

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

FINANCIAL STATEMENT AND  
FEDERAL SINGLE AUDIT REPORT  
OF

METROPOLITAN SCHOOL DISTRICT OF SHAKAMAK  
GREENE COUNTY, INDIANA

July 1, 2010 to June 30, 2012



**FILED**  
03/18/2013



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SCHEDULE OF OFFICIALS

<u>Office</u>	<u>Official</u>	<u>Term</u>
Treasurer	Pamela Jerrells	07-01-10 to 06-30-13
Superintendent of Schools	Mike Mogan	07-01-10 to 06-30-13
President of the School Board	Jim Yeryar Jeffery B. Miller	07-01-10 to 06-30-11 07-01-11 to 12-31-13



INDEPENDENT AUDITOR'S REPORT

TO: THE OFFICIALS OF THE METROPOLITAN SCHOOL  
DISTRICT OF SHAKAMAK, GREENE COUNTY, INDIANA

We have audited the accompanying financial statement of the Metropolitan School District of Shakamak (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 February 11, 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 Long-Term Debt, and Schedule of Capital Assets, as listed in the Table of Contents, are presented for additional analysis and are not required parts of the financial statement. They have not been subjected to the auditing procedures applied by us in the audit of the financial statement and, accordingly, we express no opinion on them.

STATE BOARD OF ACCOUNTS

February 11, 2013



**STATE OF INDIANA**  
AN EQUAL OPPORTUNITY EMPLOYER

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

TO: THE OFFICIALS OF THE METROPOLITAN SCHOOL  
DISTRICT OF SHAKAMAK, GREENE COUNTY, INDIANA

We have audited the financial statement of the Metropolitan School District of Shakamak (School Corporation), for the period of July 1, 2010 to June 30, 2012, and have issued our report thereon dated February 11, 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.

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

Compliance and Other Matters

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

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

STATE BOARD OF ACCOUNTS

February 11, 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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METROPOLITAN SCHOOL DISTRICT OF SHAKAMAK  
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	\$ 1,491,319	\$ 6,034,634	\$ 6,040,295	\$ -	\$ 1,485,658	\$ 5,959,098	\$ 6,689,101	\$ -	\$ 755,655
Debt Service	192,451	279,635	357,822	(12,002)	102,262	501,203	392,750	-	210,715
Retirement/Severance Bond Debt Service	44,125	125,826	176,059	-	(6,108)	236,875	172,188	-	58,579
Capital Projects	273,694	365,951	455,874	(100,000)	83,771	597,603	437,181	-	244,193
School Transportation	22,734	224,607	313,167	-	(65,826)	422,222	336,505	-	19,891
School Bus Replacement	40,235	113,490	84,034	-	69,691	125,651	81,419	2,587	116,510
Rainy Day	793,710	-	-	112,002	905,712	-	60,000	-	845,712
Retirement/Severance Bond	246,624	918	66,150	-	181,392	410	57,307	-	124,495
School Lunch	147,154	323,885	327,345	-	143,694	315,272	362,686	-	96,280
Textbook Rental	(14,336)	19,402	3,669	-	1,397	22,064	23,964	-	(503)
Self-Insurance	604,686	-	-	-	604,686	1,015	-	-	605,701
Levy Excess	3,725	4,125	-	-	7,850	-	-	-	7,850
Early Intervention Grant	-	-	-	-	-	9,821	9,821	-	-
Accelerated Reading Program	41	-	-	-	41	-	41	-	-
Boston Scientific Grant	135	-	-	-	135	-	-	-	135
Donation-Nurse Supplies	156	100	-	-	256	500	-	-	756
REMC Grant	-	2,000	-	-	2,000	-	2,000	-	-
Donation-Academics	-	500	-	-	500	-	-	-	500
Adult and Continuing Education	175	-	-	-	175	-	-	-	175
Cultural Arts	403	-	133	-	270	-	270	-	-
Scholarships and Awards	-	20,000	-	-	20,000	-	19,800	-	200
Miscellaneous Programs	699	2,750	2,750	-	699	10,000	-	-	10,699
Boston Scientific Grant II	-	10,500	290	-	10,210	1,775	11,985	-	-
Teachers Tutoring Students	1,000	-	-	-	1,000	-	-	-	1,000
High Ability Grant FY 10-11	4,387	-	4,387	-	-	27,343	21,178	-	6,165
High Ability Grant FY 11-12	-	28,408	22,746	-	5,662	-	5,662	-	-
Teacher Quality Improvement Program	22,309	-	-	-	22,309	-	123	-	22,186
Economic Education Mini Grant	149	-	-	-	149	-	-	-	149
Medicaid Reimbursement	46,218	18	3,958	-	42,278	-	3,751	-	38,527
Cultural Arts	632	-	119	-	513	-	513	-	-
School Technology	18,899	12,401	5,887	-	25,413	11,934	5,550	-	31,797
Tobacco Prevention Grant	1,000	-	1,000	-	-	-	-	-	-
Excess PTRC Distributions	2,587	-	-	-	2,587	3,490	-	(2,587)	3,490
Title I FY 2010	40,999	23,150	64,149	-	-	-	-	-	-
Title I FY 2011	-	201,805	216,927	-	(15,122)	89,706	74,584	-	-
Title I FY 2012	-	-	-	-	-	191,331	212,848	-	(21,517)
Serve America	2,024	-	11,039	-	(9,015)	10,000	985	-	-
Drug Free Schools FY 08-09	2,484	-	2,484	-	-	-	-	-	-
Drug Free Schools FY 09-10	2,450	-	2,801	-	(351)	1,975	1,624	-	-
Project Peace	500	-	-	-	500	-	-	-	500
Cape Grant	29,188	-	125	-	29,063	-	-	-	29,063
National Science Foundation	-	14,689	-	-	14,689	-	-	-	14,689
Child Welfare Services FY 11-12	(408)	18,149	23,724	-	(5,983)	16,301	12,070	-	(1,752)
Child Welfare Services FY 09-10	(5,423)	15,410	9,987	-	-	-	-	-	-
Ireland Homebased Service	-	5,020	4,887	-	133	(59)	74	-	-
Class Size Reduction	16,171	-	16,171	-	-	-	-	-	-
Improving Teaching Quality, No Child Left, Title II, Part A	-	52,873	61,609	-	(8,736)	68,417	70,117	-	(10,436)
Title II Part B Math and Science Partnership	-	211,669	259,889	-	(48,220)	366,057	464,636	-	(146,799)
Title I - Grants to LEAs	1,504	23,877	25,381	-	-	-	-	-	-
Special Education - Part B	722	60,989	124,323	-	(62,612)	77,913	15,301	-	-
Special Education - Part B - Preschool	940	973	1,913	-	-	-	-	-	-
Education Technology	5,570	22,191	27,761	-	-	-	-	-	-
School Lunch Equipment	-	-	-	-	-	22,848	22,848	-	-
Education Jobs	-	-	-	-	-	124,740	144,414	-	(19,674)
Payroll Withholdings	31,882	1,769,609	1,781,784	-	19,707	1,815,444	1,773,677	-	61,474
<b>Totals</b>	<b>\$ 4,073,514</b>	<b>\$ 9,989,554</b>	<b>\$ 10,500,639</b>	<b>\$ -</b>	<b>\$ 3,562,429</b>	<b>\$ 11,030,949</b>	<b>\$ 11,486,973</b>	<b>\$ -</b>	<b>\$ 3,106,405</b>

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

METROPOLITAN SCHOOL DISTRICT OF SHAKAMAK  
NOTES TO FINANCIAL STATEMENT

**Note 1. Summary of Significant Accounting Policies**

*A. Reporting Entity*

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

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

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

*B. Basis of Accounting*

The financial statement is reported on a regulatory basis of accounting prescribed by the State Board of Accounts in accordance with state statute (IC 5-11-1-6), which is a comprehensive basis of accounting other than accounting principles generally accepted in the United States of America. Receipts are recorded when received and disbursements are recorded when paid.

The regulatory basis of accounting differs from accounting principles generally accepted in the United States of America in that receipts are recognized when received in cash, rather than when earned, and disbursements are recognized when paid, rather than when a liability is incurred.

*C. Cash and Investments*

Investments are stated at cost. Any changes in fair value of the investments are reported as receipts in the year of the sale of the investment.

*D. Receipts*

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

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

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

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

METROPOLITAN SCHOOL DISTRICT OF SHAKAMAK  
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.

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, funds held temporarily for an authorized recipient, securities purchased, indirect costs, scholarships, and self-insurance payments.

*F. Other Financing Sources and Uses*

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

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.

METROPOLITAN SCHOOL DISTRICT OF SHAKAMAK  
NOTES TO FINANCIAL STATEMENT  
(Continued)

*G. Fund Accounting*

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

**Note 2. Budgets**

The operating budget is initially prepared and approved at the local level. The fiscal officer of the School Corporation submits a proposed operating budget to the governing board for the following calendar year. The budget is advertised as required by law. Prior to adopting the budget, the governing board conducts public hearings and obtains taxpayer comments. Prior to November 1, the governing board approves the budget for the next year. The budget for funds for which property taxes are levied 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.

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.

METROPOLITAN SCHOOL DISTRICT OF SHAKAMAK  
NOTES TO FINANCIAL STATEMENT  
(Continued)

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.

*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

METROPOLITAN SCHOOL DISTRICT OF SHAKAMAK  
NOTES TO FINANCIAL STATEMENT  
(Continued)

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.

**Note 7. Cash Balance Deficits**

The financial statement contains some funds with deficits in cash. This is a result of funds being set up for reimbursable grants and the reimbursement for expenditures made by the corporation were not received by June 30, 2012.

## SUPPLEMENTARY INFORMATION – UNAUDITED

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

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

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

METROPOLITAN SCHOOL DISTRICT OF SHAKAMAK  
 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	Retirement/ Severance Bond	School Lunch
Cash and investments - beginning	\$ 1,491,319	\$ 192,451	\$ 44,125	\$ 273,694	\$ 22,734	\$ 40,235	\$ 793,710	\$ 246,624	\$ 147,154
Receipts:									
Local sources	25,338	262,512	125,826	365,927	220,716	113,490	-	918	114,707
Intermediate sources	221	-	-	-	-	-	-	-	-
State sources	5,994,054	17,123	-	-	3,469	-	-	-	3,193
Federal sources	-	-	-	-	-	-	-	-	205,985
Other	15,021	-	-	24	422	-	-	-	-
Total receipts	6,034,634	279,635	125,826	365,951	224,607	113,490	-	918	323,885
Disbursements:									
Current:									
Instruction	4,470,498	-	-	-	-	-	-	66,150	-
Support services	1,523,986	-	-	367,518	313,167	84,034	-	-	-
Noninstructional services	45,811	-	-	-	-	-	-	-	327,345
Facilities acquisition and construction	-	-	-	88,356	-	-	-	-	-
Debt services	-	357,822	176,059	-	-	-	-	-	-
Nonprogrammed charges	-	-	-	-	-	-	-	-	-
Total disbursements	6,040,295	357,822	176,059	455,874	313,167	84,034	-	66,150	327,345
Excess (deficiency) of receipts over disbursements	(5,661)	(78,187)	(50,233)	(89,923)	(88,560)	29,456	-	(65,232)	(3,460)
Other financing sources (uses):									
Transfers in	-	-	-	-	-	-	112,002	-	-
Transfers out	-	(12,002)	-	(100,000)	-	-	-	-	-
Total other financing sources (uses)	-	(12,002)	-	(100,000)	-	-	112,002	-	-
Excess (deficiency) of receipts and other financing sources over disbursements and other financing uses	(5,661)	(90,189)	(50,233)	(189,923)	(88,560)	29,456	112,002	(65,232)	(3,460)
Cash and investments - ending	\$ 1,485,658	\$ 102,262	\$ (6,108)	\$ 83,771	\$ (65,826)	\$ 69,691	\$ 905,712	\$ 181,392	\$ 143,694

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

	Textbook Rental	Self- Insurance	Levy Excess	Accelerated Reading Program	Boston Scientific Grant	Donation- Nurse Supplies	REMC Grant	Donation - Academics	Adult and Continuing Education
Cash and investments - beginning	\$ (14,336)	\$ 604,686	\$ 3,725	\$ 41	\$ 135	\$ 156	\$ -	\$ -	\$ 175
Receipts:									
Local sources	19,402	-	4,125	-	-	100	2,000	500	-
Intermediate sources	-	-	-	-	-	-	-	-	-
State sources	-	-	-	-	-	-	-	-	-
Federal sources	-	-	-	-	-	-	-	-	-
Other	-	-	-	-	-	-	-	-	-
Total receipts	19,402	-	4,125	-	-	100	2,000	500	-
Disbursements:									
Current:									
Instruction	-	-	-	-	-	-	-	-	-
Support services	3,669	-	-	-	-	-	-	-	-
Noninstructional services	-	-	-	-	-	-	-	-	-
Facilities acquisition and construction	-	-	-	-	-	-	-	-	-
Debt services	-	-	-	-	-	-	-	-	-
Nonprogrammed charges	-	-	-	-	-	-	-	-	-
Total disbursements	3,669	-	-	-	-	-	-	-	-
Excess (deficiency) of receipts over disbursements	15,733	-	4,125	-	-	100	2,000	500	-
Other financing sources (uses):									
Transfers in	-	-	-	-	-	-	-	-	-
Transfers out	-	-	-	-	-	-	-	-	-
Total other financing sources (uses)	-	-	-	-	-	-	-	-	-
Excess (deficiency) of receipts and other financing sources over disbursements and other financing uses	15,733	-	4,125	-	-	100	2,000	500	-
Cash and investments - ending	\$ 1,397	\$ 604,686	\$ 7,850	\$ 41	\$ 135	\$ 256	\$ 2,000	\$ 500	\$ 175

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

	Cultural Arts	Scholarships and Awards	Miscellaneous Programs	Boston Scientific Grant II	Teachers Tutoring Students	High Ability Grant FY 10-11	High Ability Grant FY 11-12	Teacher Quality Improvement Program	Economic Education Mini Grant
Cash and investments - beginning	\$ 403	\$ -	\$ 699	\$ -	\$ 1,000	\$ 4,387	\$ -	\$ 22,309	\$ 149
Receipts:									
Local sources	-	-	-	10,500	-	-	-	-	-
Intermediate sources	-	-	-	-	-	-	-	-	-
State sources	-	20,000	-	-	-	-	28,408	-	-
Federal sources	-	-	-	-	-	-	-	-	-
Other	-	-	2,750	-	-	-	-	-	-
Total receipts	-	20,000	2,750	10,500	-	-	28,408	-	-
Disbursements:									
Current:									
Instruction	-	-	-	-	-	4,387	22,746	-	-
Support services	133	-	2,750	290	-	-	-	-	-
Noninstructional services	-	-	-	-	-	-	-	-	-
Facilities acquisition and construction	-	-	-	-	-	-	-	-	-
Debt services	-	-	-	-	-	-	-	-	-
Nonprogrammed charges	-	-	-	-	-	-	-	-	-
Total disbursements	133	-	2,750	290	-	4,387	22,746	-	-
Excess (deficiency) of receipts over disbursements	(133)	20,000	-	10,210	-	(4,387)	5,662	-	-
Other financing sources (uses):									
Transfers in	-	-	-	-	-	-	-	-	-
Transfers out	-	-	-	-	-	-	-	-	-
Total other financing sources (uses)	-	-	-	-	-	-	-	-	-
Excess (deficiency) of receipts and other financing sources over disbursements and other financing uses	(133)	20,000	-	10,210	-	(4,387)	5,662	-	-
Cash and investments - ending	\$ 270	\$ 20,000	\$ 699	\$ 10,210	\$ 1,000	\$ -	\$ 5,662	\$ 22,309	\$ 149

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

	Medicaid Reimbursement	Cultural Arts	School Technology	Tobacco Prevention Grant	Excess PTRC Distributions	Title I FY 2010	Title I FY 2011	Serve America	Drug Free Schools FY 08-09
Cash and investments - beginning	\$ 46,218	\$ 632	\$ 18,899	\$ 1,000	\$ 2,587	\$ 40,999	\$ -	\$ 2,024	\$ 2,484
Receipts:									
Local sources	-	-	-	-	-	-	-	-	-
Intermediate sources	-	-	-	-	-	-	-	-	-
State sources	18	-	-	-	-	-	-	-	-
Federal sources	-	-	-	-	-	23,150	201,805	-	-
Other	-	-	12,401	-	-	-	-	-	-
Total receipts	18	-	12,401	-	-	23,150	201,805	-	-
Disbursements:									
Current:									
Instruction	-	-	-	1,000	-	52,847	214,838	7,332	-
Support services	3,958	119	5,887	-	-	11,302	2,089	3,149	2,484
Noninstructional services	-	-	-	-	-	-	-	558	-
Facilities acquisition and construction	-	-	-	-	-	-	-	-	-
Debt services	-	-	-	-	-	-	-	-	-
Nonprogrammed charges	-	-	-	-	-	-	-	-	-
Total disbursements	3,958	119	5,887	1,000	-	64,149	216,927	11,039	2,484
Excess (deficiency) of receipts over disbursements	(3,940)	(119)	6,514	(1,000)	-	(40,999)	(15,122)	(11,039)	(2,484)
Other financing sources (uses):									
Transfers in	-	-	-	-	-	-	-	-	-
Transfers out	-	-	-	-	-	-	-	-	-
Total other financing sources (uses)	-	-	-	-	-	-	-	-	-
Excess (deficiency) of receipts and other financing sources over disbursements and other financing uses	(3,940)	(119)	6,514	(1,000)	-	(40,999)	(15,122)	(11,039)	(2,484)
Cash and investments - ending	\$ 42,278	\$ 513	\$ 25,413	\$ -	\$ 2,587	\$ -	\$ (15,122)	\$ (9,015)	\$ -

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

	Drug Free Schools FY 09-10	Project Peace	Cape Grant	National Science Foundation	Child Welfare Services FY 11-12	Child Welfare Services FY 09-10	Ireland Homebased Service	Class Size Reduction
Cash and investments - beginning	\$ 2,450	\$ 500	\$ 29,188	\$ -	\$ (408)	\$ (5,423)	\$ -	\$ 16,171
Receipts:								
Local sources	-	-	-	-	-	-	-	-
Intermediate sources	-	-	-	-	-	-	-	-
State sources	-	-	-	-	-	-	-	-
Federal sources	-	-	-	14,689	-	-	-	-
Other	-	-	-	-	18,149	15,410	5,020	-
Total receipts	-	-	-	14,689	18,149	15,410	5,020	-
Disbursements:								
Current:								
Instruction	-	-	125	-	8,631	6,000	2,307	-
Support services	2,801	-	-	-	12,749	3,987	2,580	-
Noninstructional services	-	-	-	-	2,344	-	-	-
Facilities acquisition and construction	-	-	-	-	-	-	-	-
Debt services	-	-	-	-	-	-	-	-
Nonprogrammed charges	-	-	-	-	-	-	-	16,171
Total disbursements	2,801	-	125	-	23,724	9,987	4,887	16,171
Excess (deficiency) of receipts over disbursements	(2,801)	-	(125)	14,689	(5,575)	5,423	133	(16,171)
Other financing sources (uses):								
Transfers in	-	-	-	-	-	-	-	-
Transfers out	-	-	-	-	-	-	-	-
Total other financing sources (uses)	-	-	-	-	-	-	-	-
Excess (deficiency) of receipts and other financing sources over disbursements and other financing uses	(2,801)	-	(125)	14,689	(5,575)	5,423	133	(16,171)
Cash and investments - ending	\$ (351)	\$ 500	\$ 29,063	\$ 14,689	\$ (5,983)	\$ -	\$ 133	\$ -

METROPOLITAN SCHOOL DISTRICT OF SHAKAMAK  
 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	Title II Part B Math and Science Partnership	Title I Grants to LEAs	Special Education Part B	Special Education Part B Preschool	Education Technology	Payroll Withholdings	Totals
Cash and investments - beginning	\$ -	\$ -	\$ 1,504	\$ 722	\$ 940	\$ 5,570	\$ 31,882	\$ 4,073,514
Receipts:								
Local sources	-	-	-	-	-	-	-	1,266,061
Intermediate sources	-	-	-	-	-	-	-	221
State sources	-	-	-	-	-	-	-	6,066,265
Federal sources	36,702	211,566	23,877	60,989	973	22,191	-	801,927
Other	16,171	103	-	-	-	-	1,769,609	1,855,080
Total receipts	52,873	211,669	23,877	60,989	973	22,191	1,769,609	9,989,554
Disbursements:								
Current:								
Instruction	60,609	-	-	124,323	1,913	8,948	-	5,052,654
Support services	1,000	259,889	25,381	-	-	18,813	-	2,651,735
Noninstructional services	-	-	-	-	-	-	-	376,058
Facilities acquisition and construction	-	-	-	-	-	-	-	88,356
Debt services	-	-	-	-	-	-	-	533,881
Nonprogrammed charges	-	-	-	-	-	-	1,781,784	1,797,955
Total disbursements	61,609	259,889	25,381	124,323	1,913	27,761	1,781,784	10,500,639
Excess (deficiency) of receipts over disbursements	(8,736)	(48,220)	(1,504)	(63,334)	(940)	(5,570)	(12,175)	(511,085)
Other financing sources (uses):								
Transfers in	-	-	-	-	-	-	-	112,002
Transfers out	-	-	-	-	-	-	-	(112,002)
Total other financing sources (uses)	-	-	-	-	-	-	-	-
Excess (deficiency) of receipts and other financing sources over disbursements and other financing uses	(8,736)	(48,220)	(1,504)	(63,334)	(940)	(5,570)	(12,175)	(511,085)
Cash and investments - ending	\$ (8,736)	\$ (48,220)	\$ -	\$ (62,612)	\$ -	\$ -	\$ 19,707	\$ 3,562,429

METROPOLITAN SCHOOL DISTRICT OF SHAKAMAK  
 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	Retirement/ Severance Bond
Cash and investments - beginning	\$ 1,485,658	\$ 102,262	\$ (6,108)	\$ 83,771	\$ (65,826)	\$ 69,691	\$ 905,712	\$ 181,392
Receipts:								
Local sources	50,648	501,203	236,875	597,303	421,793	125,651	-	410
Intermediate sources	147	-	-	-	-	-	-	-
State sources	5,903,229	-	-	-	-	-	-	-
Federal sources	-	-	-	-	-	-	-	-
Other	5,074	-	-	300	429	-	-	-
Total receipts	<u>5,959,098</u>	<u>501,203</u>	<u>236,875</u>	<u>597,603</u>	<u>422,222</u>	<u>125,651</u>	<u>-</u>	<u>410</u>
Disbursements:								
Current:								
Instruction	4,930,673	-	-	-	-	-	60,000	57,307
Support services	1,710,555	-	-	287,354	336,505	81,419	-	-
Noninstructional services	47,873	-	-	-	-	-	-	-
Facilities acquisition and construction	-	-	-	149,827	-	-	-	-
Debt services	-	392,750	172,188	-	-	-	-	-
Nonprogrammed charges	-	-	-	-	-	-	-	-
Total disbursements	<u>6,689,101</u>	<u>392,750</u>	<u>172,188</u>	<u>437,181</u>	<u>336,505</u>	<u>81,419</u>	<u>60,000</u>	<u>57,307</u>
Excess (deficiency) of receipts over disbursements	<u>(730,003)</u>	<u>108,453</u>	<u>64,687</u>	<u>160,422</u>	<u>85,717</u>	<u>44,232</u>	<u>(60,000)</u>	<u>(56,897)</u>
Other financing sources (uses):								
Transfers in	-	-	-	-	-	2,587	-	-
Transfers out	-	-	-	-	-	-	-	-
Total other financing sources (uses)	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>2,587</u>	<u>-</u>	<u>-</u>
Excess (deficiency) of receipts and other financing sources over disbursements and other financing uses	<u>(730,003)</u>	<u>108,453</u>	<u>64,687</u>	<u>160,422</u>	<u>85,717</u>	<u>46,819</u>	<u>(60,000)</u>	<u>(56,897)</u>
Cash and investments - ending	<u>\$ 755,655</u>	<u>\$ 210,715</u>	<u>\$ 58,579</u>	<u>\$ 244,193</u>	<u>\$ 19,891</u>	<u>\$ 116,510</u>	<u>\$ 845,712</u>	<u>\$ 124,495</u>

METROPOLITAN SCHOOL DISTRICT OF SHAKAMAK  
 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	Self- Insurance	Levy Excess	Early Intervention Grant	Accelerated Reading Program	Boston Scientific Grant	Donation - Nurse Supplies
Cash and investments - beginning	\$ 143,694	\$ 1,397	\$ 604,686	\$ 7,850	\$ -	\$ 41	\$ 135	\$ 256
Receipts:								
Local sources	121,969	22,064	-	-	-	-	-	500
Intermediate sources	-	-	-	-	-	-	-	-
State sources	3,240	-	-	-	9,821	-	-	-
Federal sources	190,063	-	-	-	-	-	-	-
Other	-	-	1,015	-	-	-	-	-
Total receipts	<u>315,272</u>	<u>22,064</u>	<u>1,015</u>	<u>-</u>	<u>9,821</u>	<u>-</u>	<u>-</u>	<u>500</u>
Disbursements:								
Current:								
Instruction	-	-	-	-	9,821	41	-	-
Support services	-	23,964	-	-	-	-	-	-
Noninstructional services	362,686	-	-	-	-	-	-	-
Facilities acquisition and construction	-	-	-	-	-	-	-	-
Debt services	-	-	-	-	-	-	-	-
Nonprogrammed charges	-	-	-	-	-	-	-	-
Total disbursements	<u>362,686</u>	<u>23,964</u>	<u>-</u>	<u>-</u>	<u>9,821</u>	<u>41</u>	<u>-</u>	<u>-</u>
Excess (deficiency) of receipts over disbursements	<u>(47,414)</u>	<u>(1,900)</u>	<u>1,015</u>	<u>-</u>	<u>-</u>	<u>(41)</u>	<u>-</u>	<u>500</u>
Other financing sources (uses):								
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>(47,414)</u>	<u>(1,900)</u>	<u>1,015</u>	<u>-</u>	<u>-</u>	<u>(41)</u>	<u>-</u>	<u>500</u>
Cash and investments - ending	<u>\$ 96,280</u>	<u>\$ (503)</u>	<u>\$ 605,701</u>	<u>\$ 7,850</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 135</u>	<u>\$ 756</u>

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

	REMC Grant	Donation - Academics	Adult and Continuing Education	Cultural Arts	Scholarships and Awards	Miscellaneous Programs	Boston Scientific Grant II	Teachers Tutoring Students
Cash and investments - beginning	\$ 2,000	\$ 500	\$ 175	\$ 270	\$ 20,000	\$ 699	\$ 10,210	\$ 1,000
Receipts:								
Local sources	-	-	-	-	-	-	1,775	-
Intermediate sources	-	-	-	-	-	-	-	-
State sources	-	-	-	-	-	-	-	-
Federal sources	-	-	-	-	-	-	-	-
Other	-	-	-	-	-	10,000	-	-
Total receipts	-	-	-	-	-	10,000	1,775	-
Disbursements:								
Current:								
Instruction	-	-	-	-	-	-	-	-
Support services	2,000	-	-	270	19,800	-	11,985	-
Noninstructional services	-	-	-	-	-	-	-	-
Facilities acquisition and construction	-	-	-	-	-	-	-	-
Debt services	-	-	-	-	-	-	-	-
Nonprogrammed charges	-	-	-	-	-	-	-	-
Total disbursements	2,000	-	-	270	19,800	-	11,985	-
Excess (deficiency) of receipts over disbursements	(2,000)	-	-	(270)	(19,800)	10,000	(10,210)	-
Other financing sources (uses):								
Transfers in	-	-	-	-	-	-	-	-
Transfers out	-	-	-	-	-	-	-	-
Total other financing sources (uses)	-	-	-	-	-	-	-	-
Excess (deficiency) of receipts and other financing sources over disbursements and other financing uses	(2,000)	-	-	(270)	(19,800)	10,000	(10,210)	-
Cash and investments - ending	\$ -	\$ 500	\$ 175	\$ -	\$ 200	\$ 10,699	\$ -	\$ 1,000

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

	High Ability Grant FY 10-11	High Ability Grant FY 11-12	Teacher Quality Improvement Program	Economic Education Mini Grant	Medicaid Reimbursement	Cultural Arts	School Technology	Excess PTRC Distributions
Cash and investments - beginning	\$ -	\$ 5,662	\$ 22,309	\$ 149	\$ 42,278	\$ 513	\$ 25,413	\$ 2,587
Receipts:								
Local sources	-	-	-	-	-	-	-	-
Intermediate sources	-	-	-	-	-	-	-	-
State sources	27,343	-	-	-	-	-	-	3,490
Federal sources	-	-	-	-	-	-	-	-
Other	-	-	-	-	-	-	11,934	-
Total receipts	<u>27,343</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>11,934</u>	<u>3,490</u>
Disbursements:								
Current:								
Instruction	21,178	5,662	-	-	-	-	-	-
Support services	-	-	123	-	3,751	513	5,550	-
Noninstructional services	-	-	-	-	-	-	-	-
Facilities acquisition and construction	-	-	-	-	-	-	-	-
Debt services	-	-	-	-	-	-	-	-
Nonprogrammed charges	-	-	-	-	-	-	-	-
Total disbursements	<u>21,178</u>	<u>5,662</u>	<u>123</u>	<u>-</u>	<u>3,751</u>	<u>513</u>	<u>5,550</u>	<u>-</u>
Excess (deficiency) of receipts over disbursements	<u>6,165</u>	<u>(5,662)</u>	<u>(123)</u>	<u>-</u>	<u>(3,751)</u>	<u>(513)</u>	<u>6,384</u>	<u>3,490</u>
Other financing sources (uses):								
Transfers in	-	-	-	-	-	-	-	-
Transfers out	-	-	-	-	-	-	-	(2,587)
Total other financing sources (uses)	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>(2,587)</u>
Excess (deficiency) of receipts and other financing sources over disbursements and other financing uses	<u>6,165</u>	<u>(5,662)</u>	<u>(123)</u>	<u>-</u>	<u>(3,751)</u>	<u>(513)</u>	<u>6,384</u>	<u>903</u>
Cash and investments - ending	<u>\$ 6,165</u>	<u>\$ -</u>	<u>\$ 22,186</u>	<u>\$ 149</u>	<u>\$ 38,527</u>	<u>\$ -</u>	<u>\$ 31,797</u>	<u>\$ 3,490</u>

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

	Title I FY 2011	Title I FY 2012	Serve America	Drug Free Schools FY 09-10	Project Peace	Cape Grant	National Science Foundation	Child Welfare Services FY 11-12
Cash and investments - beginning	\$ (15,122)	\$ -	\$ (9,015)	\$ (351)	\$ 500	\$ 29,063	\$ 14,689	\$ (5,983)
Receipts:								
Local sources	-	-	-	-	-	-	-	-
Intermediate sources	-	-	-	-	-	-	-	-
State sources	-	-	-	-	-	-	-	-
Federal sources	89,706	191,331	10,000	1,975	-	-	-	-
Other	-	-	-	-	-	-	-	16,301
Total receipts	89,706	191,331	10,000	1,975	-	-	-	16,301
Disbursements:								
Current:								
Instruction	69,576	203,048	538	-	-	-	-	7,589
Support services	5,008	9,512	447	1,624	-	-	-	2,235
Noninstructional services	-	288	-	-	-	-	-	2,246
Facilities acquisition and construction	-	-	-	-	-	-	-	-
Debt services	-	-	-	-	-	-	-	-
Nonprogrammed charges	-	-	-	-	-	-	-	-
Total disbursements	74,584	212,848	985	1,624	-	-	-	12,070
Excess (deficiency) of receipts over disbursements	15,122	(21,517)	9,015	351	-	-	-	4,231
Other financing sources (uses):								
Transfers in	-	-	-	-	-	-	-	-
Transfers out	-	-	-	-	-	-	-	-
Total other financing sources (uses)	-	-	-	-	-	-	-	-
Excess (deficiency) of receipts and other financing sources over disbursements and other financing uses	15,122	(21,517)	9,015	351	-	-	-	4,231
Cash and investments - ending	\$ -	\$ (21,517)	\$ -	\$ -	\$ 500	\$ 29,063	\$ 14,689	\$ (1,752)

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

	Ireland Homebased Service	Improving Teaching Quality No Child Left Title II, Part A	Title II Part B Math and Science Partnership	Special Education Part B	School Lunch Equipment	Education Jobs	Payroll Withholdings	Totals
Cash and investments - beginning	\$ 133	\$ (8,736)	\$ (48,220)	\$ (62,612)	\$ -	\$ -	\$ 19,707	\$ 3,562,429
Receipts:								
Local sources	-	-	-	-	-	-	-	2,080,191
Intermediate sources	-	-	-	-	-	-	-	147
State sources	-	-	-	-	-	-	-	5,947,123
Federal sources	-	68,417	365,012	77,913	22,848	124,740	-	1,142,005
Other	(59)	-	1,045	-	-	-	1,815,444	1,861,483
Total receipts	(59)	68,417	366,057	77,913	22,848	124,740	1,815,444	11,030,949
Disbursements:								
Current:								
Instruction	-	62,052	-	15,301	-	144,414	-	5,587,200
Support services	74	8,065	464,636	-	-	-	-	2,975,390
Noninstructional services	-	-	-	-	22,848	-	-	435,941
Facilities acquisition and construction	-	-	-	-	-	-	-	149,827
Debt services	-	-	-	-	-	-	-	564,938
Nonprogrammed charges	-	-	-	-	-	-	1,773,677	1,773,677
Total disbursements	74	70,117	464,636	15,301	22,848	144,414	1,773,677	11,486,973
Excess (deficiency) of receipts over disbursements	(133)	(1,700)	(98,579)	62,612	-	(19,674)	41,767	(456,024)
Other financing sources (uses):								
Transfers in	-	-	-	-	-	-	-	2,587
Transfers out	-	-	-	-	-	-	-	(2,587)
Total other financing sources (uses)	-	-	-	-	-	-	-	-
Excess (deficiency) of receipts and other financing sources over disbursements and other financing uses	(133)	(1,700)	(98,579)	62,612	-	(19,674)	41,767	(456,024)
Cash and investments - ending	\$ -	\$ (10,436)	\$ (146,799)	\$ -	\$ -	\$ (19,674)	\$ 61,474	\$ 3,106,405

MIKE MOGAN, SUPERINTENDENT  
PAMELA J. JERRELLS, TREASURER  
BRENDA E. CULLER, PAYROLL-DEPUTY TREASURER  
VICKI MCCRACKEN, SECRETARY



BOARD OF SCHOOL TRUSTEES  
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ROBERT WISE, MEMBER

METROPOLITAN SCHOOL DISTRICT OF SHAKAMAK  
SUPPLEMENTARY INFORMATION  
SCHEDULE OF LONG-TERM DEBT  
June 30, 2012

The School District has entered into the following debt:

Description of Debt	Ending Principal Balance	Principal and Interest Due Within One Year
Governmental Activities:		
Capital Lease:		
2010 QZAB Lease	1,011,610	88,500
Notes and loans payable:		
A0408	624,402	162,345
A0484	923,776	110,114
Bonds payable:		
2006 Pension Bonds	<u>1,655,000</u>	<u>173,260</u>
 Total governmental activities debt	 <u>\$ 4,214,788</u>	 <u>\$ 534,218</u>

MIKE MOGAN, SUPERINTENDENT  
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METROPOLITAN SCHOOL DISTRICT OF SHAKAMAK  
SUPPLEMENTARY INFORMATION  
SCHEDULE OF CAPITAL ASSETS

For the Year Ended June 30, 2012

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

<u>Primary Government</u>	<u>Ending Balance</u>
Governmental activities:	
Capital assets, not being depreciated:	
Land	\$ 68,000
Buildings	9,956,268
Improvements other than buildings	2,374,828
Machinery and equipment	<u>1,573,185</u>
 Total governmental activities, capital assets not being depreciated	 <u>\$ 13,972,281</u>

METROPOLITAN SCHOOL DISTRICT OF SHAKAMAK  
AUDIT RESULTS AND COMMENTS

***CAPITAL PROJECT FUND DISBURSEMENTS***

Funds were disbursed from the Capital Projects Fund for pest control and trash removal.

Sources and uses of funds should be limited to those authorized by the enabling statute, ordinance, resolution, or grant agreement. (Accounting and Uniform Compliance Guidelines Manual for Indiana Public School Corporations, Chapter 9)

***OVERDRAWN FUND BALANCES***

The fund balances of the Retirement/Severance Bond Debt Service Fund and the School Transportation Fund were overdrawn at June 30, 2011.

The fund balance of the Textbook Rental Fund was overdrawn at June 30, 2012.

A similar comment appeared in prior Report B38446.

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

***CERTIFIED REPORT (FORM 100R) NOT TIMELY FILED***

The School Corporation did not file a Certified Report of Names, Addresses, Duties and Compensation of Public Employees (Form 100R or its equivalent) with the State Board of Accounts on a timely basis.

Indiana Code 5-11-13-1 states in part:

"Every state, county, city, town, township, or school official . . . shall during the month of January of each year prepare, make, and sign a certified report, correctly and completely showing the names and business addresses of each and all officers, employees, and agents . . . and the respective duties and compensation of each, and shall forthwith file said report in the office of the state examiner of the state board of accounts. . . ."

***AVERAGE DAILY MEMBERSHIP (ADM) - LACK OF RECORDS***

Documentation was not presented for audit to support the ADM claimed by the School Corporation. There were no detailed listings of students certified by building principals documenting that students actually were counted on the ADM count day.

Indiana Code 5-15-6-3(f) concerning destruction of public records, states in part: "Original records may be disposed of only with the approval of the commission according to guidelines established by the commission."

METROPOLITAN SCHOOL DISTRICT OF SHAKAMAK  
AUDIT RESULTS AND COMMENTS  
(Continued)

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, and Volume 182, June 2008)

***TEXTBOOK RENTAL DISBURSEMENTS***

The Corporation paid \$21,383 to purchase textbooks during the audit period for the High School while the High School was running their own Textbook Rental Fund.

Indiana Code 20-41-2-5(a) states:

"A governing body in operating a textbook rental program under IC 20-26-5-4(12) may use either of the following accounting methods: (1) The governing body may supervise and control the program through the corporation account, establishing a textbook rental fund. (2) If textbooks have not been purchased and financial commitments or guarantees for the purchases have not been made by the school corporation, the governing body may cause the program to be operated by the individual schools of the school corporation through the school corporation's extracurricular account or accounts in accordance with IC 20-41-1."

The preferred method of accounting for a textbook rental program is through a Textbook Rental Fund in the school corporation account. Where no textbooks have been purchased and no financial commitments or guarantees for such purchases have been made by the school corporation, authority is provided to account of the textbook rental program in the extra-curricular account or accounts. (IC 20-41-2-5) However, if the latter method is used, the school board shall approve the amount of the official bond of the treasurer of the extra-curricular account in an amount deemed by the school board sufficient to protect the account for all funds coming into the custody of said treasurer. (IC 20-41-2-6) In either method, a Textbook Rental Fund shall be maintained. The ledger in which it is maintained (school corporation or extra-curricular) is determined by which method the school board elects to use. (Accounting and Uniform Compliance Guidelines Manual for Extra-Curricular Accounts, Chapter 4)

***CALCULATION OF TEXTBOOK RENTAL FEES***

The Board approved textbook rental fees for the Elementary and Junior High Schools during the audit period. The fees approved were not calculated based on Indiana Code requirements and were just flat fees. The fees were estimated costs and not based on actual costs of the books purchased. All fees collected and books purchased were accounted for in the school corporation General Fund.

Indiana Code 20-26-12-1(a) states:

"Except as provided in subsections (b) and (c) and notwithstanding any other law, each governing body shall purchase from a publisher, either individually or through a purchasing cooperative of school corporations, the textbooks selected by the proper local officials, and shall rent these textbooks to each student enrolled in a public school that is: (1) in compliance with the minimum certification standards of the state board; and (2) located within the attendance unit served by the governing body."

METROPOLITAN SCHOOL DISTRICT OF SHAKAMAK  
AUDIT RESULTS AND COMMENTS  
(Continued)

Indiana Code 20-26-12-2 states:

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

(b) Notwithstanding subsection (a), the governing body may not assess a rental fee of more than fifteen percent (15%) of the retail price of a textbook that has been: (1) extended for usage by students under section 24(e) of this chapter; and (2) paid for through rental fees previously collected.

(c) This section does not limit other laws."

***OVERDRAWN FUND BALANCES (Applies to High School ECA)***

The Chorus Fund was overdrawn at June 30, 2011.

The Chorus, Softball, and High School Book Rental Funds were overdrawn at June 30, 2012.

The fund balance of any fund may not be reduced below zero. Routinely overdrawn funds could be an indicator of serious financial problems which should be investigated by the governmental unit. (Accounting and Uniform Compliance Guidelines Manual for Extra-Curricular Accounts, Chapter 7)

***CONDITION OF RECORDS (Applies to High School ECA)***

The ECA ledger did not contain descriptions of the receipts and disbursements (i.e. type of receipt or purpose of the disbursement). In many instances one receipt was written for more than one source. Therefore, information was not readily available to prepare the Detail of Receipts and Expenditures by Fund (SA-5-3). The lack of detailed information on the ledger and the Detail of Receipts and Expenditures by Fund (SA-5-3) made it difficult to analyze receipts and disbursements during the audit.

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)

The receipt is to be issued for any and all money received. A separate receipt shall be issued for each amount of money received. (Accounting and Uniform Compliance Guidelines Manual for Extra-Curricular Accounts, Chapter 2)

The Detail of Receipts and Expenditures by Fund (SA-5-3) must be used to prepare a detail of each activity fund reported in Form SA-5-1. A minute detail is not necessary since receipts may be grouped according to their source and nature and expenditures may be grouped according to their purposes.

An example would be the athletic fund receipts may be grouped as game receipts, tournament receipts, game contracts, season tickets, tourney tickets, schedules, I.H.S.A.A. distributions, etc. Additionally, expenditures may be grouped as dues, officials, transportation, meals, tourney tickets, medical expense, insurance, repair of equipment, laundry and cleaning, equipment, etc. Do not combine items of either receipts

METROPOLITAN SCHOOL DISTRICT OF SHAKAMAK  
AUDIT RESULTS AND COMMENTS  
(Continued)

or disbursements to the extent that the report will be incomprehensible. Neither receipts nor expenditures should be combined and listed as miscellaneous items. (Accounting and Uniform Compliance Guidelines Manual for Extra-Curricular Accounts, Chapter 2)

***BANK ACCOUNT RECONCILIATIONS (Applies to Elementary School ECA)***

Depository reconciliations of the fund balances to the bank account balances were incorrect.

At all times, the manual and/or computerized records, subsidiary ledgers, control ledger, and reconciled bank balance should agree. If the reconciled bank balance is less than the subsidiary or control ledgers, then the responsible official or employee may be held personally responsible for the amount needed to balance the fund. (Accounting and Uniform Compliance Guidelines Manual for Extra-Curricular Accounts, Chapter 7)

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."

***PRESCRIBED FORM (Applies to High School and Elementary ECAs)***

The High School and Elementary ECAs were using a form for ticket sales, however it was not the prescribed form, Ticket Sales Form SA-4.

Ticket sales conducted by any activity should be accounted for as follows:

The treasurer should be responsible for the proper accounting for all tickets and should keep a record of the number purchased, the number issued for sale, and the number returned. The treasurer should see that proper accounting is made for the cash received from those sold. All tickets shall be prenumbered, with a different ticket color and numerical series for each price group. When cash for ticket sales is deposited with the treasurer, the treasurer's receipt issued therefore should show the number of tickets issued to the seller, the number returned unsold and the balance remitted in cash. All tickets (including free or reduced) must be listed and accounted for on the SA-4 Ticket Sales Form. (Accounting and Uniform Compliance Guidelines Manual for Extra-Curricular Accounts, Chapter 2)

All governmental units are required by law to use the forms prescribed by the State Board of Accounts; however, if desirable to have a prescribed form modified to conform for computer applications, a letter and copies of the proposed form may be submitted to the State Board of Accounts for approval. No form should be printed and placed into use, other than a prescribed form, without prior approval. (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)

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SUPPLEMENTAL AUDIT OF  
FEDERAL AWARDS



**STATE OF INDIANA**  
AN EQUAL OPPORTUNITY EMPLOYER

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

TO: THE OFFICIALS OF THE METROPOLITAN SCHOOL  
DISTRICT OF SHAKAMAK, GREENE COUNTY, INDIANA

Compliance

We have audited the Metropolitan School District of Shakamak'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

February 11, 2013

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## SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS

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

METROPOLITAN SCHOOL DISTRICT OF SHAKAMAK  
SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS  
For The Years Ended June 30, 2011 and 2012

Federal Grantor Agency/Pass-Through Entity Cluster Title/Program Title/Project Title	Federal CFDA Number	Pass-Through Entity (or Other) Identifying Number	Total Federal Awards Expended 06-30-11	Total Federal Awards Expended 06-30-12
<u>U.S. DEPARTMENT OF AGRICULTURE</u>				
Pass-Through Indiana Department of Education				
Child Nutrition Cluster				
School Breakfast Program	10.553		\$ 46,519	\$ 52,538
National School Lunch Program	10.555		183,109	210,538
Total for cluster			229,628	263,076
ARRA - Child Nutrition Discretionary Grants Limited Availability				
School Lunch Equipment	10.579		-	22,848
Total for federal grantor agency			229,628	285,924
<u>U.S. DEPARTMENT OF EDUCATION</u>				
Pass-Through Indiana Department of Education				
Title I, Part A Cluster				
Title I Grants to Local Educational Agencies	84.010			
FY 09-10			64,149	-
FY 10-11			216,928	74,583
FY 11-12			-	212,848
Total for program			281,077	287,431
ARRA - Title I Grants to Local Educational Agencies				
	84.389		25,382	-
Total for cluster			306,459	287,431
Educational Technology State Grants Cluster				
ARRA - Education Technology State Grants	84.386		27,760	-
Pass-Through Greene-Sullivan Special Education Cooperative				
Special Education Cluster (IDEA)				
ARRA - Special Education Grants To States	84.391		124,325	15,299
ARRA - Special Education - Preschool Grants	84.392		1,913	-
Total for cluster			126,238	15,299
Pass-Through Indiana Department of Education				
Safe and Drug Free Schools and Communities - State Grants				
FY 08-09	84.186		2,484	-
FY 09-10			2,801	1,624
Total for program			5,285	1,624

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

METROPOLITAN SCHOOL DISTRICT OF SHAKAMAK  
SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS  
For The Years Ended June 30, 2011 and 2012  
(Continued)

Federal Grantor Agency/Pass-Through Entity Cluster Title/Program Title/Project Title	Federal CFDA Number	Pass-Through Entity (or Other) Identifying Number	Total Federal Awards Expended 06-30-11	Total Federal Awards Expended 06-30-12
<u>U.S. DEPARTMENT OF EDUCATION (continued)</u>				
Pass-Through Indiana Department of Education (continued)				
Mathematics and Science Partnerships	84.366			
FY 10-11			259,889	171,110
FY 11-12			-	293,526
Total for program			<u>259,889</u>	<u>464,636</u>
Improving Teacher Quality State Grants	84.367			
FY 09-10			10,315	5,856
FY 10-11			51,292	11,678
FY 11-12			-	52,584
Total for program			<u>61,607</u>	<u>70,118</u>
Education Jobs Fund	84.410		-	144,413
Total for federal grantor agency			<u>787,238</u>	<u>983,521</u>
<u>U.S. DEPARTMENT OF HEALTH AND HUMAN SERVICES</u>				
Pass-Through Indiana Department of Education				
Medicaid Cluster				
Medical Assistance Program	93.778		14	-
Pass-Through Ireland Home Based Services				
Stephanie Tubbs Jones Child Welfare Services Program	93.645			
FY 09-10			14,874	75
FY 10-11			14,431	1,569
FY 11-12			9,295	10,500
Total for program			<u>38,600</u>	<u>12,144</u>
Total for federal grantor agency			<u>38,614</u>	<u>12,144</u>
<u>U.S. CORPORATION FOR NATIONAL AND COMMUNITY SERVICE</u>				
Pass-Through Indiana Department of Education				
Learn and Serve America - School and Community Based Programs	94.004			
FY 09-11			2,024	-
FY 10-12			9,016	984
Total for program			<u>11,040</u>	<u>984</u>
Total for federal grantor agency			<u>11,040</u>	<u>984</u>
Total federal awards expended			<u>\$ 1,066,520</u>	<u>\$ 1,282,573</u>

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

METROPOLITAN SCHOOL DISTRICT OF SHAKAMAK  
NOTES TO SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS

**Note 1. Basis of Presentation**

The accompanying Schedule of Expenditures of Federal Awards includes the federal grant activity of the Metropolitan School District of Shakamak (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	2011	2012
School Breakfast Program	10.553	\$ 4,226	\$ 5,029
National School Lunch Program	10.555	16,317	20,038

METROPOLITAN SCHOOL DISTRICT OF SHAKAMAK  
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:

CFDA Number	Name of Federal Program or Cluster
84.366	Child Nutrition Cluster Mathematics and Science Partnerships

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

Auditee qualified as low-risk auditee? no

**Section II – Financial Statement Findings**

No matters are reportable.

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

No matters are reportable.

METROPOLITAN SCHOOL DISTRICT OF SHAKAMAK  
EXIT CONFERENCE

The contents of this report were discussed on February 11, 2013, with Jeffery B. Miller, President of the School Board; Mike Mogan, Superintendent of Schools; and Pamela Jerrells, Treasurer. The officials concurred with our audit findings.