

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

FINANCIAL STATEMENT AND  
FEDERAL SINGLE AUDIT REPORT  
OF

METROPOLITAN SCHOOL DISTRICT  
OF STEUBEN COUNTY  
STEUBEN COUNTY, INDIANA

July 1, 2010 to June 30, 2012



**FILED**  
01/17/2013



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SCHEDULE OF OFFICIALS

<u>Office</u>	<u>Official</u>	<u>Term</u>
Treasurer	Sherry Neumann Monte VanGessel	07-01-10 to 06-30-11 07-01-11 to 06-30-13
Business Manager	Monte VanGessel	07-01-10 to 06-30-13
Superintendent of Schools	Dr. Brent Wilson	07-01-10 to 06-30-13
President of the School Board	Glen Armev	07-01-10 to 06-30-13



**STATE OF INDIANA**  
AN EQUAL OPPORTUNITY EMPLOYER

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INDEPENDENT AUDITOR'S REPORT

TO: THE OFFICIALS OF THE METROPOLITAN SCHOOL DISTRICT  
OF STEUBEN COUNTY, STEUBEN COUNTY, INDIANA

We have audited the accompanying financial statement of the Metropolitan School District of Steuben County (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 of accounting 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 statements referred to above do 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 Town for the period of July 1, 2010 to December 31, 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 October 30, 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

INDEPENDENT AUDITOR'S REPORT  
(Continued)

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 Schedules 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.

STATE BOARD OF ACCOUNTS

October 30, 2012



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

TO: THE OFFICIALS OF THE METROPOLITAN SCHOOL DISTRICT  
OF STEUBEN COUNTY, STEUBEN COUNTY, INDIANA

We have audited the financial statement of the Metropolitan School District of Steuben County (School Corporation), for the period of July 1, 2010 to June 30, 2012, and have issued our report thereon dated October 30, 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

October 30, 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.

METROPOLITAN SCHOOL DISTRICT OF STEUBEN COUNTY  
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			Other Financing	Cash and Investments			Other Financing	Cash and Investments
	07-01-10	Receipts	Disbursements	Sources (Uses)	06-30-11	Receipts	Disbursements	Sources (Uses)	06-30-12
General	\$ 1,467,445	\$ 18,178,846	\$ 18,585,769	\$ 106,034	\$ 1,166,556	\$ 18,374,926	\$ 18,476,092	\$ 290,379	\$ 1,355,769
Debt Service	2,374,589	4,333,207	4,309,129	104,656	2,503,323	4,750,493	4,645,564	-	2,608,252
Retirement/Severance Bond Debt Service	347,261	635,189	641,900	23,889	364,439	494,424	637,700	-	221,163
Capital Projects	1,721,081	3,591,655	4,240,278	76,064	1,148,522	3,358,275	3,509,995	-	996,802
School Transportation	678,330	1,780,750	1,749,067	101,978	811,991	1,705,430	1,747,151	-	770,270
School Bus Replacement	435,069	912,277	677,702	(200,246)	469,398	498,816	132,257	(765,000)	70,957
Rainy Day	1,580,000	-	365,000	-	1,215,000	-	385,031	765,000	1,594,969
Post-Retirement/Severance Future Benefits	159,318	-	75,613	240,000	323,705	-	25,749	(240,000)	57,956
Construction	-	-	1,931,886	1,940,000	8,114	-	8,114	-	-
School Lunch	486,048	1,401,426	1,457,045	(50,000)	380,429	1,501,199	1,414,120	(50,000)	417,508
Textbook Rental	272,024	262,393	151,114	-	383,303	300,059	401,147	-	282,215
Levy Excess	342,893	59,482	-	(402,375)	-	70,333	-	-	70,333
Child Care Program	13,906	54,511	54,553	-	13,864	76,274	54,780	-	35,358
Educational License Plates	12,464	506	1,621	-	11,349	469	600	-	11,218
Alternative Education	55,602	316,582	303,212	-	68,972	284,579	308,576	-	44,975
Early Intervention Grant	-	2,000	1,900	-	100	-	-	-	100
Miscellaneous Donations	1,000	-	1,000	-	-	2,500	1,975	-	525
Dekko Arts Partnership Grant	722	5,800	6,426	-	96	-	-	-	96
Miscellaneous Grants	645	1,000	1,395	-	250	-	166	-	84
FIST Grants	826	2,517	1,866	-	1,477	2,362	2,612	-	1,227
Instruction Support	27,967	-	19,570	-	8,397	-	7,795	-	602
Extra-Curricular Activities	-	-	-	-	-	5,119	1,426	-	3,693
Wellness	8,701	28,000	17,502	-	19,199	34,854	25,956	-	28,097
McCutchan Scholarship	150	-	-	-	150	-	-	-	150
Coca Cola Commissions	1,152	4,044	4,067	-	1,129	2,659	3,788	-	-
High Ability 2010-2011	24,261	38,046	52,479	-	9,828	-	9,828	-	-
High Ability 2011-2012	-	-	-	-	-	36,617	31,446	-	5,171

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

METROPOLITAN SCHOOL DISTRICT OF STEUBEN COUNTY  
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
Non-English Speaking Programs 2010-2011	-	12,837	10,456	-	2,381	-	2,381	-	-
Non-English Speaking Programs 2011-2012	-	-	-	-	-	10,710	10,710	-	-
Non-English Speaking Programs 2009-2010	3,779	-	3,779	-	-	-	-	-	-
School Technology	69,419	35,880	233	-	105,066	40,069	121,433	-	23,702
Excess PTRC Distributions	47,100	-	47,100	-	-	-	-	-	-
Title I 2010-2011	-	255,145	422,407	137,869	(29,393)	124,373	94,980	-	-
Title I 2011-2012	-	-	-	-	-	450,559	525,943	-	(75,384)
Title I 2009-2010	143,584	65,000	70,715	(137,869)	-	-	-	-	-
Drug Free Schools	3,609	1,658	5,248	-	19	1,536	1,555	-	-
Even Start 2009-2010	51,108	33,291	84,399	-	-	-	-	-	-
Even Start 2010-2011	-	109,012	109,012	-	-	94,280	94,280	-	-
Title II 2010-2011	-	55,407	66,056	-	(10,649)	61,163	50,514	-	-
Title II 2011-2012	-	-	-	-	-	47,388	78,251	-	(30,863)
Title II 2009-2010	39,984	-	39,984	-	-	-	-	-	-
Title III 2010-2011	-	5,871	5,828	-	43	8,970	9,013	-	-
Title III 2011-2012	-	-	-	-	-	8,803	12,200	-	(3,397)
Title III 2009-2010	(1,651)	1,651	-	-	-	-	-	-	-
ARRA Title I	(8,844)	90,565	79,403	-	2,318	2,002	4,320	-	-
ARRA Special Education	65,127	252,256	337,913	-	(20,530)	104,296	83,766	-	-
Education Jobs	-	-	-	-	-	429,106	503,441	-	(74,335)
Payroll Clearing	589	5,647,013	5,647,334	-	268	5,701,463	5,699,746	-	1,985
<b>Totals</b>	<b>\$ 10,425,258</b>	<b>\$ 38,173,817</b>	<b>\$ 41,579,961</b>	<b>\$ 1,940,000</b>	<b>\$ 8,959,114</b>	<b>\$ 38,584,106</b>	<b>\$ 39,124,401</b>	<b>\$ 379</b>	<b>\$ 8,419,198</b>

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

METROPOLITAN SCHOOL DISTRICT OF STEUBEN COUNTY  
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.

*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.

*D. Receipts*

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

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

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

State sources 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.

METROPOLITAN SCHOOL DISTRICT OF STEUBEN COUNTY  
NOTES TO FINANCIAL STATEMENT  
(Continued)

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

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

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

*E. Disbursements*

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

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

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

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

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

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

Nonprogrammed charges which include outflows for donations to foundations, securities purchased, indirect costs, scholarships, 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 include the following:

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

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

METROPOLITAN SCHOOL DISTRICT OF STEUBEN COUNTY  
NOTES TO FINANCIAL STATEMENT  
(Continued)

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 or highway use taxes are received 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.

METROPOLITAN SCHOOL DISTRICT OF STEUBEN COUNTY  
NOTES TO FINANCIAL STATEMENT  
(Continued)

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 the School Corporation authority to contribute to the plan. The PERF retirement benefit consists of the pension provided by employer contributions plus an annuity provided by the member's annuity savings account. The annuity savings account consists of members' contributions, set by state statute at 3 percent of compensation, plus the interest credited to the member's account. The employer may elect to make the contributions on behalf of the member.

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

Indiana Public Retirement System  
1 North Capital Street, Suite 001  
Indianapolis, IN 46204  
Ph. (888) 526-1687

*Funding Policy and Annual Pension Cost*

The contribution requirements of the plan members for PERF are established by the Board of Trustees of INPRS.

METROPOLITAN SCHOOL DISTRICT OF STEUBEN COUNTY  
NOTES TO FINANCIAL STATEMENT  
(Continued)

*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 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.

The School Corporation also contributes to additional pension plans unique to the School Corporation. Information regarding these plans may be obtained from the School Corporation.

## SUPPLEMENTARY INFORMATION – UNAUDITED

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

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

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

METROPOLITAN SCHOOL DISTRICT OF STEUBEN COUNTY  
 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	Rainy Day	Post Retirement/ Severance Future Benefits	Construction
Cash and investments - beginning	\$ 1,467,445	\$ 2,374,589	\$ 347,261	\$ 1,721,081	\$ 678,330	\$ 435,069	\$ 1,580,000	\$ 159,318	\$ -
Receipts:									
Local sources	196,312	4,333,207	635,189	3,072,119	1,780,750	912,277	-	-	-
Intermediate sources	32	-	-	-	-	-	-	-	-
State sources	17,982,502	-	-	-	-	-	-	-	-
Federal sources	-	-	-	-	-	-	-	-	-
Temporary loans	-	-	-	519,536	-	-	-	-	-
Other	-	-	-	-	-	-	-	-	-
Total receipts	<u>18,178,846</u>	<u>4,333,207</u>	<u>635,189</u>	<u>3,591,655</u>	<u>1,780,750</u>	<u>912,277</u>	<u>-</u>	<u>-</u>	<u>-</u>
Disbursements:									
Current:									
Instruction	12,904,459	-	-	-	-	-	365,000	53,690	-
Support services	5,345,494	-	-	1,534,962	1,749,067	677,702	-	21,923	27,369
Noninstructional services	335,816	-	-	-	-	-	-	-	-
Facilities acquisition and construction	-	-	-	1,627,734	-	-	-	-	-
Debt services	-	4,309,129	641,900	1,077,582	-	-	-	-	1,904,517
Nonprogrammed charges	-	-	-	-	-	-	-	-	-
Total disbursements	<u>18,585,769</u>	<u>4,309,129</u>	<u>641,900</u>	<u>4,240,278</u>	<u>1,749,067</u>	<u>677,702</u>	<u>365,000</u>	<u>75,613</u>	<u>1,931,886</u>
Excess (deficiency) of receipts over disbursements	<u>(406,923)</u>	<u>24,078</u>	<u>(6,711)</u>	<u>(648,623)</u>	<u>31,683</u>	<u>234,575</u>	<u>(365,000)</u>	<u>(75,613)</u>	<u>(1,931,886)</u>
Other financing sources (uses)									
Proceeds of long-term debt	-	-	-	-	-	-	-	-	1,940,000
Transfers in	391,062	104,656	23,889	76,064	101,978	15,949	-	240,000	-
Transfers out	<u>(285,028)</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>(216,195)</u>	<u>-</u>	<u>-</u>	<u>-</u>
Total other financing sources (uses)	<u>106,034</u>	<u>104,656</u>	<u>23,889</u>	<u>76,064</u>	<u>101,978</u>	<u>(200,246)</u>	<u>-</u>	<u>240,000</u>	<u>1,940,000</u>
Excess (deficiency) of receipts and other financing sources over disbursements and other financing uses	<u>(300,889)</u>	<u>128,734</u>	<u>17,178</u>	<u>(572,559)</u>	<u>133,661</u>	<u>34,329</u>	<u>(365,000)</u>	<u>164,387</u>	<u>8,114</u>
Cash and investments - ending	<u>\$ 1,166,556</u>	<u>\$ 2,503,323</u>	<u>\$ 364,439</u>	<u>\$ 1,148,522</u>	<u>\$ 811,991</u>	<u>\$ 469,398</u>	<u>\$ 1,215,000</u>	<u>\$ 323,705</u>	<u>\$ 8,114</u>

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

	School Lunch	Textbook Rental	Levy Excess	Child Care Program	Educational License Plates	Alternative Education	Early Intervention Grant	Miscellaneous Donations	Dekko Arts Partnership Grant
Cash and investments - beginning	\$ 486,048	\$ 272,024	\$ 342,893	\$ 13,906	\$ 12,464	\$ 55,602	\$ -	\$ 1,000	\$ 722
Receipts:									
Local sources	589,286	177,133	-	54,511	-	288,362	-	-	5,800
Intermediate sources	-	-	-	-	506	-	-	-	-
State sources	14,277	85,260	59,482	-	-	28,220	2,000	-	-
Federal sources	797,863	-	-	-	-	-	-	-	-
Temporary loans	-	-	-	-	-	-	-	-	-
Other	-	-	-	-	-	-	-	-	-
Total receipts	1,401,426	262,393	59,482	54,511	506	316,582	2,000	-	5,800
Disbursements:									
Current:									
Instruction	-	-	-	-	-	303,212	-	1,000	6,426
Support services	4,255	151,114	-	-	1,621	-	1,900	-	-
Noninstructional services	1,355,620	-	-	54,553	-	-	-	-	-
Facilities acquisition and construction	97,170	-	-	-	-	-	-	-	-
Debt services	-	-	-	-	-	-	-	-	-
Nonprogrammed charges	-	-	-	-	-	-	-	-	-
Total disbursements	1,457,045	151,114	-	54,553	1,621	303,212	1,900	1,000	6,426
Excess (deficiency) of receipts over disbursements	(55,619)	111,279	59,482	(42)	(1,115)	13,370	100	(1,000)	(626)
Other financing sources (uses)									
Proceeds of long-term debt	-	-	-	-	-	-	-	-	-
Transfers in	-	-	-	-	-	949	-	-	-
Transfers out	(50,000)	-	(402,375)	-	-	(949)	-	-	-
Total other financing sources (uses)	(50,000)	-	(402,375)	-	-	-	-	-	-
Excess (deficiency) of receipts and other financing sources over disbursements and other financing uses	(105,619)	111,279	(342,893)	(42)	(1,115)	13,370	100	(1,000)	(626)
Cash and investments - ending	\$ 380,429	\$ 383,303	\$ -	\$ 13,864	\$ 11,349	\$ 68,972	\$ 100	\$ -	\$ 96

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

	Miscellaneous Grants	FIST Grants	Instruction Support	Wellness	McCutchan Scholarship	Coca Cola Commissions	High Ability 2010-2011	Non-English Speaking Programs 2010-2011
Cash and investments - beginning	\$ 645	\$ 826	\$ 27,967	\$ 8,701	\$ 150	\$ 1,152	\$ 24,261	\$ -
Receipts:								
Local sources	1,000	2,517	-	28,000	-	4,044	-	-
Intermediate sources	-	-	-	-	-	-	-	-
State sources	-	-	-	-	-	-	38,046	12,837
Federal sources	-	-	-	-	-	-	-	-
Temporary loans	-	-	-	-	-	-	-	-
Other	-	-	-	-	-	-	-	-
Total receipts	1,000	2,517	-	28,000	-	4,044	38,046	12,837
Disbursements:								
Current:								
Instruction	1,145	1,866	-	-	-	-	52,479	10,456
Support services	250	-	19,570	17,502	-	4,067	-	-
Noninstructional services	-	-	-	-	-	-	-	-
Facilities acquisition and construction	-	-	-	-	-	-	-	-
Debt services	-	-	-	-	-	-	-	-
Nonprogrammed charges	-	-	-	-	-	-	-	-
Total disbursements	1,395	1,866	19,570	17,502	-	4,067	52,479	10,456
Excess (deficiency) of receipts over disbursements	(395)	651	(19,570)	10,498	-	(23)	(14,433)	2,381
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	(395)	651	(19,570)	10,498	-	(23)	(14,433)	2,381
Cash and investments - ending	\$ 250	\$ 1,477	\$ 8,397	\$ 19,199	\$ 150	\$ 1,129	\$ 9,828	\$ 2,381

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

	Non-English Speaking Programs 2009-2010	School Technology	Excess PTRC Distributions	Title I 2010-2011	Title I 2009-2010	Drug Free Schools	Even Start 2009-2010	Even Start 2010-2011
Cash and investments - beginning	\$ 3,779	\$ 69,419	\$ 47,100	\$ -	\$ 143,584	\$ 3,609	\$ 51,108	\$ -
Receipts:								
Local sources	-	32,920	-	-	-	-	-	-
Intermediate sources	-	-	-	-	-	-	-	-
State sources	-	2,960	-	-	-	-	-	-
Federal sources	-	-	-	255,145	65,000	1,658	33,291	109,012
Temporary loans	-	-	-	-	-	-	-	-
Other	-	-	-	-	-	-	-	-
Total receipts	-	35,880	-	255,145	65,000	1,658	33,291	109,012
Disbursements:								
Current:								
Instruction	3,779	-	-	305,254	53,044	5,248	44,777	61,970
Support services	-	233	47,100	116,968	17,542	-	34,832	36,144
Noninstructional services	-	-	-	185	129	-	-	110
Facilities acquisition and construction	-	-	-	-	-	-	868	-
Debt services	-	-	-	-	-	-	-	-
Nonprogrammed charges	-	-	-	-	-	-	3,922	10,788
Total disbursements	3,779	233	47,100	422,407	70,715	5,248	84,399	109,012
Excess (deficiency) of receipts over disbursements	(3,779)	35,647	(47,100)	(167,262)	(5,715)	(3,590)	(51,108)	-
Other financing sources (uses)								
Proceeds of long-term debt	-	-	-	-	-	-	-	-
Transfers in	-	-	-	137,869	-	-	-	-
Transfers out	-	-	-	-	(137,869)	-	-	-
Total other financing sources (uses)	-	-	-	137,869	(137,869)	-	-	-
Excess (deficiency) of receipts and other financing sources over disbursements and other financing uses	(3,779)	35,647	(47,100)	(29,393)	(143,584)	(3,590)	(51,108)	-
Cash and investments - ending	\$ -	\$ 105,066	\$ -	\$ (29,393)	\$ -	\$ 19	\$ -	\$ -

METROPOLITAN SCHOOL DISTRICT OF STEUBEN COUNTY  
 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 II 2010-2011	Title II 2009-2010	Title III 2010-2011	Title III 2009-2010	ARRA Title I	ARRA Special Education	Payroll Clearing	Totals
Cash and investments - beginning	\$ -	\$ 39,984	\$ -	\$ (1,651)	\$ (8,844)	\$ 65,127	\$ 589	\$ 10,425,258
Receipts:								
Local sources	-	-	-	-	-	-	-	12,113,427
Intermediate sources	-	-	-	-	-	-	-	538
State sources	-	-	-	-	-	-	-	18,225,584
Federal sources	55,407	-	5,871	1,651	90,565	252,256	-	1,667,719
Temporary loans	-	-	-	-	-	-	-	519,536
Other	-	-	-	-	-	-	5,647,013	5,647,013
Total receipts	<u>55,407</u>	<u>-</u>	<u>5,871</u>	<u>1,651</u>	<u>90,565</u>	<u>252,256</u>	<u>5,647,013</u>	<u>38,173,817</u>
Disbursements:								
Current:								
Instruction	-	-	5,828	-	62,566	233,608	-	14,475,807
Support services	66,056	39,984	-	-	15,129	104,305	-	10,035,089
Noninstructional services	-	-	-	-	1,708	-	-	1,748,121
Facilities acquisition and construction	-	-	-	-	-	-	-	1,725,772
Debt services	-	-	-	-	-	-	-	7,933,128
Nonprogrammed charges	-	-	-	-	-	-	5,647,334	5,662,044
Total disbursements	<u>66,056</u>	<u>39,984</u>	<u>5,828</u>	<u>-</u>	<u>79,403</u>	<u>337,913</u>	<u>5,647,334</u>	<u>41,579,961</u>
Excess (deficiency) of receipts over disbursements	<u>(10,649)</u>	<u>(39,984)</u>	<u>43</u>	<u>1,651</u>	<u>11,162</u>	<u>(85,657)</u>	<u>(321)</u>	<u>(3,406,144)</u>
Other financing sources (uses)								
Proceeds of long-term debt	-	-	-	-	-	-	-	1,940,000
Transfers in	-	-	-	-	-	-	-	1,092,416
Transfers out	-	-	-	-	-	-	-	(1,092,416)
Total other financing sources (uses)	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>1,940,000</u>
Excess (deficiency) of receipts and other financing sources over disbursements and other financing uses	<u>(10,649)</u>	<u>(39,984)</u>	<u>43</u>	<u>1,651</u>	<u>11,162</u>	<u>(85,657)</u>	<u>(321)</u>	<u>(1,466,144)</u>
Cash and investments - ending	<u>\$ (10,649)</u>	<u>\$ -</u>	<u>\$ 43</u>	<u>\$ -</u>	<u>\$ 2,318</u>	<u>\$ (20,530)</u>	<u>\$ 268</u>	<u>\$ 8,959,114</u>

METROPOLITAN SCHOOL DISTRICT OF STEUBEN COUNTY  
 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	Rainy Day	Post Retirement/ Severance Future Benefits	Construction
Cash and investments - beginning	\$ 1,166,556	\$ 2,503,323	\$ 364,439	\$ 1,148,522	\$ 811,991	\$ 469,398	\$ 1,215,000	\$ 323,705	\$ 8,114
Receipts:									
Local sources	108,134	4,750,493	494,424	2,908,323	1,705,430	498,816	-	-	-
Intermediate sources	17	-	-	-	-	-	-	-	-
State sources	18,266,775	-	-	-	-	-	-	-	-
Federal sources	-	-	-	-	-	-	-	-	-
Temporary loans	-	-	-	449,952	-	-	-	-	-
Other	-	-	-	-	-	-	-	-	-
Total receipts	18,374,926	4,750,493	494,424	3,358,275	1,705,430	498,816	-	-	-
Disbursements:									
Current:									
Instruction	13,154,831	-	-	-	-	-	385,031	9,690	-
Support services	5,002,781	-	-	1,589,010	1,747,151	132,257	-	16,059	8,114
Noninstructional services	318,480	-	-	-	-	-	-	-	-
Facilities acquisition and construction	-	-	-	1,401,449	-	-	-	-	-
Debt services	-	4,645,564	637,700	519,536	-	-	-	-	-
Nonprogrammed charges	-	-	-	-	-	-	-	-	-
Total disbursements	18,476,092	4,645,564	637,700	3,509,995	1,747,151	132,257	385,031	25,749	8,114
Excess (deficiency) of receipts over disbursements	(101,166)	104,929	(143,276)	(151,720)	(41,721)	366,559	(385,031)	(25,749)	(8,114)
Other financing sources (uses)									
Sale of capital assets	379	-	-	-	-	-	-	-	-
Transfers in	318,108	-	-	-	-	-	765,000	-	-
Transfers out	(28,108)	-	-	-	-	(765,000)	-	(240,000)	-
Total other financing sources (uses)	290,379	-	-	-	-	(765,000)	765,000	(240,000)	-
Excess (deficiency) of receipts and other financing sources over disbursements and other financing uses	189,213	104,929	(143,276)	(151,720)	(41,721)	(398,441)	379,969	(265,749)	(8,114)
Cash and investments - ending	\$ 1,355,769	\$ 2,608,252	\$ 221,163	\$ 996,802	\$ 770,270	\$ 70,957	\$ 1,594,969	\$ 57,956	\$ -

METROPOLITAN SCHOOL DISTRICT OF STEUBEN COUNTY  
 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 Lunch	Textbook Rental	Levy Excess	Child Care Program	Educational License Plates	Alternative Education	Early Intervention Grant	Miscellaneous Donations	Dekko Arts Partnership Grant
Cash and investments - beginning	\$ 380,429	\$ 383,303	\$ -	\$ 13,864	\$ 11,349	\$ 68,972	\$ 100	\$ -	\$ 96
Receipts:									
Local sources	615,904	183,175	-	76,274	-	265,221	-	2,500	-
Intermediate sources	-	-	-	-	469	-	-	-	-
State sources	14,699	116,884	70,333	-	-	19,358	-	-	-
Federal sources	870,596	-	-	-	-	-	-	-	-
Temporary loans	-	-	-	-	-	-	-	-	-
Other	-	-	-	-	-	-	-	-	-
Total receipts	1,501,199	300,059	70,333	76,274	469	284,579	-	2,500	-
Disbursements:									
Current:									
Instruction	-	-	-	-	-	308,576	-	-	-
Support services	4,532	401,147	-	-	600	-	-	1,975	-
Noninstructional services	1,389,868	-	-	54,780	-	-	-	-	-
Facilities acquisition and construction	19,720	-	-	-	-	-	-	-	-
Debt services	-	-	-	-	-	-	-	-	-
Nonprogrammed charges	-	-	-	-	-	-	-	-	-
Total disbursements	1,414,120	401,147	-	54,780	600	308,576	-	1,975	-
Excess (deficiency) of receipts over disbursements	87,079	(101,088)	70,333	21,494	(131)	(23,997)	-	525	-
Other financing sources (uses)									
Sale of capital assets	-	-	-	-	-	-	-	-	-
Transfers in	-	-	-	-	-	16,045	-	-	-
Transfers out	(50,000)	-	-	-	-	(16,045)	-	-	-
Total other financing sources (uses)	(50,000)	-	-	-	-	-	-	-	-
Excess (deficiency) of receipts and other financing sources over disbursements and other financing uses	37,079	(101,088)	70,333	21,494	(131)	(23,997)	-	525	-
Cash and investments - ending	\$ 417,508	\$ 282,215	\$ 70,333	\$ 35,358	\$ 11,218	\$ 44,975	\$ 100	\$ 525	\$ 96

METROPOLITAN SCHOOL DISTRICT OF STEUBEN COUNTY  
 COMBINING SCHEDULE OF RECEIPTS, DISBURSEMENTS, OTHER FINANCING SOURCES (USES), AND CASH AND INVESTMENT BALANCES -  
 REGULATORY BASIS  
 For the Year Ended June 30, 2012  
 (Continued)

	Miscellaneous Grants	FIST Grants	Instruction Support	Extra- Curricular Activities	Wellness	McCutchan Scholarship	Coca Cola Commissions	High Ability 2010-2011	High Ability 2011-2012
Cash and investments - beginning	\$ 250	\$ 1,477	\$ 8,397	\$ -	\$ 19,199	\$ 150	\$ 1,129	\$ 9,828	\$ -
Receipts:									
Local sources	-	2,362	-	5,119	34,854	-	2,659	-	-
Intermediate sources	-	-	-	-	-	-	-	-	-
State sources	-	-	-	-	-	-	-	-	36,617
Federal sources	-	-	-	-	-	-	-	-	-
Temporary loans	-	-	-	-	-	-	-	-	-
Other	-	-	-	-	-	-	-	-	-
Total receipts	-	2,362	-	5,119	34,854	-	2,659	-	36,617
Disbursements:									
Current:									
Instruction	166	2,612	-	-	-	-	-	9,828	31,446
Support services	-	-	7,795	1,426	25,956	-	3,788	-	-
Noninstructional services	-	-	-	-	-	-	-	-	-
Facilities acquisition and construction	-	-	-	-	-	-	-	-	-
Debt services	-	-	-	-	-	-	-	-	-
Nonprogrammed charges	-	-	-	-	-	-	-	-	-
Total disbursements	166	2,612	7,795	1,426	25,956	-	3,788	9,828	31,446
Excess (deficiency) of receipts over disbursements	(166)	(250)	(7,795)	3,693	8,898	-	(1,129)	(9,828)	5,171
Other financing sources (uses)									
Sale of capital assets	-	-	-	-	-	-	-	-	-
Transfers in	-	-	-	-	-	-	-	-	-
Transfers out	-	-	-	-	-	-	-	-	-
Total other financing sources (uses)	-	-	-	-	-	-	-	-	-
Excess (deficiency) of receipts and other financing sources over disbursements and other financing uses	(166)	(250)	(7,795)	3,693	8,898	-	(1,129)	(9,828)	5,171
Cash and investments - ending	\$ 84	\$ 1,227	\$ 602	\$ 3,693	\$ 28,097	\$ 150	\$ -	\$ -	\$ 5,171

METROPOLITAN SCHOOL DISTRICT OF STEUBEN COUNTY  
 COMBINING SCHEDULE OF RECEIPTS, DISBURSEMENTS, OTHER FINANCING SOURCES (USES), AND CASH AND INVESTMENT BALANCES -  
 REGULATORY BASIS  
 For the Year Ended June 30, 2012  
 (Continued)

	Non-English Speaking Programs 2010-2011	Non-English Speaking Programs 2011-2012	School Technology	Title I 2010-2011	Title I 2011-2012	Drug Free Schools	Even Start 2010-2011	Title II 2010-2011
Cash and investments - beginning	\$ 2,381	\$ -	\$ 105,066	\$ (29,393)	\$ -	\$ 19	\$ -	\$ (10,649)
Receipts:								
Local sources	-	-	35,466	-	-	-	-	-
Intermediate sources	-	-	-	-	-	-	-	-
State sources	-	10,710	4,603	-	-	-	-	-
Federal sources	-	-	-	124,373	450,559	1,536	94,280	61,163
Temporary loans	-	-	-	-	-	-	-	-
Other	-	-	-	-	-	-	-	-
Total receipts	-	10,710	40,069	124,373	450,559	1,536	94,280	61,163
Disbursements:								
Current:								
Instruction	2,381	10,710	-	68,890	430,142	1,555	49,776	-
Support services	-	-	121,433	25,342	88,285	-	33,622	50,514
Noninstructional services	-	-	-	748	7,516	-	233	-
Facilities acquisition and construction	-	-	-	-	-	-	-	-
Debt services	-	-	-	-	-	-	-	-
Nonprogrammed charges	-	-	-	-	-	-	10,649	-
Total disbursements	2,381	10,710	121,433	94,980	525,943	1,555	94,280	50,514
Excess (deficiency) of receipts over disbursements	(2,381)	-	(81,364)	29,393	(75,384)	(19)	-	10,649
Other financing sources (uses)								
Sale of capital assets	-	-	-	-	-	-	-	-
Transfers in	-	-	-	-	-	-	-	-
Transfers out	-	-	-	-	-	-	-	-
Total other financing sources (uses)	-	-	-	-	-	-	-	-
Excess (deficiency) of receipts and other financing sources over disbursements and other financing uses	(2,381)	-	(81,364)	29,393	(75,384)	(19)	-	10,649
Cash and investments - ending	\$ -	\$ -	\$ 23,702	\$ -	\$ (75,384)	\$ -	\$ -	\$ -

METROPOLITAN SCHOOL DISTRICT OF STEUBEN COUNTY  
 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 II 2011-2012	Title III 2010-2011	Title III 2011-2012	ARRA Title I	ARRA Special Education	Education Jobs	Payroll Clearing	Totals
Cash and investments - beginning	\$ -	\$ 43	\$ -	\$ 2,318	\$ (20,530)	\$ -	\$ 268	\$ 8,959,114
Receipts:								
Local sources	474	-	-	-	-	-	-	11,689,628
Intermediate sources	-	-	-	-	-	-	-	486
State sources	-	-	-	-	-	-	-	18,539,979
Federal sources	46,914	8,970	8,803	2,002	104,296	429,106	-	2,202,598
Temporary loans	-	-	-	-	-	-	-	449,952
Other	-	-	-	-	-	-	5,701,463	5,701,463
Total receipts	<u>47,388</u>	<u>8,970</u>	<u>8,803</u>	<u>2,002</u>	<u>104,296</u>	<u>429,106</u>	<u>5,701,463</u>	<u>38,584,106</u>
Disbursements:								
Current:								
Instruction	-	9,013	12,200	-	59,695	412,417	-	14,958,959
Support services	78,251	-	-	4,320	24,071	91,024	-	9,459,453
Noninstructional services	-	-	-	-	-	-	-	1,771,625
Facilities acquisition and construction	-	-	-	-	-	-	-	1,421,169
Debt services	-	-	-	-	-	-	-	5,802,800
Nonprogrammed charges	-	-	-	-	-	-	5,699,746	5,710,395
Total disbursements	<u>78,251</u>	<u>9,013</u>	<u>12,200</u>	<u>4,320</u>	<u>83,766</u>	<u>503,441</u>	<u>5,699,746</u>	<u>39,124,401</u>
Excess (deficiency) of receipts over disbursements	<u>(30,863)</u>	<u>(43)</u>	<u>(3,397)</u>	<u>(2,318)</u>	<u>20,530</u>	<u>(74,335)</u>	<u>1,717</u>	<u>(540,295)</u>
Other financing sources (uses)								
Sale of capital assets	-	-	-	-	-	-	-	379
Transfers in	-	-	-	-	-	-	-	1,099,153
Transfers out	-	-	-	-	-	-	-	(1,099,153)
Total other financing sources (uses)	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>379</u>
Excess (deficiency) of receipts and other financing sources over disbursements and other financing uses	<u>(30,863)</u>	<u>(43)</u>	<u>(3,397)</u>	<u>(2,318)</u>	<u>20,530</u>	<u>(74,335)</u>	<u>1,717</u>	<u>(539,916)</u>
Cash and investments - ending	<u>\$ (30,863)</u>	<u>\$ -</u>	<u>\$ (3,397)</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ (74,335)</u>	<u>\$ 1,985</u>	<u>\$ 8,419,198</u>

METROPOLITAN SCHOOL DISTRICT OF STEUBEN COUNTY  
 SUPPLEMENTARY INFORMATION  
 SCHEDULE OF LEASES AND DEBT  
 June 30, 2012

Description of Debt	Ending Principal Balance	Principal and Interest Due Within One Year
Capital leases:		
Angola Middle School Building Corporation- Middle School 2008 refunding lease	\$ 8,260,000	\$ 2,301,700
MSD of Steuben County K-5 Building Corporation Ryan Park Elementary 2003 refunding lease	17,134,700	2,000,688
Bonds payable:		
General obligation bonds:		
Refunding 2011 bonds	1,670,000	583,068
Pension obligation 2004 bonds	4,875,000	632,400
Temporary loans	449,952	454,223
Total leases and debt	<u>\$ 32,389,652</u>	<u>\$ 5,972,079</u>

METROPOLITAN SCHOOL DISTRICT OF STEUBEN COUNTY  
 SUPPLEMENTARY INFORMATION  
 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.

<u>Primary Government</u>	<u>Ending Balance</u>
Governmental activities:	
Capital assets, not being depreciated:	
Land	\$ 2,050,903
Buildings	55,139,011
Improvements other than buildings	1,503,095
Machinery and equipment	<u>5,774,886</u>
 Total governmental activities, capital assets not being depreciated	 <u><u>\$ 64,467,895</u></u>

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SUPPLEMENTAL AUDIT OF  
FEDERAL AWARDS



**STATE OF INDIANA**  
AN EQUAL OPPORTUNITY EMPLOYER

STATE BOARD OF ACCOUNTS  
302 WEST WASHINGTON STREET  
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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 METROPOLITAN SCHOOL DISTRICT  
OF STEUBEN COUNTY, STEUBEN COUNTY, INDIANA

Compliance

We have audited Metropolitan School District of Steuben County'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

October 30, 2012

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## SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS

The Schedule of Expenditures of Federal Awards and accompanying notes presented were approved by management of the School Corporation. The schedule and notes are presented as intended by the School Corporation.

METROPOLITAN SCHOOL DISTRICT OF STEUBEN COUNTY  
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		\$ 178,748	\$ 190,892
National School Lunch Program	10.555		681,278	750,800
Summer Food Service Program for Children	10.559		-	25,814
			<u>860,026</u>	<u>967,506</u>
Total for federal grantor agency				
<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	10-7615	70,715	-
		11-7615	422,407	94,980
		12-7615	-	450,559
			<u>493,122</u>	<u>545,539</u>
Total for program				
ARRA - Title I Grants to Local Educational Agencies, Recovery Act	84.389	10-7615	79,403	4,320
			<u>572,525</u>	<u>549,859</u>
Total for cluster				
Pass-Through DeKalb Eastern Community School District				
Special Education Cluster				
ARRA - Special Education - Grants to States, Recovery Act	84.391		337,913	83,766
			<u>337,913</u>	<u>83,766</u>
Total for cluster				
Pass-Through Indiana Department of Education				
Safe and Drug-Free Schools and Communities - State Grants				
	84.186	09-7615	5,248	1,555
Even Start - State Educational Agencies				
	84.213	2009-2010	84,399	-
		2010-2011	109,012	94,280
			<u>193,411</u>	<u>94,280</u>
Total for program				
English Language Acquisition State Grants				
	84.365	10-7615	5,828	9,013
		11-7615	-	8,803
			<u>5,828</u>	<u>17,816</u>
Total for program				
Improving Teacher Quality State Grants				
	84.367	2009-2010	39,984	-
		2010-2011	66,056	50,514
		2011-2012	-	46,914
			<u>106,040</u>	<u>97,428</u>
Total for program				
Education Jobs Fund	84.410		-	429,106
			<u>1,220,965</u>	<u>1,273,810</u>
Total for federal grantor agency				
Total federal awards expended			<u>\$ 2,080,991</u>	<u>\$ 2,241,316</u>

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

METROPOLITAN SCHOOL DISTRICT OF STEUBEN COUNTY  
NOTES TO SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS

**Note 1. Basis of Presentation**

The accompanying Schedule of Expenditures of Federal Awards includes the federal grant activity of the Metropolitan School District of Steuben County (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, 2011 and 2012. This noncash assistance is also included in the federal expenditures presented in the schedule.

Program Title	Federal CFDA Number	2010-11	2011-12
School Breakfast Program	10.553	\$ 18,181	\$ 19,645
National School Lunch Program	10.555	69,293	77,265

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

Federal Awards:

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

Identification of Major Programs:

<u>CFDA Number</u>	<u>Name of Federal Program or Cluster</u>
84.410	Child Nutrition Cluster Special Education Cluster Education Jobs Fund

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

Auditee qualified as low-risk auditee? yes

**Section II – Financial Statement Findings**

No matters are reportable.

**Section III – Federal Award Findings and Questioned Costs**

No matters are reportable.

METROPOLITAN SCHOOL DISTRICT OF STEUBEN COUNTY  
EXIT CONFERENCE

The contents of this report were discussed on October 30, 2012, with Monte VanGessel, Business Manager/Treasurer, and Dr. Brent Wilson, Superintendent of Schools. Our audit disclosed no material items that warrant comment at this time.

A second exit conference was held with Monte VanGessel, Business Manager/Treasurer on January 7, 2013, to discuss changes to the Independent Auditor's Report.