

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

FINANCIAL STATEMENT AND  
FEDERAL SINGLE AUDIT REPORT  
OF

COMMUNITY SCHOOL CORPORATION OF  
SOUTHERN HANCOCK COUNTY  
HANCOCK COUNTY, INDIANA

July 1, 2010 to June 30, 2012



**FILED**  
03/19/2013



## TABLE OF CONTENTS

<u>Description</u>	<u>Page</u>
Schedule of Officials .....	2
Independent Auditor's Report .....	3-4
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 .....	5-6
Financial Statement:	
Statement of Receipts, Disbursements, Other Financing Sources (Uses), and Cash and Investment Balances – Regulatory Basis .....	9
Notes to Financial Statement .....	10-14
Supplementary Information - Unaudited:	
Combining Schedules of Receipts, Disbursements, Other Financing Sources (Uses), and Cash and Investment Balances – Regulatory Basis .....	16-27
Supplemental Audit of Federal Awards:	
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 .....	30-31
Schedule of Expenditures of Federal Awards .....	34
Notes to Schedule of Expenditures of Federal Awards .....	35
Schedule of Findings and Questioned Costs .....	36
Auditee Prepared Schedule:	
Summary Schedule of Prior Audit Findings .....	37-38
Exit Conference .....	39

SCHEDULE OF OFFICIALS

<u>Office</u>	<u>Official</u>	<u>Term</u>
Treasurer	Robert L. Yoder	07-01-10 to 06-30-13
Superintendent of Schools	James M. Halik	07-01-10 to 06-30-13
President of the School Board	Brian McKinney William Niemier	07-01-10 to 12-31-11 01-01-12 to 12-31-13



**STATE OF INDIANA**  
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INDEPENDENT AUDITOR'S REPORT

TO: THE OFFICIALS OF THE COMMUNITY SCHOOL CORPORATION OF  
SOUTHERN HANCOCK COUNTY, HANCOCK COUNTY, INDIANA

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

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

As discussed in Note 1, the School Corporation prepares its financial statement on the prescribed basis of accounting that demonstrates compliance with the reporting requirements established by the State Board of Accounts as allowed by state statute (IC 5-11-1-6), which is a comprehensive basis of accounting other than accounting principles generally accepted in the United States of America. The effects on the financial statement of the variances between these regulatory accounting practices and accounting principles generally accepted in the United States of America, although not reasonably determinable, are presumed to be material. The basis of accounting noted above is a different basis than that used in the prior period.

In our opinion, because of the matter discussed in the preceding paragraph, the financial 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.

In accordance with Government Auditing Standards, we have also issued a report dated February 28, 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

INDEPENDENT AUDITOR'S REPORT  
(Continued)

and compliance and the results of that testing and not to provide an opinion on the internal control over financial reporting or on compliance. That report is an integral part of an audit performed in accordance with Government Auditing Standards and should be considered in assessing the results of our audit.

Our audit was conducted for the purpose of forming an opinion on the School Corporation's financial statement. The accompanying Schedule of Expenditures of Federal Awards is presented for purposes of additional analysis as required by the U.S. Office of Management and Budget Circular A-133, Audits of States, Local Governments, and Non-Profit Organizations, and is not a required part of the financial statement. Such information is the responsibility of management and was derived from and relates directly to the underlying accounting and other reports used to prepare the financial statement. The information has been subjected to the auditing procedures applied in the audit of the financial statement and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the financial statement or to the financial statement itself, and other additional procedures in accordance with auditing standards generally accepted in the United States of America. In our opinion, the Schedule of Expenditures of Federal Awards is fairly stated, in all material respects, in relation to the financial statement taken as a whole.

Our audit was conducted for the purpose of forming an opinion on the School Corporation's financial statement. The Combining Schedules of Receipts, Disbursements, Other Financing Sources (Uses), and Cash and Investment Balances – Regulatory Basis, 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.



Bruce Hartman  
State Examiner

February 28, 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 COMMUNITY SCHOOL CORPORATION OF  
SOUTHERN HANCOCK COUNTY, HANCOCK COUNTY, INDIANA

We have audited the financial statement of the Community School Corporation of Southern Hancock County (School Corporation), for the period of July 1, 2010 to June 30, 2012, and have issued our report thereon dated February 28, 2013, wherein we noted the School Corporation followed accounting practices the Indiana State Board of Accounts prescribes rather than accounting principles generally accepted in the United States of America. We conducted our audit in accordance with auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in Government Auditing Standards, issued by the Comptroller General of the United States.

Internal Control Over Financial Reporting

Management of the School Corporation is responsible for establishing and maintaining effective internal control over financial reporting. In planning and performing our audit, we considered the School Corporation's internal control over financial reporting as a basis for designing our auditing procedures for the purpose of expressing our opinion on the financial statement, but not for the purpose of expressing an opinion on the effectiveness of the School Corporation's internal control over financial reporting. Accordingly, we do not express an opinion on the effectiveness of the School Corporation's internal control over financial reporting.

A deficiency in internal control exists when the design or operation of a control does not allow management or employees, in the normal course of performing their assigned functions, to prevent or detect and correct misstatements on a timely basis. A material weakness is a deficiency, or combination of deficiencies in internal control, such that there is a reasonable possibility that a material misstatement of the entity's financial statement will not be prevented or detected and corrected on a timely basis.

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

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

Compliance and Other Matters

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

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



Bruce Hartman  
State Examiner

February 28, 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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COMMUNITY SCHOOL CORPORATION OF SOUTHERN HANCOCK COUNTY  
STATEMENT OF RECEIPTS, DISBURSEMENTS, OTHER FINANCING SOURCES (USES), AND CASH AND INVESTMENT BALANCES -  
REGULATORY BASIS  
For the Years Ended June 30, 2011 and 2012

	Cash and Investments 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	\$ 1,857,973	\$ 18,561,641	\$ 17,172,424	\$ 168,788	\$ 3,415,978	\$ 18,394,861	\$ 17,340,203	\$ 26	\$ 4,470,662
Debt Service	2,559,703	5,607,444	5,059,845	59,074	3,166,376	5,793,036	6,253,641	-	2,705,771
Retirement/Severance Bond Debt Service	9,358	469,349	428,205	-	50,502	505,189	433,476	-	122,215
Capital Projects	1,266,052	2,416,864	2,371,639	(145,392)	1,165,885	2,190,169	2,535,367	250	820,937
School Transportation	152,054	1,648,151	1,541,490	60,577	319,292	1,643,716	1,548,316	363	415,055
School Bus Replacement	228,886	89,021	-	-	317,907	-	245,389	-	72,518
Retirement/Severance Bond	302,250	-	20,573	-	281,677	-	12,890	-	268,787
Post-Retirement/Severance Future Benefits	263,885	68,757	11,433	-	321,209	68,904	37,623	-	352,490
School Lunch	330,432	1,533,360	1,553,829	-	309,963	1,509,663	1,556,209	-	263,417
Textbook Rental	324,838	287,768	337,267	-	275,339	284,437	74,269	-	485,507
Educational License Plates	2,033	450	-	-	2,483	394	-	-	2,877
SAFE School Haven	-	12,000	12,000	-	-	-	-	-	-
Sugar Creek Memorial Scholarship	917,484	10,641	10,308	-	917,817	5,119	1,005	-	921,931
Ben Moore Scholarship	13,238	1,998	1,000	-	14,236	1,680	-	-	15,916
Pepsi Scholarship	-	2,000	2,000	-	-	-	-	-	-
Scholarships	73	2,730	2,620	-	183	600	100	-	683
Miscellaneous Programs	-	-	-	-	-	1,443	-	-	1,443
Lilly 21st Century Science	-	2,500	-	-	2,500	-	2,500	-	-
Lilly KSM Science Grant	1,157	-	-	-	1,157	-	1,157	-	-
Lilly Volunteer Grant Program	-	500	-	-	500	-	144	-	356
Lilly LSEO Teach Grant 2009-10	304	-	299	-	5	-	5	-	-
Lilly LSEO Teach Grant 2010-11	-	1,005	982	-	23	-	23	-	-
Rotary Club Fund	680	-	-	-	680	-	47	-	633
Pepsi	30,000	10,000	15,400	-	24,600	30,000	10,400	-	44,200
East Central ED/LEP	-	57	-	-	57	191	-	-	248
Rolls-Royce Robotics	-	4,000	2,118	-	1,882	4,000	4,470	-	1,412
Outdoor Lab	-	10,000	3,115	-	6,885	82	5,283	-	1,684
Mac Math Grant	-	458	457	-	1	-	1	-	-
09-10 High Ability Grant	24,605	-	24,605	-	-	-	-	-	-
10-11 High Ability Grant	-	39,012	14,868	-	24,144	-	24,144	-	-
11-12 High Ability Grant	-	-	-	-	-	37,755	8,707	-	29,048
HCCF Grant 2010-2011	6,000	-	6,000	-	-	-	-	-	-
Non-English Speaking Programs P.L. 273-1999	323	-	35	-	288	-	-	-	288
School Technology	7,509	9,371	4,959	-	11,921	9,371	-	-	21,292
Access Indiana	2,500	-	2,450	-	50	-	-	-	50
Technology Planning Grant	-	-	-	-	-	-	-	-	-
Miscellaneous Programs	319	-	-	(319)	-	-	-	-	-
Tobacco Prevention & Cessation	-	500	497	-	3	-	3	-	-
08-09 Lilly LSEO Science	-	-	319	319	-	-	-	-	-
IU Grant/Asian Books	-	300	297	-	3	-	3	-	-
Excess PTRC Distributions	98,969	44,078	-	(143,047)	-	64,967	-	-	64,967
Title I 2009-2010	19,981	-	-	(19,981)	-	-	-	-	-
Title I 2010-2011	-	176,835	196,566	19,981	250	11,603	-	(11,853)	-
Title I 2011-2012	-	-	-	-	-	182,873	200,058	11,853	(5,332)
Readiness Emergency Mgmt Grant	-	9,037	9,037	-	-	25,322	25,322	-	-
Title IV-A Safe & Drug-Free	-	-	-	-	-	8,427	7,995	-	432
Indiana Pathway Tech Prep	-	-	-	-	-	12,748	12,748	-	-
Improving Teaching Quality, No Child Left, Title II, Part A	482	59,156	59,638	-	-	59,606	59,076	-	530
ITQ, Enhanced Education Through Technology, Title II, Part D	-	-	-	-	-	150,000	150,000	-	-
Special Education - Part B	22,344	96,302	118,646	-	-	-	-	-	-
Education Jobs	-	-	-	-	-	594,125	594,125	-	-
School Lunch Prepaid Clearing	28,524	7,330	-	-	35,854	1,142,482	1,131,286	-	47,050
Payroll Withholding	41,544	3,899,245	3,909,724	-	31,065	3,868,931	3,875,602	-	24,394
<b>Totals</b>	<b>\$ 8,513,500</b>	<b>\$ 35,081,860</b>	<b>\$ 32,894,645</b>	<b>\$ -</b>	<b>\$ 10,700,715</b>	<b>\$ 36,601,694</b>	<b>\$ 36,151,587</b>	<b>\$ 639</b>	<b>\$ 11,151,461</b>

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

COMMUNITY SCHOOL CORPORATION OF SOUTHERN HANCOCK COUNTY  
NOTES TO FINANCIAL STATEMENT

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

*A. Reporting Entity*

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

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

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

*B. Basis of Accounting*

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

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

*C. Cash and Investments*

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

*D. Receipts*

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

Local sources which include taxes, revenue from local governmental units other than school corporations, 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, 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.

COMMUNITY SCHOOL CORPORATION OF SOUTHERN HANCOCK COUNTY  
NOTES TO FINANCIAL STATEMENT  
(Continued)

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

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:

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

Transfers in which includes money received by one fund as a result of transferring money from another fund. The transfers are used for cash flow purposes as provided by various statutory provisions.

Transfers out which includes money paid by one fund to another fund. The transfers are used for cash flow purposes as provided by various statutory provisions.

COMMUNITY SCHOOL CORPORATION OF SOUTHERN HANCOCK COUNTY  
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.

COMMUNITY SCHOOL CORPORATION OF SOUTHERN HANCOCK COUNTY  
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

COMMUNITY SCHOOL CORPORATION OF SOUTHERN HANCOCK COUNTY  
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 one fund with a deficit in cash. This is a result of the fund being set up for a reimbursable grant.

## 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.

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

	General	Debt Service	Retirement/ Severance Bond Debt Service	Capital Projects	School Transportation	School Bus Replacement	Retirement/ Severance Bond	Post Retirement/ Severance Future Benefits	School Lunch
Cash and investments - beginning	\$ 1,857,973	\$ 2,559,703	\$ 9,358	\$ 1,266,052	\$ 152,054	\$ 228,886	\$ 302,250	\$ 263,885	\$ 330,432
Receipts:									
Local sources	492,153	5,434,925	451,349	2,416,864	1,647,996	89,021	-	68,757	1,199,519
Intermediate sources	-	-	-	-	-	-	-	-	-
State sources	18,066,574	172,519	18,000	-	-	-	-	-	23,327
Federal sources	-	-	-	-	-	-	-	-	309,287
Other	2,914	-	-	-	155	-	-	-	1,227
Total receipts	18,561,641	5,607,444	469,349	2,416,864	1,648,151	89,021	-	68,757	1,533,360
Disbursements:									
Current:									
Instruction	12,084,786	-	-	-	-	-	17,678	-	-
Support services	4,761,261	8,642	-	968,607	1,518,943	-	2,895	11,433	45,394
Noninstructional services	295,799	-	-	-	-	-	-	-	1,444,324
Facilities acquisition and construction	-	-	-	1,403,032	-	-	-	-	48,479
Debt services	-	5,051,203	428,205	-	-	-	-	-	-
Nonprogrammed charges	30,578	-	-	-	22,547	-	-	-	15,632
Total disbursements	17,172,424	5,059,845	428,205	2,371,639	1,541,490	-	20,573	11,433	1,553,829
Excess (deficiency) of receipts over disbursements	1,389,217	547,599	41,144	45,225	106,661	89,021	(20,573)	57,324	(20,469)
Other financing sources (uses):									
Transfers in	168,788	59,074	-	23,396	60,577	-	-	-	-
Transfers out	-	-	-	(168,788)	-	-	-	-	-
Total other financing sources (uses)	168,788	59,074	-	(145,392)	60,577	-	-	-	-
Excess (deficiency) of receipts and other financing sources over disbursements and other financing uses	1,558,005	606,673	41,144	(100,167)	167,238	89,021	(20,573)	57,324	(20,469)
Cash and investments - ending	\$ 3,415,978	\$ 3,166,376	\$ 50,502	\$ 1,165,885	\$ 319,292	\$ 317,907	\$ 281,677	\$ 321,209	\$ 309,963

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

	Textbook Rental	Educational License Plates	SAFE School Haven	Sugar Creek Memorial Scholarship	Ben Moore Scholarship	Pepsi Scholarship	Scholarships	Miscellaneous Programs	Lilly 21st Century Science
Cash and investments - beginning	\$ 324,838	\$ 2,033	\$ -	\$ 917,484	\$ 13,238	\$ -	\$ 73	\$ -	\$ -
Receipts:									
Local sources	243,287	-	-	10,641	1,998	2,000	2,730	-	2,500
Intermediate sources	-	450	-	-	-	-	-	-	-
State sources	44,478	-	12,000	-	-	-	-	-	-
Federal sources	-	-	-	-	-	-	-	-	-
Other	3	-	-	-	-	-	-	-	-
Total receipts	<u>287,768</u>	<u>450</u>	<u>12,000</u>	<u>10,641</u>	<u>1,998</u>	<u>2,000</u>	<u>2,730</u>	<u>-</u>	<u>2,500</u>
Disbursements:									
Current:									
Instruction	-	-	-	-	-	-	-	-	-
Support services	337,267	-	12,000	-	-	-	-	-	-
Noninstructional services	-	-	-	-	-	-	-	-	-
Facilities acquisition and construction	-	-	-	-	-	-	-	-	-
Debt services	-	-	-	-	-	-	-	-	-
Nonprogrammed charges	-	-	-	10,308	1,000	2,000	2,620	-	-
Total disbursements	<u>337,267</u>	<u>-</u>	<u>12,000</u>	<u>10,308</u>	<u>1,000</u>	<u>2,000</u>	<u>2,620</u>	<u>-</u>	<u>-</u>
Excess (deficiency) of receipts over disbursements	<u>(49,499)</u>	<u>450</u>	<u>-</u>	<u>333</u>	<u>998</u>	<u>-</u>	<u>110</u>	<u>-</u>	<u>2,500</u>
Other financing sources (uses):									
Transfers in	-	-	-	-	-	-	-	-	-
Transfers out	-	-	-	-	-	-	-	-	-
Total other financing sources (uses)	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Excess (deficiency) of receipts and other financing sources over disbursements and other financing uses	<u>(49,499)</u>	<u>450</u>	<u>-</u>	<u>333</u>	<u>998</u>	<u>-</u>	<u>110</u>	<u>-</u>	<u>2,500</u>
Cash and investments - ending	<u>\$ 275,339</u>	<u>\$ 2,483</u>	<u>\$ -</u>	<u>\$ 917,817</u>	<u>\$ 14,236</u>	<u>\$ -</u>	<u>\$ 183</u>	<u>\$ -</u>	<u>\$ 2,500</u>

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

	Lilly KSM Science Grant	Lilly Volunteer Grant Program	Lilly LSEO Teach Grant 2009-10	Lilly LSEO Teach Grant 2010-11	Rotary Club Fund	Pepsi	East Central ED/LEP	Rolls- Royce Robotics	Outdoor Lab
Cash and investments - beginning	\$ 1,157	\$ -	\$ 304	\$ -	\$ 680	\$ 30,000	\$ -	\$ -	\$ -
Receipts:									
Local sources	-	500	-	1,005	-	10,000	57	4,000	10,000
Intermediate sources	-	-	-	-	-	-	-	-	-
State sources	-	-	-	-	-	-	-	-	-
Federal sources	-	-	-	-	-	-	-	-	-
Other	-	-	-	-	-	-	-	-	-
Total receipts	-	500	-	1,005	-	10,000	57	4,000	10,000
Disbursements:									
Current:									
Instruction	-	-	299	982	-	-	-	2,118	3,115
Support services	-	-	-	-	-	15,400	-	-	-
Noninstructional services	-	-	-	-	-	-	-	-	-
Facilities acquisition and construction	-	-	-	-	-	-	-	-	-
Debt services	-	-	-	-	-	-	-	-	-
Nonprogrammed charges	-	-	-	-	-	-	-	-	-
Total disbursements	-	-	299	982	-	15,400	-	2,118	3,115
Excess (deficiency) of receipts over disbursements	-	500	(299)	23	-	(5,400)	57	1,882	6,885
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	-	500	(299)	23	-	(5,400)	57	1,882	6,885
Cash and investments - ending	\$ 1,157	\$ 500	\$ 5	\$ 23	\$ 680	\$ 24,600	\$ 57	\$ 1,882	\$ 6,885

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

	Mac Math Grant	09-10 High Ability Grant	10-11 High Ability Grant	11-12 High Ability Grant	HCCF Grant 2010-2011	Non-English Speaking Programs P.L. 273-1999	School Technology	Access Indiana	Technology Planning Grant
Cash and investments - beginning	\$ -	\$ 24,605	\$ -	\$ -	\$ 6,000	\$ 323	\$ 7,509	\$ 2,500	\$ -
Receipts:									
Local sources	458	-	-	-	-	-	-	-	-
Intermediate sources	-	-	-	-	-	-	-	-	-
State sources	-	-	39,012	-	-	-	9,371	-	-
Federal sources	-	-	-	-	-	-	-	-	-
Other	-	-	-	-	-	-	-	-	-
Total receipts	458	-	39,012	-	-	-	9,371	-	-
Disbursements:									
Current:									
Instruction	457	24,605	14,868	-	-	35	-	2,450	-
Support services	-	-	-	-	6,000	-	4,959	-	-
Noninstructional services	-	-	-	-	-	-	-	-	-
Facilities acquisition and construction	-	-	-	-	-	-	-	-	-
Debt services	-	-	-	-	-	-	-	-	-
Nonprogrammed charges	-	-	-	-	-	-	-	-	-
Total disbursements	457	24,605	14,868	-	6,000	35	4,959	2,450	-
Excess (deficiency) of receipts over disbursements	1	(24,605)	24,144	-	(6,000)	(35)	4,412	(2,450)	-
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	1	(24,605)	24,144	-	(6,000)	(35)	4,412	(2,450)	-
Cash and investments - ending	\$ 1	\$ -	\$ 24,144	\$ -	\$ -	\$ 288	\$ 11,921	\$ 50	\$ -

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

	Miscellaneous Programs	Tobacco Prevention & Cessation	08-09 Lilly LSEO Science	IU Grant/ Asian Books	Excess PTRC Distributions	Title I 2009-2010	Title I 2010-2011	Title I 2011-2012	Readiness Emergency Mgmt Grant
Cash and investments - beginning	\$ 319	\$ -	\$ -	\$ -	\$ 98,969	\$ 19,981	\$ -	\$ -	\$ -
Receipts:									
Local sources	-	-	-	-	-	-	-	-	-
Intermediate sources	-	-	-	-	-	-	-	-	-
State sources	-	500	-	300	44,078	-	-	-	-
Federal sources	-	-	-	-	-	-	176,835	-	9,037
Other	-	-	-	-	-	-	-	-	-
Total receipts	-	500	-	300	44,078	-	176,835	-	9,037
Disbursements:									
Current:									
Instruction	-	497	319	297	-	-	196,566	-	9,037
Support services	-	-	-	-	-	-	-	-	-
Noninstructional services	-	-	-	-	-	-	-	-	-
Facilities acquisition and construction	-	-	-	-	-	-	-	-	-
Debt services	-	-	-	-	-	-	-	-	-
Nonprogrammed charges	-	-	-	-	-	-	-	-	-
Total disbursements	-	497	319	297	-	-	196,566	-	9,037
Excess (deficiency) of receipts over disbursements	-	3	(319)	3	44,078	-	(19,731)	-	-
Other financing sources (uses):									
Transfers in	-	-	319	-	-	-	19,981	-	-
Transfers out	(319)	-	-	-	(143,047)	(19,981)	-	-	-
Total other financing sources (uses)	(319)	-	319	-	(143,047)	(19,981)	19,981	-	-
Excess (deficiency) of receipts and other financing sources over disbursements and other financing uses	(319)	3	-	3	(98,969)	(19,981)	250	-	-
Cash and investments - ending	\$ -	\$ 3	\$ -	\$ 3	\$ -	\$ -	\$ 250	\$ -	\$ -

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

	Title IV-A Safe & Drug-Free	Indiana Pathway Tech Prep	Improving Teaching Quality No Child Left Title II, Part A	ITQ Enhanced Education Through Technology Title II, Part D	Special Education Part B	Education Jobs	School Lunch Prepaid Clearing	Payroll Withholding	Totals
Cash and investments - beginning	\$ -	\$ -	\$ 482	\$ -	\$ 22,344	\$ -	\$ 28,524	\$ 41,544	\$ 8,513,500
Receipts:									
Local sources	-	-	-	-	-	-	7,330	-	12,097,090
Intermediate sources	-	-	-	-	-	-	-	-	450
State sources	-	-	-	-	-	-	-	-	18,430,159
Federal sources	-	-	59,156	-	96,302	-	-	-	650,617
Other	-	-	-	-	-	-	-	3,899,245	3,903,544
Total receipts	-	-	59,156	-	96,302	-	7,330	3,899,245	35,081,860
Disbursements:									
Current:									
Instruction	-	-	59,638	-	114,686	-	-	-	12,532,433
Support services	-	-	-	-	3,960	-	-	-	7,696,761
Noninstructional services	-	-	-	-	-	-	-	-	1,740,123
Facilities acquisition and construction	-	-	-	-	-	-	-	-	1,451,511
Debt services	-	-	-	-	-	-	-	-	5,479,408
Nonprogrammed charges	-	-	-	-	-	-	-	3,909,724	3,994,409
Total disbursements	-	-	59,638	-	118,646	-	-	3,909,724	32,894,645
Excess (deficiency) of receipts over disbursements	-	-	(482)	-	(22,344)	-	7,330	(10,479)	2,187,215
Other financing sources (uses):									
Transfers in	-	-	-	-	-	-	-	-	332,135
Transfers out	-	-	-	-	-	-	-	-	(332,135)
Total other financing sources (uses)	-	-	-	-	-	-	-	-	-
Excess (deficiency) of receipts and other financing sources over disbursements and other financing uses	-	-	(482)	-	(22,344)	-	7,330	(10,479)	2,187,215
Cash and investments - ending	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 35,854	\$ 31,065	\$ 10,700,715

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

	General	Debt Service	Retirement/ Severance Bond Debt Service	Capital Projects	School Transportation	School Bus Replacement	Retirement/ Severance Bond	Post Retirement/ Severance Future Benefits	School Lunch
Cash and investments - beginning	\$ 3,415,978	\$ 3,166,376	\$ 50,502	\$ 1,165,885	\$ 319,292	\$ 317,907	\$ 281,677	\$ 321,209	\$ 309,963
Receipts:									
Local sources	456,738	5,793,036	505,189	2,190,169	1,642,821	-	-	68,904	1,146,785
Intermediate sources	-	-	-	-	-	-	-	-	-
State sources	17,852,358	-	-	-	-	-	-	-	23,164
Federal sources	-	-	-	-	-	-	-	-	339,108
Other	85,765	-	-	-	895	-	-	-	606
Total receipts	18,394,861	5,793,036	505,189	2,190,169	1,643,716	-	-	68,904	1,509,663
Disbursements:									
Current:									
Instruction	12,098,899	-	-	-	-	-	12,890	-	-
Support services	4,938,072	14,966	-	935,248	1,526,685	245,389	-	3,335	57,061
Noninstructional services	269,756	-	-	-	-	-	-	34,288	1,471,911
Facilities acquisition and construction	-	-	-	1,600,119	-	-	-	-	13,440
Debt services	-	6,238,675	433,476	-	-	-	-	-	-
Nonprogrammed charges	33,476	-	-	-	21,631	-	-	-	13,797
Total disbursements	17,340,203	6,253,641	433,476	2,535,367	1,548,316	245,389	12,890	37,623	1,556,209
Excess (deficiency) of receipts over disbursements	1,054,658	(460,605)	71,713	(345,198)	95,400	(245,389)	(12,890)	31,281	(46,546)
Other financing sources (uses):									
Sale of capital assets	26	-	-	250	363	-	-	-	-
Transfers in	-	-	-	-	-	-	-	-	-
Transfers out	-	-	-	-	-	-	-	-	-
Total other financing sources (uses)	26	-	-	250	363	-	-	-	-
Excess (deficiency) of receipts and other financing sources over disbursements and other financing uses	1,054,684	(460,605)	71,713	(344,948)	95,763	(245,389)	(12,890)	31,281	(46,546)
Cash and investments - ending	\$ 4,470,662	\$ 2,705,771	\$ 122,215	\$ 820,937	\$ 415,055	\$ 72,518	\$ 268,787	\$ 352,490	\$ 263,417

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

	Textbook Rental	Educational License Plates	SAFE School Haven	Sugar Creek Memorial Scholarship	Ben Moore Scholarship	Pepsi Scholarship	Scholarships	Miscellaneous Programs	Lilly 21st Century Science
Cash and investments - beginning	\$ 275,339	\$ 2,483	\$ -	\$ 917,817	\$ 14,236	\$ -	\$ 183	\$ -	\$ 2,500
Receipts:									
Local sources	222,994	-	-	5,119	1,680	-	600	1,443	-
Intermediate sources	-	394	-	-	-	-	-	-	-
State sources	61,408	-	-	-	-	-	-	-	-
Federal sources	-	-	-	-	-	-	-	-	-
Other	35	-	-	-	-	-	-	-	-
Total receipts	284,437	394	-	5,119	1,680	-	600	1,443	-
Disbursements:									
Current:									
Instruction	-	-	-	-	-	-	-	-	2,500
Support services	74,269	-	-	-	-	-	-	-	-
Noninstructional services	-	-	-	-	-	-	-	-	-
Facilities acquisition and construction	-	-	-	-	-	-	-	-	-
Debt services	-	-	-	-	-	-	-	-	-
Nonprogrammed charges	-	-	-	1,005	-	-	100	-	-
Total disbursements	74,269	-	-	1,005	-	-	100	-	2,500
Excess (deficiency) of receipts over disbursements	210,168	394	-	4,114	1,680	-	500	1,443	(2,500)
Other financing sources (uses):									
Sale of capital assets	-	-	-	-	-	-	-	-	-
Transfers in	-	-	-	-	-	-	-	-	-
Transfers out	-	-	-	-	-	-	-	-	-
Total other financing sources (uses)	-	-	-	-	-	-	-	-	-
Excess (deficiency) of receipts and other financing sources over disbursements and other financing uses	210,168	394	-	4,114	1,680	-	500	1,443	(2,500)
Cash and investments - ending	\$ 485,507	\$ 2,877	\$ -	\$ 921,931	\$ 15,916	\$ -	\$ 683	\$ 1,443	\$ -

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

	Lilly KSM Science Grant	Lilly Volunteer Grant Program	Lilly LSEO Teach Grant 2009-10	Lilly LSEO Teach Grant 2010-11	Rotary Club Fund	Pepsi	East Central ED/LEP	Rolls- Royce Robotics	Outdoor Lab
Cash and investments - beginning	\$ 1,157	\$ 500	\$ 5	\$ 23	\$ 680	\$ 24,600	\$ 57	\$ 1,882	\$ 6,885
Receipts:									
Local sources	-	-	-	-	-	30,000	191	4,000	82
Intermediate sources	-	-	-	-	-	-	-	-	-
State sources	-	-	-	-	-	-	-	-	-
Federal sources	-	-	-	-	-	-	-	-	-
Other	-	-	-	-	-	-	-	-	-
Total receipts	-	-	-	-	-	30,000	191	4,000	82
Disbursements:									
Current:									
Instruction	1,157	144	5	23	-	-	-	4,470	5,283
Support services	-	-	-	-	-	10,400	-	-	-
Noninstructional services	-	-	-	-	47	-	-	-	-
Facilities acquisition and construction	-	-	-	-	-	-	-	-	-
Debt services	-	-	-	-	-	-	-	-	-
Nonprogrammed charges	-	-	-	-	-	-	-	-	-
Total disbursements	1,157	144	5	23	47	10,400	-	4,470	5,283
Excess (deficiency) of receipts over disbursements	(1,157)	(144)	(5)	(23)	(47)	19,600	191	(470)	(5,201)
Other financing sources (uses):									
Sale of capital assets	-	-	-	-	-	-	-	-	-
Transfers in	-	-	-	-	-	-	-	-	-
Transfers out	-	-	-	-	-	-	-	-	-
Total other financing sources (uses)	-	-	-	-	-	-	-	-	-
Excess (deficiency) of receipts and other financing sources over disbursements and other financing uses	(1,157)	(144)	(5)	(23)	(47)	19,600	191	(470)	(5,201)
Cash and investments - ending	\$ -	\$ 356	\$ -	\$ -	\$ 633	\$ 44,200	\$ 248	\$ 1,412	\$ 1,684

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

	Mac Math Grant	09-10 High Ability Grant	10-11 High Ability Grant	11-12 High Ability Grant	HCCF Grant 2010-2011	Non-English Speaking Programs P.L. 273-1999	School Technology	Access Indiana	Technology Planning Grant
Cash and investments - beginning	\$ 1	\$ -	\$ 24,144	\$ -	\$ -	\$ 288	\$ 11,921	\$ 50	\$ -
Receipts:									
Local sources	-	-	-	-	-	-	-	-	-
Intermediate sources	-	-	-	-	-	-	-	-	-
State sources	-	-	-	37,755	-	-	9,371	-	-
Federal sources	-	-	-	-	-	-	-	-	-
Other	-	-	-	-	-	-	-	-	-
Total receipts	-	-	-	37,755	-	-	9,371	-	-
Disbursements:									
Current:									
Instruction	1	-	24,144	8,707	-	-	-	-	-
Support services	-	-	-	-	-	-	-	-	-
Noninstructional services	-	-	-	-	-	-	-	-	-
Facilities acquisition and construction	-	-	-	-	-	-	-	-	-
Debt services	-	-	-	-	-	-	-	-	-
Nonprogrammed charges	-	-	-	-	-	-	-	-	-
Total disbursements	1	-	24,144	8,707	-	-	-	-	-
Excess (deficiency) of receipts over disbursements	(1)	-	(24,144)	29,048	-	-	9,371	-	-
Other financing sources (uses):									
Sale of capital assets	-	-	-	-	-	-	-	-	-
Transfers in	-	-	-	-	-	-	-	-	-
Transfers out	-	-	-	-	-	-	-	-	-
Total other financing sources (uses)	-	-	-	-	-	-	-	-	-
Excess (deficiency) of receipts and other financing sources over disbursements and other financing uses	(1)	-	(24,144)	29,048	-	-	9,371	-	-
Cash and investments - ending	\$ -	\$ -	\$ -	\$ 29,048	\$ -	\$ 288	\$ 21,292	\$ 50	\$ -

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

	Miscellaneous Programs	Tobacco Prevention & Cessation	08-09 Lilly LSEO Science	IU Grant/ Asian Books	Excess PTRC Distributions	Title I 2009-2010	Title I 2010-2011	Title I 2011-2012	Readiness Emergency Mgmt Grant
Cash and investments - beginning	\$ -	\$ 3	\$ -	\$ 3	\$ -	\$ -	\$ 250	\$ -	\$ -
Receipts:									
Local sources	-	-	-	-	-	-	-	-	-
Intermediate sources	-	-	-	-	-	-	-	-	-
State sources	-	-	-	-	64,967	-	-	-	-
Federal sources	-	-	-	-	-	-	11,603	182,873	25,322
Other	-	-	-	-	-	-	-	-	-
Total receipts	-	-	-	-	64,967	-	11,603	182,873	25,322
Disbursements:									
Current:									
Instruction	-	3	-	3	-	-	-	196,324	25,322
Support services	-	-	-	-	-	-	-	3,734	-
Noninstructional services	-	-	-	-	-	-	-	-	-
Facilities acquisition and construction	-	-	-	-	-	-	-	-	-
Debt services	-	-	-	-	-	-	-	-	-
Nonprogrammed charges	-	-	-	-	-	-	-	-	-
Total disbursements	-	3	-	3	-	-	-	200,058	25,322
Excess (deficiency) of receipts over disbursements	-	(3)	-	(3)	64,967	-	11,603	(17,185)	-
Other financing sources (uses):									
Sale of capital assets	-	-	-	-	-	-	-	-	-
Transfers in	-	-	-	-	-	-	-	11,853	-
Transfers out	-	-	-	-	-	-	(11,853)	-	-
Total other financing sources (uses)	-	-	-	-	-	-	(11,853)	11,853	-
Excess (deficiency) of receipts and other financing sources over disbursements and other financing uses	-	(3)	-	(3)	64,967	-	(250)	(5,332)	-
Cash and investments - ending	\$ -	\$ -	\$ -	\$ -	\$ 64,967	\$ -	\$ -	\$ (5,332)	\$ -

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

	Title IV-A Safe & Drug-Free	Indiana Pathway Tech Prep	Improving Teaching Quality No Child Left Title II, Part A	ITQ Enhanced Education Through Technology Title II, Part D	Special Education Part B	Education Jobs	School Lunch Prepaid Clearing	Payroll Withholding	Totals
Cash and investments - beginning	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 35,854	\$ 31,065	\$ 10,700,715
Receipts:									
Local sources	-	-	-	-	-	-	1,142,482	3,868,931	17,081,164
Intermediate sources	-	-	-	-	-	-	-	-	394
State sources	-	-	-	-	-	-	-	-	18,049,023
Federal sources	8,427	12,748	59,606	150,000	-	594,125	-	-	1,383,812
Other	-	-	-	-	-	-	-	-	87,301
Total receipts	8,427	12,748	59,606	150,000	-	594,125	1,142,482	3,868,931	36,601,694
Disbursements:									
Current:									
Instruction	7,995	9,710	59,076	150,000	-	594,125	-	-	13,200,781
Support services	-	3,038	-	-	-	-	-	-	7,812,197
Noninstructional services	-	-	-	-	-	-	1,131,286	-	2,907,288
Facilities acquisition and construction	-	-	-	-	-	-	-	-	1,613,559
Debt services	-	-	-	-	-	-	-	-	6,672,151
Nonprogrammed charges	-	-	-	-	-	-	-	3,875,602	3,945,611
Total disbursements	7,995	12,748	59,076	150,000	-	594,125	1,131,286	3,875,602	36,151,587
Excess (deficiency) of receipts over disbursements	432	-	530	-	-	-	11,196	(6,671)	450,107
Other financing sources (uses):									
Sale of capital assets	-	-	-	-	-	-	-	-	639
Transfers in	-	-	-	-	-	-	-	-	11,853
Transfers out	-	-	-	-	-	-	-	-	(11,853)
Total other financing sources (uses)	-	-	-	-	-	-	-	-	639
Excess (deficiency) of receipts and other financing sources over disbursements and other financing uses	432	-	530	-	-	-	11,196	(6,671)	450,746
Cash and investments - ending	\$ 432	\$ -	\$ 530	\$ -	\$ -	\$ -	\$ 47,050	\$ 24,394	\$ 11,151,461

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SUPPLEMENTAL AUDIT OF  
FEDERAL AWARDS



**STATE OF INDIANA**  
AN EQUAL OPPORTUNITY EMPLOYER

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

Telephone: (317) 232-2513  
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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 COMMUNITY SCHOOL CORPORATION OF  
SOUTHERN HANCOCK COUNTY, HANCOCK COUNTY, INDIANA

Compliance

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

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

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

Internal Control Over Compliance

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

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

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

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

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



Bruce Hartman  
State Examiner

February 28, 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.

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

Federal Grantor Agency/Pass-Through Entity Cluster Title/Program Title/Project Title	Federal CFDA Number	Pass-Through Entity (or Other) Identifying Number	Total Federal Awards Expended 06-30-011	Total Federal Awards Expended 06-30-012
<u>U.S. DEPARTMENT OF AGRICULTURE</u>				
Pass-Through Indiana Department of Education				
Child Nutrition Cluster				
School Breakfast Program	10.553	3115	\$ 26,549	\$ 32,756
National School Lunch Program	10.555	3115	<u>350,584</u>	<u>399,724</u>
Total for cluster and federal grantor agency			<u>377,133</u>	<u>432,480</u>
<u>U.S. DEPARTMENT OF EDUCATION</u>				
Pass-Through Indiana Department of Education				
Title 1, Part A Cluster				
Title I Grants to Local Educational Agencies	84.010			
		11-3115	176,835	11,603
		12-3115	<u>-</u>	<u>182,873</u>
Total for cluster			<u>176,835</u>	<u>194,476</u>
Education Technology State Grants Cluster				
Education Technology State Grants	84.318	3115-FY 2011-12	<u>-</u>	<u>150,000</u>
Total for cluster			<u>-</u>	<u>150,000</u>
Pass-Through Greenfield Central Community School Corporation				
Special Education Cluster				
ARRA Special Education Grants to States, Recovery Act	84.391	33310-027-SN01	<u>118,646</u>	<u>-</u>
Total for cluster			<u>118,646</u>	<u>-</u>
Direct Grant				
Safe and Drug Free Schools and Communities - National Programs	84.184	Q184E090201	<u>9,037</u>	<u>25,322</u>
Pass-Through MSD Warren Township				
Career and Technical Education - Basic Grants to States	84.048	12-4700-5360	<u>-</u>	<u>12,748</u>
Pass-Through Indiana Department of Education				
Safe and Drug Free Schools and Communities - State Grants	84.186	FY 2009-11	<u>-</u>	<u>7,995</u>
Improving Teacher Quality State Grants	84.367	3115 FY 2009	59,156	-
		3115 FY 2010	<u>-</u>	<u>59,076</u>
Total for program			<u>59,156</u>	<u>59,076</u>
Education Jobs Fund	84.410	3115-FY2011-12	<u>-</u>	<u>594,125</u>
Total for federal grantor agency			<u>363,674</u>	<u>1,043,742</u>
Total federal awards expended			<u>\$ 740,807</u>	<u>\$ 1,476,222</u>

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

COMMUNITY SCHOOL CORPORATION OF SOUTHERN HANCOCK COUNTY  
NOTES TO SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS

**Note 1. Basis of Presentation**

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

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

**Note 2. Noncash Assistance**

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

Program Title	Federal CFDA Number	2011	2012
National School Lunch Program	10.555	\$ 67,846	\$ 93,372

COMMUNITY SCHOOL CORPORATION OF SOUTHERN HANCOCK COUNTY  
SCHEDULE OF FINDINGS AND QUESTIONED COSTS

**Section I – Summary of Auditor's Results**

Financial Statement:

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

Federal Awards:

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

Identification of Major Programs:

<u>CFDA Number</u>	<u>Name of Federal Program or Cluster</u>
84.410	Child Nutrition Cluster Title I, Part A Cluster Education Jobs Fund

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

Auditee qualified as low-risk auditee? no

**Section II – Financial Statement Findings**

No matters are reportable.

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

No matters are reportable.

# SOUTHERN HANCOCK COUNTY

P.O. Box 508 - 4711 South 500 West - New Palestine, Indiana 46163  
317-861-4463 - Telephone / 317-861-2142 - Fax

February 14, 2013

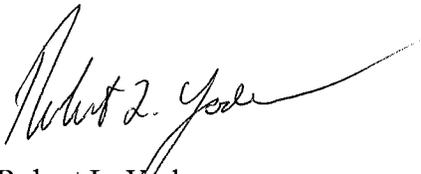
## Summary Schedule of Prior Audit Findings

### Findings No, 2010-1. Internal Control Reportable Condition/Cash Management

Federal Agency:	U.S. Department of Education
Federal Programs:	Special Education Cluster -- AARA
CFDA Number:	84.193, 84.392
Pass-Through Entity	Greenfield Central Community School Corporation
Auditee Contact Person:	Robert L. Yoder
Title of Contact Person:	Assistant Superintendent/Treasurer
Phone number:	317-861-4463 Ext. 111

- The LEA has changed the distribution process so this will not occur.
- Cash disbursement request will be made at the end of month after all expenditures
- We will maintain no cash balance in this fund.
- On a monthly basis, the Assistant Superintendent Robert L. Yoder, will review the fund balance to insure compliance.

**The above findings were fully corrected and implemented as of 11-10-2010.**



Robert L. Yoder  
Assistant Superintendent  
CSCSHC

# SOUTHERN HANCOCK COUNTY

P.O. Box 508 - 4711 South 500 West - New Palestine, Indiana 46163  
317-861-4463 - Telephone / 317-861-2142 - Fax

February 14, 2013

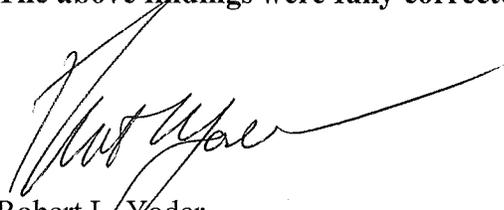
## Summary Schedule of Prior Audit Findings

### Findings No. 2010-2. Allowable Cost/Cost Principles

Federal Agency:	U.S. Department of Education
Federal Program:	ARRA Special Education-Grants to States
CFDA Number:	84.193
Pass-Through Entity	Greenfield Central Community School Corporation
Auditee Contact Person:	Robert L. Yoder
Phone number:	317-861-4463 Ext. 111

- Separate purchase orders will be issued for anything purchased through grant dollars.
- Any supplies or equipment purchased must match the description that was in the grant application.
- The purchase order must match the description that was in the grant application.
- Reclassification of expenditures for items should be eliminated.

**The above findings were fully corrected as of 11-10-2010.**



Robert L. Yoder  
Assistant Superintendent  
CSCSHC

COMMUNITY SCHOOL CORPORATION OF SOUTHERN HANCOCK COUNTY  
EXIT CONFERENCE

The contents of this report were discussed on February 28, 2013, with Robert L.Yoder, Treasurer; James M. Halik, Superintendent of Schools; William Niemier, President of the School Board; Ashlie Worth, Deputy Treasurer; Rhonda Peterson, Curriculum Director; and Sharon Harden, Accounts Payable Clerk. Our audit disclosed no material items that warrant comment at this time.