

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

FINANCIAL STATEMENT AND
FEDERAL SINGLE AUDIT REPORT
OF

CLARK-PLEASANT COMMUNITY SCHOOL CORPORATION
JOHNSON COUNTY, INDIANA

July 1, 2010 to June 30, 2012



FILED
01/31/2013

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SCHEDULE OF OFFICIALS

| <u>Office</u> | <u>Official</u> | <u>Term</u> |
|----------------------------------|---|--|
| Treasurer | Karen Canary | 07-01-10 to 06-30-13 |
| Superintendent of Schools | Dr. Kevin Caress Dr. Rebecca Courtney-Knight (Interim) | 07-01-10 to 10-05-12 10-06-12 to 06-30-13 |
| President of the School Board | David Stephenson Brian Stubbs Dr. E. Curtis Harris | 07-01-10 to 06-30-11 07-01-11 to 06-30-12 07-01-12 to 06-30-13 |



STATE OF INDIANA
AN EQUAL OPPORTUNITY EMPLOYER

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INDEPENDENT AUDITOR'S REPORT

TO: THE OFFICIALS OF THE CLARK-PLEASANT COMMUNITY
SCHOOL CORPORATION, JOHNSON COUNTY, INDIANA

We have audited the accompanying financial statement of the Clark-Pleasant Community School Corporation (School Corporation), for the period of July 1, 2010 to June 30, 2012. This financial statement is the responsibility of the School Corporation's management. Our responsibility is to express an opinion on this financial statement based on our audit.

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

As discussed in Note 1, the School Corporation prepares its financial statement on the prescribed basis of accounting that demonstrates compliance with the reporting requirements established by the State Board of Accounts as allowed by state statute (IC 5-11-1-6), which is a comprehensive basis of accounting other than accounting principles generally accepted in the United States of America. The effects on the financial statement of the variances between these regulatory accounting practices and accounting principles generally accepted in the United States of America, although not reasonably determinable, are presumed to be material. The basis 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 January 14, 2013, 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, Schedule of Payables and Receivables, Schedule of Leases and Debt, and Schedule of Capital Assets, as listed in the Table of Contents, are presented for additional analysis and are not required parts of the financial statement. They have not been subjected to the auditing procedures applied by us in the audit of the financial statement and, accordingly, we express no opinion on them.

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

STATE BOARD OF ACCOUNTS

January 14, 2013



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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 CLARK-PLEASANT COMMUNITY
SCHOOL CORPORATION, JOHNSON COUNTY, INDIANA

We have audited the financial statement of the Clark-Pleasant Community School Corporation (School Corporation), for the period of July 1, 2010 to June 30, 2012, and have issued our report thereon dated January 14, 2013. 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. However, we identified certain deficiencies in internal control over financial reporting, which are described in the accompanying Schedule of Findings and Questioned Costs as item 2012-1, that we consider to be significant deficiencies in internal control over financial reporting. A significant deficiency is a deficiency, or a combination of deficiencies, in internal control that is less severe than a material weakness, yet important enough to merit attention by those charged with governance.

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

Compliance and Other Matters

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

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

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

STATE BOARD OF ACCOUNTS

January 14, 2013

FINANCIAL STATEMENT

The financial statement and accompanying notes were approved by management of the School Corporation. The financial statement and notes are presented as intended by the School Corporation.

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

| | Cash and Investments 07-01-10 | Receipts | Disbursements | Other Financing Sources (Uses) | Cash and Investments 06-30-11 | Receipts | Disbursements | Other Financing Sources (Uses) | Cash and Investments 06-30-12 |
|--|-------------------------------------|----------------------|----------------------|--------------------------------------|-------------------------------------|----------------------|----------------------|--------------------------------------|-------------------------------------|
| General | \$ 857,478 | \$ 32,911,735 | \$ 32,078,538 | \$ 25,024 | \$ 1,715,699 | \$ 34,008,905 | \$ 33,014,105 | \$ 25,538 | \$ 2,736,037 |
| Debt Service | 3,531,477 | 14,402,666 | 13,921,126 | (1,397,136) | 2,615,881 | 13,727,699 | 14,202,682 | 1,169,220 | 3,310,118 |
| Retirement/Severance Bond Debt Service | 252,760 | 776,109 | 724,995 | (80,000) | 223,874 | 802,896 | 743,171 | 40,000 | 323,599 |
| Capital Projects | 2,112,108 | 4,986,062 | 4,031,371 | (318,512) | 2,748,287 | 4,995,625 | 3,909,965 | (549,478) | 3,284,469 |
| School Transportation | 1,191,017 | 4,311,775 | 4,105,226 | (105,807) | 1,291,759 | 4,160,912 | 3,984,588 | (74,900) | 1,393,183 |
| School Bus Replacement | 481,041 | 639,990 | - | (966,734) | 154,297 | 229,628 | - | (140,000) | 243,925 |
| Rainy Day | 1,900,000 | - | - | 3,100,000 | 5,000,000 | - | - | (500,000) | 4,500,000 |
| Construction | 1,852,876 | 435,734 | 769,617 | 73,681 | 1,592,674 | 514,350 | 1,668,298 | - | 438,726 |
| School Lunch | 337,178 | 2,728,274 | 2,511,264 | - | 554,188 | 2,697,420 | 2,617,760 | - | 633,848 |
| Textbook Rental | 9,915 | 606,124 | 566,334 | - | 49,705 | 967,802 | 1,226,295 | 55,780 | (153,008) |
| Self-Insurance | 5,782,858 | 7,269,406 | 6,991,475 | - | 6,060,789 | 8,061,614 | 6,886,652 | - | 7,235,751 |
| Levy Excess | - | 68,069 | - | (68,069) | - | - | - | - | - |
| Educational License Plates | 14,870 | 619 | - | - | 15,489 | 506 | - | - | 15,995 |
| Alternative Education | 15,639 | 13,394 | 5,514 | - | 23,519 | 11,337 | 4,063 | - | 30,793 |
| SAFE School Haven | - | 56,571 | 53,014 | (3,557) | - | 31,739 | 41,248 | - | (9,509) |
| Early Intervention Grant | 1,413 | - | 1,413 | - | - | - | - | - | - |
| School Intervention and Career Counseling | 15,000 | - | 15,000 | - | - | - | - | - | - |
| Donation Goals 2000 | 11,079 | 29,138 | 29,594 | - | 10,623 | 25,190 | 29,930 | - | 5,883 |
| Palmore Donation | 20,000 | - | - | - | 20,000 | - | 3,690 | - | 16,310 |
| Education Foundation | 2,379 | - | - | - | 2,379 | - | - | - | 2,379 |
| Dollar General Grant | 36 | - | 36 | - | - | - | - | - | - |
| Walmart Foundation Grant | 56 | - | 56 | - | - | - | - | - | - |
| CVS/Caremark Donation | 500 | - | - | - | 500 | - | - | - | 500 |
| REMC-CES Outdoor Science Lab | 1,146 | 215 | - | - | 1,361 | - | - | - | 1,361 |
| Walmart WHS Rhythm Masters | 1,000 | - | - | - | 1,000 | - | - | - | 1,000 |
| Education In Drugs Narcotics Alcohol | 200 | - | - | - | 200 | - | 200 | - | - |
| Summer School Essential Skills CPI | - | 3,255 | 3,255 | - | - | - | - | - | - |
| Ruth Cox Wes Library Donation | - | 300 | 276 | - | 24 | - | 24 | - | - |
| Lowe's Toolbox for Education Grant | - | 5,000 | - | - | 5,000 | - | 4,095 | - | 905 |
| Hospital Donations | - | - | - | - | - | 25,000 | 400 | - | 24,600 |
| CPI-Wells Fargo Donation | - | - | - | - | - | 300 | - | - | 300 |
| Extra-Curricular Activities | 967 | 5,014 | 5,635 | - | 346 | 4,727 | 4,983 | - | 90 |
| Target Grant | 1,000 | - | 364 | - | 636 | - | - | - | 636 |
| CAPE Grant Kindergarten Camp | 6,395 | - | 6,395 | - | - | - | - | - | - |
| Drug Free Community JCASA | - | 6,966 | 3,047 | - | 3,919 | 3,501 | 6,380 | - | 1,040 |
| Instruction Support | 13,541 | 48,559 | 55,551 | - | 6,549 | 100,250 | 100,278 | - | 6,521 |
| Medicaid Reimbursement | - | 40,835 | - | (40,835) | - | 101,907 | - | (101,907) | - |
| Non-English Speaking Programs P.L. 273-1999 | - | 27,988 | 23,307 | - | 4,681 | 24,241 | 28,922 | - | - |
| School Technology | - | 6,412 | 1,603 | - | 4,809 | 6,576 | - | - | 11,385 |
| Classroom Innovation Tech Grant | - | - | - | - | - | 77,298 | 70,560 | - | 6,738 |
| Excess PTRC Distributions | - | 163,277 | 163,277 | - | - | 123,012 | - | - | 123,012 |
| NGA Grant | 5,691 | - | - | - | 5,691 | - | 345 | - | 5,346 |
| Title I 10-11 Fund | - | 405,640 | 371,974 | - | 33,666 | - | 33,666 | - | - |
| Title I 11-12 Fund | - | 26,000 | 26,000 | - | - | 396,755 | 321,866 | - | 74,889 |
| Drug Free Schools | 10,891 | 1,210 | 5,073 | - | 7,028 | - | 7,028 | - | - |
| Leep Grant | 1,259 | - | 1,259 | - | - | - | - | - | - |
| Medicaid Reimbursement - Federal | 40,802 | - | 39,013 | 21,893 | 23,682 | - | 48,993 | 77,580 | 52,269 |
| Improving Teaching Quality, No Child Left, Title II, Part A | 80,762 | 35,249 | 116,011 | - | - | 35,249 | 65,375 | - | (30,126) |
| ITQ, Enhanced Education Through Technology, Title II, Part D | 1,911 | - | 1,911 | - | - | - | - | - | - |
| Other Technology Fund | 31,014 | - | 31,014 | - | - | - | - | - | - |
| Title III, Language Instruction | 41,860 | 31,080 | 42,070 | - | 30,870 | - | 60,106 | - | (29,236) |
| Title I - Grants to LEAs | - | 90,000 | 83,276 | (6,724) | - | - | - | - | - |
| Special Education - Part B | 2,687 | 312,741 | 302,728 | - | 12,700 | - | 12,700 | - | - |
| Education Jobs | - | - | - | - | - | 1,068,247 | 1,068,247 | - | - |
| Payroll Withholding Clearing Accounts | 104,430 | 8,261,879 | 8,225,191 | - | 141,118 | 8,245,957 | 8,183,189 | - | 203,886 |
| Totals | \$ 18,735,236 | \$ 78,707,286 | \$ 75,312,803 | \$ 233,224 | \$ 22,362,943 | \$ 80,448,643 | \$ 78,349,804 | \$ 1,833 | \$ 24,463,615 |

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

CLARK-PLEASANT COMMUNITY SCHOOL CORPORATION
NOTES TO FINANCIAL STATEMENT

Note 1. Summary of Significant Accounting Policies

A. Reporting Entity

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

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

The accompanying financial statement presents the financial information for the School Corporation.

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.

CLARK-PLEASANT COMMUNITY SCHOOL CORPORATION
NOTES TO FINANCIAL STATEMENT
(Continued)

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

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

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.

CLARK-PLEASANT COMMUNITY SCHOOL CORPORATION
NOTES TO FINANCIAL STATEMENT
(Continued)

F. Other Financing Sources and Uses

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

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

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

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.

CLARK-PLEASANT COMMUNITY SCHOOL CORPORATION
NOTES TO FINANCIAL STATEMENT
(Continued)

Note 4. Deposits and Investments

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

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

Note 5. Risk Management

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

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

Note 6. Pension Plans

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

CLARK-PLEASANT COMMUNITY SCHOOL CORPORATION
NOTES TO FINANCIAL STATEMENT
(Continued)

Funding Policy and Annual Pension Cost

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

The School Corporation also contributes to an additional pension plan unique to the School Corporation. Information regarding this plan may be obtained from the School Corporation.

SUPPLEMENTARY INFORMATION – UNAUDITED

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

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

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

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

| | General | Debt Service | Retirement/ Severance Bond Debt Service | Capital Projects | School Transportation | School Bus Replacement | Rainy Day | Construction | School Lunch | Textbook Rental |
|---|--------------|--------------|---|---------------------|--------------------------|------------------------------|--------------|--------------|-----------------|--------------------|
| Cash and investments - beginning | \$ 857,478 | \$ 3,531,477 | \$ 252,760 | \$ 2,112,108 | \$ 1,191,017 | \$ 481,041 | \$ 1,900,000 | \$ 1,852,876 | \$ 337,178 | \$ 9,915 |
| Receipts: | | | | | | | | | | |
| Local sources | 173,720 | 13,441,038 | 606,109 | 3,712,371 | 3,051,837 | 639,990 | - | - | 1,282,758 | 302,990 |
| Intermediate sources | 15 | - | - | - | - | - | - | - | - | - |
| State sources | 32,699,212 | 961,614 | - | - | - | - | - | - | 29,856 | 253,042 |
| Federal sources | - | - | - | - | - | - | - | - | 1,392,894 | - |
| Temporary loans | - | - | 170,000 | 900,000 | 1,250,000 | - | - | - | - | - |
| Interfund loans | - | - | - | - | - | - | - | 114,819 | - | - |
| Other | 38,788 | 14 | - | 373,691 | 9,938 | - | - | 320,915 | 22,766 | 50,092 |
| Total receipts | 32,911,735 | 14,402,666 | 776,109 | 4,986,062 | 4,311,775 | 639,990 | - | 435,734 | 2,728,274 | 606,124 |
| Disbursements: | | | | | | | | | | |
| Current: | | | | | | | | | | |
| Instruction | 21,817,289 | - | - | - | - | - | - | - | - | - |
| Support services | 9,773,151 | - | - | 2,402,417 | 2,883,667 | - | - | - | 46,896 | 566,334 |
| Noninstructional services | 488,098 | - | - | - | - | - | - | - | 2,464,368 | - |
| Facilities acquisition and construction | - | - | - | 574,045 | - | - | - | 650,983 | - | - |
| Debt services | - | 13,921,126 | 724,995 | 1,054,909 | 1,221,559 | - | - | - | - | - |
| Nonprogrammed charges | - | - | - | - | - | - | - | - | - | - |
| Interfund loans | - | - | - | - | - | - | - | 118,634 | - | - |
| Total disbursements | 32,078,538 | 13,921,126 | 724,995 | 4,031,371 | 4,105,226 | - | - | 769,617 | 2,511,264 | 566,334 |
| Excess (deficiency) of receipts over disbursements | 833,197 | 481,540 | 51,114 | 954,691 | 206,549 | 639,990 | - | (333,883) | 217,010 | 39,790 |
| Other financing sources (uses): | | | | | | | | | | |
| Proceeds of long-term debt | - | - | - | - | - | - | - | 63,400 | - | - |
| Sale of capital assets | 6,082 | - | - | 465 | - | - | - | - | - | - |
| Transfers in | 18,942 | 102,864 | - | 31,023 | 94,193 | 3,266 | 3,100,000 | 10,281 | - | - |
| Transfers out | - | (1,500,000) | (80,000) | (350,000) | (200,000) | (970,000) | - | - | - | - |
| Total other financing sources (uses) | 25,024 | (1,397,136) | (80,000) | (318,512) | (105,807) | (966,734) | 3,100,000 | 73,681 | - | - |
| Excess (deficiency) of receipts and other financing sources over disbursements and other financing uses | 858,221 | (915,596) | (28,886) | 636,179 | 100,742 | (326,744) | 3,100,000 | (260,202) | 217,010 | 39,790 |
| Cash and investments - ending | \$ 1,715,699 | \$ 2,615,881 | \$ 223,874 | \$ 2,748,287 | \$ 1,291,759 | \$ 154,297 | \$ 5,000,000 | \$ 1,592,674 | \$ 554,188 | \$ 49,705 |

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

| | Self- Insurance | Levy Excess | Educational License Plates | Alternative Education | SAFE School Haven | Early Intervention Grant | School Intervention and Career Counseling | Donation Goals 2000 | Palmore Donation | Education Foundation |
|---|--------------------|----------------|----------------------------------|--------------------------|-------------------------|--------------------------------|---|---------------------------|---------------------|-------------------------|
| Cash and investments - beginning | \$ 5,782,858 | \$ - | \$ 14,870 | \$ 15,639 | \$ - | \$ 1,413 | \$ 15,000 | \$ 11,079 | \$ 20,000 | \$ 2,379 |
| Receipts: | | | | | | | | | | |
| Local sources | 7,103,198 | - | - | - | - | - | - | 97 | - | - |
| Intermediate sources | - | - | 619 | - | - | - | - | - | - | - |
| State sources | - | 68,069 | - | 13,394 | 36,095 | - | - | - | - | - |
| Federal sources | - | - | - | - | - | - | - | - | - | - |
| Temporary loans | - | - | - | - | - | - | - | - | - | - |
| Interfund loans | - | - | - | - | 20,476 | - | - | - | - | - |
| Other | 166,208 | - | - | - | - | - | - | 29,041 | - | - |
| Total receipts | 7,269,406 | 68,069 | 619 | 13,394 | 56,571 | - | - | 29,138 | - | - |
| Disbursements: | | | | | | | | | | |
| Current: | | | | | | | | | | |
| Instruction | - | - | - | 5,514 | - | 1,413 | - | - | - | - |
| Support services | 6,991,475 | - | - | - | 36,353 | - | 15,000 | 29,594 | - | - |
| Noninstructional services | - | - | - | - | - | - | - | - | - | - |
| Facilities acquisition and construction | - | - | - | - | - | - | - | - | - | - |
| Debt services | - | - | - | - | - | - | - | - | - | - |
| Nonprogrammed charges | - | - | - | - | - | - | - | - | - | - |
| Interfund loans | - | - | - | - | 16,661 | - | - | - | - | - |
| Total disbursements | 6,991,475 | - | - | 5,514 | 53,014 | 1,413 | 15,000 | 29,594 | - | - |
| Excess (deficiency) of receipts over disbursements | 277,931 | 68,069 | 619 | 7,880 | 3,557 | (1,413) | (15,000) | (456) | - | - |
| Other financing sources (uses): | | | | | | | | | | |
| Proceeds of long-term debt | - | - | - | - | - | - | - | - | - | - |
| Sale of capital assets | - | - | - | - | - | - | - | - | - | - |
| Transfers in | - | - | - | - | - | - | - | - | - | - |
| Transfers out | - | (68,069) | - | - | (3,557) | - | - | - | - | - |
| Total other financing sources (uses) | - | (68,069) | - | - | (3,557) | - | - | - | - | - |
| Excess (deficiency) of receipts and other financing sources over disbursements and other financing uses | 277,931 | - | 619 | 7,880 | - | (1,413) | (15,000) | (456) | - | - |
| Cash and investments - ending | \$ 6,060,789 | \$ - | \$ 15,489 | \$ 23,519 | \$ - | \$ - | \$ - | \$ 10,623 | \$ 20,000 | \$ 2,379 |

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

| | Dollar General Grant | Walmart Foundation Grant | CVS/Caremark Donation | REMC-CES Outdoor Science Lab | Walmart WHS Rhythm Masters | Education In Drugs Narcotics Alcohol | Summer School Essential Skills CPI | Ruth Cox Wes Library Donation | Lowe's Toolbox for Education Grant |
|---|----------------------------|--------------------------------|--------------------------|------------------------------------|----------------------------------|---|--|---|--|
| Cash and investments - beginning | \$ 36 | \$ 56 | \$ 500 | \$ 1,146 | \$ 1,000 | \$ 200 | \$ - | \$ - | \$ - |
| Receipts: | | | | | | | | | |
| Local sources | - | - | - | 215 | - | - | 3,255 | 300 | 5,000 |
| Intermediate sources | - | - | - | - | - | - | - | - | - |
| State sources | - | - | - | - | - | - | - | - | - |
| Federal sources | - | - | - | - | - | - | - | - | - |
| Temporary loans | - | - | - | - | - | - | - | - | - |
| Interfund loans | - | - | - | - | - | - | - | - | - |
| Other | - | - | - | - | - | - | - | - | - |
| Total receipts | - | - | - | 215 | - | - | 3,255 | 300 | 5,000 |
| Disbursements: | | | | | | | | | |
| Current: | | | | | | | | | |
| Instruction | 36 | 56 | - | - | - | - | 3,255 | 276 | - |
| Support services | - | - | - | - | - | - | - | - | - |
| Noninstructional services | - | - | - | - | - | - | - | - | - |
| Facilities acquisition and construction | - | - | - | - | - | - | - | - | - |
| Debt services | - | - | - | - | - | - | - | - | - |
| Nonprogrammed charges | - | - | - | - | - | - | - | - | - |
| Interfund loans | - | - | - | - | - | - | - | - | - |
| Total disbursements | 36 | 56 | - | - | - | - | 3,255 | 276 | - |
| Excess (deficiency) of receipts over disbursements | (36) | (56) | - | 215 | - | - | - | 24 | 5,000 |
| Other financing sources (uses): | | | | | | | | | |
| Proceeds of long-term debt | - | - | - | - | - | - | - | - | - |
| 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 | (36) | (56) | - | 215 | - | - | - | 24 | 5,000 |
| Cash and investments - ending | \$ - | \$ - | \$ 500 | \$ 1,361 | \$ 1,000 | \$ 200 | \$ - | \$ 24 | \$ 5,000 |

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

| | Hospital Donations | CPI Wells Fargo Donation | Extra- Curricular Activities | Target Grant | CAPE Grant Kindergarten Camp | Drug Free Community JCASA | Instruction Support | Medicaid Reimbursement | Non-English Speaking Programs P.L. 273-1999 |
|---|-----------------------|--------------------------------|------------------------------------|-----------------|---------------------------------------|------------------------------------|------------------------|---------------------------|--|
| Cash and investments - beginning | \$ - | \$ - | \$ 967 | \$ 1,000 | \$ 6,395 | \$ - | \$ 13,541 | \$ - | \$ - |
| Receipts: | | | | | | | | | |
| Local sources | - | - | 5,014 | - | - | - | - | - | - |
| Intermediate sources | - | - | - | - | - | - | - | - | - |
| State sources | - | - | - | - | - | 6,966 | 48,559 | 40,835 | 27,988 |
| Federal sources | - | - | - | - | - | - | - | - | - |
| Temporary loans | - | - | - | - | - | - | - | - | - |
| Interfund loans | - | - | - | - | - | - | - | - | - |
| Other | - | - | - | - | - | - | - | - | - |
| Total receipts | - | - | 5,014 | - | - | 6,966 | 48,559 | 40,835 | 27,988 |
| Disbursements: | | | | | | | | | |
| Current: | | | | | | | | | |
| Instruction | - | - | 5,635 | 364 | 6,395 | - | 55,551 | - | 23,307 |
| Support services | - | - | - | - | - | 3,047 | - | - | - |
| Noninstructional services | - | - | - | - | - | - | - | - | - |
| Facilities acquisition and construction | - | - | - | - | - | - | - | - | - |
| Debt services | - | - | - | - | - | - | - | - | - |
| Nonprogrammed charges | - | - | - | - | - | - | - | - | - |
| Interfund loans | - | - | - | - | - | - | - | - | - |
| Total disbursements | - | - | 5,635 | 364 | 6,395 | 3,047 | 55,551 | - | 23,307 |
| Excess (deficiency) of receipts over disbursements | - | - | (621) | (364) | (6,395) | 3,919 | (6,992) | 40,835 | 4,681 |
| Other financing sources (uses): | | | | | | | | | |
| Proceeds of long-term debt | - | - | - | - | - | - | - | - | - |
| Sale of capital assets | - | - | - | - | - | - | - | - | - |
| Transfers in | - | - | - | - | - | - | - | 1,790 | - |
| Transfers out | - | - | - | - | - | - | - | (42,625) | - |
| Total other financing sources (uses) | - | - | - | - | - | - | - | (40,835) | - |
| Excess (deficiency) of receipts and other financing sources over disbursements and other financing uses | - | - | (621) | (364) | (6,395) | 3,919 | (6,992) | - | 4,681 |
| Cash and investments - ending | \$ - | \$ - | \$ 346 | \$ 636 | \$ - | \$ 3,919 | \$ 6,549 | \$ - | \$ 4,681 |

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

| | School Technology | Classroom Innovation Tech Grant | Excess PTRC Distributions | NGA Grant | Title I 10-11 Fund | Title I 11-12 Fund | Drug Free Schools | Leep Grant | Medicaid Reimbursement Federal |
|---|----------------------|--|---------------------------------|-----------------|--------------------------|--------------------------|-------------------------|----------------|--------------------------------------|
| Cash and investments - beginning | \$ - | \$ - | \$ - | \$ 5,691 | \$ - | \$ - | \$ 10,891 | \$ 1,259 | \$ 40,802 |
| Receipts: | | | | | | | | | |
| Local sources | - | - | - | - | - | - | - | - | - |
| Intermediate sources | - | - | - | - | - | - | - | - | - |
| State sources | 6,412 | - | 163,277 | - | - | - | - | - | - |
| Federal sources | - | - | - | - | 307,481 | 26,000 | 1,210 | - | - |
| Temporary loans | - | - | - | - | - | - | - | - | - |
| Interfund loans | - | - | - | - | 98,159 | - | - | - | - |
| Other | - | - | - | - | - | - | - | - | - |
| Total receipts | <u>6,412</u> | <u>-</u> | <u>163,277</u> | <u>-</u> | <u>405,640</u> | <u>26,000</u> | <u>1,210</u> | <u>-</u> | <u>-</u> |
| Disbursements: | | | | | | | | | |
| Current: | | | | | | | | | |
| Instruction | - | - | - | - | 177,401 | 14,593 | - | - | 39,013 |
| Support services | 1,603 | - | - | - | 95,489 | 10,860 | 5,073 | 1,259 | - |
| Noninstructional services | - | - | - | - | 925 | 547 | - | - | - |
| Facilities acquisition and construction | - | - | - | - | - | - | - | - | - |
| Debt services | - | - | - | - | - | - | - | - | - |
| Nonprogrammed charges | - | - | - | - | - | - | - | - | - |
| Interfund loans | - | - | 163,277 | - | 98,159 | - | - | - | - |
| Total disbursements | <u>1,603</u> | <u>-</u> | <u>163,277</u> | <u>-</u> | <u>371,974</u> | <u>26,000</u> | <u>5,073</u> | <u>1,259</u> | <u>39,013</u> |
| Excess (deficiency) of receipts over disbursements | <u>4,809</u> | <u>-</u> | <u>-</u> | <u>-</u> | <u>33,666</u> | <u>-</u> | <u>(3,863)</u> | <u>(1,259)</u> | <u>(39,013)</u> |
| Other financing sources (uses): | | | | | | | | | |
| Proceeds of long-term debt | - | - | - | - | - | - | - | - | - |
| Sale of capital assets | - | - | - | - | - | - | - | - | - |
| Transfers in | - | - | - | - | - | - | - | - | 23,683 |
| Transfers out | - | - | - | - | - | - | - | - | (1,790) |
| Total other financing sources (uses) | <u>-</u> | <u>-</u> | <u>-</u> | <u>-</u> | <u>-</u> | <u>-</u> | <u>-</u> | <u>-</u> | <u>21,893</u> |
| Excess (deficiency) of receipts and other financing sources over disbursements and other financing uses | <u>4,809</u> | <u>-</u> | <u>-</u> | <u>-</u> | <u>33,666</u> | <u>-</u> | <u>(3,863)</u> | <u>(1,259)</u> | <u>(17,120)</u> |
| Cash and investments - ending | <u>\$ 4,809</u> | <u>\$ -</u> | <u>\$ -</u> | <u>\$ 5,691</u> | <u>\$ 33,666</u> | <u>\$ -</u> | <u>\$ 7,028</u> | <u>\$ -</u> | <u>\$ 23,682</u> |

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

| | Improving Teaching Quality No Child Left Title II, Part A | ITQ Enhanced Education Through Technology Title II, Part D | Other Technology Fund | Title III Language Instruction | Title I Grants to LEAs | Special Education Part B | Education Jobs | Payroll Withholding Clearing Accounts | Totals |
|---|--|---|-----------------------------|--------------------------------------|------------------------------|--------------------------------|-------------------|--|---------------|
| Cash and investments - beginning | \$ 80,762 | \$ 1,911 | \$ 31,014 | \$ 41,860 | \$ - | \$ 2,687 | \$ - | \$ 104,430 | \$ 18,735,236 |
| Receipts: | | | | | | | | | |
| Local sources | - | - | - | - | - | - | - | - | 30,327,892 |
| Intermediate sources | - | - | - | - | - | - | - | - | 634 |
| State sources | - | - | - | - | - | - | - | - | 34,355,319 |
| Federal sources | 35,249 | - | - | 31,080 | 90,000 | 312,741 | - | - | 2,196,655 |
| Temporary loans | - | - | - | - | - | - | - | - | 2,320,000 |
| Interfund loans | - | - | - | - | - | - | - | - | 233,454 |
| Other | - | - | - | - | - | - | - | 8,261,879 | 9,273,332 |
| Total receipts | 35,249 | - | - | 31,080 | 90,000 | 312,741 | - | 8,261,879 | 78,707,286 |
| Disbursements: | | | | | | | | | |
| Current: | | | | | | | | | |
| Instruction | 116,011 | - | - | 32,580 | 71,434 | - | - | - | 22,370,123 |
| Support services | - | 1,911 | 21,799 | 9,490 | 11,842 | 302,728 | - | - | 23,209,988 |
| Noninstructional services | - | - | - | - | - | - | - | - | 2,953,938 |
| Facilities acquisition and construction | - | - | 9,215 | - | - | - | - | - | 1,234,243 |
| Debt services | - | - | - | - | - | - | - | - | 16,922,589 |
| Nonprogrammed charges | - | - | - | - | - | - | - | 8,225,191 | 8,225,191 |
| Interfund loans | - | - | - | - | - | - | - | - | 396,731 |
| Total disbursements | 116,011 | 1,911 | 31,014 | 42,070 | 83,276 | 302,728 | - | 8,225,191 | 75,312,803 |
| Excess (deficiency) of receipts over disbursements | (80,762) | (1,911) | (31,014) | (10,990) | 6,724 | 10,013 | - | 36,688 | 3,394,483 |
| Other financing sources (uses): | | | | | | | | | |
| Proceeds of long-term debt | - | - | - | - | - | - | - | - | 63,400 |
| Sale of capital assets | - | - | - | - | - | - | - | - | 6,547 |
| Transfers in | - | - | - | - | - | - | - | - | 3,386,042 |
| Transfers out | - | - | - | - | (6,724) | - | - | - | (3,222,765) |
| Total other financing sources (uses) | - | - | - | - | (6,724) | - | - | - | 233,224 |
| Excess (deficiency) of receipts and other financing sources over disbursements and other financing uses | (80,762) | (1,911) | (31,014) | (10,990) | - | 10,013 | - | 36,688 | 3,627,707 |
| Cash and investments - ending | \$ - | \$ - | \$ - | \$ 30,870 | \$ - | \$ 12,700 | \$ - | \$ 141,118 | \$ 22,362,943 |

CLARK-PLEASANT COMMUNITY SCHOOL CORPORATION
 COMBINING SCHEDULE OF RECEIPTS, DISBURSEMENTS, OTHER FINANCING SOURCES (USES), AND CASH AND INVESTMENT BALANCES
 REGULATORY BASIS
 For the Year Ended June 30, 2012

| | General | Debt Service | Retirement/ Severance Bond Debt Service | Capital Projects | School Transportation | School Bus Replacement | Rainy Day | Construction | School Lunch | Textbook Rental |
|---|--------------|--------------|---|---------------------|--------------------------|------------------------------|--------------|--------------|-----------------|--------------------|
| Cash and investments - beginning | \$ 1,715,699 | \$ 2,615,881 | \$ 223,874 | \$ 2,748,287 | \$ 1,291,759 | \$ 154,297 | \$ 5,000,000 | \$ 1,592,674 | \$ 554,188 | \$ 49,705 |
| Receipts: | | | | | | | | | | |
| Local sources | 290,404 | 13,727,699 | 617,896 | 3,501,271 | 2,844,806 | 229,628 | - | - | 1,295,483 | 309,286 |
| Intermediate sources | 8 | - | - | - | - | - | - | - | - | - |
| State sources | 33,565,178 | - | - | - | - | - | - | - | 31,630 | 200,016 |
| Federal sources | - | - | - | - | - | - | - | - | 1,359,740 | - |
| Temporary loans | - | - | 185,000 | 900,000 | 1,300,000 | - | - | - | - | - |
| Interfund loans | - | - | - | - | - | - | - | 513,994 | - | 455,071 |
| Other | 153,315 | - | - | 594,354 | 16,106 | - | - | 356 | 10,567 | 3,429 |
| Total receipts | 34,008,905 | 13,727,699 | 802,896 | 4,995,625 | 4,160,912 | 229,628 | - | 514,350 | 2,697,420 | 967,802 |
| Disbursements: | | | | | | | | | | |
| Current: | | | | | | | | | | |
| Instruction | 22,527,769 | - | - | - | - | - | - | - | - | - |
| Support services | 10,001,913 | - | - | 2,095,082 | 2,720,331 | - | - | - | 56,057 | 771,224 |
| Noninstructional services | 484,423 | - | - | - | - | - | - | - | 2,561,703 | - |
| Facilities acquisition and construction | - | - | - | 914,883 | - | - | - | 1,154,303 | - | - |
| Debt services | - | 14,202,682 | 743,171 | 900,000 | 1,264,257 | - | - | - | - | - |
| Nonprogrammed charges | - | - | - | - | - | - | - | - | - | - |
| Interfund loans | - | - | - | - | - | - | - | 513,995 | - | 455,071 |
| Total disbursements | 33,014,105 | 14,202,682 | 743,171 | 3,909,965 | 3,984,588 | - | - | 1,668,298 | 2,617,760 | 1,226,295 |
| Excess (deficiency) of receipts over disbursements | 994,800 | (474,983) | 59,725 | 1,085,660 | 176,324 | 229,628 | - | (1,153,948) | 79,660 | (258,493) |
| Other financing sources (uses): | | | | | | | | | | |
| Proceeds of long-term debt | - | - | - | - | - | - | - | - | - | - |
| Sale of capital assets | 1,212 | - | - | 522 | 100 | - | - | - | - | - |
| Transfers in | 24,326 | 1,225,000 | 40,000 | - | - | - | - | - | - | 55,780 |
| Transfers out | - | (55,780) | - | (550,000) | (75,000) | (140,000) | (500,000) | - | - | - |
| Total other financing sources (uses) | 25,538 | 1,169,220 | 40,000 | (549,478) | (74,900) | (140,000) | (500,000) | - | - | 55,780 |
| Excess (deficiency) of receipts and other financing sources over disbursements and other financing uses | 1,020,338 | 694,237 | 99,725 | 536,182 | 101,424 | 89,628 | (500,000) | (1,153,948) | 79,660 | (202,713) |
| Cash and investments - ending | \$ 2,736,037 | \$ 3,310,118 | \$ 323,599 | \$ 3,284,469 | \$ 1,393,183 | \$ 243,925 | \$ 4,500,000 | \$ 438,726 | \$ 633,848 | \$ (153,008) |

CLARK-PLEASANT COMMUNITY SCHOOL CORPORATION
 COMBINING SCHEDULE OF RECEIPTS, DISBURSEMENTS, OTHER FINANCING SOURCES (USES), AND CASH AND INVESTMENT BALANCES
 REGULATORY BASIS
 For the Year Ended June 30, 2012
 (Continued)

| | Self- Insurance | Levy Excess | Educational License Plates | Alternative Education | SAFE School Haven | Early Intervention Grant | School Intervention and Career Counseling | Donation Goals 2000 | Palmore Donation | Education Foundation |
|---|--------------------|----------------|----------------------------------|--------------------------|-------------------------|--------------------------------|---|---------------------------|---------------------|-------------------------|
| Cash and investments - beginning | \$ 6,060,789 | \$ - | \$ 15,489 | \$ 23,519 | \$ - | \$ - | \$ - | \$ 10,623 | \$ 20,000 | \$ 2,379 |
| Receipts: | | | | | | | | | | |
| Local sources | 7,393,726 | - | - | - | - | - | - | 97 | - | - |
| Intermediate sources | - | - | 506 | - | - | - | - | - | - | - |
| State sources | - | - | - | 11,337 | 25,801 | - | - | - | - | - |
| Federal sources | - | - | - | - | - | - | - | - | - | - |
| Temporary loans | - | - | - | - | - | - | - | - | - | - |
| Interfund loans | - | - | - | - | 5,938 | - | - | - | - | - |
| Other | 667,888 | - | - | - | - | - | - | 25,093 | - | - |
| Total receipts | 8,061,614 | - | 506 | 11,337 | 31,739 | - | - | 25,190 | - | - |
| Disbursements: | | | | | | | | | | |
| Current: | | | | | | | | | | |
| Instruction | - | - | - | 4,063 | - | - | - | - | - | - |
| Support services | 6,886,652 | - | - | - | 35,310 | - | - | 29,930 | 3,690 | - |
| Noninstructional services | - | - | - | - | - | - | - | - | - | - |
| Facilities acquisition and construction | - | - | - | - | - | - | - | - | - | - |
| Debt services | - | - | - | - | - | - | - | - | - | - |
| Nonprogrammed charges | - | - | - | - | - | - | - | - | - | - |
| Interfund loans | - | - | - | - | 5,938 | - | - | - | - | - |
| Total disbursements | 6,886,652 | - | - | 4,063 | 41,248 | - | - | 29,930 | 3,690 | - |
| Excess (deficiency) of receipts over disbursements | 1,174,962 | - | 506 | 7,274 | (9,509) | - | - | (4,740) | (3,690) | - |
| Other financing sources (uses): | | | | | | | | | | |
| Proceeds of long-term debt | - | - | - | - | - | - | - | - | - | - |
| 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 | 1,174,962 | - | 506 | 7,274 | (9,509) | - | - | (4,740) | (3,690) | - |
| Cash and investments - ending | \$ 7,235,751 | \$ - | \$ 15,995 | \$ 30,793 | \$ (9,509) | \$ - | \$ - | \$ 5,883 | \$ 16,310 | \$ 2,379 |

CLARK-PLEASANT COMMUNITY SCHOOL CORPORATION
 COMBINING SCHEDULE OF RECEIPTS, DISBURSEMENTS, OTHER FINANCING SOURCES (USES), AND CASH AND INVESTMENT BALANCES
 REGULATORY BASIS
 For the Year Ended June 30, 2012
 (Continued)

| | Dollar General Grant | Walmart Foundation Grant | CVS/Caremark Donation | REMC-CES Outdoor Science Lab | Walmart WHS Rhythm Masters | Education In Drugs Narcotics Alcohol | Summer School Essential Skills CPI | Ruth Cox Wes Library Donation | Lowe's Toolbox for Education Grant |
|---|----------------------------|--------------------------------|--------------------------|------------------------------------|----------------------------------|---|--|---|--|
| Cash and investments - beginning | \$ - | \$ - | \$ 500 | \$ 1,361 | \$ 1,000 | \$ 200 | \$ - | \$ 24 | \$ 5,000 |
| Receipts: | | | | | | | | | |
| Local sources | - | - | - | - | - | - | - | - | - |
| Intermediate sources | - | - | - | - | - | - | - | - | - |
| State sources | - | - | - | - | - | - | - | - | - |
| Federal sources | - | - | - | - | - | - | - | - | - |
| Temporary loans | - | - | - | - | - | - | - | - | - |
| Interfund loans | - | - | - | - | - | - | - | - | - |
| Other | - | - | - | - | - | - | - | - | - |
| Total receipts | - | - | - | - | - | - | - | - | - |
| Disbursements: | | | | | | | | | |
| Current: | | | | | | | | | |
| Instruction | - | - | - | - | - | 200 | - | 24 | 4,095 |
| Support services | - | - | - | - | - | - | - | - | - |
| Noninstructional services | - | - | - | - | - | - | - | - | - |
| Facilities acquisition and construction | - | - | - | - | - | - | - | - | - |
| Debt services | - | - | - | - | - | - | - | - | - |
| Nonprogrammed charges | - | - | - | - | - | - | - | - | - |
| Interfund loans | - | - | - | - | - | - | - | - | - |
| Total disbursements | - | - | - | - | - | 200 | - | 24 | 4,095 |
| Excess (deficiency) of receipts over disbursements | - | - | - | - | - | (200) | - | (24) | (4,095) |
| Other financing sources (uses): | | | | | | | | | |
| Proceeds of long-term debt | - | - | - | - | - | - | - | - | - |
| 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 | - | - | - | - | - | (200) | - | (24) | (4,095) |
| Cash and investments - ending | \$ - | \$ - | \$ 500 | \$ 1,361 | \$ 1,000 | \$ - | \$ - | \$ - | \$ 905 |

CLARK-PLEASANT COMMUNITY SCHOOL CORPORATION
 COMBINING SCHEDULE OF RECEIPTS, DISBURSEMENTS, OTHER FINANCING SOURCES (USES), AND CASH AND INVESTMENT BALANCES
 REGULATORY BASIS
 For the Year Ended June 30, 2012
 (Continued)

| | Hospital Donations | CPI Wells Fargo Donation | Extra- Curricular Activities | Target Grant | CAPE Grant Kindergarten Camp | Drug Free Community JCASA | Instruction Support | Medicaid Reimbursement | Non-English Speaking Programs P.L. 273-1999 |
|---|-----------------------|--------------------------------|------------------------------------|-----------------|---------------------------------------|------------------------------------|------------------------|---------------------------|--|
| Cash and investments - beginning | \$ - | \$ - | \$ 346 | \$ 636 | \$ - | \$ 3,919 | \$ 6,549 | \$ - | \$ 4,681 |
| Receipts: | | | | | | | | | |
| Local sources | 25,000 | 300 | 4,477 | - | - | - | - | - | - |
| Intermediate sources | - | - | - | - | - | - | - | - | - |
| State sources | - | - | - | - | - | 3,501 | 48,533 | 101,907 | 24,241 |
| Federal sources | - | - | - | - | - | - | - | - | - |
| Temporary loans | - | - | - | - | - | - | - | - | - |
| Interfund loans | - | - | - | - | - | - | 51,717 | - | - |
| Other | - | - | 250 | - | - | - | - | - | - |
| Total receipts | 25,000 | 300 | 4,727 | - | - | 3,501 | 100,250 | 101,907 | 24,241 |
| Disbursements: | | | | | | | | | |
| Current: | | | | | | | | | |
| Instruction | - | - | 4,983 | - | - | - | 48,561 | - | 28,922 |
| Support services | - | - | - | - | - | 6,380 | - | - | - |
| Noninstructional services | 400 | - | - | - | - | - | - | - | - |
| Facilities acquisition and construction | - | - | - | - | - | - | - | - | - |
| Debt services | - | - | - | - | - | - | - | - | - |
| Nonprogrammed charges | - | - | - | - | - | - | - | - | - |
| Interfund loans | - | - | - | - | - | - | 51,717 | - | - |
| Total disbursements | 400 | - | 4,983 | - | - | 6,380 | 100,278 | - | 28,922 |
| Excess (deficiency) of receipts over disbursements | 24,600 | 300 | (256) | - | - | (2,879) | (28) | 101,907 | (4,681) |
| Other financing sources (uses): | | | | | | | | | |
| Proceeds of long-term debt | - | - | - | - | - | - | - | - | - |
| Sale of capital assets | - | - | - | - | - | - | - | - | - |
| Transfers in | - | - | - | - | - | - | - | - | - |
| Transfers out | - | - | - | - | - | - | - | (101,907) | - |
| Total other financing sources (uses) | - | - | - | - | - | - | - | (101,907) | - |
| Excess (deficiency) of receipts and other financing sources over disbursements and other financing uses | 24,600 | 300 | (256) | - | - | (2,879) | (28) | - | (4,681) |
| Cash and investments - ending | \$ 24,600 | \$ 300 | \$ 90 | \$ 636 | \$ - | \$ 1,040 | \$ 6,521 | \$ - | \$ - |

CLARK-PLEASANT COMMUNITY SCHOOL CORPORATION
 COMBINING SCHEDULE OF RECEIPTS, DISBURSEMENTS, OTHER FINANCING SOURCES (USES), AND CASH AND INVESTMENT BALANCES
 REGULATORY BASIS
 For the Year Ended June 30, 2012
 (Continued)

| | School Technology | Classroom Innovation Tech Grant | Excess PTRC Distributions | NGA Grant | Title I 10-11 Fund | Title I 11-12 Fund | Drug Free Schools | Leep Grant | Medicaid Reimbursement Federal |
|---|----------------------|--|---------------------------------|-----------------|--------------------------|--------------------------|-------------------------|---------------|--------------------------------------|
| Cash and investments - beginning | \$ 4,809 | \$ - | \$ - | \$ 5,691 | \$ 33,666 | \$ - | \$ 7,028 | \$ - | \$ 23,682 |
| Receipts: | | | | | | | | | |
| Local sources | - | - | - | - | - | - | - | - | - |
| Intermediate sources | - | - | - | - | - | - | - | - | - |
| State sources | 6,576 | 77,298 | 123,012 | - | - | - | - | - | - |
| Federal sources | - | - | - | - | - | 395,486 | - | - | - |
| Temporary loans | - | - | - | - | - | - | - | - | - |
| Interfund loans | - | - | - | - | - | 1,269 | - | - | - |
| Other | - | - | - | - | - | - | - | - | - |
| Total receipts | <u>6,576</u> | <u>77,298</u> | <u>123,012</u> | <u>-</u> | <u>-</u> | <u>396,755</u> | <u>-</u> | <u>-</u> | <u>-</u> |
| Disbursements: | | | | | | | | | |
| Current: | | | | | | | | | |
| Instruction | - | - | - | 345 | 20,569 | 236,101 | - | - | 48,993 |
| Support services | - | 70,560 | - | - | 12,589 | 82,408 | 7,028 | - | - |
| Noninstructional services | - | - | - | - | 508 | 2,088 | - | - | - |
| Facilities acquisition and construction | - | - | - | - | - | - | - | - | - |
| Debt services | - | - | - | - | - | - | - | - | - |
| Nonprogrammed charges | - | - | - | - | - | - | - | - | - |
| Interfund loans | - | - | - | - | - | 1,269 | - | - | - |
| Total disbursements | <u>-</u> | <u>70,560</u> | <u>-</u> | <u>345</u> | <u>33,666</u> | <u>321,866</u> | <u>7,028</u> | <u>-</u> | <u>48,993</u> |
| Excess (deficiency) of receipts over disbursements | <u>6,576</u> | <u>6,738</u> | <u>123,012</u> | <u>(345)</u> | <u>(33,666)</u> | <u>74,889</u> | <u>(7,028)</u> | <u>-</u> | <u>(48,993)</u> |
| Other financing sources (uses): | | | | | | | | | |
| Proceeds of long-term debt | - | - | - | - | - | - | - | - | - |
| Sale of capital assets | - | - | - | - | - | - | - | - | - |
| Transfers in | - | - | - | - | - | - | - | - | 77,580 |
| Transfers out | - | - | - | - | - | - | - | - | - |
| Total other financing sources (uses) | <u>-</u> | <u>-</u> | <u>-</u> | <u>-</u> | <u>-</u> | <u>-</u> | <u>-</u> | <u>-</u> | <u>77,580</u> |
| Excess (deficiency) of receipts and other financing sources over disbursements and other financing uses | <u>6,576</u> | <u>6,738</u> | <u>123,012</u> | <u>(345)</u> | <u>(33,666)</u> | <u>74,889</u> | <u>(7,028)</u> | <u>-</u> | <u>28,587</u> |
| Cash and investments - ending | <u>\$ 11,385</u> | <u>\$ 6,738</u> | <u>\$ 123,012</u> | <u>\$ 5,346</u> | <u>\$ -</u> | <u>\$ 74,889</u> | <u>\$ -</u> | <u>\$ -</u> | <u>\$ 52,269</u> |

CLARK-PLEASANT COMMUNITY SCHOOL CORPORATION
 COMBINING SCHEDULE OF RECEIPTS, DISBURSEMENTS, OTHER FINANCING SOURCES (USES), AND CASH AND INVESTMENT BALANCES
 REGULATORY BASIS
 For the Year Ended June 30, 2012
 (Continued)

| | Improving Teaching Quality No Child Left Title II, Part A | ITQ Enhanced Education Through Technology Title II, Part D | Other Technology Fund | Title III Language Instruction | Title I Grants to LEAs | Special Education Part B | Education Jobs | Payroll Withholding Clearing Accounts | Totals |
|---|--|---|-----------------------------|--------------------------------------|------------------------------|--------------------------------|-------------------|--|---------------|
| Cash and investments - beginning | \$ - | \$ - | \$ - | \$ 30,870 | \$ - | \$ 12,700 | \$ - | \$ 141,118 | \$ 22,362,943 |
| Receipts: | | | | | | | | | |
| Local sources | - | - | - | - | - | - | - | - | 30,240,073 |
| Intermediate sources | - | - | - | - | - | - | - | - | 514 |
| State sources | - | - | - | - | - | - | - | - | 34,219,030 |
| Federal sources | 35,249 | - | - | - | - | - | 1,068,247 | - | 2,858,722 |
| Temporary loans | - | - | - | - | - | - | - | - | 2,385,000 |
| Interfund loans | - | - | - | - | - | - | - | - | 1,027,989 |
| Other | - | - | - | - | - | - | - | 8,245,957 | 9,717,315 |
| Total receipts | 35,249 | - | - | - | - | - | 1,068,247 | 8,245,957 | 80,448,643 |
| Disbursements: | | | | | | | | | |
| Current: | | | | | | | | | |
| Instruction | 65,375 | - | - | 60,106 | (4,026) | - | 717,778 | - | 23,763,858 |
| Support services | - | - | - | - | 4,026 | 12,700 | 350,469 | - | 23,146,349 |
| Noninstructional services | - | - | - | - | - | - | - | - | 3,049,122 |
| Facilities acquisition and construction | - | - | - | - | - | - | - | - | 2,069,186 |
| Debt services | - | - | - | - | - | - | - | - | 17,110,110 |
| Nonprogrammed charges | - | - | - | - | - | - | - | 8,183,189 | 8,183,189 |
| Interfund loans | - | - | - | - | - | - | - | - | 1,027,990 |
| Total disbursements | 65,375 | - | - | 60,106 | - | 12,700 | 1,068,247 | 8,183,189 | 78,349,804 |
| Excess (deficiency) of receipts over disbursements | (30,126) | - | - | (60,106) | - | (12,700) | - | 62,768 | 2,098,839 |
| Other financing sources (uses): | | | | | | | | | |
| Proceeds of long-term debt | - | - | - | - | - | - | - | - | - |
| Sale of capital assets | - | - | - | - | - | - | - | - | 1,834 |
| Transfers in | - | - | - | - | - | - | - | - | 1,422,686 |
| Transfers out | - | - | - | - | - | - | - | - | (1,422,687) |
| Total other financing sources (uses) | - | - | - | - | - | - | - | - | 1,833 |
| Excess (deficiency) of receipts and other financing sources over disbursements and other financing uses | (30,126) | - | - | (60,106) | - | (12,700) | - | 62,768 | 2,100,672 |
| Cash and investments - ending | \$ (30,126) | \$ - | \$ - | \$ (29,236) | \$ - | \$ - | \$ - | \$ 203,886 | \$ 24,463,615 |

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CLARK-PLEASANT COMMUNITY SCHOOL CORPORATION
SCHEDULE OF PAYABLES AND RECEIVABLES
JUNE 30, 2012

| <u>School Corporation</u> | <u>Accounts Payable</u> | <u>Accounts Receivable</u> |
|---------------------------|-----------------------------|--------------------------------|
| Governmental activities | <u>\$ 1,735,864</u> | <u>\$ 11,154,443</u> |

CLARK-PLEASANT COMMUNITY SCHOOL CORPORATION
SCHEDULE OF LEASES AND DEBT
JUNE 30, 2012

| Lessor | Purpose | Annual Lease Payment | Lease Beginning Date | Lease Ending Date |
|--|--|----------------------------|----------------------------|-------------------------|
| Governmental activities: | | | | |
| Clark-Pleasant Community School Corporation Building Corporation | Clark-Pleasant Multi-School Refunding | \$ 1,595,500 | 04-13-06 | 01-15-16 |
| | Clark-Pleasant Middle School Refunding | 651,500 | 07-15-16 | 01-15-24 |
| | WCHS/WES | 1,420,000 | 07-15-12 | 07-15-26 |
| | Clark Elementary School Refunding | 722,000 | 07-15-03 | 07-15-12 |
| | Clark-Pleasant Intermediate | 1,612,000 | 01-15-13 | 01-15-27 |
| | Clark Elementary School | 796,000 | 01-15-05 | 01-15-18 |
| | Admin./Operations Center | 920,500 | 07-15-05 | 01-15-25 |
| | Pleasant Crossing (West) | 1,626,000 | 01-15-07 | 01-15-28 |
| | Central Nine Career Center | 77,495 | 01-15-08 | 07-15-18 |
| | New Middle School | 4,248,500 | 01-15-11 | 01-15-29 |
| | WCHS/CPMS - QSCB | <u>240,000</u> | 01-15-11 | 07-15-25 |
| Total of annual lease payments | | <u>\$ 13,909,495</u> | | |

| Description of Debt | Ending Principal Balance | Principal and Interest Due Within One Year |
|--------------------------|--|---|
| Type | Purpose | |
| Governmental activities: | | |
| Capital lease | Clark-Pleasant Multi-School Refunding | \$ 4,410,000 |
| Capital lease | Clark-Pleasant Middle School Refunding | \$ 5,840,000 |
| Capital lease | WCHS/WES | 1,827,000 |
| Capital lease | Clark-Pleasant Intermediate | 1,612,000 |
| Capital lease | Clark Elementary School | 807,000 |
| Capital lease | Admin./Operations Center | 921,000 |
| Capital lease | Pleasant Crossing (West) | 1,840,000 |
| Capital lease | Central Nine Career Center | 77,798 |
| Capital lease | New Middle School | 3,607,000 |
| Capital lease | WCHS/CPMS - QSCB | 497,000 |
| Notes and loans payable | Common School Fund - Technology | 22,249 |
| General obligation bonds | School Pension Bonds - 2001 | 241,188 |
| General obligation bonds | School Pension Bonds - 2005 | <u>332,430</u> |
| Totals | | <u>\$ 137,719,162</u> <u>\$ 14,033,165</u> |

CLARK-PLEASANT COMMUNITY SCHOOL CORPORATION
 SCHEDULE OF CAPITAL ASSETS
 JUNE 30, 2012

Capital assets are reported at actual or estimated historical cost based on appraisals or deflated current replacement cost. Contributed or donated assets are reported at estimated fair value at the time received.

| | Ending Balance |
|-----------------------------------|-------------------|
| Governmental activities: | |
| Land | \$ 4,689,434 |
| Infrastructure | 175,980 |
| Buildings | 247,235,145 |
| Improvements other than buildings | 3,124,070 |
| Machinery, equipment and vehicles | 8,297,046 |
| Total capital assets | \$ 263,521,675 |

CLARK-PLEASANT COMMUNITY SCHOOL CORPORATION
AUDIT RESULTS AND COMMENTS

DEPOSITS - TEXTBOOK RENTAL

Textbook rental receipts are not always deposited later within the next business day. A similar comment was in prior Audit Report No.B38578.

Extra-Curricular Account (ECA) Treasurers are responsible for collecting textbook rental money paid at their respective school. The money is then deposited by the ECA Treasurer into the corporation bank account.

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

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

RECEIPTS – TEXTBOOK RENTAL

Textbook rental receipts generated by Clark Elementary, Break-O-Day Elementary, and Clark-Pleasant Middle School did not indicate the classification of monies collected on the official receipt (i.e., cash, check, credit card, etc.).

Indiana Code 5-13-6-1(c) states in part: "Public funds deposited under this subsection shall be deposited in the same form in which they were received."

A receipt must be written on the form each time any money is received by the school corporation, regardless of whether it is in the form of cash, check, money order, bank card/credit card, EFT (all on which must be indicated as payment type and amount) or other negotiable instrument. (Accounting and Uniform Compliance Guidelines Manual for Indiana Public School Corporations, Chapter 2)

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

ECA DEPOSITS (Applies to Pleasant Crossing Elementary, Break-O-Day Elementary, Clark Elementary, Sawmill Woods Elementary, Clark-Pleasant Intermediate and Whiteland Community High School)

Receipts were not always deposited within a reasonable time. Receipts, in some instances, were held for periods in excess of 50 days before depositing. Receipts, in some cases, accumulated to over \$4,000 before a deposit was made.

Indiana Code 20-5-7-4 states in part: ". . . receipts shall be deposited without unreasonable delay."

SUPPLEMENTAL AUDIT OF
FEDERAL AWARDS



STATE OF INDIANA
AN EQUAL OPPORTUNITY EMPLOYER

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

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

INDEPENDENT AUDITOR'S REPORT ON COMPLIANCE WITH REQUIREMENTS THAT
COULD HAVE A DIRECT AND MATERIAL EFFECT ON EACH MAJOR PROGRAM AND ON
INTERNAL CONTROL OVER COMPLIANCE IN ACCORDANCE WITH OMB CIRCULAR A-133

TO: THE OFFICIALS OF THE CLARK-PLEASANT COMMUNITY
SCHOOL CORPORATION, JOHNSON COUNTY, INDIANA

Compliance

We have audited Clark-Pleasant Community School Corporation's (School Corporation) compliance with the types of compliance requirements described in the U.S. Office of Management and Budget (OMB) Circular A-133 Compliance Supplement that could have a direct and material effect on each of its major federal programs for the period of July 1, 2010 to June 30, 2012. The School Corporation's major federal programs are identified in the Summary of Auditor's Results section of the accompanying Schedule of Findings and Questioned Costs. Compliance with the requirements of laws, regulations, contracts, and grants applicable to each of its major federal programs is the responsibility of the School Corporation's management. Our responsibility is to express an opinion on the School Corporation's compliance based on our audit.

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

In our opinion, the School Corporation complied, in all material respects, with the requirements referred to above that could have a direct and material effect on each of its major federal programs for the period of July 1, 2010 to June 30, 2012.

Internal Control Over Compliance

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

INDEPENDENT AUDITOR'S REPORT ON COMPLIANCE WITH REQUIREMENTS THAT
COULD HAVE A DIRECT AND MATERIAL EFFECT ON EACH MAJOR PROGRAM AND ON
INTERNAL CONTROL OVER COMPLIANCE IN ACCORDANCE WITH OMB CIRCULAR A-133
(Continued)

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

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

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

STATE BOARD OF ACCOUNTS

January 14, 2013

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SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS

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

CLARK-PLEASANT COMMUNITY SCHOOL CORPORATION
SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS
For The Years Ended June 30 2011 and 2012

| Federal Grantor Agency/Pass-Through Entity Cluster Title/Program Title/Project Title | Federal CFDA Number | Pass-Through Entity (or Other) Identifying Number | Total Federal Awards Expended 06-30-11 | Total Federal Awards Expended 06-30-12 |
|---|---------------------------|--|---|---|
| U.S. DEPARTMENT OF AGRICULTURE | | | | |
| Pass-Through Indiana Department of Education | | | | |
| Child Nutrition Cluster | | | | |
| School Breakfast Program | 10.553 | | | |
| School Year 2010-2011 | | 2010-2011 | \$ 246,699 | \$ - |
| School Year 2011-2012 | | 2011-2012 | - | 250,038 |
| Total for program | | | <u>246,699</u> | <u>250,038</u> |
| National School Lunch Program | | | | |
| School Year 2010-2011 | 10.555 | | 1,298,172 | - |
| School Year 2011-2012 | | 2011-2012 | - | 1,270,866 |
| Total for program | | | <u>1,298,172</u> | <u>1,270,866</u> |
| Summer Food Service Program for Children | | | | |
| School Year 2011-2012 | 10.559 | 2011-2012 | - | 16,588 |
| Total for cluster | | | <u>1,544,871</u> | <u>1,537,492</u> |
| Total for federal grantor agency | | | <u>1,544,871</u> | <u>1,537,492</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 | | | |
| Proj 10-4145 | | 10-4145 | 26,000 | - |
| Proj 11-4145 | | 11-4145 | 307,482 | - |
| Proj 12-4145 | | 12-4145 | - | 395,485 |
| Total for program | | | <u>333,482</u> | <u>395,485</u> |
| ARRA - Title I Grants to Local Educational Agencies, Recovery Act | | | | |
| Fiscal Year 2011 | 84.389 | 2011 | 90,000 | - |
| Total for cluster | | | <u>423,482</u> | <u>395,485</u> |
| Pass-Through Special Services Johnson County Schools | | | | |
| Special Education Cluster | | | | |
| ARRA - Special Education Grants to States, Recovery Act | 84.391 | 2011 | 303,005 | - |
| Total for cluster | | | <u>303,005</u> | <u>-</u> |
| Pass-Through Indiana Department of Education | | | | |
| Safe and Drug Free Schools and Communities - State Grants | | | | |
| Proj 09-4145 | 84.186 | 09-4145 | 5,073 | 7,028 |
| Total for program | | | <u>5,073</u> | <u>7,028</u> |
| Education Technology State Grants Cluster | | | | |
| Education Technology State Grants | 84.318 | | | |
| Fund 6851 | | 6851 | 31,014 | - |
| Fund 6850 | | 6850 | 1,795 | - |
| Total for program | | | <u>32,809</u> | <u>-</u> |
| English Language Acquisition State Grants | | | | |
| 2010-2011 | 84.365 | 2010-2011 | 31,080 | - |
| Total for program | | | <u>31,080</u> | <u>-</u> |
| Improving Teacher Quality State Grants | | | | |
| | 84.367 | | | |
| | | 2010-2011 | 35,249 | - |
| | | 2011-2012 | - | 35,249 |
| Total for program | | | <u>35,249</u> | <u>35,249</u> |
| Education Jobs Fund | | | | |
| | 84.410 | 2011-2012 | - | 1,068,247 |
| Total for program | | | <u>-</u> | <u>1,068,247</u> |
| Total for federal grantor agency | | | <u>830,698</u> | <u>1,506,009</u> |
| Total federal awards expended | | | <u>\$ 2,375,569</u> | <u>\$ 3,043,501</u> |

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

CLARK-PLEASANT COMMUNITY SCHOOL CORPORATION
NOTES TO SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS

Note 1. Basis of Presentation

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

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

Note 2. Noncash Assistance

The School Corporation expended the following amount of noncash assistance for the years ending June 30, 2011 and 2012. This noncash assistance is also included in the federal expenditures presented in the schedule.

| Program Title | Federal CFDA Number | 2011 | 2012 |
|-------------------------------|---------------------------|------------|------------|
| National School Lunch Program | 10.555 | \$ 151,977 | \$ 177,753 |

CLARK-PLEASANT COMMUNITY SCHOOL CORPORATION
SCHEDULE OF FINDINGS AND QUESTIONED COSTS

Section I – Summary of Auditor's Results

Financial Statement:

| | |
|--|---|
| Type of auditor's report issued: | Adverse as to GAAP; Unqualified as to Regulatory |
| Internal control over financial reporting: | |
| Material weaknesses identified? | no |
| Significant deficiency identified? | yes |
| Noncompliance material to financial statement noted? | no |

Federal Awards:

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

Identification of Major Programs:

| <u>CFDA Number</u> | <u>Name of Federal Program or Cluster</u> |
|------------------------|---|
| 84.410 | National School Lunch Program Special Education Cluster Education Jobs Fund |

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

| | |
|--|----|
| Auditee qualified as low-risk auditee? | no |
|--|----|

CLARK-PLEASANT COMMUNITY SCHOOL CORPORATION
SCHEDULE OF FINDINGS AND QUESTIONED COSTS
(Continued)

Section II – Financial Statement Findings

FINDING 2012 – 1 - INTERNAL CONTROLS – TEXTBOOK RENTAL

INTERNAL CONTROLS OVER TEXTBOOK RENTAL DEPOSITS

Internal Controls – Textbook Rental

The School Corporation does not have internal controls in place to ensure that the Extra-Curricular Account (ECA) Treasurers are making timely deposits of textbook rental receipts. ECA Treasurers are responsible for collecting textbook rental money paid at their respective school. The money is then deposited by the ECA Treasurer into the School Corporation bank account. Deposits of textbook rental receipts made by the ECA Treasurer were not always made timely.

Lack of internal controls over textbook rental deposits could cause material misstatements to go undetected, which could result in the financial statement to be materially misstated.

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

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

Section III – Federal Award Findings and Questioned Costs

No matters are reportable.



CLARK-PLEASANT COMMUNITY SCHOOL CORPORATION

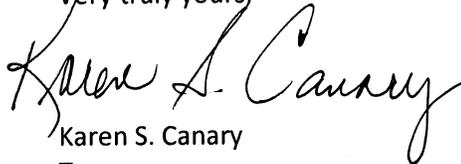
50 Center Street • Whiteland, Indiana 46184-1698 • (317)535-7579 • FAX (317)535-4931

January 14, 2013

Indiana State Board of Accounts
Beth Goss, Field Examiner

In regards to the Internal Controls Finding for Textbook Rental Deposits: We will meet with all ECA Treasurer's to ensure the understanding and importance of timely deposits going forward.

Very truly yours,


Karen S. Canary
Treasurer



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CLARK-PLEASANT COMMUNITY SCHOOL CORPORATION
EXIT CONFERENCE

The contents of this report were discussed on January 14, 2013, with Karen Canary, Treasurer; Steve Sonntag, Director of Business; Jay Staley, Business Office Coordinator; Dr. Rebecca Courtney-Knight, Interim Superintendent of Schools; and Dr. E. Curtis Harris, President of the School Board. The Official Response has been made a part of this report and may be found on pages 44 and 45.



CLARK-PLEASANT COMMUNITY SCHOOL CORPORATION

50 Center Street • Whiteland, Indiana 46184-1698 • (317)535-7579 • FAX (317)535-4931

January 15, 2013

State Board of Accounts
302 West Washington Street
Room E418
Indianapolis, IN 46204-2738

Re: Official Response

Dear Beth,

Please let this letter serve as an official response to the audit findings of Clark-Pleasant Community School Corporation for the period ending June 30, 2012.

Deposits (Textbook Rental)

We recognize and will emphasize with our Extra-Curricular Treasurers that all local officers who collect public funds shall deposit funds not later than the business day following the receipt of funds on business days of the depository in the depository selected.

ECA Deposits (Pleasant Crossing Elementary, Break-O-Day Elementary, Clark Elementary, Clark-Pleasant Intermediate, Sawmill Woods Elementary and Whiteland Community High School)

We recognize and will emphasize with the applicable ECA Treasurer and Principal that all local officers who collect public funds shall deposit funds not later than the business day following the receipt of funds on business days of the depository in the depository selected.

Internal Controls (Clark Elementary, Break-O-Day Elementary and Clark-Pleasant Middle School)

We will address these issues with the applicable ECA Treasurers and Principals. There is a need to denote the classification of the receipt (i.e., cash, check, credit card, etc.).



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If you have any questions, don't hesitate to call me.

Sincerely,



Steven D. Sonntag
Director of Business

RECEIVED

JAN 18 2012

BOARD OF ACCREDITATION