

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

FINANCIAL STATEMENT AND
FEDERAL SINGLE AUDIT REPORT
OF

BLACKFORD COUNTY SCHOOLS
BLACKFORD COUNTY, INDIANA

July 1, 2010 to June 30, 2012



FILED
01/23/2013

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SCHEDULE OF OFFICIALS

| <u>Office</u> | <u>Official</u> | <u>Term</u> |
|----------------------------------|--------------------------------------|--|
| Treasurer | Barbara S. Grover David A. Bowman | 01-01-10 to 06-21-11 06-22-11 to 12-31-12 |
| Superintendent of Schools | Kenneth R. Kline | 07-01-10 to 06-30-13 |
| President of the School Board | John Payne | 01-01-10 to 12-31-12 |



STATE OF INDIANA
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INDEPENDENT AUDITOR'S REPORT

TO: THE OFFICIALS OF THE BLACKFORD COUNTY SCHOOLS, BLACKFORD COUNTY, INDIANA

We have audited the accompanying financial statement of the Blackford County Schools (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 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.

INDEPENDENT AUDITOR'S REPORT
(Continued)

In accordance with Government Auditing Standards, we have also issued a report dated December 10, 2012, on our consideration of the School Corporation's internal control over financial reporting and our tests of its compliance with certain provisions of laws, regulations, contracts, grant agreements, and other matters. The purpose of that report is to describe the scope of our testing of internal control over financial reporting and compliance and the results of that testing and not to provide an opinion on the internal control over financial reporting or on compliance. That report is an integral part of an audit performed in accordance with Government Auditing Standards and should be considered in assessing the results of our audit.

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, as listed in the Table of Contents, are presented for additional analysis and are not a required part 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

December 10, 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 BLACKFORD COUNTY SCHOOLS, BLACKFORD COUNTY, INDIANA

We have audited the financial statement of the Blackford County Schools (School Corporation), for the period of July 1, 2010 to June 30, 2012, and have issued our report thereon dated December 10, 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.

The School Corporation's response to the findings 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.

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

December 10, 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.

BLACKFORD COUNTY SCHOOLS
STATEMENT OF RECEIPTS, DISBURSEMENTS, OTHER FINANCING SOURCES (USES), AND CASH AND INVESTMENT BALANCES -
REGULATORY BASIS
For the Years Ended June 30, 2011 and 2012

| Fund | 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 | \$ 2,473,651 | \$ 12,869,695 | \$ 12,750,270 | \$ 7,663 | \$ 2,600,739 | \$ 12,678,856 | \$ 13,007,723 | \$ 12,413 | \$ 2,284,285 |
| Debt Service | 903,553 | 2,464,716 | 2,370,000 | 129,437 | 1,127,706 | 2,015,685 | 2,369,501 | (872) | 773,018 |
| School Pension Debt | 93,394 | 408,129 | 387,213 | - | 114,310 | 395,639 | 390,002 | - | 119,947 |
| Capital Projects | 1,089,546 | 617,735 | 1,102,436 | 41,614 | 646,459 | 612,697 | 896,799 | - | 362,357 |
| Transportation Operating | 369,095 | 589,496 | 580,970 | 27,597 | 405,218 | 561,926 | 592,804 | 21,161 | 395,501 |
| School Bus Replacement | 64,942 | 71,075 | 81,395 | 4,178 | 58,800 | 64,675 | 80,720 | - | 42,755 |
| Rainy Day | 10,000 | - | - | - | 10,000 | - | - | - | 10,000 |
| Retirement/Severance Bond | 267,126 | - | 203,495 | - | 63,631 | - | 63,631 | - | - |
| School Lunch | 613,454 | 921,863 | 746,740 | - | 788,577 | 911,695 | 866,112 | - | 834,160 |
| Textbook Rental | 385,446 | 139,841 | 51,822 | 607 | 474,072 | 161,056 | 203,605 | 872 | 432,395 |
| Levy Excess | 21,161 | - | - | - | 21,161 | - | - | (21,161) | - |
| Education License Plates | 5,429 | 225 | - | - | 5,654 | 169 | 602 | - | 5,221 |
| Safe Haven 2009-10 | - | 22,477 | 22,477 | - | - | 30,000 | 30,000 | - | - |
| Safe Haven 2010-11 | - | 37,156 | 37,156 | - | - | 22,983 | 22,983 | - | - |
| Apple 1st Grade 2009-10 | 220 | - | 220 | - | - | - | - | - | - |
| Apple 2nd Grade 2009-10 | 165 | - | 165 | - | - | - | - | - | - |
| Career Counseling | - | 12,400 | 12,400 | - | - | 15,000 | 15,000 | - | - |
| Apple Grant 3rd Grade 2009-10 | 23 | - | 23 | - | - | - | - | - | - |
| Foundation Career Carnival | 1,100 | - | 1,100 | - | - | - | - | - | - |
| Foundation 8th Grade Language Arts | 718 | - | 718 | - | - | - | - | - | - |
| Foundation WOW SEEDS | - | 700 | 700 | - | - | - | - | - | - |
| Foundation Mentor Moms | 500 | - | 500 | - | - | - | - | - | - |
| Cimino Equestrian | - | 1,300 | 983 | - | 317 | - | 317 | - | - |
| Foundation Jr. High Indiana Academy 2010-11 | - | 450 | 450 | - | - | - | - | - | - |
| Foundation Jr. High Band | - | 1,100 | 1,100 | - | - | - | - | - | - |
| Foundation Comprehensive Literacy Model 2010-11 | - | 2,680 | 2,680 | - | - | - | - | - | - |
| Foundation Camp Invention Northside | - | 3,445 | 3,445 | - | - | - | - | - | - |
| Foundation High School SAT | - | 12,000 | 12,000 | - | - | - | - | - | - |
| Foundation Alternative School | - | 5,000 | 202 | - | 4,798 | - | 4,798 | - | - |
| Kids In Need Jr. High | - | 800 | 800 | - | - | - | - | - | - |
| Montpelier Ping-Pong | - | 575 | 575 | - | - | - | - | - | - |
| Foundation High Riding Camp | - | 10,845 | 7,677 | - | 3,168 | - | 3,168 | - | - |
| Foundation Jr. High Afterschool Art | - | 850 | - | - | 850 | - | 850 | - | - |
| Foundation 3M Camp Invention | - | 2,500 | 2,500 | - | - | 1,000 | 1,000 | - | - |
| WOW Characters Jr. High | - | 750 | - | - | 750 | - | 750 | - | - |
| Kindergarten Countdown | - | - | - | - | - | 4,842 | 4,733 | - | 109 |
| Foundation Comprehensive Literacy Model 2012-13 | - | - | - | - | - | 9,800 | 800 | - | 9,000 |
| Foundation Comprehensive Literacy Model 2011-12 | - | - | - | - | - | 10,700 | 10,700 | - | - |
| Foundation High School Reading | - | - | - | - | - | 4,700 | 4,700 | - | - |
| Foundation Face The Future | - | - | - | - | - | 6,600 | 6,600 | - | - |
| Montpelier Art | - | - | - | - | - | 2,600 | 500 | - | 2,100 |
| Foundation Jr. High Indiana Academy 2011-12 | - | - | - | - | - | 723 | 723 | - | - |
| Going Global | - | - | - | - | - | 26,175 | 21,435 | - | 4,740 |
| Foundation Peer Mentor Jr. High | - | - | - | - | - | 1,400 | 1,400 | - | - |
| Foundation 5th Grade Grant | - | - | - | - | - | 2,300 | 2,300 | - | - |
| County Drug-Free 2011-12 | - | - | - | - | - | 1,794 | 794 | - | 1,000 |
| Foundation 8th Grade Trip | - | - | - | - | - | 7,500 | 7,500 | - | - |

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

BLACKFORD COUNTY SCHOOLS
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)

| Fund | 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 |
|--|-------------------------------------|----------------------|----------------------|--------------------------------------|-------------------------------------|----------------------|----------------------|--------------------------------------|-------------------------------------|
| Jennerjahn Awards | - | 1,869 | 1,869 | - | - | 1,139 | 1,139 | - | - |
| Foundation Kindergarten Field Trip | - | - | - | - | - | 500 | 500 | - | - |
| First Christian Church Nurse Grant | - | - | - | - | - | 324 | 324 | - | - |
| Foundation Jr. High Positive Behavior | - | - | - | - | - | 1,500 | - | - | 1,500 |
| WOW Comprehensive Literacy 2013 | - | - | - | - | - | 2,500 | - | - | 2,500 |
| WOW Jr. High Career Carnival | - | - | - | - | - | 680 | - | - | 680 |
| 3M Camp Invention 2012 | - | - | - | - | - | 2,500 | 2,500 | - | - |
| Foundation Innovative Education | - | - | - | - | - | 2,190 | - | - | 2,190 |
| Foundation Youth Entrepreneurs | - | - | - | - | - | 2,000 | - | - | 2,000 |
| Ball Brothers Comprehensive Literacy Model | - | - | - | - | - | 24,000 | - | - | 24,000 |
| Foundation Success Teams | - | 2,000 | 2,000 | - | - | - | - | - | - |
| Taylor/3M Watershed | 220 | - | 173 | - | 47 | - | 47 | - | - |
| Mentoring Moms | 1,357 | 875 | 996 | - | 1,236 | 500 | 100 | - | 1,636 |
| Japanese Grant 2010-11 | - | 25,000 | 25,000 | - | - | - | - | - | - |
| Japanese Grant 2011-12 | - | - | - | - | - | 25,000 | 25,000 | - | - |
| CAPE III 2007-10 | 56,540 | 185 | 42,221 | - | 14,504 | 32 | 14,319 | (217) | - |
| CAPE Carryover | 77,620 | 22,477 | - | - | 100,097 | - | 26,225 | 217 | 74,089 |
| SEEDS | 2,300 | - | 2,274 | - | 26 | - | 26 | - | - |
| Gifted and Talented 2010-11 | - | 33,744 | 33,744 | - | - | - | - | - | - |
| Gifted and Talented 2009-10 | 2,704 | - | 2,704 | - | - | 31,880 | 23,436 | - | 8,444 |
| Non-English Speaking Programs | 1,415 | 925 | 74 | - | 2,266 | 951 | - | - | 3,217 |
| School Technology | 37,286 | 27,545 | 36,500 | - | 28,331 | 20,892 | 45,019 | - | 4,204 |
| School Safety Equipment | - | - | - | - | - | 7,898 | 7,898 | - | - |
| Excess PTRC Distributions | 101,717 | 190,416 | - | (203,433) | 88,700 | 178,591 | - | - | 267,291 |
| Title I 2010-11 | - | 361,994 | 459,818 | 99,471 | 1,647 | 48,049 | 49,696 | - | - |
| Title I 2009-10 | 90,252 | - | 44,197 | (46,055) | - | - | - | - | - |
| Title I 2011-12 | - | - | - | - | - | 437,695 | 437,695 | - | - |
| Co-op 2010-11 | - | 534,095 | 534,095 | - | - | 94,427 | 94,427 | - | - |
| Co-op 2011-12 | - | - | - | - | - | 456,014 | 456,014 | - | - |
| Drug Free 2009-10 | 500 | - | 500 | - | - | 1,482 | 1,482 | - | - |
| PLTW 2010-11 | - | 10,621 | 10,621 | - | - | - | - | - | - |
| Area 18 Perkins 2010-11 | - | 10,893 | 10,893 | - | - | 12,157 | 12,157 | - | - |
| Medicaid Reimbursement | 35,410 | 26,452 | 2,247 | (7,158) | 52,457 | 21,318 | 1,479 | (7,596) | 64,700 |
| Title II 2011-12 | - | - | - | - | - | 20,292 | 20,292 | - | - |
| Title II-A 2010-11 | - | 106,833 | 53,417 | (53,416) | - | - | - | - | - |
| Title III Language Migrant | 892 | - | - | - | 892 | - | - | - | 892 |
| ARRA Title I 2009-11 | - | 91,182 | 86,108 | - | 5,074 | 11,718 | 16,790 | (2) | - |
| ARRA Special Education 2009-11 | 70 | 146,315 | 138,846 | - | 7,539 | 1,876 | 9,415 | - | - |
| Clearing Accounts | 109,122 | 11,280,641 | 11,310,799 | - | 78,964 | 10,546,378 | 10,516,412 | - | 108,930 |
| ARRA Learning Technology 2009-11 | 1,214 | 125,753 | 126,967 | - | - | 16,648 | 16,648 | - | - |
| Education Jobs | - | - | - | - | - | 421,855 | 421,855 | - | - |
| Totals | \$ 6,818,142 | \$ 31,197,618 | \$ 31,308,275 | \$ 505 | \$ 6,707,990 | \$ 29,943,501 | \$ 30,813,445 | \$ 4,815 | \$ 5,842,861 |

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

BLACKFORD COUNTY SCHOOLS
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.

BLACKFORD COUNTY SCHOOLS
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.

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

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

E. Disbursements

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

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

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

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

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

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

Nonprogrammed charges which include outflows for donations to foundations, securities purchased, indirect costs, scholarships, funds held temporarily for an authorized recipient and self-insurance payments.

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

F. Other financing sources and uses

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

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

BLACKFORD COUNTY SCHOOLS
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.

BLACKFORD COUNTY SCHOOLS
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.

BLACKFORD COUNTY SCHOOLS
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.

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.

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BLACKFORD COUNTY SCHOOLS
 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 | School Pension Debt | Capital Projects | Transportation Operating | School Bus Replacement | Rainy Day | Retirement/ Severance Bond |
|---|---------------------|---------------------|---------------------------|---------------------|-----------------------------|------------------------------|------------------|----------------------------------|
| Cash and investments - beginning | \$ 2,473,651 | \$ 903,553 | \$ 93,394 | \$ 1,089,546 | \$ 369,095 | \$ 64,942 | \$ 10,000 | \$ 267,126 |
| Receipts: | | | | | | | | |
| Local sources | 88,252 | 2,284,539 | 408,129 | 617,735 | 589,443 | 71,075 | - | - |
| Intermediate sources | 159 | - | - | - | - | - | - | - |
| State sources | 12,715,364 | 180,177 | - | - | - | - | - | - |
| Federal sources | 60,056 | - | - | - | - | - | - | - |
| Interfund loans | - | - | - | - | - | - | - | - |
| Other | 5,864 | - | - | - | 53 | - | - | - |
| Total receipts | <u>12,869,695</u> | <u>2,464,716</u> | <u>408,129</u> | <u>617,735</u> | <u>589,496</u> | <u>71,075</u> | <u>-</u> | <u>-</u> |
| Disbursements: | | | | | | | | |
| Current: | | | | | | | | |
| Instruction | 7,750,060 | - | - | - | - | - | - | - |
| Support services | 4,679,807 | - | - | 864,100 | 580,970 | 81,395 | - | 203,495 |
| Noninstructional services | 196,993 | - | - | - | - | - | - | - |
| Facilities acquisition and construction | - | - | - | 238,336 | - | - | - | - |
| Debt services | - | 2,370,000 | 387,213 | - | - | - | - | - |
| Nonprogrammed charges | - | - | - | - | - | - | - | - |
| Interfund loans | 123,410 | - | - | - | - | - | - | - |
| Total disbursements | <u>12,750,270</u> | <u>2,370,000</u> | <u>387,213</u> | <u>1,102,436</u> | <u>580,970</u> | <u>81,395</u> | <u>-</u> | <u>203,495</u> |
| Excess (deficiency) of receipts over disbursements | <u>119,425</u> | <u>94,716</u> | <u>20,916</u> | <u>(484,701)</u> | <u>8,526</u> | <u>(10,320)</u> | <u>-</u> | <u>(203,495)</u> |
| Other financing sources (uses): | | | | | | | | |
| Sale of capital assets | 505 | - | - | - | - | - | - | - |
| Transfers in | 7,158 | 130,044 | - | 41,614 | 27,597 | 4,178 | - | - |
| Transfers out | - | (607) | - | - | - | - | - | - |
| Total other financing sources (uses) | <u>7,663</u> | <u>129,437</u> | <u>-</u> | <u>41,614</u> | <u>27,597</u> | <u>4,178</u> | <u>-</u> | <u>-</u> |
| Excess (deficiency) of receipts and other financing sources over disbursements and other financing uses | <u>127,088</u> | <u>224,153</u> | <u>20,916</u> | <u>(443,087)</u> | <u>36,123</u> | <u>(6,142)</u> | <u>-</u> | <u>(203,495)</u> |
| Cash and investments - ending | <u>\$ 2,600,739</u> | <u>\$ 1,127,706</u> | <u>\$ 114,310</u> | <u>\$ 646,459</u> | <u>\$ 405,218</u> | <u>\$ 58,800</u> | <u>\$ 10,000</u> | <u>\$ 63,631</u> |

BLACKFORD COUNTY SCHOOLS
 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 | Education License Plates | Safe Haven 2009-10 | Safe Haven 2010-11 | Apple 1st Grade 2009-10 | Apple 2nd Grade 2009-10 |
|---|-------------------|--------------------|------------------|--------------------------------|-----------------------|-----------------------|-------------------------------|-------------------------------|
| Cash and investments - beginning | \$ 613,454 | \$ 385,446 | \$ 21,161 | \$ 5,429 | \$ - | \$ - | \$ 220 | \$ 165 |
| Receipts: | | | | | | | | |
| Local sources | 360,480 | 75,995 | - | - | - | - | - | - |
| Intermediate sources | - | - | - | 225 | 22,477 | - | - | - |
| State sources | 9,059 | 62,112 | - | - | - | 14,173 | - | - |
| Federal sources | 552,080 | - | - | - | - | - | - | - |
| Interfund loans | - | - | - | - | - | 22,983 | - | - |
| Other | 244 | 1,734 | - | - | - | - | - | - |
| Total receipts | <u>921,863</u> | <u>139,841</u> | <u>-</u> | <u>225</u> | <u>22,477</u> | <u>37,156</u> | <u>-</u> | <u>-</u> |
| Disbursements: | | | | | | | | |
| Current: | | | | | | | | |
| Instruction | - | - | - | - | - | 32,253 | 220 | 165 |
| Support services | - | 51,822 | - | - | - | 4,903 | - | - |
| Noninstructional services | 746,740 | - | - | - | - | - | - | - |
| Facilities acquisition and construction | - | - | - | - | - | - | - | - |
| Debt services | - | - | - | - | - | - | - | - |
| Nonprogrammed charges | - | - | - | - | - | - | - | - |
| Interfund loans | - | - | - | - | 22,477 | - | - | - |
| Total disbursements | <u>746,740</u> | <u>51,822</u> | <u>-</u> | <u>-</u> | <u>22,477</u> | <u>37,156</u> | <u>220</u> | <u>165</u> |
| Excess (deficiency) of receipts over disbursements | <u>175,123</u> | <u>88,019</u> | <u>-</u> | <u>225</u> | <u>-</u> | <u>-</u> | <u>(220)</u> | <u>(165)</u> |
| Other financing sources (uses): | | | | | | | | |
| Sale of capital assets | - | - | - | - | - | - | - | - |
| Transfers in | - | 607 | - | - | - | - | - | - |
| Transfers out | - | - | - | - | - | - | - | - |
| Total other financing sources (uses) | <u>-</u> | <u>607</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>175,123</u> | <u>88,626</u> | <u>-</u> | <u>225</u> | <u>-</u> | <u>-</u> | <u>(220)</u> | <u>(165)</u> |
| Cash and investments - ending | <u>\$ 788,577</u> | <u>\$ 474,072</u> | <u>\$ 21,161</u> | <u>\$ 5,654</u> | <u>\$ -</u> | <u>\$ -</u> | <u>\$ -</u> | <u>\$ -</u> |

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

| | Career Counseling | Apple Grant 3rd Grade 2009-10 | Foundation Career Carnival | Foundation 8th Grade Language Arts | Foundation WOW SEEDS | Foundation Mentor Moms | Cimino Equestrian | Foundation Jr. High Indiana Academy 2010-11 |
|---|----------------------|-------------------------------------|----------------------------------|--|-------------------------|---------------------------|----------------------|--|
| Cash and investments - beginning | \$ - | \$ 23 | \$ 1,100 | \$ 718 | \$ - | \$ 500 | \$ - | \$ - |
| Receipts: | | | | | | | | |
| Local sources | - | - | - | - | 700 | - | 1,300 | 450 |
| Intermediate sources | - | - | - | - | - | - | - | - |
| State sources | 12,400 | - | - | - | - | - | - | - |
| Federal sources | - | - | - | - | - | - | - | - |
| Interfund loans | - | - | - | - | - | - | - | - |
| Other | - | - | - | - | - | - | - | - |
| Total receipts | 12,400 | - | - | - | 700 | - | 1,300 | 450 |
| Disbursements: | | | | | | | | |
| Current: | | | | | | | | |
| Instruction | - | 23 | 949 | 718 | - | - | - | 450 |
| Support services | 12,400 | - | 151 | - | 700 | 500 | 983 | - |
| Noninstructional services | - | - | - | - | - | - | - | - |
| Facilities acquisition and construction | - | - | - | - | - | - | - | - |
| Debt services | - | - | - | - | - | - | - | - |
| Nonprogrammed charges | - | - | - | - | - | - | - | - |
| Interfund loans | - | - | - | - | - | - | - | - |
| Total disbursements | 12,400 | 23 | 1,100 | 718 | 700 | 500 | 983 | 450 |
| Excess (deficiency) of receipts over disbursements | - | (23) | (1,100) | (718) | - | (500) | 317 | - |
| 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 | - | (23) | (1,100) | (718) | - | (500) | 317 | - |
| Cash and investments - ending | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ 317 | \$ - |

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

| | Foundation Jr. High Band | Foundation Comprehensive Literacy Model 2010-11 | Foundation Camp Invention Northside | Foundation High School SAT | Foundation Alternative School | Kids In Need Jr. High | Montpelier Ping-Pong | Foundation High Riding Camp |
|---|--------------------------------|--|---|----------------------------------|-------------------------------------|--------------------------|-------------------------|-----------------------------------|
| Cash and investments - beginning | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - |
| Receipts: | | | | | | | | |
| Local sources | 1,100 | 2,680 | 3,445 | 12,000 | 5,000 | 800 | 575 | 10,845 |
| Intermediate sources | - | - | - | - | - | - | - | - |
| State sources | - | - | - | - | - | - | - | - |
| Federal sources | - | - | - | - | - | - | - | - |
| Interfund loans | - | - | - | - | - | - | - | - |
| Other | - | - | - | - | - | - | - | - |
| Total receipts | <u>1,100</u> | <u>2,680</u> | <u>3,445</u> | <u>12,000</u> | <u>5,000</u> | <u>800</u> | <u>575</u> | <u>10,845</u> |
| Disbursements: | | | | | | | | |
| Current: | | | | | | | | |
| Instruction | 1,100 | - | 2,944 | 12,000 | 202 | 800 | 575 | 6,934 |
| Support services | - | 2,680 | 501 | - | - | - | - | 743 |
| Noninstructional services | - | - | - | - | - | - | - | - |
| Facilities acquisition and construction | - | - | - | - | - | - | - | - |
| Debt services | - | - | - | - | - | - | - | - |
| Nonprogrammed charges | - | - | - | - | - | - | - | - |
| Interfund loans | - | - | - | - | - | - | - | - |
| Total disbursements | <u>1,100</u> | <u>2,680</u> | <u>3,445</u> | <u>12,000</u> | <u>202</u> | <u>800</u> | <u>575</u> | <u>7,677</u> |
| Excess (deficiency) of receipts over disbursements | <u>-</u> | <u>-</u> | <u>-</u> | <u>-</u> | <u>4,798</u> | <u>-</u> | <u>-</u> | <u>3,168</u> |
| Other financing sources (uses): | | | | | | | | |
| Sale of capital assets | - | - | - | - | - | - | - | - |
| 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>-</u> | <u>-</u> | <u>-</u> | <u>-</u> | <u>4,798</u> | <u>-</u> | <u>-</u> | <u>3,168</u> |
| Cash and investments - ending | <u>\$ -</u> | <u>\$ -</u> | <u>\$ -</u> | <u>\$ -</u> | <u>\$ 4,798</u> | <u>\$ -</u> | <u>\$ -</u> | <u>\$ 3,168</u> |

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

| | Foundation Jr. High Afterschool Art | Foundation 3M Camp Invention | WOW Characters Jr. High | Jennerjahn Awards | Foundation Success Teams | Taylor/3M Watershed | Mentoring Moms | Japanese Grant 2010-11 |
|---|---|------------------------------------|-------------------------------|----------------------|--------------------------------|------------------------|-------------------|---------------------------|
| Cash and investments - beginning | \$ - | \$ - | \$ - | \$ - | \$ - | \$ 220 | \$ 1,357 | \$ - |
| Receipts: | | | | | | | | |
| Local sources | 850 | 2,500 | 750 | 1,869 | 2,000 | - | 875 | - |
| Intermediate sources | - | - | - | - | - | - | - | - |
| State sources | - | - | - | - | - | - | - | - |
| Federal sources | - | - | - | - | - | - | - | - |
| Interfund loans | - | - | - | - | - | - | - | - |
| Other | - | - | - | - | - | - | - | 25,000 |
| Total receipts | 850 | 2,500 | 750 | 1,869 | 2,000 | - | 875 | 25,000 |
| Disbursements: | | | | | | | | |
| Current: | | | | | | | | |
| Instruction | - | 2,500 | - | - | 1,504 | 173 | - | 25,000 |
| Support services | - | - | - | - | 496 | - | 996 | - |
| Noninstructional services | - | - | - | 1,869 | - | - | - | - |
| Facilities acquisition and construction | - | - | - | - | - | - | - | - |
| Debt services | - | - | - | - | - | - | - | - |
| Nonprogrammed charges | - | - | - | - | - | - | - | - |
| Interfund loans | - | - | - | - | - | - | - | - |
| Total disbursements | - | 2,500 | - | 1,869 | 2,000 | 173 | 996 | 25,000 |
| Excess (deficiency) of receipts over disbursements | 850 | - | 750 | - | - | (173) | (121) | - |
| 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 | 850 | - | 750 | - | - | (173) | (121) | - |
| Cash and investments - ending | \$ 850 | \$ - | \$ 750 | \$ - | \$ - | \$ 47 | \$ 1,236 | \$ - |

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

| | CAPE III 2007-10 | CAPE Carryover | SEEDS | Gifted and Talented 2010-11 | Gifted and Talented 2009-10 | Non-English Speaking Programs | School Technology | Excess PTRC Distributions |
|---|---------------------|-------------------|----------|-----------------------------------|-----------------------------------|-------------------------------------|----------------------|---------------------------------|
| Cash and investments - beginning | \$ 56,540 | \$ 77,620 | \$ 2,300 | \$ - | \$ 2,704 | \$ 1,415 | \$ 37,286 | \$ 101,717 |
| Receipts: | | | | | | | | |
| Local sources | 185 | - | - | - | - | - | 23,763 | - |
| Intermediate sources | - | - | - | - | - | - | - | - |
| State sources | - | - | - | 33,744 | - | 925 | 3,782 | 190,416 |
| Federal sources | - | - | - | - | - | - | - | - |
| Interfund loans | - | 22,477 | - | - | - | - | - | - |
| Other | - | - | - | - | - | - | - | - |
| Total receipts | 185 | 22,477 | - | 33,744 | - | 925 | 27,545 | 190,416 |
| Disbursements: | | | | | | | | |
| Current: | | | | | | | | |
| Instruction | 95 | - | - | 33,744 | 2,704 | - | 36,500 | - |
| Support services | 42,126 | - | 2,274 | - | - | 74 | - | - |
| Noninstructional services | - | - | - | - | - | - | - | - |
| Facilities acquisition and construction | - | - | - | - | - | - | - | - |
| Debt services | - | - | - | - | - | - | - | - |
| Nonprogrammed charges | - | - | - | - | - | - | - | - |
| Interfund loans | - | - | - | - | - | - | - | - |
| Total disbursements | 42,221 | - | 2,274 | 33,744 | 2,704 | 74 | 36,500 | - |
| Excess (deficiency) of receipts over disbursements | (42,036) | 22,477 | (2,274) | - | (2,704) | 851 | (8,955) | 190,416 |
| Other financing sources (uses): | | | | | | | | |
| Sale of capital assets | - | - | - | - | - | - | - | - |
| Transfers in | - | - | - | - | - | - | - | - |
| Transfers out | - | - | - | - | - | - | - | (203,433) |
| Total other financing sources (uses) | - | - | - | - | - | - | - | (203,433) |
| Excess (deficiency) of receipts and other financing sources over disbursements and other financing uses | (42,036) | 22,477 | (2,274) | - | (2,704) | 851 | (8,955) | (13,017) |
| Cash and investments - ending | \$ 14,504 | \$ 100,097 | \$ 26 | \$ - | \$ - | \$ 2,266 | \$ 28,331 | \$ 88,700 |

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

| | <u>Title I 2010-11</u> | <u>Title I 2009-10</u> | <u>Co-op 2010-11</u> | <u>Drug Free 2009-10</u> | <u>PLTW 2010-11</u> | <u>Area 18 Perkins 2010-11</u> | <u>Medicaid Reimbursement</u> |
|---|------------------------|------------------------|----------------------|------------------------------|---------------------|------------------------------------|-----------------------------------|
| Cash and investments - beginning | \$ - | \$ 90,252 | \$ - | \$ 500 | \$ - | \$ - | \$ 35,410 |
| Receipts: | | | | | | | |
| Local sources | - | - | - | - | - | - | - |
| Intermediate sources | - | - | - | - | - | - | - |
| State sources | - | - | - | - | - | - | - |
| Federal sources | 361,994 | - | 439,668 | - | 10,621 | 10,893 | 26,452 |
| Interfund loans | - | - | 94,427 | - | - | - | - |
| Other | - | - | - | - | - | - | - |
| Total receipts | <u>361,994</u> | <u>-</u> | <u>534,095</u> | <u>-</u> | <u>10,621</u> | <u>10,893</u> | <u>26,452</u> |
| Disbursements: | | | | | | | |
| Current: | | | | | | | |
| Instruction | 448,424 | 42,545 | 519,247 | - | 10,621 | 10,893 | - |
| Support services | 11,264 | 1,025 | 14,848 | 500 | - | - | 2,247 |
| Noninstructional services | 130 | 627 | - | - | - | - | - |
| Facilities acquisition and construction | - | - | - | - | - | - | - |
| Debt services | - | - | - | - | - | - | - |
| Nonprogrammed charges | - | - | - | - | - | - | - |
| Interfund loans | - | - | - | - | - | - | - |
| Total disbursements | <u>459,818</u> | <u>44,197</u> | <u>534,095</u> | <u>500</u> | <u>10,621</u> | <u>10,893</u> | <u>2,247</u> |
| Excess (deficiency) of receipts over disbursements | <u>(97,824)</u> | <u>(44,197)</u> | <u>-</u> | <u>(500)</u> | <u>-</u> | <u>-</u> | <u>24,205</u> |
| Other financing sources (uses): | | | | | | | |
| Sale of capital assets | - | - | - | - | - | - | - |
| Transfers in | 99,471 | - | - | - | - | - | - |
| Transfers out | - | (46,055) | - | - | - | - | (7,158) |
| Total other financing sources (uses) | <u>99,471</u> | <u>(46,055)</u> | <u>-</u> | <u>-</u> | <u>-</u> | <u>-</u> | <u>(7,158)</u> |
| Excess (deficiency) of receipts and other financing sources over disbursements and other financing uses | <u>1,647</u> | <u>(90,252)</u> | <u>-</u> | <u>(500)</u> | <u>-</u> | <u>-</u> | <u>17,047</u> |
| Cash and investments - ending | <u>\$ 1,647</u> | <u>\$ -</u> | <u>\$ -</u> | <u>\$ -</u> | <u>\$ -</u> | <u>\$ -</u> | <u>\$ 52,457</u> |

BLACKFORD COUNTY SCHOOLS
 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-A 2010-11 | Title III Language Migrant | ARRA Title I 2009-11 | ARRA Special Education 2009-11 | Clearing Accounts | ARRA Learning Technology 2009-11 | Totals |
|---|-----------------------|----------------------------------|-------------------------|--------------------------------------|----------------------|--|---------------------|
| Cash and investments - beginning | \$ - | \$ 892 | \$ - | \$ 70 | \$ 109,122 | \$ 1,214 | \$ 6,818,142 |
| Receipts: | | | | | | | |
| Local sources | - | - | - | - | - | - | 4,567,335 |
| Intermediate sources | - | - | - | - | - | - | 22,861 |
| State sources | - | - | - | - | - | - | 13,222,152 |
| Federal sources | 106,833 | - | 91,182 | 146,315 | - | 119,753 | 1,925,847 |
| Interfund loans | - | - | - | - | - | 6,000 | 145,887 |
| Other | - | - | - | - | 11,280,641 | - | 11,313,536 |
| Total receipts | <u>106,833</u> | <u>-</u> | <u>91,182</u> | <u>146,315</u> | <u>11,280,641</u> | <u>125,753</u> | <u>31,197,618</u> |
| Disbursements: | | | | | | | |
| Current: | | | | | | | |
| Instruction | 53,417 | - | 77,840 | 138,846 | - | 100,047 | 9,313,493 |
| Support services | - | - | 8,268 | - | - | 26,920 | 6,596,188 |
| Noninstructional services | - | - | - | - | - | - | 946,359 |
| Facilities acquisition and construction | - | - | - | - | - | - | 238,336 |
| Debt services | - | - | - | - | - | - | 2,757,213 |
| Nonprogrammed charges | - | - | - | - | 11,310,799 | - | 11,310,799 |
| Interfund loans | - | - | - | - | - | - | 145,887 |
| Total disbursements | <u>53,417</u> | <u>-</u> | <u>86,108</u> | <u>138,846</u> | <u>11,310,799</u> | <u>126,967</u> | <u>31,308,275</u> |
| Excess (deficiency) of receipts over disbursements | <u>53,416</u> | <u>-</u> | <u>5,074</u> | <u>7,469</u> | <u>(30,158)</u> | <u>(1,214)</u> | <u>(110,657)</u> |
| Other financing sources (uses): | | | | | | | |
| Sale of capital assets | - | - | - | - | - | - | 505 |
| Transfers in | - | - | - | - | - | - | 310,669 |
| Transfers out | (53,416) | - | - | - | - | - | (310,669) |
| Total other financing sources (uses) | <u>(53,416)</u> | <u>-</u> | <u>-</u> | <u>-</u> | <u>-</u> | <u>-</u> | <u>505</u> |
| Excess (deficiency) of receipts and other financing sources over disbursements and other financing uses | <u>-</u> | <u>-</u> | <u>5,074</u> | <u>7,469</u> | <u>(30,158)</u> | <u>(1,214)</u> | <u>(110,152)</u> |
| Cash and investments - ending | <u>\$ -</u> | <u>\$ 892</u> | <u>\$ 5,074</u> | <u>\$ 7,539</u> | <u>\$ 78,964</u> | <u>\$ -</u> | <u>\$ 6,707,990</u> |

BLACKFORD COUNTY SCHOOLS
 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 | School Pension Debt | Capital Projects | Transportation Operating | School Bus Replacement | Rainy Day | Retirement/ Severance Bond |
|---|---------------------|-------------------|---------------------------|---------------------|-----------------------------|------------------------------|------------------|----------------------------------|
| Cash and investments - beginning | \$ 2,600,739 | \$ 1,127,706 | \$ 114,310 | \$ 646,459 | \$ 405,218 | \$ 58,800 | \$ 10,000 | \$ 63,631 |
| Receipts: | | | | | | | | |
| Local sources | 95,298 | 2,015,685 | 395,639 | 612,697 | 561,426 | 64,675 | - | - |
| Intermediate sources | - | - | - | - | - | - | - | - |
| State sources | 12,394,758 | - | - | - | - | - | - | - |
| Federal sources | 60,982 | - | - | - | - | - | - | - |
| Interfund loans | 123,410 | - | - | - | - | - | - | - |
| Other | 4,408 | - | - | - | 500 | - | - | - |
| Total receipts | <u>12,678,856</u> | <u>2,015,685</u> | <u>395,639</u> | <u>612,697</u> | <u>561,926</u> | <u>64,675</u> | <u>-</u> | <u>-</u> |
| Disbursements: | | | | | | | | |
| Current: | | | | | | | | |
| Instruction | 6,860,221 | - | - | - | - | - | - | - |
| Support services | 5,867,901 | - | - | 657,401 | 592,804 | 80,720 | - | 63,631 |
| Noninstructional services | 158,783 | - | - | - | - | - | - | - |
| Facilities acquisition and construction | - | - | - | 239,398 | - | - | - | - |
| Debt services | - | 2,369,501 | 390,002 | - | - | - | - | - |
| Nonprogrammed charges | - | - | - | - | - | - | - | - |
| Interfund loans | 120,818 | - | - | - | - | - | - | - |
| Total disbursements | <u>13,007,723</u> | <u>2,369,501</u> | <u>390,002</u> | <u>896,799</u> | <u>592,804</u> | <u>80,720</u> | <u>-</u> | <u>63,631</u> |
| Excess (deficiency) of receipts over disbursements | <u>(328,867)</u> | <u>(353,816)</u> | <u>5,637</u> | <u>(284,102)</u> | <u>(30,878)</u> | <u>(16,045)</u> | <u>-</u> | <u>(63,631)</u> |
| Other financing sources (uses): | | | | | | | | |
| Sale of capital assets | 4,815 | - | - | - | - | - | - | - |
| Transfers in | 7,598 | - | - | - | 21,161 | - | - | - |
| Transfers out | - | (872) | - | - | - | - | - | - |
| Total other financing sources (uses) | <u>12,413</u> | <u>(872)</u> | <u>-</u> | <u>-</u> | <u>21,161</u> | <u>-</u> | <u>-</u> | <u>-</u> |
| Excess (deficiency) of receipts and other financing sources over disbursements and other financing uses | <u>(316,454)</u> | <u>(354,688)</u> | <u>5,637</u> | <u>(284,102)</u> | <u>(9,717)</u> | <u>(16,045)</u> | <u>-</u> | <u>(63,631)</u> |
| Cash and investments - ending | <u>\$ 2,284,285</u> | <u>\$ 773,018</u> | <u>\$ 119,947</u> | <u>\$ 362,357</u> | <u>\$ 395,501</u> | <u>\$ 42,755</u> | <u>\$ 10,000</u> | <u>\$ -</u> |

BLACKFORD COUNTY SCHOOLS
 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 | Education License Plates | Safe Haven 2009-10 | Safe Haven 2010-11 | Career Counseling | Cimino Equestrian |
|---|-------------------|--------------------|-----------------|--------------------------------|-----------------------|-----------------------|----------------------|----------------------|
| Cash and investments - beginning | \$ 788,577 | \$ 474,072 | \$ 21,161 | \$ 5,654 | \$ - | \$ - | \$ - | \$ 317 |
| Receipts: | | | | | | | | |
| Local sources | 359,814 | 84,836 | - | - | - | - | - | - |
| Intermediate sources | - | - | - | 169 | - | - | - | - |
| State sources | 8,647 | 74,345 | - | - | 30,000 | 22,983 | 15,000 | - |
| Federal sources | 542,990 | - | - | - | - | - | - | - |
| Interfund loans | - | - | - | - | - | - | - | - |
| Other | 244 | 1,875 | - | - | - | - | - | - |
| Total receipts | <u>911,695</u> | <u>161,056</u> | <u>-</u> | <u>169</u> | <u>30,000</u> | <u>22,983</u> | <u>15,000</u> | <u>-</u> |
| Disbursements: | | | | | | | | |
| Current: | | | | | | | | |
| Instruction | - | - | - | - | 28,305 | - | - | - |
| Support services | - | 203,605 | - | 602 | 1,695 | - | 15,000 | 317 |
| Noninstructional services | 866,112 | - | - | - | - | - | - | - |
| Facilities acquisition and construction | - | - | - | - | - | - | - | - |
| Debt services | - | - | - | - | - | - | - | - |
| Nonprogrammed charges | - | - | - | - | - | - | - | - |
| Interfund loans | - | - | - | - | - | 22,983 | - | - |
| Total disbursements | <u>866,112</u> | <u>203,605</u> | <u>-</u> | <u>602</u> | <u>30,000</u> | <u>22,983</u> | <u>15,000</u> | <u>317</u> |
| Excess (deficiency) of receipts over disbursements | <u>45,583</u> | <u>(42,549)</u> | <u>-</u> | <u>(433)</u> | <u>-</u> | <u>-</u> | <u>-</u> | <u>(317)</u> |
| Other financing sources (uses): | | | | | | | | |
| Sale of capital assets | - | - | - | - | - | - | - | - |
| Transfers in | - | 872 | - | - | - | - | - | - |
| Transfers out | - | - | (21,161) | - | - | - | - | - |
| Total other financing sources (uses) | <u>-</u> | <u>872</u> | <u>(21,161)</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>45,583</u> | <u>(41,677)</u> | <u>(21,161)</u> | <u>(433)</u> | <u>-</u> | <u>-</u> | <u>-</u> | <u>(317)</u> |
| Cash and investments - ending | <u>\$ 834,160</u> | <u>\$ 432,395</u> | <u>\$ -</u> | <u>\$ 5,221</u> | <u>\$ -</u> | <u>\$ -</u> | <u>\$ -</u> | <u>\$ -</u> |

BLACKFORD COUNTY SCHOOLS
 COMBINING SCHEDULE OF RECEIPTS, DISBURSEMENTS, OTHER FINANCING SOURCES (USES), AND CASH AND INVESTMENT BALANCES
 REGULATORY BASIS
 For the Year Ended June 30, 2012
 (Continued)

| | Foundation Alternative School | Foundation High Riding Camp | Foundation Jr. High Afterschool Art | Foundation 3M Camp Invention | WOW Characters Jr. High | Kindergarten Countdown | Foundation Comprehensive Literacy Model 2012-13 | Foundation Comprehensive Literacy Model 2011-12 |
|---|-------------------------------------|-----------------------------------|---|------------------------------------|-------------------------------|---------------------------|--|--|
| Cash and investments - beginning | \$ 4,798 | \$ 3,168 | \$ 850 | \$ - | \$ 750 | \$ - | \$ - | \$ - |
| Receipts: | | | | | | | | |
| Local sources | - | - | - | 1,000 | - | 4,842 | 9,800 | 10,700 |
| Intermediate sources | - | - | - | - | - | - | - | - |
| State sources | - | - | - | - | - | - | - | - |
| Federal sources | - | - | - | - | - | - | - | - |
| Interfund loans | - | - | - | - | - | - | - | - |
| Other | - | - | - | - | - | - | - | - |
| Total receipts | - | - | - | 1,000 | - | 4,842 | 9,800 | 10,700 |
| Disbursements: | | | | | | | | |
| Current: | | | | | | | | |
| Instruction | - | 2,263 | 850 | - | 750 | 4,733 | 771 | - |
| Support services | 4,798 | 905 | - | - | - | - | 29 | 10,700 |
| Noninstructional services | - | - | - | 1,000 | - | - | - | - |
| Facilities acquisition and construction | - | - | - | - | - | - | - | - |
| Debt services | - | - | - | - | - | - | - | - |
| Nonprogrammed charges | - | - | - | - | - | - | - | - |
| Interfund loans | - | - | - | - | - | - | - | - |
| Total disbursements | 4,798 | 3,168 | 850 | 1,000 | 750 | 4,733 | 800 | 10,700 |
| Excess (deficiency) of receipts over disbursements | (4,798) | (3,168) | (850) | - | (750) | 109 | 9,000 | - |
| 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 | (4,798) | (3,168) | (850) | - | (750) | 109 | 9,000 | - |
| Cash and investments - ending | \$ - | \$ - | \$ - | \$ - | \$ - | \$ 109 | \$ 9,000 | \$ - |

BLACKFORD COUNTY SCHOOLS
 COMBINING SCHEDULE OF RECEIPTS, DISBURSEMENTS, OTHER FINANCING SOURCES (USES), AND CASH AND INVESTMENT BALANCES
 REGULATORY BASIS
 For the Year Ended June 30, 2012
 (Continued)

| | Foundation High School Reading | Foundation Face The Future | Montpelier Art | Foundation Jr. High Indiana Academy 2011-12 | Going Global | Foundation Peer Mentor Jr. High | Foundation 5th Grade Grant | County Drug-Free 2011-12 |
|---|--------------------------------------|----------------------------------|-------------------|--|--------------|---------------------------------------|----------------------------------|--------------------------------|
| Cash and investments - beginning | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - |
| Receipts: | | | | | | | | |
| Local sources | 4,700 | 6,600 | 2,600 | 723 | 26,175 | 1,400 | 2,300 | 1,794 |
| Intermediate sources | - | - | - | - | - | - | - | - |
| State sources | - | - | - | - | - | - | - | - |
| Federal sources | - | - | - | - | - | - | - | - |
| Interfund loans | - | - | - | - | - | - | - | - |
| Other | - | - | - | - | - | - | - | - |
| Total receipts | 4,700 | 6,600 | 2,600 | 723 | 26,175 | 1,400 | 2,300 | 1,794 |
| Disbursements: | | | | | | | | |
| Current: | | | | | | | | |
| Instruction | 2,500 | 6,000 | 500 | 555 | - | 1,400 | 2,300 | 794 |
| Support services | 2,200 | 600 | - | 168 | 21,435 | - | - | - |
| Noninstructional services | - | - | - | - | - | - | - | - |
| Facilities acquisition and construction | - | - | - | - | - | - | - | - |
| Debt services | - | - | - | - | - | - | - | - |
| Nonprogrammed charges | - | - | - | - | - | - | - | - |
| Interfund loans | - | - | - | - | - | - | - | - |
| Total disbursements | 4,700 | 6,600 | 500 | 723 | 21,435 | 1,400 | 2,300 | 794 |
| Excess (deficiency) of receipts over disbursements | - | - | 2,100 | - | 4,740 | - | - | 1,000 |
| 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 | - | - | 2,100 | - | 4,740 | - | - | 1,000 |
| Cash and investments - ending | \$ - | \$ - | \$ 2,100 | \$ - | \$ 4,740 | \$ - | \$ - | \$ 1,000 |

BLACKFORD COUNTY SCHOOLS
 COMBINING SCHEDULE OF RECEIPTS, DISBURSEMENTS, OTHER FINANCING SOURCES (USES), AND CASH AND INVESTMENT BALANCES
 REGULATORY BASIS
 For the Year Ended June 30, 2012
 (Continued)

| | Foundation 8th Grade Trip | Jennerjahn Awards | Foundation Kindergarten Field Trip | First Christian Church Nurse Grant | Foundation Jr. High Positive Behavior | WOW Comprehensive Literacy 2013 | WOW Jr. High Career Carnival | 3M Camp Invention 2012 |
|---|---------------------------------|----------------------|--|--|--|---------------------------------------|------------------------------------|---------------------------|
| Cash and investments - beginning | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - |
| Receipts: | | | | | | | | |
| Local sources | 7,500 | 1,139 | 500 | 324 | 1,500 | 2,500 | 680 | 2,500 |
| Intermediate sources | - | - | - | - | - | - | - | - |
| State sources | - | - | - | - | - | - | - | - |
| Federal sources | - | - | - | - | - | - | - | - |
| Interfund loans | - | - | - | - | - | - | - | - |
| Other | - | - | - | - | - | - | - | - |
| Total receipts | <u>7,500</u> | <u>1,139</u> | <u>500</u> | <u>324</u> | <u>1,500</u> | <u>2,500</u> | <u>680</u> | <u>2,500</u> |
| Disbursements: | | | | | | | | |
| Current: | | | | | | | | |
| Instruction | 7,500 | - | 500 | - | - | - | - | 2,500 |
| Support services | - | - | - | 324 | - | - | - | - |
| Noninstructional services | - | 1,139 | - | - | - | - | - | - |
| Facilities acquisition and construction | - | - | - | - | - | - | - | - |
| Debt services | - | - | - | - | - | - | - | - |
| Nonprogrammed charges | - | - | - | - | - | - | - | - |
| Interfund loans | - | - | - | - | - | - | - | - |
| Total disbursements | <u>7,500</u> | <u>1,139</u> | <u>500</u> | <u>324</u> | <u>-</u> | <u>-</u> | <u>-</u> | <u>2,500</u> |
| Excess (deficiency) of receipts over disbursements | <u>-</u> | <u>-</u> | <u>-</u> | <u>-</u> | <u>1,500</u> | <u>2,500</u> | <u>680</u> | <u>-</u> |
| Other financing sources (uses): | | | | | | | | |
| Sale of capital assets | - | - | - | - | - | - | - | - |
| 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>-</u> | <u>-</u> | <u>-</u> | <u>-</u> | <u>1,500</u> | <u>2,500</u> | <u>680</u> | <u>-</u> |
| Cash and investments - ending | <u>\$ -</u> | <u>\$ -</u> | <u>\$ -</u> | <u>\$ -</u> | <u>\$ 1,500</u> | <u>\$ 2,500</u> | <u>\$ 680</u> | <u>\$ -</u> |

BLACKFORD COUNTY SCHOOLS
 COMBINING SCHEDULE OF RECEIPTS, DISBURSEMENTS, OTHER FINANCING SOURCES (USES), AND CASH AND INVESTMENT BALANCES
 REGULATORY BASIS
 For the Year Ended June 30, 2012
 (Continued)

| | Foundation Innovative Education | Foundation Youth Entrepreneurs | Ball Brothers Comprehensive Literacy Model | Taylor/3M Watershed | Mentoring Moms | Japanese Grant 2011-12 | CAPE III 2007-10 | CAPE Carryover |
|---|---------------------------------------|--------------------------------------|--|------------------------|-------------------|---------------------------|---------------------|-------------------|
| Cash and investments - beginning | \$ - | \$ - | \$ - | \$ 47 | \$ 1,236 | \$ - | \$ 14,504 | \$ 100,097 |
| Receipts: | | | | | | | | |
| Local sources | 2,190 | 2,000 | 24,000 | - | 500 | - | 32 | - |
| Intermediate sources | - | - | - | - | - | - | - | - |
| State sources | - | - | - | - | - | - | - | - |
| Federal sources | - | - | - | - | - | - | - | - |
| Interfund loans | - | - | - | - | - | - | - | - |
| Other | - | - | - | - | - | 25,000 | - | - |
| Total receipts | 2,190 | 2,000 | 24,000 | - | 500 | 25,000 | 32 | - |
| Disbursements: | | | | | | | | |
| Current: | | | | | | | | |
| Instruction | - | - | - | 47 | - | 25,000 | - | 26,225 |
| Support services | - | - | - | - | 100 | - | 14,319 | - |
| Noninstructional services | - | - | - | - | - | - | - | - |
| Facilities acquisition and construction | - | - | - | - | - | - | - | - |
| Debt services | - | - | - | - | - | - | - | - |
| Nonprogrammed charges | - | - | - | - | - | - | - | - |
| Interfund loans | - | - | - | - | - | - | - | - |
| Total disbursements | - | - | - | 47 | 100 | 25,000 | 14,319 | 26,225 |
| Excess (deficiency) of receipts over disbursements | 2,190 | 2,000 | 24,000 | (47) | 400 | - | (14,287) | (26,225) |
| Other financing sources (uses): | | | | | | | | |
| Sale of capital assets | - | - | - | - | - | - | - | - |
| Transfers in | - | - | - | - | - | - | - | 217 |
| Transfers out | - | - | - | - | - | - | (217) | - |
| Total other financing sources (uses) | - | - | - | - | - | - | (217) | 217 |
| Excess (deficiency) of receipts and other financing sources over disbursements and other financing uses | 2,190 | 2,000 | 24,000 | (47) | 400 | - | (14,504) | (26,008) |
| Cash and investments - ending | \$ 2,190 | \$ 2,000 | \$ 24,000 | \$ - | \$ 1,636 | \$ - | \$ - | \$ 74,089 |

BLACKFORD COUNTY SCHOOLS
 COMBINING SCHEDULE OF RECEIPTS, DISBURSEMENTS, OTHER FINANCING SOURCES (USES), AND CASH AND INVESTMENT BALANCES
 REGULATORY BASIS
 For the Year Ended June 30, 2012
 (Continued)

| | SEEDS | Gifted and Talented 2009-10 | Non-English Speaking Programs | School Technology | School Safety Equipment | Excess PTRC Distributions | Title I 2010-11 |
|---|-------------|--------------------------------|-------------------------------------|----------------------|-------------------------------|---------------------------------|-----------------|
| Cash and investments - beginning | \$ 26 | \$ - | \$ 2,266 | \$ 28,331 | \$ - | \$ 88,700 | \$ 1,647 |
| Receipts: | | | | | | | |
| Local sources | - | - | - | 16,782 | - | - | - |
| Intermediate sources | - | - | - | - | - | - | - |
| State sources | - | 31,880 | 951 | 4,110 | 7,898 | 178,591 | - |
| Federal sources | - | - | - | - | - | - | 48,049 |
| Interfund loans | - | - | - | - | - | - | - |
| Other | - | - | - | - | - | - | - |
| Total receipts | <u>-</u> | <u>31,880</u> | <u>951</u> | <u>20,892</u> | <u>7,898</u> | <u>178,591</u> | <u>48,049</u> |
| Disbursements: | | | | | | | |
| Current: | | | | | | | |
| Instruction | - | 22,281 | - | 45,019 | - | - | 37,426 |
| Support services | 26 | 1,155 | - | - | 7,898 | - | 11,816 |
| Noninstructional services | - | - | - | - | - | - | 454 |
| Facilities acquisition and construction | - | - | - | - | - | - | - |
| Debt services | - | - | - | - | - | - | - |
| Nonprogrammed charges | - | - | - | - | - | - | - |
| Interfund loans | - | - | - | - | - | - | - |
| Total disbursements | <u>26</u> | <u>23,436</u> | <u>-</u> | <u>45,019</u> | <u>7,898</u> | <u>-</u> | <u>49,696</u> |
| Excess (deficiency) of receipts over disbursements | <u>(26)</u> | <u>8,444</u> | <u>951</u> | <u>(24,127)</u> | <u>-</u> | <u>178,591</u> | <u>(1,647)</u> |
| Other financing sources (uses): | | | | | | | |
| Sale of capital assets | - | - | - | - | - | - | - |
| Transfers in | - | - | - | - | - | - | - |
| Transfers out | - | - | - | - | - | - | - |
| Total other financing sources (uses) | <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>(26)</u> | <u>8,444</u> | <u>951</u> | <u>(24,127)</u> | <u>-</u> | <u>178,591</u> | <u>(1,647)</u> |
| Cash and investments - ending | <u>\$ -</u> | <u>\$ 8,444</u> | <u>\$ 3,217</u> | <u>\$ 4,204</u> | <u>\$ -</u> | <u>\$ 267,291</u> | <u>\$ -</u> |

BLACKFORD COUNTY SCHOOLS
 COMBINING SCHEDULE OF RECEIPTS, DISBURSEMENTS, OTHER FINANCING SOURCES (USES), AND CASH AND INVESTMENT BALANCES
 REGULATORY BASIS
 For the Year Ended June 30, 2012
 (Continued)

| | <u>Title I 2011-12</u> | <u>Co-op 2010-11</u> | <u>Co-op 2011-12</u> | <u>Drug Free 2009-10</u> | <u>Area 18 Perkins 2010-11</u> | <u>Medicaid Reimbursement</u> | <u>Title II 2011-12</u> |
|---|------------------------|----------------------|----------------------|------------------------------|------------------------------------|-----------------------------------|-------------------------|
| Cash and investments - beginning | \$ - | \$ - | \$ - | \$ - | \$ - | \$ 52,457 | \$ - |
| Receipts: | | | | | | | |
| Local sources | - | - | - | - | - | - | - |
| Intermediate sources | - | - | - | - | - | - | - |
| State sources | - | - | - | - | - | - | - |
| Federal sources | 394,908 | 94,427 | 378,195 | 1,482 | 12,157 | 21,318 | 20,080 |
| Interfund loans | 42,787 | - | 77,819 | - | - | - | 212 |
| Other | - | - | - | - | - | - | - |
| Total receipts | <u>437,695</u> | <u>94,427</u> | <u>456,014</u> | <u>1,482</u> | <u>12,157</u> | <u>21,318</u> | <u>20,292</u> |
| Disbursements: | | | | | | | |
| Current: | | | | | | | |
| Instruction | 369,250 | - | 441,166 | - | 12,157 | - | - |
| Support services | 68,445 | - | 14,848 | 1,482 | - | 1,479 | 20,292 |
| Noninstructional services | - | - | - | - | - | - | - |
| Facilities acquisition and construction | - | - | - | - | - | - | - |
| Debt services | - | - | - | - | - | - | - |
| Nonprogrammed charges | - | - | - | - | - | - | - |
| Interfund loans | - | 94,427 | - | - | - | - | - |
| Total disbursements | <u>437,695</u> | <u>94,427</u> | <u>456,014</u> | <u>1,482</u> | <u>12,157</u> | <u>1,479</u> | <u>20,292</u> |
| Excess (deficiency) of receipts over disbursements | - | - | - | - | - | 19,839 | - |
| Other financing sources (uses): | | | | | | | |
| Sale of capital assets | - | - | - | - | - | - | - |
| Transfers in | - | - | - | - | - | - | - |
| Transfers out | - | - | - | - | - | (7,596) | - |
| Total other financing sources (uses) | - | - | - | - | - | (7,596) | - |
| Excess (deficiency) of receipts and other financing sources over disbursements and other financing uses | - | - | - | - | - | 12,243 | - |
| Cash and investments - ending | <u>\$ -</u> | <u>\$ -</u> | <u>\$ -</u> | <u>\$ -</u> | <u>\$ -</u> | <u>\$ 64,700</u> | <u>\$ -</u> |

BLACKFORD COUNTY SCHOOLS
 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 III Language Migrant | ARRA Title I 2009-11 | ARRA Special Education 2009-11 | Clearing Accounts | ARRA Learning Technology 2009-11 | Education Jobs | Totals |
|---|----------------------------------|-------------------------|--------------------------------------|----------------------|--|-------------------|---------------------|
| Cash and investments - beginning | \$ 892 | \$ 5,074 | \$ 7,539 | \$ 78,964 | \$ - | \$ - | \$ 6,707,990 |
| Receipts: | | | | | | | |
| Local sources | - | - | - | - | - | - | 4,324,851 |
| Intermediate sources | - | - | - | - | - | - | 169 |
| State sources | - | - | - | - | - | - | 12,769,163 |
| Federal sources | - | 11,718 | 1,876 | - | 16,648 | 421,855 | 2,026,685 |
| Interfund loans | - | - | - | - | - | - | 244,228 |
| Other | - | - | - | 10,546,378 | - | - | 10,578,405 |
| Total receipts | <u>-</u> | <u>11,718</u> | <u>1,876</u> | <u>10,546,378</u> | <u>16,648</u> | <u>421,855</u> | <u>29,943,501</u> |
| Disbursements: | | | | | | | |
| Current: | | | | | | | |
| Instruction | - | 5,393 | 9,415 | - | - | 399,562 | 8,315,383 |
| Support services | - | 11,397 | - | - | 10,648 | 22,293 | 7,711,033 |
| Noninstructional services | - | - | - | - | - | - | 1,027,488 |
| Facilities acquisition and construction | - | - | - | - | - | - | 239,398 |
| Debt services | - | - | - | - | - | - | 2,759,503 |
| Nonprogrammed charges | - | - | - | 10,516,412 | - | - | 10,516,412 |
| Interfund loans | - | - | - | - | 6,000 | - | 244,228 |
| Total disbursements | <u>-</u> | <u>16,790</u> | <u>9,415</u> | <u>10,516,412</u> | <u>16,648</u> | <u>421,855</u> | <u>30,813,445</u> |
| Excess (deficiency) of receipts over disbursements | <u>-</u> | <u>(5,072)</u> | <u>(7,539)</u> | <u>29,966</u> | <u>-</u> | <u>-</u> | <u>(869,944)</u> |
| Other financing sources (uses): | | | | | | | |
| Sale of capital assets | - | - | - | - | - | - | 4,815 |
| Transfers in | - | - | - | - | - | - | 29,848 |
| Transfers out | - | (2) | - | - | - | - | (29,848) |
| Total other financing sources (uses) | <u>-</u> | <u>(2)</u> | <u>-</u> | <u>-</u> | <u>-</u> | <u>-</u> | <u>4,815</u> |
| Excess (deficiency) of receipts and other financing sources over disbursements and other financing uses | <u>-</u> | <u>(5,074)</u> | <u>(7,539)</u> | <u>29,966</u> | <u>-</u> | <u>-</u> | <u>(865,129)</u> |
| Cash and investments - ending | <u>\$ 892</u> | <u>\$ -</u> | <u>\$ -</u> | <u>\$ 108,930</u> | <u>\$ -</u> | <u>\$ -</u> | <u>\$ 5,842,861</u> |

BLACKFORD COUNTY SCHOOLS
AUDIT RESULTS AND COMMENTS

AVERAGE DAILY MEMBERSHIP (ADM) - LACK OF RECORDS

ADM records presented for audit did not contain the signature of the building level official (Principal, Assistant Principal, etc.) who was responsible for submitting the student list.

Officials should maintain records (enrollment cards, rosters, reporting forms, etc.) which substantiate the number of students claimed for ADM. The building level official (Principal, Assistant Principal, etc.) responsible for reporting ADM to the School Corporation Central Office, should provide a written certification of ADM to properly document responsibility. The certification should at a minimum include a statement detailing the names and location of the records used (these records must be retained for public inspection and audit) to substantiate ADM claimed. (The School Administrator and Uniform Compliance Guidelines, Volume 163, September 2003; Volume 182, June 2008)

CONDITION OF RECORDS (Applies to Southside Elementary School)

The following deficiencies relating to the recordkeeping were noted. A similar comment appeared in prior Report B38430.

- (1) Record balances were not reconciled to depository balances.

Indiana Code 5-13-6-1(e) states: "All local investment officers shall reconcile at least monthly the balance of public funds, as disclosed by the records of the local officers, with the balance statements provided by the respective depositories."

- (2) There were posting errors between the control fund and the individual funds.

Controls over the receipting, disbursing, recording, and accounting for the financial activities are necessary to avoid substantial risk of invalid transactions, inaccurate records and financial statements and incorrect decision making. (Accounting and Uniform Compliance Guidelines Manual for Extra-Curricular Accounts, Chapter 7)

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

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
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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 BLACKFORD COUNTY SCHOOLS, BLACKFORD COUNTY, INDIANA

Compliance

We have audited the Blackford County Schools' (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.

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

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

STATE BOARD OF ACCOUNTS

December 10, 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.

BLACKFORD COUNTY SCHOOLS
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.S. DEPARTMENT OF AGRICULTURE | | | | |
| Pass-Through Indiana Department of Education | | | | |
| Child Nutrition Cluster | | | | |
| School Breakfast Program | 10.553 | FY10-11 FY11-12 | \$ 138,157 - | \$ - 132,323 |
| Total for program | | | <u>138,157</u> | <u>132,323</u> |
| National School Lunch Program | 10.555 | FY10-11 FY11-12 | 465,115 - | - 475,040 |
| Total for program | | | <u>465,115</u> | <u>475,040</u> |
| Summer Food Service Program for Children | 10.559 | FY10-11 FY11-12 | 5,137 - | - 5,272 |
| Total for program | | | <u>5,137</u> | <u>5,272</u> |
| Total for cluster | | | <u>608,409</u> | <u>612,635</u> |
| Total for federal grantor agency | | | <u>608,409</u> | <u>612,635</u> |
| U.S. DEPARTMENT OF EDUCATION | | | | |
| Pass-Through Indiana Department of Education | | | | |
| Title I, Part A Cluster | | | | |
| Title I Grants to Local Educational Agencies | 84.010 | 10-0515 11-0515 12-0515 | 44,197 459,817 - | - 49,697 394,908 |
| Total for program | | | <u>504,014</u> | <u>444,605</u> |
| ARRA - Title I Grants to Local Educational Agencies, Recovery Act | 84.389 | 11-0515 | <u>86,109</u> | <u>16,791</u> |
| Total for cluster | | | <u>590,123</u> | <u>461,396</u> |
| Pass-Through Muncie Community Schools | | | | |
| Special Education Cluster (IDEA) | | | | |
| Special Education - Grants to States | 84.027 | 14211-010-PN-01 14212-010-PN-01 | 534,095 - | - 378,195 |
| Total for program | | | <u>534,095</u> | <u>378,195</u> |
| ARRA - Special Education Grants to States, Recovery Act | 84.391 | 33310-010-SN01 | <u>138,846</u> | <u>9,415</u> |
| Total for cluster | | | <u>672,941</u> | <u>387,610</u> |
| Pass-Through Indiana Department of Education | | | | |
| Educational Technology State Grants Cluster | | | | |
| ARRA - Education Technology State Grants, Recovery Act | 84.386 | C310S0515 | <u>126,966</u> | <u>10,648</u> |
| Total for cluster | | | <u>126,966</u> | <u>10,648</u> |
| Pass-Through Bluffton-Harrison Metropolitan School District | | | | |
| Career and Technical Education - Basic Grants to States | | | | |
| | 84.048 | 11-4700-8445 12-4700-8445 | 10,893 - | - 12,157 |
| Total for program | | | <u>10,893</u> | <u>12,157</u> |
| Pass-Through Indiana Department of Education | | | | |
| Safe and Drug-Free Schools and Communities - State Grants | | | | |
| | 84.186 | 09-0515 Supp 09-0515 | 500 - | - 1,482 |
| Total for program | | | <u>500</u> | <u>1,482</u> |
| Projects with Industry | 84.234 | FY10-11 | <u>10,621</u> | - |
| Improving Teacher Quality State Grants | 84.367 | 10-0515 11-0515 | 53,417 - | - 20,292 |
| Total for program | | | <u>53,417</u> | <u>20,292</u> |
| Education Jobs Fund | 84.410 | FY11-12 | - | 421,855 |
| Total for federal grantor agency | | | <u>1,465,461</u> | <u>1,315,440</u> |
| Total federal awards expended | | | <u>\$ 2,073,870</u> | <u>\$ 1,928,075</u> |

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

BLACKFORD COUNTY SCHOOLS
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 Blackford County Schools (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 | Year Ended June 30, 2011 | Year Ended June 30, 2012 |
|-------------------------------|---------------------------|--------------------------------|--------------------------------|
| Child Nutrition Cluster: | | | |
| Food Commodities: | | | |
| School Breakfast Program | 10.553 | \$ 12,900 | \$ 14,024 |
| National School Lunch Program | 10.555 | <u>43,429</u> | <u>50,348</u> |
| Totals for cluster | | <u>\$ 56,329</u> | <u>\$ 64,372</u> |

BLACKFORD COUNTY SCHOOLS
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 | Child Nutrition 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.

BLACKFORD COUNTY SCHOOLS
SUMMARY SCHEDULE OF PRIOR AUDIT FINDINGS

No matters are reportable.

BLACKFORD COUNTY SCHOOLS
EXIT CONFERENCE

The contents of this report were discussed on December 10, 2012, with David A. Bowman, Treasurer; Kenneth R. Kline, Superintendent of Schools; and John Payne, President of the School Board. The Official Response has been made a part of this report and may be found on pages 45 and 46.



BLACKFORD COUNTY SCHOOLS

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Hartford City, Indiana 47348-9732
Ph: 765-348-7550 Fax: 765-348-7552
www.bcs.k12.in.us

December 18, 2012

TO: State Board of Accounts

FROM: Kenneth R. Kline, Superintendent

RE: State Board of Accounts Exit Report for Blackford County Schools
2010-2011 and 2011-2012 School Years

ADM Records presented for audit did not contain the signatures of the building level officials who were responsible for submitting student lists.

Central office administrators, business manager and superintendent, addressed this situation during an administrative cabinet meeting following the preliminary report. All building principals have been instructed to sign all future ADM lists.

Condition of Records (applies only to Southside School)

- (1) Record balances were not reconciled to depository balances.

The building principal, business manager and superintendent met with Southside School's treasurer and reviewed this issue. The treasurer is aware of the problem and has been instructed as how to correct it.

- (2) There were posting errors between the control fund and the individual funds.

The building principal, business manager, and superintendent met with Southside School's treasurer and pointed out the errors in her bookkeeping. They also demonstrated how to correct the problem. A process has been implemented to correct the problem.

Mr. Kenneth R. Kline
Superintendent

Mr. David Bowman
Director of
Business/Technology

Ms. Yvonne Stokes
Director of
Curriculum & Evaluation

Ms. Elizabeth Dennison
School
Psychologist

Conclusion: We have addressed each of the issues brought to our attention by the audit report and are confident these errors will not be present in future audits.

A handwritten signature in black ink, appearing to read "Kenneth R. Kline". The signature is written in a cursive style with a large initial "K" and a distinct "R".

Kenneth R. Kline
Superintendent for Blackford County Schools