

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

FINANCIAL STATEMENT AND
FEDERAL SINGLE AUDIT REPORT
OF

LAPORTE COMMUNITY SCHOOL CORPORATION
LAPORTE COUNTY, INDIANA

July 1, 2010 to June 30, 2012



FILED
12/18/2012

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SCHEDULE OF OFFICIALS

<u>Office</u>	<u>Official</u>	<u>Term</u>
Treasurer	Patricia G. Baxter	07-01-10 to 12-31-12
Chief Financial Officer	Rande S. Thorpe	07-01-10 to 06-30-15
Superintendent of Schools	Dr. Judith DeMuth Dr. Glade T. Montgomery	07-01-08 to 06-30-11 07-01-11 to 07-17-15
President of the School Board	Mitch Feikes Mark Kosior	01-01-10 to 12-31-11 01-01-12 to 12-31-12



STATE OF INDIANA
AN EQUAL OPPORTUNITY EMPLOYER

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

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

INDEPENDENT AUDITOR'S REPORT

TO: THE OFFICIALS OF THE LAPORTE COMMUNITY
SCHOOL CORPORATION, LAPORTE COUNTY, INDIANA

We have audited the accompanying financial statement of the LaPorte Community School Corporation (School Corporation), for the period of July 1, 2010 to June 30, 2012. 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 effects on the financial statement of the variances between these regulatory accounting practices and accounting principles generally accepted in the United States of America, although not reasonably determinable, are presumed to be material. The basis noted above is a different basis than that used in the prior period.

In our opinion, because of the matter discussed in the preceding paragraph, the financial statement referred to above does not present fairly, in conformity with accounting principles generally accepted in the United States of America, the financial position and results of operations of the School Corporation for the period of July 1, 2010 to June 30, 2012.

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 period of July 1, 2010 to June 30, 2012, on the basis of accounting described in Note 1.

In accordance with Government Auditing Standards, we have also issued a report dated November 7, 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.

INDEPENDENT AUDITOR'S REPORT
(Continued)

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.

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 is the responsibility of management and was derived from and relates directly to the underlying accounting and other reports used to prepare the financial statement. The information has been subjected to the auditing procedures applied in the audit of the financial statement and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the financial statement or to the financial statement itself, and other additional procedures in accordance with auditing standards generally accepted in the United States of America. In our opinion, the Schedule of Expenditures of Federal Awards 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 Schedule of Receipts, Disbursements, Other Financing Sources (Uses), and Cash and Investment Balances – Regulatory Basis, Schedule of Leases and Debt, and Schedule of Capital Assets, as listed in the Table of Contents, are presented for additional analysis and are not required parts of the financial statement. They have not been subjected to the auditing procedures applied by us in the audit of the financial statement and, accordingly, we express no opinion on them.

The School Corporation's response to the Audit Results and Comments identified in our audit is described in the accompanying section of the report entitled Official Response. We did not audit the School Corporation's response and, accordingly, we express no opinion on it.

STATE BOARD OF ACCOUNTS

November 7, 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 LAPORTE COMMUNITY
SCHOOL CORPORATION, LAPORTE COUNTY, INDIANA

We have audited the financial statement of the LaPorte Community School Corporation (School Corporation), for the period of July 1, 2010 to June 30, 2012, and have issued our report thereon dated November 7, 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

Management of the School Corporation is responsible for establishing and maintaining effective 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, 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

November 7, 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.

LAPORTE COMMUNITY SCHOOL CORPORATION
STATEMENT OF RECEIPTS, DISBURSEMENTS, OTHER FINANCING SOURCES (USES), AND CASH AND INVESTMENT BALANCES -
REGULATORY BASIS
For the Years Ended June 30, 2011 and 2012

	Cash and Investments 07-01-10	Receipts	Disbursements	Other Financing Sources (Uses)	Cash and Investments 06-30-11	Receipts	Disbursements	Other Financing Sources (Uses)	Cash and Investments 06-30-12
General	\$ 6,104,427	\$ 37,023,849	\$ 36,856,325	\$ (162,599)	\$ 6,109,352	\$ 39,150,617	\$ 35,787,136	\$ -	\$ 9,472,833
Debt Service	1,469,403	5,803,987	9,312,678	-	(2,039,288)	8,807,784	6,660,160	-	108,336
Retirement/Severance Bond Debt Service	246,619	1,093,220	1,113,057	-	226,782	1,258,352	1,104,986	-	380,148
Capital Projects	(1,096,161)	4,330,578	3,549,883	-	(315,466)	6,420,244	4,636,595	170	1,468,353
School Transportation	(796,029)	3,550,845	4,038,426	-	(1,283,610)	3,313,545	3,490,076	-	(1,460,141)
School Bus Replacement	(762,584)	-	472,900	-	(1,235,484)	735,844	468,879	-	(968,519)
Retirement/Severance Bond	3,467,069	-	1,155,897	-	2,311,172	-	442,387	-	1,868,785
LPHS Construction	-	-	-	-	-	-	-	-	-
KMS Construction	-	38,759	38,759	-	-	-	-	-	-
BMS Construction	-	38,938	38,938	-	-	-	-	-	-
School Lunch	1,509,945	3,166,696	2,828,234	162,599	2,011,006	3,238,335	2,949,725	-	2,299,616
Textbook Rental	313,456	596,595	142,291	-	767,760	638,911	1,134,412	-	272,259
Levy Excess	-	309,937	-	-	309,937	-	-	-	309,937
Sp Ed Co-Op	2,369,104	5,204,514	5,125,871	-	2,447,747	5,829,443	5,226,459	-	3,050,731
Sp Ed Co-Op Preschool	209,579	482,393	424,133	-	267,839	510,139	462,407	-	315,571
Sp Ed/ Louie's Angels	-	1,626	58	-	1,568	1,900	475	-	2,993
Child Care Elem	-	208,528	208,810	184,341	184,059	221,245	199,177	-	206,127
Alternative Education	1,112	-	1,112	-	-	-	-	-	-
Handley School Intervention Counseling	1,079	-	1,079	-	-	-	-	-	-
Project Ed/LLC	-	-	-	-	-	-	-	-	-
Students Saving Lives	2,117	-	2,117	-	-	-	-	-	-
Kline Estate KDG Support	1,317,614	-	-	-	1,317,614	-	-	-	1,317,614
Trans Employee Fund	212	189	401	-	-	103	100	-	3
Missoula Children's Theatre	4,219	2,910	4,184	-	2,945	2,847	5,131	-	661
Child Care Elem	184,341	-	-	(184,341)	-	-	-	-	-
PSI Teen Pregnancy	321	5,000	4,733	-	588	5,000	4,840	-	748
Old Beginning Blazer Preschool	5,899	-	-	(5,899)	-	-	-	-	-
Lincoln Unity Fdtn	460	-	460	-	-	-	-	-	-
Hailmann Unity Fdtn	-	7,000	4,812	-	2,188	5,002	4,870	-	2,320
Kesling Unsung Heroes	1,330	-	1,330	-	-	-	-	-	-
LPHS Preschool	18,873	-	9,122	-	9,751	-	3,392	-	6,359
New Beginning Blazer Preschool	-	10,020	11,952	5,899	3,967	7,325	9,784	-	1,508
Handley/Unity/LFL	23	-	23	-	-	1,268	915	-	353
K.Hts. Unity Fdtn	997	2,470	3,046	-	421	-	-	-	421
BMS/Alcoa/Science	-	5,000	-	-	5,000	-	3,116	-	1,884
KMS/Alcoa/Trees	-	-	-	-	-	25,000	25,000	-	-
Preschool Programs	-	680	-	-	680	33,170	36,442	-	(2,592)
Education Technology Software	-	-	-	-	-	150	100	-	50
Tobacco Educ Grant	613	3,750	4,230	-	133	3,750	2,885	-	998
Medicaid Reimbursement	4,919	26,611	20,043	-	11,487	55,665	51,521	-	15,631
Section 125 TFR	77,256	181,205	194,762	-	63,699	172,997	180,731	-	55,965
Life Ins TFR	99,107	98,138	88,360	-	108,885	99,626	89,952	-	118,559

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

LAPORTE COMMUNITY SCHOOL CORPORATION
STATEMENT OF RECEIPTS, DISBURSEMENTS, OTHER FINANCING SOURCES (USES), AND CASH AND INVESTMENT BALANCES -
REGULATORY BASIS
For the Years Ended June 30, 2011 and 2012
(Continued)

	Cash and Investments 07-01-10	Receipts	Disbursements	Other Financing Sources (Uses)	Cash and Investments 06-30-11	Receipts	Disbursements	Other Financing Sources (Uses)	Cash and Investments 06-30-12
LTD Ins TFR	64,442	88,488	82,405	-	70,525	93,017	88,007	-	75,535
H.S.A. Ins TFR	37,845	77,262	83,125	-	31,982	-	31,982	-	-
Work Comp Ins TFR	227,354	181,763	244,240	-	164,877	206,845	277,603	-	94,119
Medical/Dental Ins TFR	4,527,508	8,552,249	6,740,972	-	6,338,785	6,275,330	6,799,732	-	5,814,383
Supplemental Life Ins TFR	10,712	59,722	63,716	-	6,718	58,691	55,721	-	9,688
Non-English Speaking Programs P.L. 273-1999	2,588	32,498	34,525	-	561	26,490	24,207	-	2,844
School Technology	-	5,938	9,712	-	(3,774)	21,757	17,982	-	1
Technology Grants	1,107	-	1,107	-	-	-	-	-	-
ISAIP ACD Planning Grant	1,676	-	-	-	1,676	-	-	-	1,676
KMS/Lowes Grant	-	5,000	-	-	5,000	-	5,000	-	-
PLTW Alcoa	30	50,000	8,577	-	41,453	-	37,241	-	4,212
Crosswalk to PLTW Alcoa	-	-	-	-	-	-	-	-	-
Alcoa/Lincoln Lions	3,161	-	3,161	-	-	3,000	2,231	-	769
High Ability	533	52,223	48,128	-	4,628	50,342	45,016	-	9,954
Title I	168,868	672,682	909,468	-	(67,918)	960,465	957,225	-	(64,678)
Title I Delinquent	19,596	86,026	127,426	-	(21,804)	48,227	33,821	-	(7,398)
Title I Hailmann Distinguished	10,395	-	10,395	-	-	-	-	-	-
Work Ethic Program	7,824	143	6,830	-	1,137	5,000	6,118	-	19
Serve America	8,756	9,384	27,637	-	(9,497)	10,265	768	-	-
(IDEA, Part B) LEA Capacity Building (Sliver) Grants	322,436	1,817,095	2,344,635	-	(205,104)	2,315,096	2,277,749	-	(167,757)
Sp Ed Preschool	7,806	89,702	109,954	-	(12,446)	103,667	97,040	-	(5,819)
Title IV Drug Free	1,431	15,055	22,363	-	(5,877)	10,189	4,311	-	1
Team Nutrition Training Grants	-	6,075	6,075	-	-	-	-	-	-
Medicaid Reimbursement - Federal	24,261	64,748	6,241	-	82,768	(18,932)	10,633	-	53,203
21st Century/Handley	37,071	151,962	200,144	-	(11,111)	200,030	195,816	-	(6,897)
Title II-A	30,069	255,272	248,473	(59,610)	(22,742)	53,890	37,189	-	(6,041)
Crosswalk to Title II-A	-	-	59,610	59,610	-	-	-	-	-
Title III, LM&M	9,710	25,225	38,607	-	(3,672)	33,569	33,118	-	(3,221)
C/O IDEA Sp Ed	3,627	-	3,627	-	-	-	-	-	-
Fiscal Stabilization - Education	-	1,087	1,087	-	-	-	-	-	-
Title I - LEA Stimulus	34,486	285,226	257,938	(75,000)	(13,226)	48,860	35,634	-	-
Special Education - Part B Stimulus	447,791	50,580	481,453	-	16,918	250,002	266,923	-	(3)
Special Education - Part B - Preschool Stimulus	(16,435)	28,000	11,564	-	1	-	-	-	1
Title I - Part D, Subpart 2	(12,110)	12	55,579	75,000	7,323	1	7,325	-	(1)
Qualified School Construction Bond	351,624	-	387,053	35,429	-	-	-	-	-
Stimulus Jobs Bill	-	-	-	-	-	857,707	933,199	-	(75,492)
Payroll Clearing	767,723	43,989,811	44,025,745	-	731,789	44,063,211	44,546,758	-	248,242
Totals	\$ 21,857,205	\$ 118,846,666	\$ 122,319,598	\$ 35,429	\$ 18,419,702	\$ 126,214,981	\$ 119,810,002	\$ 170	\$ 24,824,851

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

LAPORTE 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.

Joint Venture

The School Corporation is a participant with six other school corporations in a joint venture to operate the South LaPorte County Special Education Cooperative (Cooperative) which was created to provide special education services to students of the participating school corporations. Each participating school corporation is obligated by contract to remit amounts billed to it annually by the Cooperative to supplement the cost of services provided. The amounts billed are based on enrollment for each participating school. Complete financial statements for the Cooperative can be obtained from the LaPorte Community School Corporation administrative office at 1921 A Street, LaPorte, Indiana 46350.

Related Organization

The School Corporation's officials are also responsible for appointing the members of the board of the LaPorte Multi School Building Corporation, but the School Corporation's accountability for this organization does not extend beyond making the appointments.

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. Receipts are recorded when received and disbursements are recorded when paid.

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.

LAPORTE COMMUNITY SCHOOL CORPORATION
NOTES TO FINANCIAL STATEMENT
(Continued)

D. Receipts

Receipts are presented in the aggregate on the face of the financial statement. The aggregate receipts include, but are not limited to, the following sources:

Local sources which can include but are not limited to: 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 can include but are not limited to: 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 include distributions from the State of Indiana and are 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.

Federal sources include distributions from the federal government and are to be used by the School Corporation for various purposes. Examples of this type of receipt included but are not limited to: in unrestricted grants, restricted grants, revenue in lieu of taxes, and revenue for or on behalf of the School Corporation.

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

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

E. Disbursements

Disbursements are presented in the aggregate on the face of the financial statement. The aggregate disbursements include, but are not limited to, 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.

LAPORTE COMMUNITY SCHOOL CORPORATION
NOTES TO FINANCIAL STATEMENT
(Continued)

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, funds held temporarily for an authorized recipient 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 can include, but are not limited to, the following:

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

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

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

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

G. Fund Accounting

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

Note 2. Budgets

The 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.

LAPORTE COMMUNITY SCHOOL CORPORATION
NOTES TO FINANCIAL STATEMENT
(Continued)

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.

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.

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

LAPORTE COMMUNITY SCHOOL CORPORATION
NOTES TO FINANCIAL STATEMENT
(Continued)

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.

B. Teacher's Retirement Fund

Plan Description

The Indiana Teacher's 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

LAPORTE COMMUNITY SCHOOL CORPORATION
NOTES TO FINANCIAL STATEMENT
(Continued)

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.

Note 7. Deficit Cash Balances

The financial statement includes Federal grant funds that are reimbursable grants. These funds usually have negative cash balances for grant expenditures that have not been reimbursed. These deficits are eliminated when reimbursements are received.

The School Corporation routinely submits reimbursement requests at the beginning of the month for the prior month expenditures.

Note 8. Holding Corporation

The School Corporation has entered into capital leases with the La Porte Multi School Building Corporation (the lessor). The lessor was organized as a not-for-profit corporation pursuant to state statute for the purpose of financing and constructing or reconstructing facilities for lease to the School Corporation. The lessor has been determined to be a related party of the School Corporation. Lease payments for the payments due for the fiscal years ending June 30, 2011 and June 30, 2012, totaled \$6,445,056 and \$6,546,612, respectively.

Note 9. Termination Benefits

The School Corporation offers termination (severance) benefits to administrators. The benefit for an administrator, which is paid in a single payment, is calculated based on 40 percent of the daily rate times the administrator factor range multiplied by 50 percent of unused sick leave and their daily salary rate multiplied by unused vacation leave.

The School Corporation offers termination (severance) benefits to certified teachers with a minimum of 10 years of service and minimum age of 50. The benefit for a certified teacher, which is paid in a single payment, is calculated based on 20 percent of their daily rate of pay multiplied by unused sick leave.

During the calendar years 2011 and 2012, the School Corporation paid severance benefits of \$41,030 and \$32,991 to 10 and 8 retirees, respectively.

Note 10. Other Postemployment Benefits

The School Corporation provides an annual postemployment benefit under an old retirement plan to certain certified teachers who elected to stay in the plan. In 2010, there were 22 retired teachers that received benefits totaling \$186,640. In 2011, there were 21 retired teachers that received benefits totaling \$165,530. In 2012, there were 15 retired teachers that received benefits totaling \$130,398. The cost of these benefits is paid from the Pension Trust Fund established from the proceeds of a special bond issue in 2005. There will be teachers receiving payments from this fund until 2019.

LAPORTE COMMUNITY SCHOOL CORPORATION
NOTES TO FINANCIAL STATEMENT
(Continued)

Note 11. Subsequent Event - LaPorte County Property Taxes

LaPorte County is behind in getting approved assessment amounts for county-wide properties. This has caused the County to bill property owners based on "provisional" tax bills. The County has prepared and sent out reconciling bills for the 2008 pay 2009 property tax bills and the 2009 pay 2010 property tax bills. It is anticipated that revenue received by the County from these reconciling bills will be settled with the School Corporation in November 2012. It is unknown when a settlement of reconciling bills for the 2010 pay 2011 and for the 2011 pay 2012 property tax bills will be made. These delays and uncertainties have resulted in a lower than budgeted property tax collection rate for the County. It is undetermined how much property tax collections the County will receive once all the reconciliation bills have been distributed and the collections received.

SUPPLEMENTARY INFORMATION – UNAUDITED

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

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

LAPORTE 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	Retirement/ Severance Bond Debt Service	Capital Projects	School Transportation	School Bus Replacement	Retirement/ Severance Bond	LPHS Construction
Cash and investments - beginning	\$ 6,104,427	\$ 1,469,403	\$ 246,619	\$ (1,096,161)	\$ (796,029)	\$ (762,584)	\$ 3,467,069	\$ -
Receipts:								
Local sources	1,129,194	5,803,987	1,093,220	2,880,424	1,945,908	-	-	-
Intermediate sources	172,022	-	-	-	-	-	-	-
State sources	35,582,870	-	-	-	-	-	-	-
Federal sources	-	-	-	-	-	-	-	-
Temporary loans	-	-	-	1,449,469	1,585,771	-	-	-
Other	139,763	-	-	685	19,166	-	-	-
Total receipts	<u>37,023,849</u>	<u>5,803,987</u>	<u>1,093,220</u>	<u>4,330,578</u>	<u>3,550,845</u>	<u>-</u>	<u>-</u>	<u>-</u>
Disbursements:								
Current:								
Instruction	25,225,847	-	-	-	-	-	-	-
Support services	11,132,159	-	-	2,499,479	2,493,316	472,900	1,155,897	-
Noninstructional services	498,319	-	-	-	-	-	-	-
Facilities acquisition and construction	-	-	-	510,039	-	-	-	-
Debt services	-	9,312,678	1,113,057	540,365	1,545,110	-	-	-
Nonprogrammed charges	-	-	-	-	-	-	-	-
Total disbursements	<u>36,856,325</u>	<u>9,312,678</u>	<u>1,113,057</u>	<u>3,549,883</u>	<u>4,038,426</u>	<u>472,900</u>	<u>1,155,897</u>	<u>-</u>
Excess (deficiency) of receipts over disbursements	<u>167,524</u>	<u>(3,508,691)</u>	<u>(19,837)</u>	<u>780,695</u>	<u>(487,581)</u>	<u>(472,900)</u>	<u>(1,155,897)</u>	<u>-</u>
Other financing sources (uses):								
Proceeds of long-term debt	-	-	-	-	-	-	-	-
Transfers in	-	-	-	-	-	-	-	-
Transfers out	(162,599)	-	-	-	-	-	-	-
Total other financing sources (uses)	<u>(162,599)</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Excess (deficiency) of receipts and other financing sources over disbursements and other financing uses	<u>4,925</u>	<u>(3,508,691)</u>	<u>(19,837)</u>	<u>780,695</u>	<u>(487,581)</u>	<u>(472,900)</u>	<u>(1,155,897)</u>	<u>-</u>
Cash and investments - ending	<u>\$ 6,109,352</u>	<u>\$ (2,039,288)</u>	<u>\$ 226,782</u>	<u>\$ (315,466)</u>	<u>\$ (1,283,610)</u>	<u>\$ (1,235,484)</u>	<u>\$ 2,311,172</u>	<u>\$ -</u>

LAPORTE 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)

	KMS Construction	BMS Construction	School Lunch	Textbook Rental	Levy Excess	Sp Ed Co-Op	Sp Ed Co-Op Preschool	Sp Ed Louie's Angels
Cash and investments - beginning	\$ -	\$ -	\$ 1,509,945	\$ 313,456	\$ -	\$ 2,369,104	\$ 209,579	\$ -
Receipts:								
Local sources	-	-	1,300,830	353,393	-	5,204,178	482,393	1,626
Intermediate sources	-	-	-	-	-	-	-	-
State sources	-	-	30,996	243,152	309,937	-	-	-
Federal sources	-	-	1,826,832	-	-	-	-	-
Temporary loans	-	-	-	-	-	-	-	-
Other	38,759	38,938	8,038	50	-	336	-	-
Total receipts	<u>38,759</u>	<u>38,938</u>	<u>3,166,696</u>	<u>596,595</u>	<u>309,937</u>	<u>5,204,514</u>	<u>482,393</u>	<u>1,626</u>
Disbursements:								
Current:								
Instruction	-	-	-	-	-	4,274,511	317,828	-
Support services	-	-	371	142,291	-	851,360	106,305	-
Noninstructional services	-	-	2,827,863	-	-	-	-	58
Facilities acquisition and construction	38,759	38,938	-	-	-	-	-	-
Debt services	-	-	-	-	-	-	-	-
Nonprogrammed charges	-	-	-	-	-	-	-	-
Total disbursements	<u>38,759</u>	<u>38,938</u>	<u>2,828,234</u>	<u>142,291</u>	<u>-</u>	<u>5,125,871</u>	<u>424,133</u>	<u>58</u>
Excess (deficiency) of receipts over disbursements	<u>-</u>	<u>-</u>	<u>338,462</u>	<u>454,304</u>	<u>309,937</u>	<u>78,643</u>	<u>58,260</u>	<u>1,568</u>
Other financing sources (uses):								
Proceeds of long-term debt	-	-	-	-	-	-	-	-
Transfers in	-	-	162,599	-	-	-	-	-
Transfers out	-	-	-	-	-	-	-	-
Total other financing sources (uses)	<u>-</u>	<u>-</u>	<u>162,599</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Excess (deficiency) of receipts and other financing sources over disbursements and other financing uses	<u>-</u>	<u>-</u>	<u>501,061</u>	<u>454,304</u>	<u>309,937</u>	<u>78,643</u>	<u>58,260</u>	<u>1,568</u>
Cash and investments - ending	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 2,011,006</u>	<u>\$ 767,760</u>	<u>\$ 309,937</u>	<u>\$ 2,447,747</u>	<u>\$ 267,839</u>	<u>\$ 1,568</u>

LAPORTE 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)

	Child Care Elem	Alternative Education	Handley School Intervention Counseling	Project Ed LLC	Students Saving Lives	Kline Estate KDG Support	Trans Employee Fund	Missoula Children's Theatre
Cash and investments - beginning	\$ -	\$ 1,112	\$ 1,079	\$ -	\$ 2,117	\$ 1,317,614	\$ 212	\$ 4,219
Receipts:								
Local sources	208,528	-	-	-	-	-	-	2,910
Intermediate sources	-	-	-	-	-	-	-	-
State sources	-	-	-	-	-	-	-	-
Federal sources	-	-	-	-	-	-	-	-
Temporary loans	-	-	-	-	-	-	-	-
Other	-	-	-	-	-	-	189	-
Total receipts	208,528	-	-	-	-	-	189	2,910
Disbursements:								
Current:								
Instruction	-	1,112	-	-	-	-	-	4,184
Support services	97	-	1,079	-	2,117	-	401	-
Noninstructional services	208,713	-	-	-	-	-	-	-
Facilities acquisition and construction	-	-	-	-	-	-	-	-
Debt services	-	-	-	-	-	-	-	-
Nonprogrammed charges	-	-	-	-	-	-	-	-
Total disbursements	208,810	1,112	1,079	-	2,117	-	401	4,184
Excess (deficiency) of receipts over disbursements	(282)	(1,112)	(1,079)	-	(2,117)	-	(212)	(1,274)
Other financing sources (uses):								
Proceeds of long-term debt	-	-	-	-	-	-	-	-
Transfers in	184,341	-	-	-	-	-	-	-
Transfers out	-	-	-	-	-	-	-	-
Total other financing sources (uses)	184,341	-	-	-	-	-	-	-
Excess (deficiency) of receipts and other financing sources over disbursements and other financing uses	184,059	(1,112)	(1,079)	-	(2,117)	-	(212)	(1,274)
Cash and investments - ending	\$ 184,059	\$ -	\$ -	\$ -	\$ -	\$ 1,317,614	\$ -	\$ 2,945

LAPORTE 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)

	Child Care Elem	PSI Teen Pregnancy	Old Beginning Blazer Preschool	Lincoln Unity Fdn	Hailmann Unity Fdn	Kesling Unsung Heroes	LPHS Preschool	New Beginning Blazer Preschool
Cash and investments - beginning	\$ 184,341	\$ 321	\$ 5,899	\$ 460	\$ -	\$ 1,330	\$ 18,873	\$ -
Receipts:								
Local sources	-	5,000	-	-	7,000	-	-	10,020
Intermediate sources	-	-	-	-	-	-	-	-
State sources	-	-	-	-	-	-	-	-
Federal sources	-	-	-	-	-	-	-	-
Temporary loans	-	-	-	-	-	-	-	-
Other	-	-	-	-	-	-	-	-
Total receipts	-	5,000	-	-	7,000	-	-	10,020
Disbursements:								
Current:								
Instruction	-	-	-	460	4,812	1,330	9,122	-
Support services	-	4,733	-	-	-	-	-	-
Noninstructional services	-	-	-	-	-	-	-	11,952
Facilities acquisition and construction	-	-	-	-	-	-	-	-
Debt services	-	-	-	-	-	-	-	-
Nonprogrammed charges	-	-	-	-	-	-	-	-
Total disbursements	-	4,733	-	460	4,812	1,330	9,122	11,952
Excess (deficiency) of receipts over disbursements	-	267	-	(460)	2,188	(1,330)	(9,122)	(1,932)
Other financing sources (uses):								
Proceeds of long-term debt	-	-	-	-	-	-	-	-
Transfers in	-	-	-	-	-	-	-	5,899
Transfers out	(184,341)	-	(5,899)	-	-	-	-	-
Total other financing sources (uses)	(184,341)	-	(5,899)	-	-	-	-	5,899
Excess (deficiency) of receipts and other financing sources over disbursements and other financing uses	(184,341)	267	(5,899)	(460)	2,188	(1,330)	(9,122)	3,967
Cash and investments - ending	\$ -	\$ 588	\$ -	\$ -	\$ 2,188	\$ -	\$ 9,751	\$ 3,967

LAPORTE 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)

	Handley Unity LFL	K.Hts. Unity Fdn	BMS Alcoa Science	KMS Alcoa Trees	Preschool Programs	Education Technology Software	Tobacco Educ Grant	Medicaid Reimbursement
Cash and investments - beginning	\$ 23	\$ 997	\$ -	\$ -	\$ -	\$ -	\$ 613	\$ 4,919
Receipts:								
Local sources	-	2,470	5,000	-	680	-	3,750	-
Intermediate sources	-	-	-	-	-	-	-	-
State sources	-	-	-	-	-	-	-	26,611
Federal sources	-	-	-	-	-	-	-	-
Temporary loans	-	-	-	-	-	-	-	-
Other	-	-	-	-	-	-	-	-
Total receipts	-	2,470	5,000	-	680	-	3,750	26,611
Disbursements:								
Current:								
Instruction	23	3,046	-	-	-	-	-	-
Support services	-	-	-	-	-	-	4,230	20,043
Noninstructional services	-	-	-	-	-	-	-	-
Facilities acquisition and construction	-	-	-	-	-	-	-	-
Debt services	-	-	-	-	-	-	-	-
Nonprogrammed charges	-	-	-	-	-	-	-	-
Total disbursements	23	3,046	-	-	-	-	4,230	20,043
Excess (deficiency) of receipts over disbursements	(23)	(576)	5,000	-	680	-	(480)	6,568
Other financing sources (uses):								
Proceeds of long-term debt	-	-	-	-	-	-	-	-
Transfers in	-	-	-	-	-	-	-	-
Transfers out	-	-	-	-	-	-	-	-
Total other financing sources (uses)	-	-	-	-	-	-	-	-
Excess (deficiency) of receipts and other financing sources over disbursements and other financing uses	(23)	(576)	5,000	-	680	-	(480)	6,568
Cash and investments - ending	\$ -	\$ 421	\$ 5,000	\$ -	\$ 680	\$ -	\$ 133	\$ 11,487

LAPORTE 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)

	Section 125 TFR	Life Ins TFR	LTD Ins TFR	H.S.A. Ins TFR	Work Comp Ins TFR	Medical Dental Ins TFR	Supplemental Life Ins TFR	Non-English Speaking Programs P.L. 273-1999
Cash and investments - beginning	\$ 77,256	\$ 99,107	\$ 64,442	\$ 37,845	\$ 227,354	\$ 4,527,508	\$ 10,712	\$ 2,588
Receipts:								
Local sources	-	-	-	-	-	-	-	-
Intermediate sources	-	-	-	-	-	-	-	-
State sources	-	-	-	-	-	-	-	32,498
Federal sources	-	-	-	-	-	-	-	-
Temporary loans	-	-	-	-	-	-	-	-
Other	<u>181,205</u>	<u>98,138</u>	<u>88,488</u>	<u>77,262</u>	<u>181,763</u>	<u>8,552,249</u>	<u>59,722</u>	<u>-</u>
Total receipts	<u>181,205</u>	<u>98,138</u>	<u>88,488</u>	<u>77,262</u>	<u>181,763</u>	<u>8,552,249</u>	<u>59,722</u>	<u>32,498</u>
Disbursements:								
Current:								
Instruction	-	-	-	-	-	-	-	-
Support services	-	-	-	-	-	-	-	34,525
Noninstructional services	-	-	-	-	-	-	-	-
Facilities acquisition and construction	-	-	-	-	-	-	-	-
Debt services	-	-	-	-	-	-	-	-
Nonprogrammed charges	<u>194,762</u>	<u>88,360</u>	<u>82,405</u>	<u>83,125</u>	<u>244,240</u>	<u>6,740,972</u>	<u>63,716</u>	<u>-</u>
Total disbursements	<u>194,762</u>	<u>88,360</u>	<u>82,405</u>	<u>83,125</u>	<u>244,240</u>	<u>6,740,972</u>	<u>63,716</u>	<u>34,525</u>
Excess (deficiency) of receipts over disbursements	<u>(13,557)</u>	<u>9,778</u>	<u>6,083</u>	<u>(5,863)</u>	<u>(62,477)</u>	<u>1,811,277</u>	<u>(3,994)</u>	<u>(2,027)</u>
Other financing sources (uses):								
Proceeds of long-term debt	-	-	-	-	-	-	-	-
Transfers in	-	-	-	-	-	-	-	-
Transfers out	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Total other financing sources (uses)	<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>(13,557)</u>	<u>9,778</u>	<u>6,083</u>	<u>(5,863)</u>	<u>(62,477)</u>	<u>1,811,277</u>	<u>(3,994)</u>	<u>(2,027)</u>
Cash and investments - ending	<u>\$ 63,699</u>	<u>\$ 108,885</u>	<u>\$ 70,525</u>	<u>\$ 31,982</u>	<u>\$ 164,877</u>	<u>\$ 6,338,785</u>	<u>\$ 6,718</u>	<u>\$ 561</u>

LAPORTE 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	Technology Grants	ISAIP ACD Planning Grant	KMS Lowes Grant	PLTW Alcoa	Crosswalk to PLTW Alcoa	Alcoa Lincoln Lions	High Ability
Cash and investments - beginning	\$ -	\$ 1,107	\$ 1,676	\$ -	\$ 30	\$ -	\$ 3,161	\$ 533
Receipts:								
Local sources	-	-	-	5,000	-	-	-	-
Intermediate sources	-	-	-	-	-	-	-	-
State sources	4,439	-	-	-	50,000	-	-	52,223
Federal sources	-	-	-	-	-	-	-	-
Temporary loans	-	-	-	-	-	-	-	-
Other	1,499	-	-	-	-	-	-	-
Total receipts	<u>5,938</u>	<u>-</u>	<u>-</u>	<u>5,000</u>	<u>50,000</u>	<u>-</u>	<u>-</u>	<u>52,223</u>
Disbursements:								
Current:								
Instruction	-	-	-	-	8,577	-	3,161	48,128
Support services	9,712	1,107	-	-	-	-	-	-
Noninstructional services	-	-	-	-	-	-	-	-
Facilities acquisition and construction	-	-	-	-	-	-	-	-
Debt services	-	-	-	-	-	-	-	-
Nonprogrammed charges	-	-	-	-	-	-	-	-
Total disbursements	<u>9,712</u>	<u>1,107</u>	<u>-</u>	<u>-</u>	<u>8,577</u>	<u>-</u>	<u>3,161</u>	<u>48,128</u>
Excess (deficiency) of receipts over disbursements	<u>(3,774)</u>	<u>(1,107)</u>	<u>-</u>	<u>5,000</u>	<u>41,423</u>	<u>-</u>	<u>(3,161)</u>	<u>4,095</u>
Other financing sources (uses):								
Proceeds of long-term debt	-	-	-	-	-	-	-	-
Transfers in	-	-	-	-	-	-	-	-
Transfers out	-	-	-	-	-	-	-	-
Total other financing sources (uses)	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Excess (deficiency) of receipts and other financing sources over disbursements and other financing uses	<u>(3,774)</u>	<u>(1,107)</u>	<u>-</u>	<u>5,000</u>	<u>41,423</u>	<u>-</u>	<u>(3,161)</u>	<u>4,095</u>
Cash and investments - ending	<u>\$ (3,774)</u>	<u>\$ -</u>	<u>\$ 1,676</u>	<u>\$ 5,000</u>	<u>\$ 41,453</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 4,628</u>

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

	Title I	Title I Delinquent	Title I Hailmann Distinguished	Work Ethic Program	Serve America	(IDEA, Part B) LEA Capacity Building (Sliver) Grants	Sp Ed Preschool	Title IV Drug Free
Cash and investments - beginning	\$ 168,868	\$ 19,596	\$ 10,395	\$ 7,824	\$ 8,756	\$ 322,436	\$ 7,806	\$ 1,431
Receipts:								
Local sources	-	-	-	-	-	-	-	-
Intermediate sources	-	-	-	-	-	-	-	-
State sources	-	-	-	-	-	-	-	-
Federal sources	672,682	86,026	-	-	9,384	1,817,095	89,702	15,055
Temporary loans	-	-	-	-	-	-	-	-
Other	-	-	-	143	-	-	-	-
Total receipts	<u>672,682</u>	<u>86,026</u>	<u>-</u>	<u>143</u>	<u>9,384</u>	<u>1,817,095</u>	<u>89,702</u>	<u>15,055</u>
Disbursements:								
Current:								
Instruction	863,009	82,176	9,164	6,830	27,637	2,048,078	78,736	21,981
Support services	21,578	45,250	1,231	-	-	296,557	31,218	-
Noninstructional services	9,327	-	-	-	-	-	-	-
Facilities acquisition and construction	-	-	-	-	-	-	-	-
Debt services	-	-	-	-	-	-	-	-
Nonprogrammed charges	15,554	-	-	-	-	-	-	382
Total disbursements	<u>909,468</u>	<u>127,426</u>	<u>10,395</u>	<u>6,830</u>	<u>27,637</u>	<u>2,344,635</u>	<u>109,954</u>	<u>22,363</u>
Excess (deficiency) of receipts over disbursements	<u>(236,786)</u>	<u>(41,400)</u>	<u>(10,395)</u>	<u>(6,687)</u>	<u>(18,253)</u>	<u>(527,540)</u>	<u>(20,252)</u>	<u>(7,308)</u>
Other financing sources (uses):								
Proceeds of long-term debt	-	-	-	-	-	-	-	-
Transfers in	-	-	-	-	-	-	-	-
Transfers out	-	-	-	-	-	-	-	-
Total other financing sources (uses)	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Excess (deficiency) of receipts and other financing sources over disbursements and other financing uses	<u>(236,786)</u>	<u>(41,400)</u>	<u>(10,395)</u>	<u>(6,687)</u>	<u>(18,253)</u>	<u>(527,540)</u>	<u>(20,252)</u>	<u>(7,308)</u>
Cash and investments - ending	<u>\$ (67,918)</u>	<u>\$ (21,804)</u>	<u>\$ -</u>	<u>\$ 1,137</u>	<u>\$ (9,497)</u>	<u>\$ (205,104)</u>	<u>\$ (12,446)</u>	<u>\$ (5,877)</u>

LAPORTE 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)

	Team Nutrition Traning Grants	Medicaid Reimbursement Federal	21st Century Handley	Title II-A	Crosswalk to Title II-A	Title III LM&M	C/O IDEA Sp Ed	Fiscal Stabilization Education
Cash and investments - beginning	\$ -	\$ 24,261	\$ 37,071	\$ 30,069	\$ -	\$ 9,710	\$ 3,627	\$ -
Receipts:								
Local sources	-	-	1	-	-	-	-	1,087
Intermediate sources	-	-	-	-	-	-	-	-
State sources	-	-	-	-	-	-	-	-
Federal sources	6,075	64,748	151,961	255,272	-	25,225	-	-
Temporary loans	-	-	-	-	-	-	-	-
Other	-	-	-	-	-	-	-	-
Total receipts	6,075	64,748	151,962	255,272	-	25,225	-	1,087
Disbursements:								
Current:								
Instruction	-	-	154,452	223,606	59,610	-	-	-
Support services	6,075	6,241	42,953	15,507	-	38,607	3,627	1,087
Noninstructional services	-	-	-	-	-	-	-	-
Facilities acquisition and construction	-	-	-	-	-	-	-	-
Debt services	-	-	-	-	-	-	-	-
Nonprogrammed charges	-	-	2,739	9,360	-	-	-	-
Total disbursements	6,075	6,241	200,144	248,473	59,610	38,607	3,627	1,087
Excess (deficiency) of receipts over disbursements	-	58,507	(48,182)	6,799	(59,610)	(13,382)	(3,627)	-
Other financing sources (uses):								
Proceeds of long-term debt	-	-	-	-	-	-	-	-
Transfers in	-	-	-	-	59,610	-	-	-
Transfers out	-	-	-	(59,610)	-	-	-	-
Total other financing sources (uses)	-	-	-	(59,610)	59,610	-	-	-
Excess (deficiency) of receipts and other financing sources over disbursements and other financing uses	-	58,507	(48,182)	(52,811)	-	(13,382)	(3,627)	-
Cash and investments - ending	\$ -	\$ 82,768	\$ (11,111)	\$ (22,742)	\$ -	\$ (3,672)	\$ -	\$ -

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

	Title I LEA Stimulus	Special Education Part B Stimulus	Special Education Part B Preschool Stimulus	Title I Part D Subpart 2	Qualified School Construction Bond	Stimulus Jobs Bill	Payroll Clearing	Totals
Cash and investments - beginning	\$ 34,486	\$ 447,791	\$ (16,435)	\$ (12,110)	\$ 351,624	\$ -	\$ 767,723	\$ 21,857,205
Receipts:								
Local sources	26	580	-	12	-	-	-	20,447,217
Intermediate sources	-	-	-	-	-	-	-	172,022
State sources	-	-	-	-	-	-	-	36,332,726
Federal sources	285,200	50,000	28,000	-	-	-	-	5,383,257
Temporary loans	-	-	-	-	-	-	-	3,035,240
Other	-	-	-	-	-	-	43,989,811	53,476,204
Total receipts	<u>285,226</u>	<u>50,580</u>	<u>28,000</u>	<u>12</u>	<u>-</u>	<u>-</u>	<u>43,989,811</u>	<u>118,846,666</u>
Disbursements:								
Current:								
Instruction	128,683	477,454	11,564	49,713	-	-	-	34,144,834
Support services	126,489	3,999	-	5,369	-	-	-	19,577,910
Noninstructional services	75	-	-	-	-	-	-	3,556,307
Facilities acquisition and construction	-	-	-	-	387,053	-	-	974,789
Debt services	-	-	-	-	-	-	-	12,511,210
Nonprogrammed charges	2,691	-	-	497	-	-	44,025,745	51,554,548
Total disbursements	<u>257,938</u>	<u>481,453</u>	<u>11,564</u>	<u>55,579</u>	<u>387,053</u>	<u>-</u>	<u>44,025,745</u>	<u>122,319,598</u>
Excess (deficiency) of receipts over disbursements	<u>27,288</u>	<u>(430,873)</u>	<u>16,436</u>	<u>(55,567)</u>	<u>(387,053)</u>	<u>-</u>	<u>(35,934)</u>	<u>(3,472,932)</u>
Other financing sources (uses):								
Proceeds of long-term debt	-	-	-	-	35,429	-	-	35,429
Transfers in	-	-	-	75,000	-	-	-	487,449
Transfers out	(75,000)	-	-	-	-	-	-	(487,449)
Total other financing sources (uses)	<u>(75,000)</u>	<u>-</u>	<u>-</u>	<u>75,000</u>	<u>35,429</u>	<u>-</u>	<u>-</u>	<u>35,429</u>
Excess (deficiency) of receipts and other financing sources over disbursements and other financing uses	<u>(47,712)</u>	<u>(430,873)</u>	<u>16,436</u>	<u>19,433</u>	<u>(351,624)</u>	<u>-</u>	<u>(35,934)</u>	<u>(3,437,503)</u>
Cash and investments - ending	<u>\$ (13,226)</u>	<u>\$ 16,918</u>	<u>\$ 1</u>	<u>\$ 7,323</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 731,789</u>	<u>\$ 18,419,702</u>

LAPORTE 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, 2012

	General	Debt Service	Retirement/ Severance Bond Debt Service	Capital Projects	School Transportation	School Bus Replacement	Retirement/ Severance Bond	LPHS Construction
Cash and investments - beginning	\$ 6,109,352	\$ (2,039,288)	\$ 226,782	\$ (315,466)	\$ (1,283,610)	\$ (1,235,484)	\$ 2,311,172	\$ -
Receipts:								
Local sources	1,011,388	8,807,784	1,258,352	6,389,208	3,312,788	735,844	-	-
Intermediate sources	188,754	-	-	-	-	-	-	-
State sources	37,216,268	-	-	-	-	-	-	-
Federal sources	-	-	-	-	-	-	-	-
Temporary loans	-	-	-	-	-	-	-	-
Other	734,207	-	-	31,036	757	-	-	-
Total receipts	39,150,617	8,807,784	1,258,352	6,420,244	3,313,545	735,844	-	-
Disbursements:								
Current:								
Instruction	24,214,813	-	-	-	-	-	-	-
Support services	11,062,242	-	-	2,535,368	2,642,781	468,879	442,387	-
Noninstructional services	510,081	-	-	-	-	-	-	-
Facilities acquisition and construction	-	-	-	851,184	-	-	-	-
Debt services	-	6,660,160	1,104,986	1,250,043	847,295	-	-	-
Nonprogrammed charges	-	-	-	-	-	-	-	-
Total disbursements	35,787,136	6,660,160	1,104,986	4,636,595	3,490,076	468,879	442,387	-
Excess (deficiency) of receipts over disbursements	3,363,481	2,147,624	153,366	1,783,649	(176,531)	266,965	(442,387)	-
Other financing sources:								
Sale of capital assets	-	-	-	170	-	-	-	-
Total other financing sources (uses)	-	-	-	170	-	-	-	-
Excess (deficiency) of receipts and other financing sources over disbursements and other financing uses	3,363,481	2,147,624	153,366	1,783,819	(176,531)	266,965	(442,387)	-
Cash and investments - ending	\$ 9,472,833	\$ 108,336	\$ 380,148	\$ 1,468,353	\$ (1,460,141)	\$ (968,519)	\$ 1,868,785	\$ -

LAPORTE 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, 2012
 (Continued)

	KMS Construction	BMS Construction	School Lunch	Textbook Rental	Levy Excess	Sp Ed Co-Op	Sp Ed Co-Op Preschool	Sp Ed Louie's Angels
Cash and investments - beginning	\$ -	\$ -	\$ 2,011,006	\$ 767,760	\$ 309,937	\$ 2,447,747	\$ 267,839	\$ 1,568
Receipts:								
Local sources	-	-	1,301,941	378,314	-	5,705,792	510,139	1,900
Intermediate sources	-	-	-	-	-	-	-	-
State sources	-	-	30,875	260,597	-	-	-	-
Federal sources	-	-	1,900,920	-	-	-	-	-
Temporary loans	-	-	-	-	-	-	-	-
Other	-	-	4,599	-	-	123,651	-	-
Total receipts	-	-	3,238,335	638,911	-	5,829,443	510,139	1,900
Disbursements:								
Current:								
Instruction	-	-	-	-	-	4,340,025	338,801	-
Support services	-	-	1,002	1,134,412	-	886,434	123,606	-
Noninstructional services	-	-	2,948,723	-	-	-	-	475
Facilities acquisition and construction	-	-	-	-	-	-	-	-
Debt services	-	-	-	-	-	-	-	-
Nonprogrammed charges	-	-	-	-	-	-	-	-
Total disbursements	-	-	2,949,725	1,134,412	-	5,226,459	462,407	475
Excess (deficiency) of receipts over disbursements	-	-	288,610	(495,501)	-	602,984	47,732	1,425
Other financing sources:								
Sale of capital assets	-	-	-	-	-	-	-	-
Total other financing sources (uses)	-	-	-	-	-	-	-	-
Excess (deficiency) of receipts and other financing sources over disbursements and other financing uses	-	-	288,610	(495,501)	-	602,984	47,732	1,425
Cash and investments - ending	\$ -	\$ -	\$ 2,299,616	\$ 272,259	\$ 309,937	\$ 3,050,731	\$ 315,571	\$ 2,993

LAPORTE 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, 2012
 (Continued)

	Child Care Elem	Alternative Education	Handley School Intervention Counseling	Project Ed LLC	Students Saving Lives	Kline Estate KDG Support	Trans Employee Fund	Missoula Children's Theatre
Cash and investments - beginning	\$ 184,059	\$ -	\$ -	\$ -	\$ -	\$ 1,317,614	\$ -	\$ 2,945
Receipts:								
Local sources	221,245	-	-	-	-	-	-	2,847
Intermediate sources	-	-	-	-	-	-	-	-
State sources	-	-	-	-	-	-	-	-
Federal sources	-	-	-	-	-	-	-	-
Temporary loans	-	-	-	-	-	-	-	-
Other	-	-	-	-	-	-	103	-
Total receipts	221,245	-	-	-	-	-	103	2,847
Disbursements:								
Current:								
Instruction	-	-	-	-	-	-	-	4,631
Support services	-	-	-	-	-	-	100	500
Noninstructional services	199,177	-	-	-	-	-	-	-
Facilities acquisition and construction	-	-	-	-	-	-	-	-
Debt services	-	-	-	-	-	-	-	-
Nonprogrammed charges	-	-	-	-	-	-	-	-
Total disbursements	199,177	-	-	-	-	-	100	5,131
Excess (deficiency) of receipts over disbursements	22,068	-	-	-	-	-	3	(2,284)
Other financing sources:								
Sale of capital assets	-	-	-	-	-	-	-	-
Total other financing sources (uses)	-	-	-	-	-	-	-	-
Excess (deficiency) of receipts and other financing sources over disbursements and other financing uses	22,068	-	-	-	-	-	3	(2,284)
Cash and investments - ending	\$ 206,127	\$ -	\$ -	\$ -	\$ -	\$ 1,317,614	\$ 3	\$ 661

LAPORTE 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, 2012
 (Continued)

	Child Care Elem	PSI Teen Pregnancy	Old Beginning Blazer Preschool	Lincoln Unity Fdtn	Hailmann Unity Fdtn	Kesling Unsung Heroes	LPHS Preschool	New Beginning Blazer Preschool
Cash and investments - beginning	\$ -	\$ 588	\$ -	\$ -	\$ 2,188	\$ -	\$ 9,751	\$ 3,967
Receipts:								
Local sources	-	5,000	-	-	5,002	-	-	7,325
Intermediate sources	-	-	-	-	-	-	-	-
State sources	-	-	-	-	-	-	-	-
Federal sources	-	-	-	-	-	-	-	-
Temporary loans	-	-	-	-	-	-	-	-
Other	-	-	-	-	-	-	-	-
Total receipts	-	5,000	-	-	5,002	-	-	7,325
Disbursements:								
Current:								
Instruction	-	-	-	-	4,870	-	3,392	-
Support services	-	4,840	-	-	-	-	-	-
Noninstructional services	-	-	-	-	-	-	-	9,784
Facilities acquisition and construction	-	-	-	-	-	-	-	-
Debt services	-	-	-	-	-	-	-	-
Nonprogrammed charges	-	-	-	-	-	-	-	-
Total disbursements	-	4,840	-	-	4,870	-	3,392	9,784
Excess (deficiency) of receipts over disbursements	-	160	-	-	132	-	(3,392)	(2,459)
Other financing sources:								
Sale of capital assets	-	-	-	-	-	-	-	-
Total other financing sources (uses)	-	-	-	-	-	-	-	-
Excess (deficiency) of receipts and other financing sources over disbursements and other financing uses	-	160	-	-	132	-	(3,392)	(2,459)
Cash and investments - ending	\$ -	\$ 748	\$ -	\$ -	\$ 2,320	\$ -	\$ 6,359	\$ 1,508

LAPORTE 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, 2012
 (Continued)

	Handley Unity LFL	K.Hts. Unity Fdtn	BMS Alcoa Science	KMS Alcoa Trees	Preschool Programs	Education Technology Software	Tobacco Educ Grant	Medicaid Reimbursement
Cash and investments - beginning	\$ -	\$ 421	\$ 5,000	\$ -	\$ 680	\$ -	\$ 133	\$ 11,487
Receipts:								
Local sources	1,268	-	-	25,000	33,170	150	3,750	-
Intermediate sources	-	-	-	-	-	-	-	-
State sources	-	-	-	-	-	-	-	55,665
Federal sources	-	-	-	-	-	-	-	-
Temporary loans	-	-	-	-	-	-	-	-
Other	-	-	-	-	-	-	-	-
Total receipts	<u>1,268</u>	<u>-</u>	<u>-</u>	<u>25,000</u>	<u>33,170</u>	<u>150</u>	<u>3,750</u>	<u>55,665</u>
Disbursements:								
Current:								
Instruction	915	-	3,116	25,000	-	-	-	-
Support services	-	-	-	-	40	100	2,885	51,521
Noninstructional services	-	-	-	-	36,402	-	-	-
Facilities acquisition and construction	-	-	-	-	-	-	-	-
Debt services	-	-	-	-	-	-	-	-
Nonprogrammed charges	-	-	-	-	-	-	-	-
Total disbursements	<u>915</u>	<u>-</u>	<u>3,116</u>	<u>25,000</u>	<u>36,442</u>	<u>100</u>	<u>2,885</u>	<u>51,521</u>
Excess (deficiency) of receipts over disbursements	<u>353</u>	<u>-</u>	<u>(3,116)</u>	<u>-</u>	<u>(3,272)</u>	<u>50</u>	<u>865</u>	<u>4,144</u>
Other financing sources:								
Sale of capital assets	-	-	-	-	-	-	-	-
Total other financing sources (uses)	<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>353</u>	<u>-</u>	<u>(3,116)</u>	<u>-</u>	<u>(3,272)</u>	<u>50</u>	<u>865</u>	<u>4,144</u>
Cash and investments - ending	<u>\$ 353</u>	<u>\$ 421</u>	<u>\$ 1,884</u>	<u>\$ -</u>	<u>\$ (2,592)</u>	<u>\$ 50</u>	<u>\$ 998</u>	<u>\$ 15,631</u>

LAPORTE 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, 2012
 (Continued)

	Section 125 TFR	Life Ins TFR	LTD Ins TFR	H.S.A. Ins TFR	Work Comp Ins TFR	Medical Dental Ins TFR	Supplemental Life Ins TFR	Non-English Speaking Programs P.L. 273-1999
Cash and investments - beginning	\$ 63,699	\$ 108,885	\$ 70,525	\$ 31,982	\$ 164,877	\$ 6,338,785	\$ 6,718	\$ 561
Receipts:								
Local sources	-	-	-	-	-	-	-	-
Intermediate sources	-	-	-	-	-	-	-	-
State sources	-	-	-	-	-	-	-	26,490
Federal sources	-	-	-	-	-	-	-	-
Temporary loans	-	-	-	-	-	-	-	-
Other	172,997	99,626	93,017	-	206,845	6,275,330	58,691	-
Total receipts	172,997	99,626	93,017	-	206,845	6,275,330	58,691	26,490
Disbursements:								
Current:								
Instruction	-	-	-	-	-	-	-	-
Support services	-	-	-	-	-	-	-	24,207
Noninstructional services	-	-	-	-	-	-	-	-
Facilities acquisition and construction	-	-	-	-	-	-	-	-
Debt services	-	-	-	-	-	-	-	-
Nonprogrammed charges	180,731	89,952	88,007	31,982	277,603	6,799,732	55,721	-
Total disbursements	180,731	89,952	88,007	31,982	277,603	6,799,732	55,721	24,207
Excess (deficiency) of receipts over disbursements	(7,734)	9,674	5,010	(31,982)	(70,758)	(524,402)	2,970	2,283
Other financing sources:								
Sale of capital assets	-	-	-	-	-	-	-	-
Total other financing sources (uses)	-	-	-	-	-	-	-	-
Excess (deficiency) of receipts and other financing sources over disbursements and other financing uses	(7,734)	9,674	5,010	(31,982)	(70,758)	(524,402)	2,970	2,283
Cash and investments - ending	\$ 55,965	\$ 118,559	\$ 75,535	\$ -	\$ 94,119	\$ 5,814,383	\$ 9,688	\$ 2,844

LAPORTE 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, 2012
 (Continued)

	School Technology	Technology Grants	ISAIP ACD Planning Grant	KMS Lowes Grant	PLTW Alcoa	Crosswalk to PLTW Alcoa	Alcoa Lincoln Lions	High Ability
Cash and investments - beginning	\$ (3,774)	\$ -	\$ 1,676	\$ 5,000	\$ 41,453	\$ -	\$ -	\$ 4,628
Receipts:								
Local sources	-	-	-	-	-	-	3,000	-
Intermediate sources	-	-	-	-	-	-	-	-
State sources	4,439	-	-	-	-	-	-	50,342
Federal sources	-	-	-	-	-	-	-	-
Temporary loans	-	-	-	-	-	-	-	-
Other	17,318	-	-	-	-	-	-	-
Total receipts	<u>21,757</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>3,000</u>	<u>50,342</u>
Disbursements:								
Current:								
Instruction	-	-	-	5,000	37,241	-	2,231	44,872
Support services	17,982	-	-	-	-	-	-	144
Noninstructional services	-	-	-	-	-	-	-	-
Facilities acquisition and construction	-	-	-	-	-	-	-	-
Debt services	-	-	-	-	-	-	-	-
Nonprogrammed charges	-	-	-	-	-	-	-	-
Total disbursements	<u>17,982</u>	<u>-</u>	<u>-</u>	<u>5,000</u>	<u>37,241</u>	<u>-</u>	<u>2,231</u>	<u>45,016</u>
Excess (deficiency) of receipts over disbursements	<u>3,775</u>	<u>-</u>	<u>-</u>	<u>(5,000)</u>	<u>(37,241)</u>	<u>-</u>	<u>769</u>	<u>5,326</u>
Other financing sources:								
Sale of capital assets	-	-	-	-	-	-	-	-
Total other financing sources (uses)	<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>3,775</u>	<u>-</u>	<u>-</u>	<u>(5,000)</u>	<u>(37,241)</u>	<u>-</u>	<u>769</u>	<u>5,326</u>
Cash and investments - ending	<u>\$ 1</u>	<u>\$ -</u>	<u>\$ 1,676</u>	<u>\$ -</u>	<u>\$ 4,212</u>	<u>\$ -</u>	<u>\$ 769</u>	<u>\$ 9,954</u>

LAPORTE 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, 2012
 (Continued)

	Title I	Title I Delinquent	Title I Hailmann Distinguished	Work Ethic Program	Serve America	(IDEA, Part B) LEA Capacity Building (Sliver) Grants	Sp Ed Preschool	Title IV Drug Free
Cash and investments - beginning	\$ (67,918)	\$ (21,804)	\$ -	\$ 1,137	\$ (9,497)	\$ (205,104)	\$ (12,446)	\$ (5,877)
Receipts:								
Local sources	-	-	-	5,000	-	-	-	-
Intermediate sources	-	-	-	-	-	-	-	-
State sources	-	-	-	-	-	-	-	-
Federal sources	960,465	45,010	-	-	10,265	2,315,096	103,667	10,189
Temporary loans	-	-	-	-	-	-	-	-
Other	-	3,217	-	-	-	-	-	-
Total receipts	<u>960,465</u>	<u>48,227</u>	<u>-</u>	<u>5,000</u>	<u>10,265</u>	<u>2,315,096</u>	<u>103,667</u>	<u>10,189</u>
Disbursements:								
Current:								
Instruction	927,381	20,812	-	6,118	768	2,001,777	74,023	4,252
Support services	3,179	13,009	-	-	-	275,972	23,017	-
Noninstructional services	7,370	-	-	-	-	-	-	-
Facilities acquisition and construction	-	-	-	-	-	-	-	-
Debt services	-	-	-	-	-	-	-	-
Nonprogrammed charges	19,295	-	-	-	-	-	-	59
Total disbursements	<u>957,225</u>	<u>33,821</u>	<u>-</u>	<u>6,118</u>	<u>768</u>	<u>2,277,749</u>	<u>97,040</u>	<u>4,311</u>
Excess (deficiency) of receipts over disbursements	<u>3,240</u>	<u>14,406</u>	<u>-</u>	<u>(1,118)</u>	<u>9,497</u>	<u>37,347</u>	<u>6,627</u>	<u>5,878</u>
Other financing sources:								
Sale of capital assets	-	-	-	-	-	-	-	-
Total other financing sources (uses)	-	-	-	-	-	-	-	-
Excess (deficiency) of receipts and other financing sources over disbursements and other financing uses	<u>3,240</u>	<u>14,406</u>	<u>-</u>	<u>(1,118)</u>	<u>9,497</u>	<u>37,347</u>	<u>6,627</u>	<u>5,878</u>
Cash and investments - ending	<u>\$ (64,678)</u>	<u>\$ (7,398)</u>	<u>\$ -</u>	<u>\$ 19</u>	<u>\$ -</u>	<u>\$ (167,757)</u>	<u>\$ (5,819)</u>	<u>\$ 1</u>

LAPORTE 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, 2012
 (Continued)

	Team Nutrition Traning Grants	Medicaid Reimbursement Federal	21st Century Handley	Title II-A	Crosswalk to Title II-A	Title III LM&M	C/O IDEA Sp Ed	Fiscal Stabilization Education
Cash and investments - beginning	\$ -	\$ 82,768	\$ (11,111)	\$ (22,742)	\$ -	\$ (3,672)	\$ -	\$ -
Receipts:								
Local sources	-	-	(1)	-	-	-	-	-
Intermediate sources	-	-	-	-	-	-	-	-
State sources	-	-	-	-	-	-	-	-
Federal sources	-	(18,932)	200,031	53,890	-	33,569	-	-
Temporary loans	-	-	-	-	-	-	-	-
Other	-	-	-	-	-	-	-	-
Total receipts	-	(18,932)	200,030	53,890	-	33,569	-	-
Disbursements:								
Current:								
Instruction	-	-	137,970	23,166	-	-	-	-
Support services	-	10,633	54,795	14,023	-	33,118	-	-
Noninstructional services	-	-	-	-	-	-	-	-
Facilities acquisition and construction	-	-	-	-	-	-	-	-
Debt services	-	-	-	-	-	-	-	-
Nonprogrammed charges	-	-	3,051	-	-	-	-	-
Total disbursements	-	10,633	195,816	37,189	-	33,118	-	-
Excess (deficiency) of receipts over disbursements	-	(29,565)	4,214	16,701	-	451	-	-
Other financing sources:								
Sale of capital assets	-	-	-	-	-	-	-	-
Total other financing sources (uses)	-	-	-	-	-	-	-	-
Excess (deficiency) of receipts and other financing sources over disbursements and other financing uses	-	(29,565)	4,214	16,701	-	451	-	-
Cash and investments - ending	\$ -	\$ 53,203	\$ (6,897)	\$ (6,041)	\$ -	\$ (3,221)	\$ -	\$ -

LAPORTE 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, 2012
 (Continued)

	Title I LEA Stimulus	Special Education Part B Stimulus	Special Education Part B Preschool Stimulus	Title I Part D Subpart 2	Qualified School Construction Bond	Stimulus Jobs Bill	Payroll Clearing	Totals
Cash and investments - beginning	\$ (13,226)	\$ 16,918	\$ 1	\$ 7,323	\$ -	\$ -	\$ 731,789	\$ 18,419,702
Receipts:								
Local sources	(189)	2	-	1	-	-	-	29,726,020
Intermediate sources	-	-	-	-	-	-	-	188,754
State sources	-	-	-	-	-	-	-	37,644,676
Federal sources	49,049	250,000	-	-	-	857,707	-	6,770,926
Temporary loans	-	-	-	-	-	-	-	-
Other	-	-	-	-	-	-	44,063,211	51,884,605
Total receipts	<u>48,860</u>	<u>250,002</u>	<u>-</u>	<u>1</u>	<u>-</u>	<u>857,707</u>	<u>44,063,211</u>	<u>126,214,981</u>
Disbursements:								
Current:								
Instruction	6,042	266,229	-	6,839	-	797,732	-	33,298,016
Support services	22,367	694	-	486	-	135,467	-	19,986,190
Noninstructional services	7,225	-	-	-	-	-	-	3,719,237
Facilities acquisition and construction	-	-	-	-	-	-	-	851,184
Debt services	-	-	-	-	-	-	-	9,862,484
Nonprogrammed charges	-	-	-	-	-	-	44,546,758	52,092,891
Total disbursements	<u>35,634</u>	<u>266,923</u>	<u>-</u>	<u>7,325</u>	<u>-</u>	<u>933,199</u>	<u>44,546,758</u>	<u>119,810,002</u>
Excess (deficiency) of receipts over disbursements	<u>13,226</u>	<u>(16,921)</u>	<u>-</u>	<u>(7,324)</u>	<u>-</u>	<u>(75,492)</u>	<u>(483,547)</u>	<u>6,404,979</u>
Other financing sources:								
Sale of capital assets	-	-	-	-	-	-	-	170
Total other financing sources (uses)	-	-	-	-	-	-	-	170
Excess (deficiency) of receipts and other financing sources over disbursements and other financing uses	<u>13,226</u>	<u>(16,921)</u>	<u>-</u>	<u>(7,324)</u>	<u>-</u>	<u>(75,492)</u>	<u>(483,547)</u>	<u>6,405,149</u>
Cash and investments - ending	<u>\$ -</u>	<u>\$ (3)</u>	<u>\$ 1</u>	<u>\$ (1)</u>	<u>\$ -</u>	<u>\$ (75,492)</u>	<u>\$ 248,242</u>	<u>\$ 24,824,851</u>

LAPORTE COMMUNITY SCHOOL CORPORATION
 SCHEDULE OF LEASES AND DEBT
 JUNE 30, 2012

Lessor	Purpose	Annual Lease Payment	Lease Beginning Date	Lease Ending Date
Governmental activities:				
Multi-School Building Corporation	High School Renovation	\$ 6,077,000	12-31-01	12-31-13
Multi-School Building Corporation	Crichfield/Kingsford Heights Construction	363,000	12-01-04	12-31-15
Multi-School Building Corporation	Handley/Boston/Kesling Renovation	<u>131,112</u>	07-15-10	07-15-18
Total of annual lease payments		<u>\$ 6,571,112</u>		

Type	Description of Debt Purpose	Ending Principal Balance	Principal and Interest Due Within One Year
Governmental activities:			
General obligation bonds		<u>\$ 4,405,000</u>	<u>\$ 1,109,194</u>

LAPORTE COMMUNITY SCHOOL CORPORATION
 SCHEDULE OF CAPITAL ASSETS
 June 30, 2012

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.

Primary Government	Ending Balance
Capital assets:	
Land	\$ 300,455
Buildings	72,482,229
Improvements other than buildings	2,761,809
Machinery and equipment	13,996,584
Total capital assets	\$ 89,541,077

LAPORTE COMMUNITY SCHOOL CORPORATION
AUDIT RESULTS AND COMMENTS

LATE POSTING AND DEPOSIT OF A COUNTY TAX DISTRIBUTION

A LaPorte County tax distribution to the School Corporation totaling \$896,624 was received by the School Corporation on July 3, 2012. The check was receipted and recorded on the School Corporation records on July 10, 2012 and was deposited into a School Corporation bank account on July 10, 2012. The check was held at the School Corporation for seven days before the deposit was made.

All documents and entries to records should be done in a timely manner to ensure that accurate financial information is available to allow the governmental unit to make informed management decisions and to help ensure compliance with IC 5-15-1-1 et seq., commonly referred to as the Public Records Law. (Accounting and Uniform Compliance Guidelines Manual for Indiana Public School Corporations, Chapter 9)

Indiana Code 5-13-6-1(c) states in part: ". . . all local officers . . . who collect public funds of their respective political subdivisions shall deposit funds not later than the business day following the receipt of funds on business days of the depository in the depository or depositories selected by the . . . local boards of finance . . ."

OVERDRAWN FUND BALANCES

The fund balances of the Debt Service Fund, the Capital Projects Fund, the School Transportation Fund and the School Bus Replacement Fund were significantly overdrawn at June 30, 2011, in the amounts of \$2,039,288; \$315,466; \$1,283,610 and \$1,235,484, respectively. The School Transportation Fund and the School Bus Replacement Fund were also overdrawn at June 30, 2012 in the amounts of \$1,460,141 and \$968,519, respectively.

The fund balance of any fund may not be reduced below zero. Routinely overdrawn funds could be an indicator of serious financial problems which should be investigated by the governmental unit. (Accounting and Uniform Compliance Guidelines Manual for Indiana Public School Corporations, Chapter 9)

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 THAT
COULD HAVE A DIRECT AND MATERIAL EFFECT ON EACH MAJOR PROGRAM AND ON
INTERNAL CONTROL OVER COMPLIANCE IN ACCORDANCE WITH OMB CIRCULAR A-133

TO: THE OFFICIALS OF THE LAPORTE COMMUNITY
SCHOOL CORPORATION, LAPORTE COUNTY, INDIANA

Compliance

We have audited LaPorte Community School Corporation's (School Corporation) compliance with the types of compliance requirements described in the U.S. Office of Management and Budget (OMB) Circular A-133 Compliance Supplement that could have a direct and material effect on each of its major federal programs for the period of July 1, 2010 to June 30, 2012. 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 could have a direct and material effect on each of its major federal programs for the period of July 1, 2010 to June 30, 2012.

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 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 THAT
COULD HAVE A DIRECT AND MATERIAL EFFECT ON EACH MAJOR PROGRAM AND ON
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, 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

November 7, 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.

LAPORTE COMMUNITY SCHOOL CORPORATION
SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS
For The Years Ended June 30, 2011 and 2012

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 06-30-11	Total Federal Awards Expended 06-30-12
<u>U.S. DEPARTMENT OF AGRICULTURE</u>				
Pass-Through Indiana Department of Education				
Child Nutrition Cluster				
School Breakfast Program	10.553		\$ 363,011	\$ 390,352
National School Lunch Program	10.555		1,556,466	1,627,773
Summer Food Service Program for Children	10.559		<u>41,716</u>	<u>47,846</u>
Total for cluster			<u>1,961,193</u>	<u>2,065,971</u>
Child and Adult Care Food Program	10.558		<u>18,993</u>	<u>21,549</u>
Team Nutrition Grants	10.574	SY 10-11	<u>6,075</u>	-
Fresh Fruit and Vegetable Program	10.582		<u>33,563</u>	<u>32,776</u>
Total for federal grantor agency			<u>2,019,824</u>	<u>2,120,296</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	10-4945	63,413	-
		11-4945	846,053	176,820
		12-4945	<u>-</u>	<u>780,405</u>
Total for program			<u>909,466</u>	<u>957,225</u>
ARRA - Title I Grants to Local Educational Agencies, Recovery Act	84.389	10-4945	<u>388,516</u>	<u>42,960</u>
Total for cluster			<u>1,297,982</u>	<u>1,000,185</u>
Special Education Cluster (IDEA)				
Special Education - Grants to States	84.027	14209-057-PY02	3,627	-
		14210-057-PN01	557,922	-
		14211-057-PN01	1,786,715	629,099
		14212-057-PN01	<u>-</u>	<u>1,648,646</u>
Total for program			<u>2,348,264</u>	<u>2,277,745</u>
Special Education - Preschool Grants	84.173	45710-057-PN01	7,806	-
		45711-057-PN01	102,148	159
		45712-057-PN01	<u>-</u>	<u>96,881</u>
Total for program			<u>109,954</u>	<u>97,040</u>
ARRA - Special Education - Grants to States, Recovery Act	84.391	33310-057-SN01	<u>481,452</u>	<u>266,921</u>
ARRA - Special Education - Preschool Grants, Recovery Act	84.392	44410-057-SN01	<u>11,565</u>	-
Total for cluster			<u>2,951,235</u>	<u>2,641,706</u>
State Fiscal Stabilization Fund Cluster				
ARRA - State Fiscal Stabilization Fund (SFSF) - Education State Grants, Recovery Act	84.394		<u>1,087</u>	-
Total for cluster			<u>1,087</u>	-

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

LAPORTE COMMUNITY SCHOOL CORPORATION
SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS
For The Years Ended June 30, 2011 and 2012
(Continued)

Federal Grantor Agency/Pass-Through Entity Cluster Title/Program Title/Project Title	Federal CFDA Number	Pass-Through Entity (or Other) Identifying Number	Total Federal Awards Expended 06-30-11	Total Federal Awards Expended 06-30-12
<u>U.S. DEPARTMENT OF EDUCATION (continued)</u>				
Pass-Through Indiana Department of Education (continued)				
Title I State Agency Program for Neglected and Delinquent Children and Youth	84.013	SY 09-10 SY 10-11 SY 11-12	21,458 105,967 -	- 7,907 <u>25,915</u>
Total for program			<u>127,425</u>	<u>33,822</u>
Safe and Drug Free Schools and Communities - State Grants	84.186	08-4945 09-4945	1,431 20,934	- <u>4,310</u>
Total for program			<u>22,365</u>	<u>4,310</u>
Twenty-First Century Community Learning Centers	84.287	2009 2010-11 2011-12	26,672 172,056 1,415	- 505 <u>195,310</u>
Total for program			<u>200,143</u>	<u>195,815</u>
English Language Acquisition State Grants	84.365	2009-10 2010-11 2011-12	9,710 28,897 -	- 6,663 <u>26,454</u>
Total for program			<u>38,607</u>	<u>33,117</u>
Improving Teacher Quality State Grants	84.367	09-4945 10-4945 11-4945	134,483 232,015 -	- 31,085 <u>6,104</u>
Total for program			<u>366,498</u>	<u>37,189</u>
Education Jobs Fund	84.410		-	<u>933,197</u>
Total for federal grantor agency			<u>5,006,429</u>	<u>4,879,341</u>
<u>U.S. CORPORATION FOR NATIONAL AND COMMUNITY SERVICE</u>				
Pass-Through Indiana Department of Education				
Learn and Serve America - School and Community Based Programs	94.004	2009-11 SY 10-11	8,054 19,583	- <u>768</u>
Total for federal grantor agency			<u>27,637</u>	<u>768</u>
Total federal awards expended			<u>\$ 7,052,803</u>	<u>\$ 7,000,405</u>

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

LAPORTE 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 LaPorte 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 statements. 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, 2011 and 2012. This noncash assistance is also included in the federal expenditures presented in the schedule.

Program Title	Federal CFDA Number	2011	2012
National School Lunch Program	10.555	\$ 186,917	\$ 219,376

LAPORTE COMMUNITY SCHOOL CORPORATION
SCHEDULE OF FINDINGS AND QUESTIONED COSTS

Section I – Summary of Auditor's Results

Financial Statement:

Type of auditor's report issued:	Adverse as to GAAP; Unqualified as to Regulatory Basis
Internal control over financial reporting:	
Material weaknesses identified?	no
Significant deficiencies identified?	none reported
Noncompliance material to financial statement noted?	no

Federal Awards:

Internal control over major programs:	
Material weaknesses identified?	no
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?	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 (IDEA) Child Nutrition Cluster Education Jobs Fund

Dollar threshold used to distinguish between Type A and Type B programs: \$421,596

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.

LAPORTE COMMUNITY SCHOOL CORPORATION
EXIT CONFERENCE

The contents of this report were discussed on November 7, 2012, with Dr. Glade T. Montgomery, Superintendent of Schools; Rande S. Thorpe, Chief Financial Officer; Patricia G. Baxter, Treasurer; and Mitch Feikes, School Board member (Secretary). The Official Response has been made a part of this report and may be found on page 51.

A second exit conference was held on December 3, 2012, with Randy S. Thorpe, Chief Financial Officer, to discuss changes to the Independent Auditor's Report.

Dr. Glade T. Montgomery, Superintendent
Mrs. Linda J. Wiltfong, Assistant Superintendent/Director of Elementary Education
Mr. Mark D. Francesconi, Assistant Superintendent/Director of Secondary Education
Mr. Rande S. Thorpe, Chief Financial Officer

RESPONSE TO Audit Results and Comments 2010-2012 AUDIT

OVERDRAWN CASH BALANCES

As indicated by the Field Examiner, the Debt Service Fund, the Capital Projects Fund and the School Bus Replacement Fund had negative fund balances at fiscal year-end. We concur with this observation and report that it is indicative of the failure of the timely receipts from local property taxes. If property taxes are received in a timely manner as required by Indiana statute, it will be possible for our funds to maintain positive balances.

LATE POSTING AND DEPOSIT OF A COUNTY TAX DISTRIBUTION

As indicated by the Field Examiner a County Tax Distribution was not deposited immediately upon receipt. This distribution was delayed until we could determine the proper allocation to the specific corporation funds. The delayed receipt of local property taxes since 2008 has complicated the distribution of funds into specific corporation accounts. In the future, when allocation of funds is not clear, the deposit will be made and receipted temporarily in the RDS system. Re-distribution will then be made at a later date.

The State Board of Accounts is officially thanked for the professional and courteous audit performed by the Field Examiners.

Rande S. Thorpe, C.F.O. November 7, 2012