555,458)
Total other financing sources (uses)	-	(476)	-	-	-	-	-	-	-
Excess (deficiency) of receipts and other financing sources over disbursements and other financing uses	(585)	(1,882)	(12,160)	-	(7,176)	22,624	-	-	956,159
Cash and investments - ending	\$ -	\$ 17,941	\$ 752	\$ -	\$ 13	\$ 7,670	\$ -	\$ -	\$ 16,554,991

SOUTH SPENCER COUNTY 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.

	Ending Balance
School Corporation:	
Capital assets, not being depreciated:	
Land	\$ 85,299
Buildings	30,467,790
Improvements other than buildings	400,111
Machinery and equipment	1,415,084
Transportation equipment	1,892,555
Total capital assets not being depreciated	\$ 34,260,839

SOUTH SPENCER COUNTY SCHOOL CORPORATION
 SUPPLEMENTARY INFORMATION
 SCHEDULE OF LONG-TERM DEBT
 June 30, 2011

The School Corporation has entered into the following debt:

Description of Debt	Ending Principal Balance	Principal and Interest Due Within One Year
Capital leases:		
South Spencer County Elementary School	\$ 8,575,000	\$ 1,418,000
Bonds payable:		
General obligation bonds:		
Retirement/Severance Bonds	<u>3,530,000</u>	<u>889,150</u>
Total debt	<u>\$ 12,105,000</u>	<u>\$ 2,307,150</u>

SOUTH SPENCER COUNTY SCHOOL CORPORATION
AUDIT RESULTS AND COMMENTS

PRESCRIBED FORMS (Applies to all Schools)

An approved computerized version of the Textbook Rental Receipt (TBR-2) was used, but was not signed by the issuing officer at any of the schools.

Officials and employees are required to use State Board of Accounts prescribed or approved forms in the manner prescribed. (Accounting and Uniform Compliance Guidelines Manual for Indiana Public School Corporations, Chapter 9) (Accounting and Uniform Compliance Guidelines Manual for Extra-Curricular Accounts, Chapter 7)

MISCALCULATION OF TEXTBOOK RENTAL FEES

The textbook rental fees tested were in excess of 25 percent of the retail price of the textbooks.

During the audit period, Indiana Code 20-26-12-2(a) stated:

"A governing body may purchase from a contracting publisher, at a price equal to or less than the net contract price, any textbook adopted by the state board and selected by the proper local officials. The governing body may rent these textbooks to students enrolled in any public or nonpublic school that is: (1) in compliance with the minimum certification standards of the state board; and (2) located within the attendance unit served by the governing body. The annual rental rate may not exceed twenty-five percent (25%) of the retail price of the textbooks."

SUPPLEMENTAL AUDIT OF
FEDERAL AWARDS



STATE OF INDIANA
AN EQUAL OPPORTUNITY EMPLOYER

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

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

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 SOUTH SPENCER COUNTY SCHOOL
CORPORATION, SPENCER COUNTY, INDIANA

Compliance

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

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

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

Internal Control Over Compliance

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

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

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

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

This report is intended solely for the information and use of the School Corporation's management, Board of School Trustees, 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 16, 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.

SOUTH SPENCER COUNTY 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	\$ 88,254	\$ -
		FY 10/11	-	92,879
Total for program			<u>88,254</u>	<u>92,879</u>
National School Lunch Program	10.555			
		FY 09/10	298,080	-
		FY 10/11	-	320,144
Total for program			<u>298,080</u>	<u>320,144</u>
Total for federal grantor agency			<u>386,334</u>	<u>413,023</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			
FY 09		09-7445	15,582	-
FY 10		10-7445	172,489	17,417
FY 11		11-7445	-	159,527
Total for program			<u>188,071</u>	<u>176,944</u>
ARRA - Title I Grants to Local Educational Agencies, Recovery Act	84.389			
		7445	<u>107,120</u>	<u>7,176</u>
Total for cluster			<u>295,191</u>	<u>184,120</u>
Pass-Through Dubois-Spencer-Perry Exceptional Children's Co-op				
Special Education Cluster				
ARRA - Special Education - Grants to States, Recovery Act	84.391			
		7445	<u>150,105</u>	<u>168,520</u>
ARRA - Special Education - Preschool Grants, Recovery Act	84.392			
		7445	<u>10,840</u>	-
Total for cluster			<u>160,945</u>	<u>168,520</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			
		7445	<u>1,001,164</u>	-
Total for cluster			<u>1,001,164</u>	-
Safe and Drug-Free Schools and Communities - State Grants	84.186			
		10-7445	<u>3,990</u>	<u>585</u>
State Grants for Innovative Programs	84.298			
Title V FY 07/08		08-7445	<u>946</u>	-
Improving Teacher Quality State Grants	84.367			
		08-7445	<u>62,439</u>	<u>75,635</u>
ARRA - Education Jobs Fund	84.410			
		7445	-	<u>274,381</u>
Total for federal grantor agency			<u>1,524,675</u>	<u>703,241</u>
<u>U.S. DEPARTMENT OF HOMELAND SECURITY</u>				
Pass-Through Indiana Department of Homeland Security				
Disaster Grants - Public Assistance (Presidentially Declared Disasters)	97.036			
		DR 1795	<u>1,021</u>	-
Total federal awards expended			<u>\$ 1,912,030</u>	<u>\$ 1,116,264</u>

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

SOUTH SPENCER COUNTY 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 South Spencer County 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	2010	2011
Child Nutrition Cluster	\$ 30,915	\$ 37,272

SOUTH SPENCER COUNTY SCHOOL CORPORATION
SCHEDULE OF FINDINGS AND QUESTIONED COSTS

Section I – Summary of Auditor's Results

Financial Statement:

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

Federal Awards:

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

Identification of Major Programs:

<u>CFDA Number</u>	<u>Name of Federal Program or Cluster</u>
84.410	Title I, Part A Cluster Special Education Cluster State Fiscal Stabilization Fund Cluster ARRA – Education Jobs Fund

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

No matters are reportable.

Section III – Federal Award Findings and Questioned Costs

No matters are reportable.

SOUTH SPENCER COUNTY SCHOOL CORPORATION
SUMMARY SCHEDULE OF PRIOR AUDIT FINDINGS

No matters are reportable.

SOUTH SPENCER COUNTY SCHOOL CORPORATION
EXIT CONFERENCE

The contents of this report were discussed on February 16, 2012, with Candis Haskell, Superintendent of Schools, and Diane Parsley, Treasurer. The officials concurred with our audit findings.