

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

FINANCIAL STATEMENT AND
FEDERAL SINGLE AUDIT REPORT
OF

HUNTINGTON COUNTY COMMUNITY
SCHOOL CORPORATION
HUNTINGTON 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	Sheila Howe (Vacant) Edette Eckert	07-01-10 to 02-17-12 02-18-12 to 02-20-12 02-21-12 to 06-30-13
Superintendent of Schools	Tracey R. Shafer	07-01-10 to 06-30-13
President of the School Board	Kevin E. Patrick	07-01-10 to 06-30-13



STATE OF INDIANA
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INDEPENDENT AUDITOR'S REPORT

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

We have audited the accompanying financial statement of the Huntington County 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 February 18, 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 and Schedule of Long-Term Debt, 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

February 18, 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 HUNTINGTON COUNTY COMMUNITY
SCHOOL CORPORATION, HUNTINGTON COUNTY, INDIANA

We have audited the financial statement of the Huntington County Community School Corporation (School Corporation), for the period of July 1, 2010 to June 30, 2012, and have issued our report thereon dated February 18, 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.

Our consideration of the internal control over financial reporting was for the limited purpose described in the preceding paragraph and was not designed to identify all deficiencies in internal control over financial reporting that might be significant deficiencies or material weaknesses and therefore, there can be no assurance that all deficiencies, significant deficiencies, or material weaknesses have been identified. However, as described in the accompanying Schedule of Findings and Questioned Costs, we identified certain deficiencies in internal control over financial reporting that we consider to be material weaknesses.

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. We consider the deficiencies described in the accompanying Schedule of Findings and Questioned Costs as item 2012-1 to be material weaknesses.

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

Compliance and Other Matters

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

The School Corporation's response to the findings identified in our audit is described in the accompanying 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

February 18, 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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HUNTINGTON COUNTY 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	\$ 1,944,087	\$ 34,265,521	\$ 35,160,687	\$ 384,018	\$ 1,432,939	\$ 34,156,911	\$ 34,014,807	\$ 908	\$ 1,575,951
Debt Service	2,409,894	4,747,423	5,000,572	(50,795)	2,105,950	4,642,130	4,760,343	(21,695)	1,966,042
Retirement/Severance Bond Debt Service	293,913	661,468	682,092	47,616	320,905	652,999	682,555	-	291,349
Capital Projects	3,922,585	3,837,651	4,283,342	(174,484)	3,302,410	3,405,223	4,767,145	-	1,940,488
School Transportation	1,337,145	3,185,175	3,036,817	70,491	1,555,994	3,416,159	3,129,382	78,453	1,921,224
School Bus Replacement	296,062	581,899	480,965	-	396,996	448,201	580,479	-	264,718
Rainy Day	63,781	-	-	(63,781)	-	-	-	-	-
Retirement/Severance Bond	376,148	-	64,974	-	311,174	-	19,377	-	291,797
Post-Retirement/Severance Future Benefits	82,540	-	21,763	(60,777)	-	-	-	-	-
School Lunch	501,853	2,911,941	2,771,181	-	642,613	2,886,647	2,735,563	-	793,697
Textbook Rental	470,989	471,307	125,310	3,179	820,165	616,020	1,103,057	21,695	354,823
Levy Excess	-	78,453	-	-	78,453	-	-	(78,453)	-
Educational License Plates	9,230	469	1,462	-	8,237	300	-	-	8,537
Alternative Education	11,792	11,938	9,948	-	13,782	8,829	-	-	22,611
Donations/Mini Grants	2,310	-	-	-	2,310	1,138	830	-	2,618
Donations-HNHS-Greenhouse-2009	1,000	-	1,000	-	-	-	-	-	-
Classroom Donation Hollow	2	-	-	-	2	-	-	-	2
Classroom Donation Target Grant	135	-	-	-	135	-	-	-	135
True Life Choices (TLC)	97	-	374	-	(277)	-	-	-	(277)
Donation-CF Industries	-	2,913	1,301	-	1,612	250	1,758	-	104
Purdy Grant	549	6,500	6,541	-	508	-	382	-	126
Donation Thompson/Griffin Lincoln	101	-	101	-	-	-	-	-	-
ICQS-Indiana Coalition Quality Schools	1,190	875	2,065	-	-	-	-	-	-
Psi Iota Xi Sorority	1,130	1,828	1,054	-	1,904	2,276	3,139	-	1,041
Covering Kids & Families of IN	1,000	-	987	-	13	-	-	-	13
Technology Insurance Claim	-	19,273	14,878	-	4,395	-	-	-	4,395
Lowe's Toolbox-Education Grant	-	5,000	4,708	-	292	-	292	-	-
Cops In School	-	4,500	4,500	-	-	-	-	-	-
Dow Chemical Company	-	-	-	-	-	559	559	-	-
AED Rebate	-	-	-	-	-	6,400	1,387	-	5,013
Indianapolis Colts Foundation	-	-	-	-	-	300	-	-	300
Adult Education	-	-	-	-	-	-	1,310	-	(1,310)
Parkview Foundation	3,297	-	3,297	-	-	-	-	-	-
Dept of Health/Jump Ropes	349	-	-	-	349	-	-	-	349
The Bookworm	1,089	2,087	2,974	-	202	4,148	3,186	-	1,164
Huntington University Baseball	1,235	-	1,035	-	200	-	-	-	200
Classroom ED Grant	296	-	-	-	296	928	725	-	499
Fuel Up to Play 60 Grant	-	-	-	-	-	3,000	1,320	-	1,680
NASP Donation	-	-	-	-	-	3,611	3,611	-	-
Amy Barnes Scholarship Fund	4,293	4,035	-	-	8,328	22	-	-	8,350
Mary Cecil Scholarship Fund	19,833	-	-	-	19,833	-	-	-	19,833
Phil Rich Scholarship Fund	12,687	-	500	-	12,187	-	12,194	-	(7)
Area 18 Reimbursement Fund	(6,513)	8,261	1,748	-	-	-	-	-	-

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

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

	Cash and Investments 07-01-10	Receipts	Disbursements	Other Financing Sources (Uses)	Cash and Investments 06-30-11	Receipts	Disbursements	Other Financing Sources (Uses)	Cash and Investments 06-30-12
Area 18 2010-11 VOC ED Program	-	54,842	54,842	-	-	-	-	-	-
Area 18 2011-12 Perkins Grant	-	-	-	-	-	31,045	30,779	-	266
Coca-Cola/Pepsi-Cola Programs	73,507	41,367	62,523	-	52,351	52,879	43,576	-	61,654
Huntington County Community Foundation	-	-	-	-	-	250	117	-	133
Ecolab Grant I	586	-	-	-	586	-	-	-	586
Ecolab Grant II	1,357	-	-	-	1,357	-	-	-	1,357
Ecolab Grant-June 2010	24,842	2,704	24,819	-	2,727	-	38	-	2,689
Ecolab Grant 2011	-	-	-	-	-	34,208	24,636	-	9,572
High Ability Grant 09/10	9,326	-	9,509	-	(183)	183	-	-	-
High Ability Grant-2010-2011	-	50,594	38,298	-	12,296	40	12,336	-	-
High Ability Grant 2011-12	-	-	-	-	-	48,799	32,579	-	16,220
Education Technology Common School Scholarships and Awards	4,143	-	3,798	-	345	-	298,365	548,892	250,527
Title III	-	-	-	-	-	2,114	342	-	3
Non-English Speaking Programs P.L. 273-1999	4,062	-	4,062	-	-	-	-	-	2,114
Non-English Speaking Programs 09/10	2,646	-	2,646	-	-	-	-	-	-
Non-English Speaking Programs 10/11	-	2,891	1,928	-	963	-	963	-	-
NESP Grant 2011-12	-	-	-	-	-	2,444	1,594	-	850
School Technology	55,625	74,315	24,645	1,603	106,898	55,274	137,278	-	24,894
Classroom Innovation Math Grant	-	189,318	189,318	-	-	-	-	-	-
State Connectivity Technology.	-	1,603	-	(1,603)	-	1,603	-	-	1,603
Ebay-Technology	-	-	-	-	-	250	103	-	147
Viking New Tech-VNT	-	350	195	-	155	5,050	645	-	4,560
Schwab-Navigation 101- VNT	-	-	-	-	-	6,000	4,490	-	1,510
Technology Grants [IC 20-40-15]	2,468	-	2,468	-	-	-	-	-	-
2nd Grade Laptop Program	630	-	630	-	-	-	-	-	-
New Tech HNHS	233	225,000	225,000	-	233	-	30,000	30,000	233
New Tech-Univ. of Indy-Cell	121,080	-	86,291	-	34,789	-	34,773	-	16
Talent Initiative Community Foundation	-	50,500	-	-	50,500	30,000	23,598	(30,000)	26,902
Horace Mann Preschool	-	-	-	-	-	1,516	1,380	-	136
Vectren Utility	-	-	-	-	-	23,646	21,795	-	1,851
Excess PTRC Distributions	123,006	-	-	(123,006)	-	-	-	-	-
School Improvement Lincoln 09/10	92,225	11,000	103,225	-	-	-	-	-	-
School Improvement Lincoln 10/11	-	87,116	73,949	-	13,167	8,431	21,598	-	-
Title I 2009/10 Grant	113,227	31,300	82,081	(62,446)	-	-	-	-	-
Title I 2010-11 Grant	-	589,709	648,128	55,736	(2,683)	142,098	139,415	-	-
Title I 2011-12 Grant	-	-	-	-	-	559,756	632,717	-	(72,961)
P.L. 100-297 Delinquent Child 05/06	132	-	-	-	132	-	-	-	132
IDEA Part B 2008/2009	3,106	-	-	-	3,106	-	-	-	3,106
IDEA Part B 2009/2010	77,675	248,828	344,007	-	(17,504)	192,067	174,559	-	4
IDEA Part B 2010-2011 Grant	-	1,534,009	1,511,731	-	22,278	425,030	451,679	-	(4,371)
IDEA Part B 2011-12 Interpreter	-	-	-	-	-	907,173	991,740	-	(84,567)

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

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

	Cash and Investments 07-01-10	Receipts	Disbursements	Other Financing Sources (Uses)	Cash and Investments 06-30-11	Receipts	Disbursements	Other Financing Sources (Uses)	Cash and Investments 06-30-12
IDEA Part B Carry-Over 09/10	64,675	-	64,675	-	-	-	-	-	-
Pre-School Carry-Over 09/10	(84)	84	-	-	-	-	-	-	-
Special ED Preschool-09/10	9,548	-	9,548	-	-	-	-	-	-
Preschool 2010-11 Grant	-	72,668	79,514	-	(6,846)	9,476	2,635	-	(5)
Preschool Part B IDEA (619)	-	-	-	-	-	34,028	37,127	-	(3,099)
Adult ED Impact Family/Children	9,416	-	493	-	8,923	-	99	-	8,824
State Reimb. Adult ED 2010-11	-	-	16,698	-	(16,698)	30,018	2,352	-	10,968
Adult Education State 2011-12	-	-	-	-	-	11,392	19,750	-	(8,358)
Adult Ed 2007-2008 PL 100-297	3,275	-	-	(3,275)	-	-	-	-	-
Adult Ed Federal Grant 08/09	13,571	-	896	(13,571)	(896)	-	-	-	(896)
Adult Ed Federal Grant 09/10	9,914	-	1,009	(8,905)	-	-	-	-	-
Adult Ed Federal Grant 10/11	-	28,949	26,808	-	2,141	1,269	4,560	-	(1,150)
Adult Ed Federal Grant 11/12	-	-	-	-	-	8,381	19,779	(908)	(12,306)
Drug Free Schools Title IV-A	3,503	-	3,503	-	-	-	-	-	-
Safe & Drug-Free Schools 2009-10	(7,949)	15,386	8,382	-	(945)	-	437	-	(1,382)
Project Lead The Way Grant 09/10	(2,773)	5,663	2,890	-	-	-	-	-	-
Medicaid Reimbursement - Federal	6,228	-	-	-	6,228	-	-	-	6,228
Title II (A) Improving Teacher Quality	11,309	-	10,804	11,309	505	-	505	-	-
Title II Part A-09/10 Grant	240,265	-	212,901	-	27,364	-	27,364	-	-
Title II, Part A 2010-2011	-	31,156	32,113	-	(957)	137,769	158,216	-	(21,404)
Title I - Grants to LEAs	20,894	143,514	164,160	-	248	46,137	49,719	-	(3,334)
Special Education - Part B	165,786	400,088	548,467	-	17,407	375,624	393,031	-	-
Special Education - Part B - Preschool	20,038	11,147	30,504	-	681	7,252	7,933	-	-
Education Technology Stimulus	(1,075)	123,048	120,116	-	1,857	98,668	101,144	-	(619)
Education Jobs	-	1,078,715	1,078,715	-	-	-	-	-	-
Payroll Clearing Account	178,180	93,757	126,678	-	145,259	-	-	-	145,259
American Fidelity	-	382,486	337,108	-	45,378	460,026	505,661	-	(257)
Federal & Social Security Withholding	(1,064)	4,706,203	4,706,660	-	(1,521)	4,217,214	4,220,004	-	(4,311)
State & County Withholding	113,234	1,392,845	1,387,882	-	118,197	1,303,440	1,317,784	-	103,853
Teachers Retirement	7,650	13,058	20,948	-	(240)	201,210	111,034	-	89,936
PERF	6,268	18,335	9,516	-	15,087	20,699	21,420	-	14,366
Health Insurance	7,442	1,021,506	834,967	-	193,981	1,566,619	1,565,617	-	194,983
Annuities	(19,224)	950,909	951,189	-	(19,504)	905,057	904,941	-	(19,388)
Life & Disability Insurance	5,328	1,367	-	-	6,695	1,285	-	-	7,980
Union Dues	-	160,309	144,251	-	16,058	149,407	149,407	-	16,058
United Way	7	41,976	58,034	-	(16,051)	38,726	38,726	-	(16,051)
Child Support	-	35,421	35,421	-	-	24,972	24,972	-	-
Garnishments	82	67,744	67,867	-	(41)	57,319	57,274	-	4
Textbook Rental Recovery	46	400	400	-	46	-	-	-	46
Fringe Benefits	(5,172)	28,134	30,268	-	(7,306)	23,949	25,766	-	(9,123)
Totals	\$ 13,333,293	\$ 64,828,831	\$ 66,303,654	\$ -	\$ 11,858,470	\$ 62,515,844	\$ 64,701,753	\$ 548,892	\$ 10,221,453

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

HUNTINGTON COUNTY 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.

HUNTINGTON COUNTY 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.

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

E. Disbursements

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

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

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

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

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

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

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

F. Other Financing Sources and Uses

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

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

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.

HUNTINGTON COUNTY COMMUNITY SCHOOL CORPORATION
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.

HUNTINGTON COUNTY COMMUNITY SCHOOL CORPORATION
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

HUNTINGTON COUNTY COMMUNITY SCHOOL CORPORATION
NOTES TO FINANCIAL STATEMENT
(Continued)

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

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

Indiana Public Retirement System
1 North Capital Street, Suite 001
Indianapolis, IN 46204
Ph. (888) 286-3544

Funding Policy and Annual Pension Cost

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

Note 7. Cash Balance Deficits

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

Note 8. Employee Benefit Trust

On May 8, 1995, the School Board created the Huntington County Community School Corporation Employee Benefit Trust (Trust), a legally separate entity, for the purpose of providing a medium for funding and administration of plans for the benefit of employees. The School Corporation makes payments to the Trust from all funds with payroll. Prior financial statements prepared in conformity with accounting principles generally accepted in the United States of America included the financial information of the Trust as a private purpose trust fund. The accompanying financial statement, prepared on the regulatory basis, does not include the financial information of the Trust. Separate financial statements are prepared for the Trust and are audited by other auditors. That report may be obtained by contacting:

Huntington County Community School Corporation
2485 Waterworks Road
Huntington, IN 46750
Ph. (260) 356-8312

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.

HUNTINGTON COUNTY 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	Retirement/ Severance Bond
Cash and investments - beginning	\$ 1,944,087	\$ 2,409,894	\$ 293,913	\$ 3,922,585	\$ 1,337,145	\$ 296,062	\$ 63,781	\$ 376,148
Receipts:								
Local sources	164,065	4,495,473	661,468	3,833,234	3,160,096	581,899	-	-
Intermediate sources	2,842	-	-	-	-	-	-	-
State sources	34,001,935	251,950	-	-	-	-	-	-
Federal sources	-	-	-	-	-	-	-	-
Other	96,679	-	-	4,417	25,079	-	-	-
Total receipts	<u>34,265,521</u>	<u>4,747,423</u>	<u>661,468</u>	<u>3,837,651</u>	<u>3,185,175</u>	<u>581,899</u>	<u>-</u>	<u>-</u>
Disbursements:								
Current:								
Instruction	25,181,502	-	-	-	-	-	-	-
Support services	9,407,020	-	-	3,430,713	3,036,817	480,965	-	64,974
Noninstructional services	571,356	-	-	-	-	-	-	-
Facilities acquisition and construction	809	-	-	852,629	-	-	-	-
Debt services	-	5,000,572	682,092	-	-	-	-	-
Nonprogrammed charges	-	-	-	-	-	-	-	-
Total disbursements	<u>35,160,687</u>	<u>5,000,572</u>	<u>682,092</u>	<u>4,283,342</u>	<u>3,036,817</u>	<u>480,965</u>	<u>-</u>	<u>64,974</u>
Excess (deficiency) of receipts over disbursements	<u>(895,166)</u>	<u>(253,149)</u>	<u>(20,624)</u>	<u>(445,691)</u>	<u>148,358</u>	<u>100,934</u>	<u>-</u>	<u>(64,974)</u>
Other financing sources (uses):								
Transfers in	384,018	-	47,616	-	70,491	-	-	-
Transfers out	-	(50,795)	-	(174,484)	-	-	(63,781)	-
Total other financing sources (uses)	<u>384,018</u>	<u>(50,795)</u>	<u>47,616</u>	<u>(174,484)</u>	<u>70,491</u>	<u>-</u>	<u>(63,781)</u>	<u>-</u>
Excess (deficiency) of receipts and other financing sources over disbursements and other financing uses	<u>(511,148)</u>	<u>(303,944)</u>	<u>26,992</u>	<u>(620,175)</u>	<u>218,849</u>	<u>100,934</u>	<u>(63,781)</u>	<u>(64,974)</u>
Cash and investments - ending	<u>\$ 1,432,939</u>	<u>\$ 2,105,950</u>	<u>\$ 320,905</u>	<u>\$ 3,302,410</u>	<u>\$ 1,555,994</u>	<u>\$ 396,996</u>	<u>\$ -</u>	<u>\$ 311,174</u>

HUNTINGTON COUNTY 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)

	Post - Retirement/ Severance Future Benefits	School Lunch	Textbook Rental	Levy Excess	Educational License Plates	Alternative Education	Donations/ Mini Grants	Donations - HNHS - Greenhouse - 2009
Cash and investments - beginning	\$ 82,540	\$ 501,853	\$ 470,989	\$ -	\$ 9,230	\$ 11,792	\$ 2,310	\$ 1,000
Receipts:								
Local sources	-	1,434,816	320,314	78,453	-	-	-	-
Intermediate sources	-	-	-	-	469	-	-	-
State sources	-	29,259	150,993	-	-	11,938	-	-
Federal sources	-	1,447,866	-	-	-	-	-	-
Other	-	-	-	-	-	-	-	-
Total receipts	-	2,911,941	471,307	78,453	469	11,938	-	-
Disbursements:								
Current:								
Instruction	-	-	-	-	1,462	9,948	-	1,000
Support services	21,763	29,098	125,310	-	-	-	-	-
Noninstructional services	-	2,742,083	-	-	-	-	-	-
Facilities acquisition and construction	-	-	-	-	-	-	-	-
Debt services	-	-	-	-	-	-	-	-
Nonprogrammed charges	-	-	-	-	-	-	-	-
Total disbursements	21,763	2,771,181	125,310	-	1,462	9,948	-	1,000
Excess (deficiency) of receipts over disbursements	(21,763)	140,760	345,997	78,453	(993)	1,990	-	(1,000)
Other financing sources (uses):								
Transfers in	-	-	3,179	-	-	-	-	-
Transfers out	(60,777)	-	-	-	-	-	-	-
Total other financing sources (uses)	(60,777)	-	3,179	-	-	-	-	-
Excess (deficiency) of receipts and other financing sources over disbursements and other financing uses	(82,540)	140,760	349,176	78,453	(993)	1,990	-	(1,000)
Cash and investments - ending	\$ -	\$ 642,613	\$ 820,165	\$ 78,453	\$ 8,237	\$ 13,782	\$ 2,310	\$ -

HUNTINGTON COUNTY 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)

	Classroom Donation Hollow	Classroom Donation Target Grant	True Life Choices (TLC)	Donation - CF Industries	Purdy Grant	Donation Thompson/ Griffin Lincoln	ICQS-Indiana Coalition Quality Schools	Psi Iota Xi Sorority
Cash and investments - beginning	\$ 2	\$ 135	\$ 97	\$ -	\$ 549	\$ 101	\$ 1,190	\$ 1,130
Receipts:								
Local sources	-	-	-	2,913	6,500	-	875	1,828
Intermediate sources	-	-	-	-	-	-	-	-
State sources	-	-	-	-	-	-	-	-
Federal sources	-	-	-	-	-	-	-	-
Other	-	-	-	-	-	-	-	-
Total receipts	-	-	-	2,913	6,500	-	875	1,828
Disbursements:								
Current:								
Instruction	-	-	226	1,301	6,541	101	-	1,054
Support services	-	-	148	-	-	-	2,065	-
Noninstructional services	-	-	-	-	-	-	-	-
Facilities acquisition and construction	-	-	-	-	-	-	-	-
Debt services	-	-	-	-	-	-	-	-
Nonprogrammed charges	-	-	-	-	-	-	-	-
Total disbursements	-	-	374	1,301	6,541	101	2,065	1,054
Excess (deficiency) of receipts over disbursements	-	-	(374)	1,612	(41)	(101)	(1,190)	774
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	-	-	(374)	1,612	(41)	(101)	(1,190)	774
Cash and investments - ending	\$ 2	\$ 135	\$ (277)	\$ 1,612	\$ 508	\$ -	\$ -	\$ 1,904

HUNTINGTON COUNTY 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)

	Covering Kids & Families of IN	Technology Insurance Claim	Lowe's Toolbox - Education Grant	Cops In School	Parkview Foundation	Dept of Health/ Jump Ropes	The Bookworm	Huntington University Baseball
Cash and investments - beginning	\$ 1,000	\$ -	\$ -	\$ -	\$ 3,297	\$ 349	\$ 1,089	\$ 1,235
Receipts:								
Local sources	-	-	5,000	4,500	-	-	2,087	-
Intermediate sources	-	-	-	-	-	-	-	-
State sources	-	-	-	-	-	-	-	-
Federal sources	-	-	-	-	-	-	-	-
Other	-	19,273	-	-	-	-	-	-
Total receipts	-	19,273	5,000	4,500	-	-	2,087	-
Disbursements:								
Current:								
Instruction	987	-	4,708	-	-	-	-	1,035
Support services	-	14,878	-	4,500	3,297	-	2,974	-
Noninstructional services	-	-	-	-	-	-	-	-
Facilities acquisition and construction	-	-	-	-	-	-	-	-
Debt services	-	-	-	-	-	-	-	-
Nonprogrammed charges	-	-	-	-	-	-	-	-
Total disbursements	987	14,878	4,708	4,500	3,297	-	2,974	1,035
Excess (deficiency) of receipts over disbursements	(987)	4,395	292	-	(3,297)	-	(887)	(1,035)
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	(987)	4,395	292	-	(3,297)	-	(887)	(1,035)
Cash and investments - ending	\$ 13	\$ 4,395	\$ 292	\$ -	\$ -	\$ 349	\$ 202	\$ 200

HUNTINGTON COUNTY 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)

	Classroom ED Grant	Amy Barnes Scholarship Fund	Mary Cecil Scholarship Fund	Phil Rich Scholarship Fund	Area 18 Reimbursement Fund	Area 18 2010-11 VOC ED Program	Coca-Cola/ Pepsi-Cola Programs	Ecolab Grant I
Cash and investments - beginning	\$ 296	\$ 4,293	\$ 19,833	\$ 12,687	\$ (6,513)	\$ -	\$ 73,507	\$ 586
Receipts:								
Local sources	-	35	-	-	-	-	980	-
Intermediate sources	-	-	-	-	-	-	-	-
State sources	-	-	-	-	-	-	-	-
Federal sources	-	-	-	-	-	-	-	-
Other	-	4,000	-	-	8,261	54,842	40,387	-
Total receipts	-	4,035	-	-	8,261	54,842	41,367	-
Disbursements:								
Current:								
Instruction	-	-	-	-	-	54,842	-	-
Support services	-	-	-	-	-	-	62,523	-
Noninstructional services	-	-	-	-	-	-	-	-
Facilities acquisition and construction	-	-	-	-	1,748	-	-	-
Debt services	-	-	-	-	-	-	-	-
Nonprogrammed charges	-	-	-	500	-	-	-	-
Total disbursements	-	-	-	500	1,748	54,842	62,523	-
Excess (deficiency) of receipts over disbursements	-	4,035	-	(500)	6,513	-	(21,156)	-
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	-	4,035	-	(500)	6,513	-	(21,156)	-
Cash and investments - ending	\$ 296	\$ 8,328	\$ 19,833	\$ 12,187	\$ -	\$ -	\$ 52,351	\$ 586

HUNTINGTON COUNTY 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)

	Ecolab Grant II	Ecolab Grant - June 2010	High Ability Grant 09/10	High Ability Grant 2010-2011	Scholarships and Awards	Non-English Speaking Programs P.L. 273-1999	Non-English Speaking Programs 09/10	Non-English Speaking Programs 10/11
Cash and investments - beginning	\$ 1,357	\$ 24,842	\$ 9,326	\$ -	\$ 4,143	\$ 4,062	\$ 2,646	\$ -
Receipts:								
Local sources	-	2,704	-	-	-	-	-	-
Intermediate sources	-	-	-	-	-	-	-	-
State sources	-	-	-	50,594	-	-	-	2,891
Federal sources	-	-	-	-	-	-	-	-
Other	-	-	-	-	-	-	-	-
Total receipts	-	2,704	-	50,594	-	-	-	2,891
Disbursements:								
Current:								
Instruction	-	24,819	9,509	38,298	380	4,062	-	-
Support services	-	-	-	-	3,418	-	2,646	1,928
Noninstructional services	-	-	-	-	-	-	-	-
Facilities acquisition and construction	-	-	-	-	-	-	-	-
Debt services	-	-	-	-	-	-	-	-
Nonprogrammed charges	-	-	-	-	-	-	-	-
Total disbursements	-	24,819	9,509	38,298	3,798	4,062	2,646	1,928
Excess (deficiency) of receipts over disbursements	-	(22,115)	(9,509)	12,296	(3,798)	(4,062)	(2,646)	963
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	-	(22,115)	(9,509)	12,296	(3,798)	(4,062)	(2,646)	963
Cash and investments - ending	<u>\$ 1,357</u>	<u>\$ 2,727</u>	<u>\$ (183)</u>	<u>\$ 12,296</u>	<u>\$ 345</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 963</u>

HUNTINGTON COUNTY 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 Math Grant	State Connectivity Technology	Viking New Tech - VNT	Technology Grants [IC 20-40-15]	2nd Grade Laptop Program	New Tech HNHS	New Tech-Univ. of Indy - Cell
Cash and investments - beginning	\$ 55,625	\$ -	\$ -	\$ -	\$ 2,468	\$ 630	\$ 233	\$ 121,080
Receipts:								
Local sources	-	-	-	-	-	-	-	-
Intermediate sources	-	-	-	-	-	-	-	-
State sources	74,315	189,318	1,603	-	-	-	225,000	-
Federal sources	-	-	-	-	-	-	-	-
Other	-	-	-	350	-	-	-	-
Total receipts	74,315	189,318	1,603	350	-	-	225,000	-
Disbursements:								
Current:								
Instruction	-	-	-	195	2,468	630	-	-
Support services	24,645	189,318	-	-	-	-	225,000	86,291
Noninstructional services	-	-	-	-	-	-	-	-
Facilities acquisition and construction	-	-	-	-	-	-	-	-
Debt services	-	-	-	-	-	-	-	-
Nonprogrammed charges	-	-	-	-	-	-	-	-
Total disbursements	24,645	189,318	-	195	2,468	630	225,000	86,291
Excess (deficiency) of receipts over disbursements	49,670	-	1,603	155	(2,468)	(630)	-	(86,291)
Other financing sources (uses):								
Transfers in	1,603	-	-	-	-	-	-	-
Transfers out	-	-	(1,603)	-	-	-	-	-
Total other financing sources (uses)	1,603	-	(1,603)	-	-	-	-	-
Excess (deficiency) of receipts and other financing sources over disbursements and other financing uses	51,273	-	-	155	(2,468)	(630)	-	(86,291)
Cash and investments - ending	\$ 106,898	\$ -	\$ -	\$ 155	\$ -	\$ -	\$ 233	\$ 34,789

HUNTINGTON COUNTY 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)

	Talent Initiative Community Foundation	Excess PTRC Distributions	School Improvement Lincoln 09/10	School Improvement Lincoln 10/11	Title I 2009/10 Grant	Title I 2010-11 Grant	P.L. 100-297 Delinquent Child 05/06	IDEA Part B 2008/2009
Cash and investments - beginning	\$ -	\$ 123,006	\$ 92,225	\$ -	\$ 113,227	\$ -	\$ 132	\$ 3,106
Receipts:								
Local sources	50,500	-	-	-	-	-	-	-
Intermediate sources	-	-	-	-	-	-	-	-
State sources	-	-	-	-	-	-	-	-
Federal sources	-	-	11,000	87,116	31,300	589,709	-	-
Other	-	-	-	-	-	-	-	-
Total receipts	50,500	-	11,000	87,116	31,300	589,709	-	-
Disbursements:								
Current:								
Instruction	-	-	-	-	52,226	469,403	-	-
Support services	-	-	103,225	73,949	27,705	173,152	-	-
Noninstructional services	-	-	-	-	2,150	5,573	-	-
Facilities acquisition and construction	-	-	-	-	-	-	-	-
Debt services	-	-	-	-	-	-	-	-
Nonprogrammed charges	-	-	-	-	-	-	-	-
Total disbursements	-	-	103,225	73,949	82,081	648,128	-	-
Excess (deficiency) of receipts over disbursements	50,500	-	(92,225)	13,167	(50,781)	(58,419)	-	-
Other financing sources (uses):								
Transfers in	-	63,781	-	-	-	55,736	-	-
Transfers out	-	(186,787)	-	-	(62,446)	-	-	-
Total other financing sources (uses)	-	(123,006)	-	-	(62,446)	55,736	-	-
Excess (deficiency) of receipts and other financing sources over disbursements and other financing uses	50,500	(123,006)	(92,225)	13,167	(113,227)	(2,683)	-	-
Cash and investments - ending	\$ 50,500	\$ -	\$ -	\$ 13,167	\$ -	\$ (2,683)	\$ 132	\$ 3,106

HUNTINGTON COUNTY 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)

	IDEA Part B 2009/2010	IDEA Part B 2010-2011 Grant	IDEA Part B Carry-Over 09/10	Pre-School Carry-Over 09/10	Special ED Preschool - 09/10	Preschool 2010-11 Grant	Adult ED Impact Family/ Children	State Reimb. Adult ED 2010-11
Cash and investments - beginning	\$ 77,675	\$ -	\$ 64,675	\$ (84)	\$ 9,548	\$ -	\$ 9,416	\$ -
Receipts:								
Local sources	-	-	-	-	-	-	-	-
Intermediate sources	-	-	-	-	-	-	-	-
State sources	-	-	-	-	-	-	-	-
Federal sources	248,828	1,534,009	-	-	-	72,668	-	-
Other	-	-	-	84	-	-	-	-
Total receipts	248,828	1,534,009	-	84	-	72,668	-	-
Disbursements:								
Current:								
Instruction	140,412	708,999	1,074	-	9,548	79,514	-	13,468
Support services	203,595	802,732	63,601	-	-	-	493	3,230
Noninstructional services	-	-	-	-	-	-	-	-
Facilities acquisition and construction	-	-	-	-	-	-	-	-
Debt services	-	-	-	-	-	-	-	-
Nonprogrammed charges	-	-	-	-	-	-	-	-
Total disbursements	344,007	1,511,731	64,675	-	9,548	79,514	493	16,698
Excess (deficiency) of receipts over disbursements	(95,179)	22,278	(64,675)	84	(9,548)	(6,846)	(493)	(16,698)
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	(95,179)	22,278	(64,675)	84	(9,548)	(6,846)	(493)	(16,698)
Cash and investments - ending	\$ (17,504)	\$ 22,278	\$ -	\$ -	\$ -	\$ (6,846)	\$ 8,923	\$ (16,698)

HUNTINGTON COUNTY 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)

	Adult Ed 2007-2008 PL 100-297	Adult Ed Federal Grant 08/09	Adult Ed Federal Grant 09/10	Adult Ed Federal Grant 10/11	Drug Free Schools Title IV-A	Safe & Drug-Free Schools 2009-10	Project Lead The Way Grant 09/10	Medicaid Reimbursement - Federal
Cash and investments - beginning	\$ 3,275	\$ 13,571	\$ 9,914	\$ -	\$ 3,503	\$ (7,949)	\$ (2,773)	\$ 6,228
Receipts:								
Local sources	-	-	-	-	-	-	-	-
Intermediate sources	-	-	-	-	-	-	-	-
State sources	-	-	-	-	-	-	-	-
Federal sources	-	-	-	28,949	-	15,386	5,663	-
Other	-	-	-	-	-	-	-	-
Total receipts	-	-	-	28,949	-	15,386	5,663	-
Disbursements:								
Current:								
Instruction	-	896	1,009	14,183	3,503	5,382	2,890	-
Support services	-	-	-	12,625	-	3,000	-	-
Noninstructional services	-	-	-	-	-	-	-	-
Facilities acquisition and construction	-	-	-	-	-	-	-	-
Debt services	-	-	-	-	-	-	-	-
Nonprogrammed charges	-	-	-	-	-	-	-	-
Total disbursements	-	896	1,009	26,808	3,503	8,382	2,890	-
Excess (deficiency) of receipts over disbursements	-	(896)	(1,009)	2,141	(3,503)	7,004	2,773	-
Other financing sources (uses):								
Transfers in	-	-	-	-	-	-	-	-
Transfers out	(3,275)	(13,571)	(8,905)	-	-	-	-	-
Total other financing sources (uses)	(3,275)	(13,571)	(8,905)	-	-	-	-	-
Excess (deficiency) of receipts and other financing sources over disbursements and other financing uses	(3,275)	(14,467)	(9,914)	2,141	(3,503)	7,004	2,773	-
Cash and investments - ending	\$ -	\$ (896)	\$ -	\$ 2,141	\$ -	\$ (945)	\$ -	\$ 6,228

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

	Title II (A) Improving Teacher Quality	Title II Part A - 09/10 Grant	Title II, Part A 2010-2011	Title I - Grants to LEAs	Special Education - Part B	Special Education - Part B - Preschool	Education Technology Stimulus	Education Jobs
Cash and investments - beginning	\$ 11,309	\$ 240,265	\$ -	\$ 20,894	\$ 165,786	\$ 20,038	\$ (1,075)	\$ -
Receipts:								
Local sources	-	-	-	-	-	-	-	-
Intermediate sources	-	-	-	-	-	-	-	-
State sources	-	-	-	-	-	-	-	-
Federal sources	-	-	31,156	143,514	400,088	11,147	123,048	1,078,715
Other	-	-	-	-	-	-	-	-
Total receipts	-	-	31,156	143,514	400,088	11,147	123,048	1,078,715
Disbursements:								
Current:								
Instruction	-	-	-	164,160	493,811	15,327	-	1,005,218
Support services	10,804	212,901	32,113	-	54,656	15,177	120,116	73,497
Noninstructional services	-	-	-	-	-	-	-	-
Facilities acquisition and construction	-	-	-	-	-	-	-	-
Debt services	-	-	-	-	-	-	-	-
Nonprogrammed charges	-	-	-	-	-	-	-	-
Total disbursements	10,804	212,901	32,113	164,160	548,467	30,504	120,116	1,078,715
Excess (deficiency) of receipts over disbursements	(10,804)	(212,901)	(957)	(20,646)	(148,379)	(19,357)	2,932	-
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	(10,804)	(212,901)	(957)	(20,646)	(148,379)	(19,357)	2,932	-
Cash and investments - ending	\$ 505	\$ 27,364	\$ (957)	\$ 248	\$ 17,407	\$ 681	\$ 1,857	\$ -

HUNTINGTON COUNTY 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)

	Payroll Clearing Account	American Fidelity	Federal & Social Security Withholding	State & County Withholding	Teachers Retirement	PERF	Health Insurance	Annuities
Cash and investments - beginning	\$ 178,180	\$ -	\$ (1,064)	\$ 113,234	\$ 7,650	\$ 6,268	\$ 7,442	\$ (19,224)
Receipts:								
Local sources	-	-	-	-	-	-	-	-
Intermediate sources	-	-	-	-	-	-	-	-
State sources	-	-	-	-	-	-	-	-
Federal sources	-	-	-	-	-	-	-	-
Other	93,757	382,486	4,706,203	1,392,845	13,058	18,335	1,021,506	950,909
Total receipts	93,757	382,486	4,706,203	1,392,845	13,058	18,335	1,021,506	950,909
Disbursements:								
Current:								
Instruction	-	-	-	-	-	-	-	-
Support services	-	-	-	-	-	-	-	-
Noninstructional services	-	-	-	-	-	-	-	-
Facilities acquisition and construction	-	-	-	-	-	-	-	-
Debt services	-	-	-	-	-	-	-	-
Nonprogrammed charges	126,678	337,108	4,706,660	1,387,882	20,948	9,516	834,967	951,189
Total disbursements	126,678	337,108	4,706,660	1,387,882	20,948	9,516	834,967	951,189
Excess (deficiency) of receipts over disbursements	(32,921)	45,378	(457)	4,963	(7,890)	8,819	186,539	(280)
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	(32,921)	45,378	(457)	4,963	(7,890)	8,819	186,539	(280)
Cash and investments - ending	\$ 145,259	\$ 45,378	\$ (1,521)	\$ 118,197	\$ (240)	\$ 15,087	\$ 193,981	\$ (19,504)

HUNTINGTON COUNTY 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)

	Life & Disability Insurance	Union Dues	United Way	Child Support	Garnishments	Textbook Rental Recovery	Fringe Benefits	Totals
Cash and investments - beginning	\$ 5,328	\$ -	\$ 7	\$ -	\$ 82	\$ 46	\$ (5,172)	\$ 13,333,293
Receipts:								
Local sources	-	-	-	-	-	-	-	14,807,740
Intermediate sources	-	-	-	-	-	-	-	3,311
State sources	-	-	-	-	-	-	-	34,989,796
Federal sources	-	-	-	-	-	-	-	5,860,162
Other	1,367	160,309	41,976	35,421	67,744	400	28,134	9,167,822
Total receipts	1,367	160,309	41,976	35,421	67,744	400	28,134	64,828,831
Disbursements:								
Current:								
Instruction	-	-	-	-	-	-	-	28,526,091
Support services	-	-	-	-	-	-	-	19,206,862
Noninstructional services	-	-	-	-	-	-	-	3,321,162
Facilities acquisition and construction	-	-	-	-	-	-	-	855,186
Debt services	-	-	-	-	-	-	-	5,682,664
Nonprogrammed charges	-	144,251	58,034	35,421	67,867	400	30,268	8,711,689
Total disbursements	-	144,251	58,034	35,421	67,867	400	30,268	66,303,654
Excess (deficiency) of receipts over disbursements	1,367	16,058	(16,058)	-	(123)	-	(2,134)	(1,474,823)
Other financing sources (uses):								
Transfers in	-	-	-	-	-	-	-	626,424
Transfers out	-	-	-	-	-	-	-	(626,424)
Total other financing sources (uses)	-	-	-	-	-	-	-	-
Excess (deficiency) of receipts and other financing sources over disbursements and other financing uses	1,367	16,058	(16,058)	-	(123)	-	(2,134)	(1,474,823)
Cash and investments - ending	\$ 6,695	\$ 16,058	\$ (16,051)	\$ -	\$ (41)	\$ 46	\$ (7,306)	\$ 11,858,470

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

	General	Debt Service	Retirement/ Severance Bond Debt Service	Capital Projects	School Transportation	School Bus Replacement	Retirement/ Severance Bond	School Lunch
Cash and investments - beginning	\$ 1,432,939	\$ 2,105,950	\$ 320,905	\$ 3,302,410	\$ 1,555,994	\$ 396,996	\$ 311,174	\$ 642,613
Receipts:								
Local sources	247,751	4,642,130	652,999	3,405,223	3,328,132	448,201	-	1,459,312
Intermediate sources	21,447	-	-	-	-	-	-	-
State sources	33,763,626	-	-	-	-	-	-	28,533
Federal sources	-	-	-	-	-	-	-	1,398,802
Other	124,087	-	-	-	88,027	-	-	-
Total receipts	<u>34,156,911</u>	<u>4,642,130</u>	<u>652,999</u>	<u>3,405,223</u>	<u>3,416,159</u>	<u>448,201</u>	<u>-</u>	<u>2,886,647</u>
Disbursements:								
Current:								
Instruction	24,874,224	-	-	-	-	-	-	-
Support services	8,625,344	-	-	3,857,805	3,129,382	580,479	19,377	31,515
Noninstructional services	513,738	-	-	-	-	-	-	2,695,583
Facilities acquisition and construction	1,501	-	-	909,340	-	-	-	8,465
Debt services	-	4,760,343	682,555	-	-	-	-	-
Nonprogrammed charges	-	-	-	-	-	-	-	-
Total disbursements	<u>34,014,807</u>	<u>4,760,343</u>	<u>682,555</u>	<u>4,767,145</u>	<u>3,129,382</u>	<u>580,479</u>	<u>19,377</u>	<u>2,735,563</u>
Excess (deficiency) of receipts over disbursements	<u>142,104</u>	<u>(118,213)</u>	<u>(29,556)</u>	<u>(1,361,922)</u>	<u>286,777</u>	<u>(132,278)</u>	<u>(19,377)</u>	<u>151,084</u>
Other financing sources (uses):								
Proceeds of long-term debt	-	-	-	-	-	-	-	-
Transfers in	908	-	-	-	78,453	-	-	-
Transfers out	-	(21,695)	-	-	-	-	-	-
Total other financing sources (uses)	<u>908</u>	<u>(21,695)</u>	<u>-</u>	<u>-</u>	<u>78,453</u>	<u>-</u>	<u>-</u>	<u>-</u>
Excess (deficiency) of receipts and other financing sources over disbursements and other financing uses	<u>143,012</u>	<u>(139,908)</u>	<u>(29,556)</u>	<u>(1,361,922)</u>	<u>365,230</u>	<u>(132,278)</u>	<u>(19,377)</u>	<u>151,084</u>
Cash and investments - ending	<u>\$ 1,575,951</u>	<u>\$ 1,966,042</u>	<u>\$ 291,349</u>	<u>\$ 1,940,488</u>	<u>\$ 1,921,224</u>	<u>\$ 264,718</u>	<u>\$ 291,797</u>	<u>\$ 793,697</u>

HUNTINGTON COUNTY 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)

	Textbook Rental	Levy Excess	Educational License Plates	Alternative Education	Donations/ Mini Grants	Classroom Donation Hollow	Classroom Donation Target Grant	True Life Choices (TLC)
Cash and investments - beginning	\$ 820,165	\$ 78,453	\$ 8,237	\$ 13,782	\$ 2,310	\$ 2	\$ 135	\$ (277)
Receipts:								
Local sources	417,559	-	-	-	1,138	-	-	-
Intermediate sources	-	-	300	-	-	-	-	-
State sources	198,461	-	-	8,829	-	-	-	-
Federal sources	-	-	-	-	-	-	-	-
Other	-	-	-	-	-	-	-	-
Total receipts	<u>616,020</u>	<u>-</u>	<u>300</u>	<u>8,829</u>	<u>1,138</u>	<u>-</u>	<u>-</u>	<u>-</u>
Disbursements:								
Current:								
Instruction	-	-	-	-	830	-	-	-
Support services	1,103,057	-	-	-	-	-	-	-
Noninstructional services	-	-	-	-	-	-	-	-
Facilities acquisition and construction	-	-	-	-	-	-	-	-
Debt services	-	-	-	-	-	-	-	-
Nonprogrammed charges	-	-	-	-	-	-	-	-
Total disbursements	<u>1,103,057</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>830</u>	<u>-</u>	<u>-</u>	<u>-</u>
Excess (deficiency) of receipts over disbursements	<u>(487,037)</u>	<u>-</u>	<u>300</u>	<u>8,829</u>	<u>308</u>	<u>-</u>	<u>-</u>	<u>-</u>
Other financing sources (uses):								
Proceeds of long-term debt	-	-	-	-	-	-	-	-
Transfers in	21,695	-	-	-	-	-	-	-
Transfers out	-	(78,453)	-	-	-	-	-	-
Total other financing sources (uses)	<u>21,695</u>	<u>(78,453)</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>(465,342)</u>	<u>(78,453)</u>	<u>300</u>	<u>8,829</u>	<u>308</u>	<u>-</u>	<u>-</u>	<u>-</u>
Cash and investments - ending	<u>\$ 354,823</u>	<u>\$ -</u>	<u>\$ 8,537</u>	<u>\$ 22,611</u>	<u>\$ 2,618</u>	<u>\$ 2</u>	<u>\$ 135</u>	<u>\$ (277)</u>

HUNTINGTON COUNTY 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)

	Donation - CF Industries	Purdy Grant	Psi Iota Xi Sorority	Covering Kids & Families of IN	Technology Insurance Claim	Lowe's Toolbox - Education Grant	Dow Chemical Company	AED Rebate
Cash and investments - beginning	\$ 1,612	\$ 508	\$ 1,904	\$ 13	\$ 4,395	\$ 292	\$ -	\$ -
Receipts:								
Local sources	250	-	2,276	-	-	-	-	-
Intermediate sources	-	-	-	-	-	-	-	-
State sources	-	-	-	-	-	-	-	-
Federal sources	-	-	-	-	-	-	-	-
Other	-	-	-	-	-	-	559	6,400
Total receipts	<u>250</u>	<u>-</u>	<u>2,276</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>559</u>	<u>6,400</u>
Disbursements:								
Current:								
Instruction	1,758	382	3,139	-	-	292	559	-
Support services	-	-	-	-	-	-	-	1,387
Noninstructional services	-	-	-	-	-	-	-	-
Facilities acquisition and construction	-	-	-	-	-	-	-	-
Debt services	-	-	-	-	-	-	-	-
Nonprogrammed charges	-	-	-	-	-	-	-	-
Total disbursements	<u>1,758</u>	<u>382</u>	<u>3,139</u>	<u>-</u>	<u>-</u>	<u>292</u>	<u>559</u>	<u>1,387</u>
Excess (deficiency) of receipts over disbursements	<u>(1,508)</u>	<u>(382)</u>	<u>(863)</u>	<u>-</u>	<u>-</u>	<u>(292)</u>	<u>-</u>	<u>5,013</u>
Other financing sources (uses):								
Proceeds of long-term debt	-	-	-	-	-	-	-	-
Transfers in	-	-	-	-	-	-	-	-
Transfers out	-	-	-	-	-	-	-	-
Total other financing sources (uses)	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Excess (deficiency) of receipts and other financing sources over disbursements and other financing uses	<u>(1,508)</u>	<u>(382)</u>	<u>(863)</u>	<u>-</u>	<u>-</u>	<u>(292)</u>	<u>-</u>	<u>5,013</u>
Cash and investments - ending	<u>\$ 104</u>	<u>\$ 126</u>	<u>\$ 1,041</u>	<u>\$ 13</u>	<u>\$ 4,395</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 5,013</u>

HUNTINGTON COUNTY 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)

	Indianapolis Colts Foundation	Adult Education	Dept of Health/ Jump Ropes	The Bookworm	Huntington University Baseball	Classroom ED Grant	Fuel Up to Play 60 Grant
Cash and investments - beginning	\$ -	\$ -	\$ 349	\$ 202	\$ 200	\$ 296	\$ -
Receipts:							
Local sources	300	-	-	4,148	-	928	3,000
Intermediate sources	-	-	-	-	-	-	-
State sources	-	-	-	-	-	-	-
Federal sources	-	-	-	-	-	-	-
Other	-	-	-	-	-	-	-
Total receipts	<u>300</u>	<u>-</u>	<u>-</u>	<u>4,148</u>	<u>-</u>	<u>928</u>	<u>3,000</u>
Disbursements:							
Current:							
Instruction	-	1,310	-	-	-	725	1,320
Support services	-	-	-	3,186	-	-	-
Noninstructional services	-	-	-	-	-	-	-
Facilities acquisition and construction	-	-	-	-	-	-	-
Debt services	-	-	-	-	-	-	-
Nonprogrammed charges	-	-	-	-	-	-	-
Total disbursements	<u>-</u>	<u>1,310</u>	<u>-</u>	<u>3,186</u>	<u>-</u>	<u>725</u>	<u>1,320</u>
Excess (deficiency) of receipts over disbursements	<u>300</u>	<u>(1,310)</u>	<u>-</u>	<u>962</u>	<u>-</u>	<u>203</u>	<u>1,680</u>
Other financing sources (uses):							
Proceeds of long-term debt	-	-	-	-	-	-	-
Transfers in	-	-	-	-	-	-	-
Transfers out	-	-	-	-	-	-	-
Total other financing sources (uses)	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Excess (deficiency) of receipts and other financing sources over disbursements and other financing uses	<u>300</u>	<u>(1,310)</u>	<u>-</u>	<u>962</u>	<u>-</u>	<u>203</u>	<u>1,680</u>
Cash and investments - ending	<u>\$ 300</u>	<u>\$ (1,310)</u>	<u>\$ 349</u>	<u>\$ 1,164</u>	<u>\$ 200</u>	<u>\$ 499</u>	<u>\$ 1,680</u>

HUNTINGTON COUNTY 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)

	NASP Donation	Amy Barnes Scholarship Fund	Mary Cecil Scholarship Fund	Phil Rich Scholarship Fund	Area 18 2011-12 Perkins Grant	Coca-Cola/ Pepsi-Cola Programs	Huntington County Community Foundation
Cash and investments - beginning	\$ -	\$ 8,328	\$ 19,833	\$ 12,187	\$ -	\$ 52,351	\$ -
Receipts:							
Local sources	3,611	22	-	-	-	-	250
Intermediate sources	-	-	-	-	-	-	-
State sources	-	-	-	-	-	-	-
Federal sources	-	-	-	-	-	-	-
Other	-	-	-	-	31,045	52,879	-
Total receipts	<u>3,611</u>	<u>22</u>	<u>-</u>	<u>-</u>	<u>31,045</u>	<u>52,879</u>	<u>250</u>
Disbursements:							
Current:							
Instruction	-	-	-	11,694	30,779	-	117
Support services	-	-	-	-	-	43,576	-
Noninstructional services	-	-	-	-	-	-	-
Facilities acquisition and construction	3,611	-	-	-	-	-	-
Debt services	-	-	-	-	-	-	-
Nonprogrammed charges	-	-	-	500	-	-	-
Total disbursements	<u>3,611</u>	<u>-</u>	<u>-</u>	<u>12,194</u>	<u>30,779</u>	<u>43,576</u>	<u>117</u>
Excess (deficiency) of receipts over disbursements	<u>-</u>	<u>22</u>	<u>-</u>	<u>(12,194)</u>	<u>266</u>	<u>9,303</u>	<u>133</u>
Other financing sources (uses):							
Proceeds of long-term debt	-	-	-	-	-	-	-
Transfers in	-	-	-	-	-	-	-
Transfers out	-	-	-	-	-	-	-
Total other financing sources (uses)	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Excess (deficiency) of receipts and other financing sources over disbursements and other financing uses	<u>-</u>	<u>22</u>	<u>-</u>	<u>(12,194)</u>	<u>266</u>	<u>9,303</u>	<u>133</u>
Cash and investments - ending	<u>\$ -</u>	<u>\$ 8,350</u>	<u>\$ 19,833</u>	<u>\$ (7)</u>	<u>\$ 266</u>	<u>\$ 61,654</u>	<u>\$ 133</u>

HUNTINGTON COUNTY 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)

	Ecolab Grant I	Ecolab Grant II	Ecolab Grant - June 2010	Ecolab Grant 2011	High Ability Grant 09/10	High Ability Grant 2010-2011	High Ability Grant 2011-12
Cash and investments - beginning	\$ 586	\$ 1,357	\$ 2,727	\$ -	\$ (183)	\$ 12,296	\$ -
Receipts:							
Local sources	-	-	-	34,208	-	-	-
Intermediate sources	-	-	-	-	-	-	-
State sources	-	-	-	-	183	40	48,799
Federal sources	-	-	-	-	-	-	-
Other	-	-	-	-	-	-	-
Total receipts	-	-	-	34,208	183	40	48,799
Disbursements:							
Current:							
Instruction	-	-	38	24,636	-	12,336	32,579
Support services	-	-	-	-	-	-	-
Noninstructional services	-	-	-	-	-	-	-
Facilities acquisition and construction	-	-	-	-	-	-	-
Debt services	-	-	-	-	-	-	-
Nonprogrammed charges	-	-	-	-	-	-	-
Total disbursements	-	-	38	24,636	-	12,336	32,579
Excess (deficiency) of receipts over disbursements	-	-	(38)	9,572	183	(12,296)	16,220
Other financing sources (uses):							
Proceeds of long-term debt	-	-	-	-	-	-	-
Transfers in	-	-	-	-	-	-	-
Transfers out	-	-	-	-	-	-	-
Total other financing sources (uses)	-	-	-	-	-	-	-
Excess (deficiency) of receipts and other financing sources over disbursements and other financing uses	-	-	(38)	9,572	183	(12,296)	16,220
Cash and investments - ending	<u>\$ 586</u>	<u>\$ 1,357</u>	<u>\$ 2,689</u>	<u>\$ 9,572</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 16,220</u>

HUNTINGTON COUNTY 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)

	Education Technology Common School	Scholarships and Awards	Title III	Non-English Speaking Programs 10/11	NESP Grant 2011-12	School Technology	State Connectivity Technology
Cash and investments - beginning	\$ -	\$ 345	\$ -	\$ 963	\$ -	\$ 106,898	\$ -
Receipts:							
Local sources	-	-	2,114	-	-	-	-
Intermediate sources	-	-	-	-	-	-	-
State sources	-	-	-	-	2,444	55,274	1,603
Federal sources	-	-	-	-	-	-	-
Other	-	-	-	-	-	-	-
Total receipts	-	-	2,114	-	2,444	55,274	1,603
Disbursements:							
Current:							
Instruction	-	-	-	-	-	-	-
Support services	298,365	342	-	963	1,594	137,278	-
Noninstructional services	-	-	-	-	-	-	-
Facilities acquisition and construction	-	-	-	-	-	-	-
Debt services	-	-	-	-	-	-	-
Nonprogrammed charges	-	-	-	-	-	-	-
Total disbursements	298,365	342	-	963	1,594	137,278	-
Excess (deficiency) of receipts over disbursements	(298,365)	(342)	2,114	(963)	850	(82,004)	1,603
Other financing sources (uses):							
Proceeds of long-term debt	548,892	-	-	-	-	-	-
Transfers in	-	-	-	-	-	-	-
Transfers out	-	-	-	-	-	-	-
Total other financing sources (uses)	548,892	-	-	-	-	-	-
Excess (deficiency) of receipts and other financing sources over disbursements and other financing uses	250,527	(342)	2,114	(963)	850	(82,004)	1,603
Cash and investments - ending	\$ 250,527	\$ 3	\$ 2,114	\$ -	\$ 850	\$ 24,894	\$ 1,603

HUNTINGTON COUNTY 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)

	Ebay - Technology	Viking New Tech - VNT	Schwab - Navigation 101-VNT	New Tech HNHS	New Tech-Univ. of Indy - Cell	Talent Initiative Community Foundation	Horace Mann Preschool
Cash and investments - beginning	\$ -	\$ 155	\$ -	\$ 233	\$ 34,789	\$ 50,500	\$ -
Receipts:							
Local sources	-	-	-	-	-	30,000	-
Intermediate sources	-	-	-	-	-	-	-
State sources	-	-	6,000	-	-	-	-
Federal sources	-	-	-	-	-	-	-
Other	250	5,050	-	-	-	-	1,516
Total receipts	<u>250</u>	<u>5,050</u>	<u>6,000</u>	<u>-</u>	<u>-</u>	<u>30,000</u>	<u>1,516</u>
Disbursements:							
Current:							
Instruction	-	645	4,490	-	-	-	1,380
Support services	103	-	-	30,000	34,773	23,598	-
Noninstructional services	-	-	-	-	-	-	-
Facilities acquisition and construction	-	-	-	-	-	-	-
Debt services	-	-	-	-	-	-	-
Nonprogrammed charges	-	-	-	-	-	-	-
Total disbursements	<u>103</u>	<u>645</u>	<u>4,490</u>	<u>30,000</u>	<u>34,773</u>	<u>23,598</u>	<u>1,380</u>
Excess (deficiency) of receipts over disbursements	<u>147</u>	<u>4,405</u>	<u>1,510</u>	<u>(30,000)</u>	<u>(34,773)</u>	<u>6,402</u>	<u>136</u>
Other financing sources (uses):							
Proceeds of long-term debt	-	-	-	-	-	-	-
Transfers in	-	-	-	30,000	-	-	-
Transfers out	-	-	-	-	-	(30,000)	-
Total other financing sources (uses)	<u>-</u>	<u>-</u>	<u>-</u>	<u>30,000</u>	<u>-</u>	<u>(30,000)</u>	<u>-</u>
Excess (deficiency) of receipts and other financing sources over disbursements and other financing uses	<u>147</u>	<u>4,405</u>	<u>1,510</u>	<u>-</u>	<u>(34,773)</u>	<u>(23,598)</u>	<u>136</u>
Cash and investments - ending	<u>\$ 147</u>	<u>\$ 4,560</u>	<u>\$ 1,510</u>	<u>\$ 233</u>	<u>\$ 16</u>	<u>\$ 26,902</u>	<u>\$ 136</u>

HUNTINGTON COUNTY 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)

	Vectren Utility	School Improvement Lincoln 10/11	Title I 2010-11 Grant	Title I 2011-12 Grant	P.L. 100-297 Delinquent Child 05/06	IDEA Part B 2008/2009	IDEA Part B 2009/2010
Cash and investments - beginning	\$ -	\$ 13,167	\$ (2,683)	\$ -	\$ 132	\$ 3,106	\$ (17,504)
Receipts:							
Local sources	-	-	-	-	-	-	-
Intermediate sources	-	-	-	-	-	-	-
State sources	-	-	-	-	-	-	-
Federal sources	-	8,431	142,098	559,756	-	-	192,067
Other	23,646	-	-	-	-	-	-
Total receipts	<u>23,646</u>	<u>8,431</u>	<u>142,098</u>	<u>559,756</u>	<u>-</u>	<u>-</u>	<u>192,067</u>
Disbursements:							
Current:							
Instruction	-	-	89,316	496,058	-	-	24,021
Support services	21,795	20,271	46,958	130,396	-	-	150,538
Noninstructional services	-	-	3,141	6,263	-	-	-
Facilities acquisition and construction	-	-	-	-	-	-	-
Debt services	-	-	-	-	-	-	-
Nonprogrammed charges	-	1,327	-	-	-	-	-
Total disbursements	<u>21,795</u>	<u>21,598</u>	<u>139,415</u>	<u>632,717</u>	<u>-</u>	<u>-</u>	<u>174,559</u>
Excess (deficiency) of receipts over disbursements	<u>1,851</u>	<u>(13,167)</u>	<u>2,683</u>	<u>(72,961)</u>	<u>-</u>	<u>-</u>	<u>17,508</u>
Other financing sources (uses):							
Proceeds of long-term debt	-	-	-	-	-	-	-
Transfers in	-	-	-	-	-	-	-
Transfers out	-	-	-	-	-	-	-
Total other financing sources (uses)	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Excess (deficiency) of receipts and other financing sources over disbursements and other financing uses	<u>1,851</u>	<u>(13,167)</u>	<u>2,683</u>	<u>(72,961)</u>	<u>-</u>	<u>-</u>	<u>17,508</u>
Cash and investments - ending	<u>\$ 1,851</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ (72,961)</u>	<u>\$ 132</u>	<u>\$ 3,106</u>	<u>\$ 4</u>

HUNTINGTON COUNTY 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)

	IDEA Part B 2010-2011 Grant	IDEA Part B 2011-12 Interpreter	Preschool 2010-11 Grant	Preschool Part B IDEA (619)	Adult ED Impact Family/ Children	State Reimb. Adult ED 2010-11	Adult Education State 2011-12
Cash and investments - beginning	\$ 22,278	\$ -	\$ (6,846)	\$ -	\$ 8,923	\$ (16,698)	\$ -
Receipts:							
Local sources	-	-	-	-	-	-	-
Intermediate sources	-	-	-	-	-	-	-
State sources	-	-	-	-	-	-	-
Federal sources	425,030	907,173	9,476	34,028	-	30,018	11,392
Other	-	-	-	-	-	-	-
Total receipts	<u>425,030</u>	<u>907,173</u>	<u>9,476</u>	<u>34,028</u>	<u>-</u>	<u>30,018</u>	<u>11,392</u>
Disbursements:							
Current:							
Instruction	220,003	483,345	2,635	37,127	-	1,567	19,750
Support services	231,676	508,395	-	-	99	785	-
Noninstructional services	-	-	-	-	-	-	-
Facilities acquisition and construction	-	-	-	-	-	-	-
Debt services	-	-	-	-	-	-	-
Nonprogrammed charges	-	-	-	-	-	-	-
Total disbursements	<u>451,679</u>	<u>991,740</u>	<u>2,635</u>	<u>37,127</u>	<u>99</u>	<u>2,352</u>	<u>19,750</u>
Excess (deficiency) of receipts over disbursements	<u>(26,649)</u>	<u>(84,567)</u>	<u>6,841</u>	<u>(3,099)</u>	<u>(99)</u>	<u>27,666</u>	<u>(8,358)</u>
Other financing sources (uses):							
Proceeds of long-term debt	-	-	-	-	-	-	-
Transfers in	-	-	-	-	-	-	-
Transfers out	-	-	-	-	-	-	-
Total other financing sources (uses)	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Excess (deficiency) of receipts and other financing sources over disbursements and other financing uses	<u>(26,649)</u>	<u>(84,567)</u>	<u>6,841</u>	<u>(3,099)</u>	<u>(99)</u>	<u>27,666</u>	<u>(8,358)</u>
Cash and investments - ending	<u>\$ (4,371)</u>	<u>\$ (84,567)</u>	<u>\$ (5)</u>	<u>\$ (3,099)</u>	<u>\$ 8,824</u>	<u>\$ 10,968</u>	<u>\$ (8,358)</u>

HUNTINGTON COUNTY 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)

	Adult Ed Federal Grant 08/09	Adult Ed Federal Grant 10/11	Adult Ed Federal Grant 11/12	Safe & Drug-Free Schools 2009-10	Medicaid Reimbursement - Federal	Title II (A) Improving Teacher Quality	Title II Part A - 09/10 Grant
Cash and investments - beginning	\$ (896)	\$ 2,141	\$ -	\$ (945)	\$ 6,228	\$ 505	\$ 27,364
Receipts:							
Local sources	-	-	-	-	-	-	-
Intermediate sources	-	-	-	-	-	-	-
State sources	-	-	-	-	-	-	-
Federal sources	-	1,269	8,381	-	-	-	-
Other	-	-	-	-	-	-	-
Total receipts	-	1,269	8,381	-	-	-	-
Disbursements:							
Current:							
Instruction	-	3,442	620	437	-	-	-
Support services	-	1,118	19,159	-	-	505	27,364
Noninstructional services	-	-	-	-	-	-	-
Facilities acquisition and construction	-	-	-	-	-	-	-
Debt services	-	-	-	-	-	-	-
Nonprogrammed charges	-	-	-	-	-	-	-
Total disbursements	-	4,560	19,779	437	-	505	27,364
Excess (deficiency) of receipts over disbursements	-	(3,291)	(11,398)	(437)	-	(505)	(27,364)
Other financing sources (uses):							
Proceeds of long-term debt	-	-	-	-	-	-	-
Transfers in	-	-	-	-	-	-	-
Transfers out	-	-	(908)	-	-	-	-
Total other financing sources (uses)	-	-	(908)	-	-	-	-
Excess (deficiency) of receipts and other financing sources over disbursements and other financing uses	-	(3,291)	(12,306)	(437)	-	(505)	(27,364)
Cash and investments - ending	\$ (896)	\$ (1,150)	\$ (12,306)	\$ (1,382)	\$ 6,228	\$ -	\$ -

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

	Title II, Part A 2010-2011	Title I - Grants to LEAs	Special Education - Part B	Special Education - Part B - Preschool	Education Technology Stimulus	Payroll Clearing Account	American Fidelity
Cash and investments - beginning	\$ (957)	\$ 248	\$ 17,407	\$ 681	\$ 1,857	\$ 145,259	\$ 45,378
Receipts:							
Local sources	-	-	-	-	-	-	-
Intermediate sources	-	-	-	-	-	-	-
State sources	-	-	-	-	-	-	-
Federal sources	137,769	46,137	375,624	7,252	98,668	-	-
Other	-	-	-	-	-	-	460,026
Total receipts	<u>137,769</u>	<u>46,137</u>	<u>375,624</u>	<u>7,252</u>	<u>98,668</u>	<u>-</u>	<u>460,026</u>
Disbursements:							
Current:							
Instruction	-	48,322	201,419	9,021	-	-	-
Support services	158,216	190	191,612	(1,088)	101,144	-	-
Noninstructional services	-	1,207	-	-	-	-	-
Facilities acquisition and construction	-	-	-	-	-	-	-
Debt services	-	-	-	-	-	-	-
Nonprogrammed charges	-	-	-	-	-	-	505,661
Total disbursements	<u>158,216</u>	<u>49,719</u>	<u>393,031</u>	<u>7,933</u>	<u>101,144</u>	<u>-</u>	<u>505,661</u>
Excess (deficiency) of receipts over disbursements	<u>(20,447)</u>	<u>(3,582)</u>	<u>(17,407)</u>	<u>(681)</u>	<u>(2,476)</u>	<u>-</u>	<u>(45,635)</u>
Other financing sources (uses):							
Proceeds of long-term debt	-	-	-	-	-	-	-
Transfers in	-	-	-	-	-	-	-
Transfers out	-	-	-	-	-	-	-
Total other financing sources (uses)	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Excess (deficiency) of receipts and other financing sources over disbursements and other financing uses	<u>(20,447)</u>	<u>(3,582)</u>	<u>(17,407)</u>	<u>(681)</u>	<u>(2,476)</u>	<u>-</u>	<u>(45,635)</u>
Cash and investments - ending	<u>\$ (21,404)</u>	<u>\$ (3,334)</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ (619)</u>	<u>\$ 145,259</u>	<u>\$ (257)</u>

HUNTINGTON COUNTY 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)

	Federal & Social Security Withholding	State & County Withholding	Teachers Retirement	PERF	Health Insurance	Annuities	Life & Disability Insurance
Cash and investments - beginning	\$ (1,521)	\$ 118,197	\$ (240)	\$ 15,087	\$ 193,981	\$ (19,504)	\$ 6,695
Receipts:							
Local sources	-	-	-	-	-	-	-
Intermediate sources	-	-	-	-	-	-	-
State sources	-	-	-	-	-	-	-
Federal sources	-	-	-	-	-	-	-
Other	4,217,214	1,303,440	201,210	20,699	1,566,619	905,057	1,285
Total receipts	4,217,214	1,303,440	201,210	20,699	1,566,619	905,057	1,285
Disbursements:							
Current:							
Instruction	-	-	-	-	-	-	-
Support services	-	-	-	-	-	-	-
Noninstructional services	-	-	-	-	-	-	-
Facilities acquisition and construction	-	-	-	-	-	-	-
Debt services	-	-	-	-	-	-	-
Nonprogrammed charges	4,220,004	1,317,784	111,034	21,420	1,565,617	904,941	-
Total disbursements	4,220,004	1,317,784	111,034	21,420	1,565,617	904,941	-
Excess (deficiency) of receipts over disbursements	(2,790)	(14,344)	90,176	(721)	1,002	116	1,285
Other financing sources (uses):							
Proceeds of long-term debt	-	-	-	-	-	-	-
Transfers in	-	-	-	-	-	-	-
Transfers out	-	-	-	-	-	-	-
Total other financing sources (uses)	-	-	-	-	-	-	-
Excess (deficiency) of receipts and other financing sources over disbursements and other financing uses	(2,790)	(14,344)	90,176	(721)	1,002	116	1,285
Cash and investments - ending	\$ (4,311)	\$ 103,853	\$ 89,936	\$ 14,366	\$ 194,983	\$ (19,388)	\$ 7,980

HUNTINGTON COUNTY 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)

	Union Dues	United Way	Child Support	Garnishments	Textbook Rental Recovery	Fringe Benefits	Totals
Cash and investments - beginning	\$ 16,058	\$ (16,051)	\$ -	\$ (41)	\$ 46	\$ (7,306)	\$ 11,858,470
Receipts:							
Local sources	-	-	-	-	-	-	14,683,552
Intermediate sources	-	-	-	-	-	-	21,747
State sources	-	-	-	-	-	-	34,113,792
Federal sources	-	-	-	-	-	-	4,393,371
Other	149,407	38,726	24,972	57,319	-	23,949	9,303,382
Total receipts	149,407	38,726	24,972	57,319	-	23,949	62,515,844
Disbursements:							
Current:							
Instruction	-	-	-	-	-	-	26,640,316
Support services	-	-	-	-	-	-	19,531,257
Noninstructional services	-	-	-	-	-	-	3,219,932
Facilities acquisition and construction	-	-	-	-	-	-	922,917
Debt services	-	-	-	-	-	-	5,442,898
Nonprogrammed charges	149,407	38,726	24,972	57,274	-	25,766	8,944,433
Total disbursements	149,407	38,726	24,972	57,274	-	25,766	64,701,753
Excess (deficiency) of receipts over disbursements	-	-	-	45	-	(1,817)	(2,185,909)
Other financing sources (uses):							
Proceeds of long-term debt	-	-	-	-	-	-	548,892
Transfers in	-	-	-	-	-	-	131,056
Transfers out	-	-	-	-	-	-	(131,056)
Total other financing sources (uses)	-	-	-	-	-	-	548,892
Excess (deficiency) of receipts and other financing sources over disbursements and other financing uses	-	-	-	45	-	(1,817)	(1,637,017)
Cash and investments - ending	\$ 16,058	\$ (16,051)	\$ -	\$ 4	\$ 46	\$ (9,123)	\$ 10,221,453

HUNTINGTON COUNTY COMMUNITY SCHOOL CORPORATION
 SUPPLEMENTARY INFORMATION
 SCHEDULE OF LONG-TERM DEBT
 June 30, 2012

The School Corporation has entered into the following debt:

Description of Debt	Ending Principal Balance	Principal and Interest Due Within One Year
Governmental activities:		
Capital leases:		
Huntington Countywide School Building Corporation I	\$ 6,310,000	\$ 1,224,000
Huntington Countywide School Building Corporation II	29,030,000	3,017,030
Notes and loans payable		
Common School Fund Loans	2,152,506	519,673
Energy Savings Loan	92,369	95,667
Bonds payable:		
General obligation bonds:		
Pension Bonds	<u>1,875,000</u>	<u>680,252</u>
Total governmental activities debt	<u><u>\$ 39,459,875</u></u>	<u><u>\$ 5,536,622</u></u>

HUNTINGTON COUNTY COMMUNITY SCHOOL CORPORATION
AUDIT RESULTS AND COMMENTS

BANK ACCOUNT RECONCILIATIONS

The School Corporation's records indicated that the June 30, 2012 depository balances were reconciled to the fund balances; however, a \$4,000 bank account was not included with the depository balances. Therefore, the depository balances actually exceeded the fund balances by \$4,000. Various posting errors were not detected, or were not properly corrected including: duplicate postings of both receipts and disbursements, redeposit of an NSF check posted as a receipt, miscellaneous bank debits not posted, and a disbursement reclassification posted as a receipt. As a result, balancing adjustments of \$1,714 and \$650 were posted as disbursements to the general fund in November 2011 and June 2012, respectively. A similar comment appeared in prior Report B38424.

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."

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 Indiana Public School Corporations, Chapter 9)

CONDITION OF RECORDS

The School Corporation's fund ledger for June 2012 was not internally consistent. Beginning balances, plus receipts, less disbursements, exceeded the ending balance by \$1,310. This was caused by an adjustment to the balance of the Adult Ed Federal Grant 11/12 Fund that did not flow through disbursements.

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)

INTERNAL CONTROLS OVER FINANCIAL TRANSACTIONS AND REPORTING

We noted the following deficiencies in the internal control system of the School Corporation related to financial transactions and reporting. We believe the following deficiencies constitute material weaknesses:

1. Lack of Segregation of Duties: Control activities should be selected and developed at various levels of the School Corporation to reduce risks to the achievement of financial reporting objectives. The School Corporation has not separated incompatible activities related to bank reconciliations and adjustments. The failure to establish these controls could enable material misstatements or irregularities to remain undetected.
2. Monitoring of Controls: Effective internal control over financial reporting requires the School Board to monitor and assess the quality of the School Corporation's system of internal control. The School Board has not established written internal control policies or performed an ongoing or separate evaluation of their system of internal controls. The failure to exercise their oversight responsibility places the School Corporation at risk that controls may not be designed or operating effectively to provide reasonable assurance that controls will prevent or detect material misstatements in a timely manner.

HUNTINGTON COUNTY COMMUNITY SCHOOL CORPORATION
AUDIT RESULTS AND COMMENTS
(Continued)

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.

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)

FEDERAL EXPENDITURES FOR UNALLOWABLE ACTIVITIES

The School Corporation expended \$1,078,715 from the Education Jobs Fund, of which \$8,642 was used to pay five central administrative office employees for one pay period.

Public Law No. 111-226 under Title I, Education Jobs Fund Section 101 states in part: "(5) . . . funds awarded to local educational agencies . . . (B) may not be used for general administrative expenses . . ."

Political subdivisions are required to comply with all grant agreements, rules, regulations, bulletins, directives, letters, letter rulings and filing requirements concerning reports and other procedural matters of federal and state agencies, including opinions of the Attorney General of the State of Indiana, and court decisions. Governmental units should file accurate reports required by federal and state agencies. Noncompliance may require corrective action. (Accounting and Uniform Compliance Guidelines Manual for Indiana Public School Corporations, Chapter 9)

FEDERAL AND STATE AGENCIES - COMPLIANCE REQUIREMENTS

Equipment purchased with federal special education funds was not always included on the School Corporation's capital asset records. Federal program requirements require the School Corporation to maintain a record of equipment purchased with federal funds in order to properly apply any proceeds from the disposal of such equipment.

Political subdivisions are required to comply with all grant agreements, rules, regulations, bulletins, directives, letters, letter rulings and filing requirements concerning reports and other procedural matters of federal and state agencies, including opinions of the Attorney General of the State of Indiana, and court decisions. Governmental units should file accurate reports required by federal and state agencies. Noncompliance may require corrective action. (Accounting and Uniform Compliance Guidelines Manual for Indiana Public School Corporations, Chapter 9)

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SUPPLEMENTAL AUDIT OF
FEDERAL AWARDS



STATE OF INDIANA
AN EQUAL OPPORTUNITY EMPLOYER

STATE BOARD OF ACCOUNTS
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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 HUNTINGTON COUNTY COMMUNITY
SCHOOL CORPORATION, HUNTINGTON COUNTY, INDIANA

Compliance

We have audited the Huntington County 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. However the results of our auditing procedures disclosed instances of noncompliance with those requirements which are required to be reported in accordance with OMB Circular A-133 and which are described in the accompanying Schedule of Findings and Questioned Costs as items 2012-3 and 2012-4.

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

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)

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.

Our consideration of internal control over compliance was for the limited purpose described in the preceding paragraph and was not designed to identify all deficiencies in internal control over compliance that might be significant deficiencies, or material weaknesses and therefore, there is no assurance that all deficiencies, significant deficiencies, or material weaknesses have been identified. However, as discussed below, we identified certain deficiencies in internal control over compliance that we consider to be material weaknesses and other deficiencies that we consider to be significant deficiencies.

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. We consider the deficiencies in internal control over compliance described in the accompanying Schedule of Findings and Questioned Costs as items 2012-2 and 2012-3 to be material weaknesses.

A significant deficiency in internal control over compliance is a deficiency, or combination of deficiencies, in internal control over compliance with a type of compliance requirement of a federal program that is less severe than a material weakness in internal control over compliance, yet important enough to merit attention by those charged with governance. We consider the deficiencies in internal control over compliance described in the accompanying Schedule of Findings and Questioned Costs as item 2012-4, to be significant deficiencies.

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

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

STATE BOARD OF ACCOUNTS

February 18, 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.

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

Federal Grantor Agency/Pass-Through Entity Cluster Title/Program Title/Project Title	Federal CFDA Number	Pass-Through Entity (or Other) Identifying Number	Total Federal Awards Expended 06-30-11	Total Federal Awards Expended 06-30-12
<u>U.S. DEPARTMENT OF AGRICULTURE</u>				
Pass-Through Indiana Department of Education				
Child Nutrition Cluster				
School Breakfast Program	10.553			
		FY 10-11	\$ 303,140	\$ -
		FY 11-12	-	325,877
Total for program			303,140	325,877
National School Lunch Program	10.555			
		FY 10-11	1,258,109	-
		FY 11-12	-	1,244,134
Total for program			1,258,109	1,244,134
Summer Food Service Program for Children	10.559			
		FY 10-11	46,479	-
		FY 11-12	-	44,624
Total for program			46,479	44,624
Total for cluster			1,607,728	1,614,635
Fresh Fruit and Vegetable Program	10.582			
		FY 10-11	21,658	-
		FY 11-12	-	20,211
Total for program			21,658	20,211
Total for federal grantor agency			1,629,386	1,634,846
<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			
School Improvement		10-3625	36,393	-
School Improvement		11-3625	73,949	21,597
Regular funding		10-3625	88,791	-
Regular funding		11-3625	648,128	139,415
Regular funding		12-3625	-	559,756
Total for program			847,261	720,768
ARRA - Title I Grants to Local Educational Agencies, Recovery Act Stimulus funding	84.389			
			164,158	46,386
Total for cluster			1,011,419	767,154
Special Education Cluster (IDEA)				
Special Education - Grants to States	84.027			
		14209-029-PY02	64,675	-
		14210-029-PN01	344,007	174,563
		14211-029-PN01	1,511,733	447,306
		14212-029-PN01	-	907,173
Total for program			1,920,415	1,529,042

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

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

Federal Grantor Agency/Pass-Through Entity Cluster Title/Program Title/Project Title	Federal CFDA Number	Pass-Through Entity (or Other) Identifying Number	Total Federal Awards Expended 06-30-11	Total Federal Awards Expended 06-30-12
<u>U.S. DEPARTMENT OF EDUCATION (continued)</u>				
Pass-Through Indiana Department of Education (continued) Special Education - Preschool Grants	84.173			
		45710-029-PN01	9,548	-
		45711-029-PN01	79,514	2,630
		45712-029-PN01	-	34,028
Total for program			<u>89,062</u>	<u>36,658</u>
ARRA - Special Education - Grants to States, Recovery Act	84.391	33310-029-SN01	548,467	393,031
ARRA - Special Education - Preschool Grants, Recovery Act	84.392	44410-029-SN01	30,503	7,934
Total for cluster			<u>2,588,447</u>	<u>1,966,665</u>
Educational Technology State Grants Cluster ARRA - Education Technology State Grants, Recovery Act	84.386	S386A090014	120,116	100,524
Total for cluster			<u>120,116</u>	<u>100,524</u>
Pass-Through Fort Wayne Community Schools Adult Education - Basic Grants to States	84.002			
		Project FY 08	3,275	-
		Project FY 09	13,571	-
		Project FY 10	9,914	-
		Project FY 11	22,198	2,435
Pass-Through Indiana Department of Workforce Development Adult Education - Basic Grants to States	84.002	Project FY 12	-	8,381
Total for program			<u>48,958</u>	<u>10,816</u>
Pass-Through Indiana Department of Education Safe and Drug-Free Schools and Communities - State Grants	84.186			
		3625-07	3,503	-
		09-3625	7,437	-
Total for program			<u>10,940</u>	<u>-</u>
Pass-Through Indiana Department of Workforce Development Tech-Prep Education	84.243	C1-10-PLTW-9-108	2,890	-
Pass-Through Indiana Department of Education Improving Teacher Quality State Grants	84.367			
		08-3625	10,805	504
		09-3625	212,900	27,365
		10-3625	32,113	136,811
Total for program			<u>255,818</u>	<u>164,680</u>
Grants for State Assessments and Related Activities	84.369	2010-2011	500	-
Education Jobs Fund	84.410	3625	1,078,715	-
Total for federal grantor agency			<u>5,117,803</u>	<u>3,009,839</u>
Total federal awards expended			<u>\$ 6,747,189</u>	<u>\$ 4,644,685</u>

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

HUNTINGTON COUNTY 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 Huntington County 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 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. Subrecipients

Of the federal expenditures presented in the schedule, the School Corporation provided federal awards to subrecipients as follows for the years ended June 30, 2011 and 2012:

Program Title	Federal CFDA Number	For the Year Ended June 30, 2011	For the Year Ended June 30, 2012
Special Education-Grants to States	84.027	\$ 84,700	\$ 25,000
Special Education-Preschool Grants	84.173	32,789	--
ARRA - Special Education-Grants to States, Recovery Act	84.391	268,965	179,310
ARRA - Education Technology State Grants, Recovery Act	84.386	54,786	54,214

Note 3. 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	For the Year Ended June 30, 2011	For the Year Ended June 30, 2012
Child Nutrition Cluster:			
Food Commodities:			
School Breakfast Program	10.553	\$ 31,040	\$ 35,537
National School Lunch Program	10.555	128,823	135,672
Totals for cluster		<u>\$ 159,863</u>	<u>\$ 171,209</u>

HUNTINGTON COUNTY COMMUNITY SCHOOL CORPORATION
SCHEDULE OF FINDINGS AND QUESTIONED COSTS

Section I – Summary of Auditor's Results

Financial Statement:

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

Federal Awards:

Internal control over major programs:	
Material weaknesses identified?	yes
Significant deficiencies identified?	yes
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?	yes

Identification of Major Programs:

CFDA Number	Name of Federal Program or Cluster
	Child Nutrition Cluster
84.367	Special Education Cluster (IDEA)
84.410	Improving Teacher Quality State Grants
	Education Jobs Fund

Dollar threshold used to distinguish between Type A and Type B programs: \$341,756

Auditee qualified as low-risk auditee? no

Section II – Financial Statement Findings

FINDING 2012-1 - INTERNAL CONTROLS OVER FINANCIAL TRANSACTIONS AND REPORTING

We noted the following deficiencies in the internal control system of the School Corporation related to financial transactions and reporting. We believe the following deficiencies constitute material weaknesses:

1. Lack of Segregation of Duties: Control activities should be selected and developed at various levels of the School Corporation to reduce risks to the achievement of financial reporting objectives. The School Corporation has not separated incompatible activities related to bank reconcilements and adjustments. The failure to establish these controls could enable material misstatements or irregularities to remain undetected.

HUNTINGTON COUNTY COMMUNITY SCHOOL CORPORATION
SCHEDULE OF FINDINGS AND QUESTIONED COSTS
(Continued)

2. **Monitoring of Controls:** Effective internal control over financial reporting requires the School Board to monitor and assess the quality of the School Corporation's system of internal control. The School Board has not established written internal control policies or performed an ongoing or separate evaluation of their system of internal controls. The failure to exercise their oversight responsibility places the School Corporation at risk that controls may not be designed or operating effectively to provide reasonable assurance that controls will prevent or detect material misstatements in a timely manner.

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.

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)

Section III – Federal Award Findings and Questioned Costs

FINDING 2012-2 - INTERNAL CONTROLS OVER COMPLIANCE REQUIREMENTS THAT HAVE A DIRECT AND MATERIAL EFFECT TO MAJOR PROGRAMS

Federal Agency: U.S. Department of Education

Federal Programs: Education Jobs Fund, CFDA Number: 84.410

Improving Teacher Quality State Grants, CFDA Number: 84.367

Project Numbers: 3625, 08-3625, 09-3625, 10-3625

Pass-Through Entity: Indiana Department of Education

Management of the School Corporation has not established an effective internal control system, which would include segregation of duties, related to the grant agreement and all of the compliance requirements that have a direct and material effect to the federal program. This includes the following compliance requirements; Allowable Activities and Allowable Costs. The failure to establish an effective internal control system places the School Corporation at risk of noncompliance with the grant agreement and the compliance requirements. A lack of segregation of duties within an internal control system could also allow the risk of noncompliance and allow the misuse and mismanagement of federal funds and assets by not having proper oversight, reviews, and approvals over the activities of the program.

An internal control system, including segregation of duties, should be designed and operate effectively to provide reasonable assurance that material noncompliance with the grant agreement or a type of compliance requirement of a federal program will be prevented, detected and corrected, on a timely basis. In order to have an effective internal control system, it is important to have proper segregation of duties. This is accomplished by making sure proper oversight, reviews, and approvals take place and to have a separation of functions over certain activities over compliance requirements. The fundamental premise of segregation of duties is that an individual or small group of individuals should not be in a position to initiate, approve, undertake, and review the same activity.

HUNTINGTON COUNTY COMMUNITY SCHOOL CORPORATION
SCHEDULE OF FINDINGS AND QUESTIONED COSTS
(Continued)

OMB Circular A-133, Subpart C, section .300 (b) states:

"The auditee shall: (b) Maintain internal control over Federal programs that provides reasonable assurance that the auditee is managing Federal awards in compliance with laws, regulations, and the provisions of contracts or grant agreements that could have a material effect on each of its Federal programs."

The failure to establish internal controls could enable material noncompliance to go undetected. Non-compliance of the grant agreement or the compliance requirements that have a direct and material effect to the programs could result in the loss of federal funds to the School Corporation.

We recommended that the School Corporation's management establish controls, including segregation of duties, related to the grant agreements and all compliance requirements that have a direct and material effect to the programs.

FINDING 2012-3 - EQUIPMENT RECORDS

Federal Agency: U.S. Department of Education

Federal Programs: Special Education - Grants to States, CFDA Number: 84.027

ARRA - Special Education - Grants to States, Recovery Act, CFDA Number: 84.391

Project Numbers: 14211-029-PN01, 14212-029-PN01, and 33310-029-SN01

Pass-Through Entity: Indiana Department of Education

The School Corporation's management did not implement internal control policies and procedures sufficient to ensure compliance with the equipment and real property management requirement applicable to federal funds of certain special education grants. The School Corporation's special services department maintained an equipment log; however, the log was not complete, did not include serial numbers or other identification numbers, listed multiple items in a single entry, and listed cost at budgeted amounts rather than actual amounts paid. Purchases charged to equipment budgets for the grant funds during the period from July 1, 2010 through June 30, 2012 totaled \$180,527. We tested fourteen items totaling \$113,797. Of the items tested, six items totaling \$64,718 were not included on the equipment log. The School Corporation did not provide any documentation to indicate that the School Corporation had performed a physical inventory of the special services equipment and compared it to the equipment log. The School Corporation contracts with a third party to maintain its capital asset records. The third party contractor's schedules do not include the equipment of the special services programs.

34CFR80.32(d) states:

"Management requirements. Procedures for managing equipment (including replacement equipment), whether acquired in whole or in part with grant funds, until disposition takes place will, as a minimum, meet the following requirements:

- (1) Property records must be maintained that include a description of the property, a serial number or other identification number, the source of property, who holds title, the acquisition date, and cost of the property, percentage of Federal participation in the cost of the property, the location, use and condition of the property, and any ultimate disposition data including the date of disposal and sale price of the property.
- (2) A physical inventory of the property must be taken and the results reconciled with the property records at least once every two years.

HUNTINGTON COUNTY COMMUNITY SCHOOL CORPORATION
SCHEDULE OF FINDINGS AND QUESTIONED COSTS
(Continued)

- (3) A control system must be developed to ensure adequate safeguards to prevent loss, damage, or theft of the property. Any loss, damage, or theft shall be investigated.
- (4) Adequate maintenance procedures must be developed to keep the property in good condition.
- (5) If the grantee or subgrantee is authorized or required to sell the property, proper sales procedures must be established to ensure the highest possible return."

The School Corporation experienced staff turnover and realignment of job duties among employees responsible for recording and monitoring the special services equipment log. At the same time, the School Corporation was ending its joint service agreement with Whitley County Consolidated Schools. These factors contributed to the failure to properly maintain equipment records. The School Corporation did not have procedures in place to ensure that all job responsibilities, including those for maintaining equipment records, were assigned in writing to specific employees.

Failure to comply with federal program requirements and requirements of the state pass-through agency could cause the School Corporation to forfeit the federal funds already received and jeopardize approval of future funding under federal assistance programs.

We recommended that the School Corporation develop and implement internal control policies and procedures to ensure that equipment records are maintained in accordance with federal requirements.

FINDING 2012-4 - UNALLOWABLE ACTIVITIES

Federal Agency: U.S. Department of Education
Federal Program: Education Jobs Fund
CFDA Number: 84.410
Federal Award Number and Year: 3625, FY 2011-2012
Pass-Through Entity: Indiana Department of Education

The School Corporation expended \$1,078,715 from the Education Jobs Fund for payroll related expenses over two pay periods. Of this amount, \$8,642 was used to pay five central administrative office employees for one pay period.

Public Law No. 111-226 under Title I, Education Jobs Fund Section 101 states in part: "(5) . . . funds awarded to local educational agencies . . . (B) may not be used for general administrative expenses . . ."

OMB Circular A-133, Subpart C, section .300 states:

"The auditee shall: . . . (b) Maintain internal control over Federal programs that provides reasonable assurance that the auditee is managing Federal awards in compliance with laws, regulations, and the provisions of contracts or grant agreements that could have a material effect on each of its Federal programs."

The School Corporation did not ensure that employees responsible for preparing and approving expenditures were familiar with the applicable sections of the Public Law and any related federal regulations.

HUNTINGTON COUNTY COMMUNITY SCHOOL CORPORATION
SCHEDULE OF FINDINGS AND QUESTIONED COSTS
(Continued)

Failure to comply with federal program requirements and requirements of the state pass-through agency could cause the School Corporation to forfeit the federal funds already received and jeopardize approval of future funding under federal assistance programs.

We recommended that the School Corporation review allowable activities with guidance from federal awarding agency and the Indiana Department of Education (the pass-through agency), and design and implement internal control procedures that will ensure that federal funds are not expended for unallowable activities.



Summary Schedule of Prior Audit Findings

Finding Number 2010-2011	
Original SBA Audit Report Number	B38424
Fiscal Year	July 1, 2008 to June 30, 2010
Auditee Contact Person	Jon Bennett
Title of Contact Person	Assistant Superintendent for Business
Phone Number	260-356-8312
Status of Finding	Completed

This communication is to inform you that the Huntington County Community School Corporation prepared and filed the Final Report of Expenditures within the guidelines of the Indiana Department of Education for CFDA Number 84.367, Federal Program: Improving Teacher Quality State Grants.

	<u>12/27/12</u>
Signature	Date

<i>Superintendent</i>	Tracey R. Shafer
<i>Assistant Superintendent for Business/Classified Staff</i>	Jon O. Bennett
<i>Assistant Superintendent for Instruction</i>	Charles R. Grable

February 15, 2013

Indiana State Board of Accounts
302 West Washington Street Room E418
Indianapolis, Indiana 46204

RE: Corrective Action Plan

FINDING 2012-1-INTERNAL CONTROLS OVER FINANCIAL
TRANSACTIONS AND REPORTING

Currently, the “unwritten” policy for addressing a balancing error is for the treasurer to seek approval from the Assistant Superintendent for Business when a fund adjustment is necessary. In turn, the treasurer is to write detailed notes to explain the situation and steps taken to correct the balancing error in order to move from one month to the next. HCCSC will write a sample policy on monitoring of Controls for the Board of Trustees. This policy will include a statement that the Assistant Superintendent of Business will initial the notes.



FINDING NUMBER 2012-2 INTERNAL CONTROLS OVER
COMPLIANCE REQUIREMENTS THAT HAVE A DIRECT AND
MATERIAL EFFECT ON MAJOR PROGRAMS

Federal Agency: U.S. Department of Education
Federal Programs: Education Jobs Fund, DFDA Number 84.410
Improving Teacher Quality State Grants, CFDA
Number: 84.367
Project Numbers: 3625, 08-3625, 09-3625, 10-3625
Pass Through Entity: Indiana Department of Education

Currently, the “unwritten” policy for addressing a balancing error is for the treasurer to seek approval from the Assistant Superintendent for Business when a fund adjustment is necessary. In turn, the treasurer is to write detailed notes to explain the situation and steps taken to correct the balancing error in order to move from one month to the next. HCCSC will write a sample policy on monitoring of Controls for the Board of Trustees. This policy will include a statement that the Assistant Superintendent of Business will initial the notes.

Superintendent Tracey R. Shafer
Assistant Superintendent for Business/Classified Staff Jon O. Bennett
Assistant Superintendent for Instruction Charles R. Grable

HUNTINGTON COUNTY COMMUNITY SCHOOL CORPORATION
EXIT CONFERENCE

The contents of this report were discussed on February 18, 2013, with Tracey R. Shafer, Superintendent of Schools; Charles R. Grable, Assistant Superintendent for Instruction; Jon O. Bennett, Assistant Superintendent for Business; Edette Eckert, Treasurer; and Kevin E. Patrick, President of the School Board. The Official Response has been made a part of this report and may be found on pages 66 and 67.

February 15, 2013

Indiana State Board of Accounts
302 West Washington Street Room E418
Indianapolis, Indiana 46204

HCCSC RESPONSE

BANK ACCOUNT RECONCILIATIONS

This comment uncovered a situation where a balance discrepancy was noticed locally in 2010 and an adjustment was made by the previous treasurer. The SBOA tracked the posting errors and helped HCCSC treasurer understand where the mistake originally occurred.

CONDITIONS OF RECORDS

Currently, the “unwritten” policy for addressing a balancing error is for the treasurer to seek approval from the Assistant Superintendent for Business when a fund adjustment is necessary and write detailed notes to explain the situation and steps taken to correct the balancing error in order to move from one month to the next. HCCSC will write a sample policy on monitoring of Controls for the Board of Trustees. This policy will include a statement that the Assistant Superintendent for Business will initial the notes.

FEDERAL EXPENDITURES FOR UNALLOWABLE ACTIVITIES

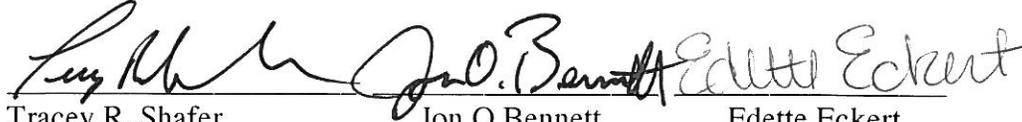
HCCSC established procedures before the audit began for all grants that includes a process to organize all application forms, acceptance letters, budgets, regulations for spending, and final reporting requirements. The payment of central office administrators was an internal communication error that was not intended to circumvent the Education Jobs fund.



Superintendent Tracey R. Shafer
Assistant Superintendent for Business/Classified Staff Jon O. Bennett
Assistant Superintendent for Instruction Charles R. Grable

FEDERAL AND STATE AGENCIES – COMPLIANCE REQUIREMENTS

The special education director is now required to include maintain an equipment inventory of all equipment items purchased for the district's fixed asset inventory



Tracey R. Shafer
Superintendent of Schools

Jon O Bennett
Assistant Superintendent
For Business

Edette Eckert
Treasurer