

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

FINANCIAL STATEMENT AND  
FEDERAL SINGLE AUDIT REPORT  
OF

RISING SUN - OHIO COUNTY  
COMMUNITY SCHOOL CORPORATION  
OHIO COUNTY, INDIANA

July 1, 2010 to June 30, 2012



**FILED**  
03/19/2013



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SCHEDULE OF OFFICIALS

<u>Office</u>	<u>Official</u>	<u>Term</u>
Treasurer	Kelli Keith	07-01-10 to 06-30-13
Superintendent of Schools	Stephen Patz	07-01-10 to 06-30-13
President of the School Board	Felix Massey III Corey Potts	01-01-10 to 12-31-10 01-01-11 to 12-31-13



**STATE OF INDIANA**  
AN EQUAL OPPORTUNITY EMPLOYER

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

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

INDEPENDENT AUDITOR'S REPORT

TO: THE OFFICIALS OF THE RISING SUN - OHIO COUNTY COMMUNITY  
SCHOOL CORPORATION, OHIO COUNTY, INDIANA

We have audited the accompanying financial statement of the Rising Sun - Ohio 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.

In accordance with Government Auditing Standards, we have also issued a report dated February 20, 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, 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.

STATE BOARD OF ACCOUNTS

February 20, 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 RISING SUN - OHIO COUNTY COMMUNITY  
SCHOOL CORPORATION, OHIO COUNTY, INDIANA

We have audited the financial statement of the Rising Sun - Ohio 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 20, 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 Finding 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 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 20, 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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RISING SUN - OHIO 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	\$ 778,322	\$ 6,040,145	\$ 6,091,810	\$ -	\$ 726,657	\$ 5,934,065	\$ 5,673,831	\$ (71,960)	\$ 914,931
Debt Service	1,493,469	654,000	654,000	-	1,493,469	654,000	654,000	-	1,493,469
Capital Projects	204,248	680,691	644,404	(60,000)	180,535	715,817	637,551	(50,000)	208,801
School Transportation	100,346	473,277	407,765	12,884	178,742	392,212	440,841	-	130,113
School Bus Replacement	9,090	102,700	-	(15,000)	96,790	137,882	75,132	(15,000)	144,540
Rainy Day	-	-	-	75,000	75,000	-	32,000	65,000	108,000
School Lunch	60,529	383,239	357,682	-	86,086	419,578	397,062	-	108,602
Textbook Rental	21,621	71,600	40,829	265	52,657	75,978	180,661	71,960	19,934
Levy Excess	-	12,884	-	(12,884)	-	-	-	-	-
Recreational Activities	8,131	20,739	19,451	-	9,419	18,005	22,509	-	4,915
Cooper Scholarship	40,936	568	800	-	40,704	361	600	-	40,465
United Community Bank Scholarship	-	1,500	1,500	-	-	2,000	2,000	-	-
Gray Scholarship	302,106	4,192	5,900	-	300,398	2,661	4,400	-	298,659
Charles Johnson Scholarship	9,209	9,500	3,000	-	15,709	20,210	6,000	-	29,919
Ohio County Community Foundation	671	56,962	26,611	-	31,022	12,625	42,348	-	1,299
ECO 15 Grant	1,872	-	-	-	1,872	-	-	-	1,872
RSHS Teacher's Aide Grant	50,439	31,135	82,634	-	(1,060)	110,000	81,164	-	27,776
LPN Grant	466	-	-	-	466	-	-	-	466
Endowment Gift	130,492	-	130,492	-	-	-	-	-	-
City of Rising Sun Personnel Grant	-	-	-	-	-	110,000	-	-	110,000
Health Department H1N1 Reimbursement	12,117	-	12,117	-	-	-	-	-	-
BP Gift	-	15,800	515	-	15,285	-	15,000	-	285
Red Ribbon Grant 2012	-	-	-	-	-	1,000	-	-	1,000
Non-English Speaking Programs P.L. 273-1999	50	-	50	-	-	-	-	-	-
State Connectivity Grant	-	3,870	-	-	3,870	6,115	5,715	-	4,270
RisingSun Regional Foundation Grant	10,909	75,000	34,285	-	51,624	129,348	175,325	-	5,647
Professional Development Capital Building Grant	500	-	-	-	500	-	-	-	500
School Safety Grant 2011	-	-	-	-	-	10,000	10,000	-	-
MainSource Bank Donation	-	-	-	-	-	1,000	303	-	697
Title I - 2010-2011	-	102,108	103,674	-	(1,566)	1,614	-	-	48
Title I - 2011-2012	-	-	-	-	-	96,835	105,032	-	(8,197)
Drug Free Schools	475	-	-	-	475	420	420	-	475
Arts and Education Grant	157	-	155	-	2	-	-	-	2
Medicaid Reimbursement - Federal	4,853	-	-	-	4,853	-	-	-	4,853
Improving Teaching Quality, No Child Left, Title II, Part A	(1,652)	33,133	31,481	-	-	15,253	19,838	-	(4,585)
Title I - Grants to LEAs	25,603	-	25,603	-	-	-	-	-	-
Special Education - Part B	(6,149)	26,969	20,939	-	(119)	-	20	-	(139)
Education Jobs	-	-	-	-	-	179,403	182,544	-	(3,141)
Payroll Withholdings	7,852	1,663,440	1,637,697	-	33,595	1,558,378	1,568,612	-	23,361
<b>Totals</b>	<b>\$ 3,266,662</b>	<b>\$ 10,463,452</b>	<b>\$ 10,333,394</b>	<b>\$ 265</b>	<b>\$ 3,396,985</b>	<b>\$ 10,604,760</b>	<b>\$ 10,332,908</b>	<b>\$ -</b>	<b>\$ 3,668,837</b>

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

RISING SUN - OHIO 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, 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.

RISING SUN - OHIO 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.

Non-programmed 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.

RISING SUN - OHIO 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.

RISING SUN - OHIO 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

RISING SUN - OHIO 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. Holding Corporation**

The School Corporation has entered into a capital lease with the Rising Sun School Building Corporation (the lessor). The lessor was organized as a not-for-profit corporation pursuant to state statute for the purpose of providing funds to be applied on the cost of constructing and equipping certain school facilities for lease to the School Corporation. The lessor has been determined to be a related party of the School Corporation. Lease payments during the years 2010-2011 and 2011-2012 totaled \$654,000 and \$654,000, respectively.

**Note 8. Cash Balance Deficits**

The financial statement contains some funds with deficits in cash balances. This is a result of disbursements made prior to disbursements being reimbursed from grant proceeds as directed by the Department of Education effective during the current audit period. These deficits are to be repaid from future receipts.

## 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.

RISING SUN - OHIO 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	Capital Projects	School Transportation	School Bus Replacement	Rainy Day	School Lunch	Textbook Rental
Cash and investments - beginning	\$ 778,322	\$ 1,493,469	\$ 204,248	\$ 100,346	\$ 9,090	\$ -	\$ 60,529	\$ 21,621
Receipts:								
Local sources	493,079	654,000	680,691	473,277	102,700	-	223,233	53,514
Intermediate sources	57	-	-	-	-	-	-	-
State sources	5,523,554	-	-	-	-	-	4,509	18,086
Federal sources	-	-	-	-	-	-	155,497	-
Other	23,455	-	-	-	-	-	-	-
Total receipts	<u>6,040,145</u>	<u>654,000</u>	<u>680,691</u>	<u>473,277</u>	<u>102,700</u>	<u>-</u>	<u>383,239</u>	<u>71,600</u>
Disbursements:								
Current:								
Instruction	4,446,718	-	-	-	-	-	180,412	-
Support services	1,526,335	-	410,666	407,765	-	-	-	40,829
Noninstructional services	118,757	-	-	-	-	-	177,270	-
Facilities acquisition and construction	-	-	233,738	-	-	-	-	-
Debt services	-	654,000	-	-	-	-	-	-
Nonprogrammed charges	-	-	-	-	-	-	-	-
Total disbursements	<u>6,091,810</u>	<u>654,000</u>	<u>644,404</u>	<u>407,765</u>	<u>-</u>	<u>-</u>	<u>357,682</u>	<u>40,829</u>
Excess (deficiency) of receipts over disbursements	<u>(51,665)</u>	<u>-</u>	<u>36,287</u>	<u>65,512</u>	<u>102,700</u>	<u>-</u>	<u>25,557</u>	<u>30,771</u>
Other financing sources (uses):								
Sale of capital assets	-	-	-	-	-	-	-	265
Transfers in	-	-	-	12,884	-	75,000	-	-
Transfers out	-	-	(60,000)	-	(15,000)	-	-	-
Total other financing sources (uses)	<u>-</u>	<u>-</u>	<u>(60,000)</u>	<u>12,884</u>	<u>(15,000)</u>	<u>75,000</u>	<u>-</u>	<u>265</u>
Excess (deficiency) of receipts and other financing sources over disbursements and other financing uses	<u>(51,665)</u>	<u>-</u>	<u>(23,713)</u>	<u>78,396</u>	<u>87,700</u>	<u>75,000</u>	<u>25,557</u>	<u>31,036</u>
Cash and investments - ending	<u>\$ 726,657</u>	<u>\$ 1,493,469</u>	<u>\$ 180,535</u>	<u>\$ 178,742</u>	<u>\$ 96,790</u>	<u>\$ 75,000</u>	<u>\$ 86,086</u>	<u>\$ 52,657</u>

RISING SUN - OHIO 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)

	Levy Excess	Recreational Activities	Cooper Scholarship	United Community Bank Scholarship	Gray Scholarship	Charles Johnson Scholarship	Ohio County Community Foundation	ECO 15 Grant
Cash and investments - beginning	\$ -	\$ 8,131	\$ 40,936	\$ -	\$ 302,106	\$ 9,209	\$ 671	\$ 1,872
Receipts:								
Local sources	12,884	20,739	568	1,500	4,192	9,500	-	-
Intermediate sources	-	-	-	-	-	-	-	-
State sources	-	-	-	-	-	-	2,339	-
Federal sources	-	-	-	-	-	-	54,623	-
Other	-	-	-	-	-	-	-	-
Total receipts	12,884	20,739	568	1,500	4,192	9,500	56,962	-
Disbursements:								
Current:								
Instruction	-	-	-	-	-	-	26,611	-
Support services	-	-	-	-	-	-	-	-
Noninstructional services	-	19,451	-	-	-	-	-	-
Facilities acquisition and construction	-	-	-	-	-	-	-	-
Debt services	-	-	-	-	-	-	-	-
Nonprogrammed charges	-	-	800	1,500	5,900	3,000	-	-
Total disbursements	-	19,451	800	1,500	5,900	3,000	26,611	-
Excess (deficiency) of receipts over disbursements	12,884	1,288	(232)	-	(1,708)	6,500	30,351	-
Other financing sources (uses):								
Sale of capital assets	-	-	-	-	-	-	-	-
Transfers in	-	-	-	-	-	-	-	-
Transfers out	(12,884)	-	-	-	-	-	-	-
Total other financing sources (uses)	(12,884)	-	-	-	-	-	-	-
Excess (deficiency) of receipts and other financing sources over disbursements and other financing uses	-	1,288	(232)	-	(1,708)	6,500	30,351	-
Cash and investments - ending	\$ -	\$ 9,419	\$ 40,704	\$ -	\$ 300,398	\$ 15,709	\$ 31,022	\$ 1,872

RISING SUN - OHIO 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)

	RSHS Teacher's Aide Grant	LPN Grant	Endowment Gift	City of Rising Sun Personnel Grant	Health Department H1N1 Reimbursement	BP Gift	Red Ribbon Grant 2012	Non-English Speaking Programs P.L. 273-1999
Cash and investments - beginning	\$ 50,439	\$ 466	\$ 130,492	\$ -	\$ 12,117	\$ -	\$ -	\$ 50
Receipts:								
Local sources	31,135	-	-	-	-	800	-	-
Intermediate sources	-	-	-	-	-	-	-	-
State sources	-	-	-	-	-	-	-	-
Federal sources	-	-	-	-	-	15,000	-	-
Other	-	-	-	-	-	-	-	-
Total receipts	31,135	-	-	-	-	15,800	-	-
Disbursements:								
Current:								
Instruction	82,634	-	87,362	-	12,117	515	-	50
Support services	-	-	43,130	-	-	-	-	-
Noninstructional services	-	-	-	-	-	-	-	-
Facilities acquisition and construction	-	-	-	-	-	-	-	-
Debt services	-	-	-	-	-	-	-	-
Nonprogrammed charges	-	-	-	-	-	-	-	-
Total disbursements	82,634	-	130,492	-	12,117	515	-	50
Excess (deficiency) of receipts over disbursements	(51,499)	-	(130,492)	-	(12,117)	15,285	-	(50)
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	(51,499)	-	(130,492)	-	(12,117)	15,285	-	(50)
Cash and investments - ending	\$ (1,060)	\$ 466	\$ -	\$ -	\$ -	\$ 15,285	\$ -	\$ -

RISING SUN - OHIO 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)

	State Connectivity Grant	Rising Sun Regional Foundation Grant	Professional Developmet Capital Building Grant	School Safety Grant 2011	MainSource Bank Donation	Title I 2010-2011	Title I 2011-2012	Drug Free Schools
Cash and investments - beginning	\$ -	\$ 10,909	\$ 500	\$ -	\$ -	\$ -	\$ -	\$ 475
Receipts:								
Local sources	-	-	-	-	-	-	-	-
Intermediate sources	-	-	-	-	-	-	-	-
State sources	3,870	20,000	-	-	-	-	-	-
Federal sources	-	55,000	-	-	-	102,108	-	-
Other	-	-	-	-	-	-	-	-
Total receipts	<u>3,870</u>	<u>75,000</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>102,108</u>	<u>-</u>	<u>-</u>
Disbursements:								
Current:								
Instruction	-	32,253	-	-	-	98,438	-	-
Support services	-	2,032	-	-	-	5,066	-	-
Noninstructional services	-	-	-	-	-	170	-	-
Facilities acquisition and construction	-	-	-	-	-	-	-	-
Debt services	-	-	-	-	-	-	-	-
Nonprogrammed charges	-	-	-	-	-	-	-	-
Total disbursements	<u>-</u>	<u>34,285</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>103,674</u>	<u>-</u>	<u>-</u>
Excess (deficiency) of receipts over disbursements	<u>3,870</u>	<u>40,715</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>(1,566)</u>	<u>-</u>	<u>-</u>
Other financing sources (uses):								
Sale of capital assets	-	-	-	-	-	-	-	-
Transfers in	-	-	-	-	-	-	-	-
Transfers out	-	-	-	-	-	-	-	-
Total other financing sources (uses)	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Excess (deficiency) of receipts and other financing sources over disbursements and other financing uses	<u>3,870</u>	<u>40,715</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>(1,566)</u>	<u>-</u>	<u>-</u>
Cash and investments - ending	<u>\$ 3,870</u>	<u>\$ 51,624</u>	<u>\$ 500</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ (1,566)</u>	<u>\$ -</u>	<u>\$ 475</u>

RISING SUN - OHIO 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)

	Arts and Education Grant	Medicaid Reimbursement Federal	Improving Teaching Quality No Child Left Title II, Part A	Title I Grants to LEAs	Special Education Part B	Education Jobs	Payroll Withholdings	Totals
Cash and investments - beginning	\$ 157	\$ 4,853	\$ (1,652)	\$ 25,603	\$ (6,149)	\$ -	\$ 7,852	\$ 3,266,662
Receipts:								
Local sources	-	-	-	-	26,969	-	-	2,788,781
Intermediate sources	-	-	-	-	-	-	-	57
State sources	-	-	-	-	-	-	-	5,572,358
Federal sources	-	-	33,133	-	-	-	-	415,361
Other	-	-	-	-	-	-	1,663,440	1,686,895
Total receipts	-	-	33,133	-	26,969	-	1,663,440	10,463,452
Disbursements:								
Current:								
Instruction	155	-	31,481	25,603	20,939	-	-	5,045,288
Support services	-	-	-	-	-	-	-	2,435,823
Noninstructional services	-	-	-	-	-	-	-	315,648
Facilities acquisition and construction	-	-	-	-	-	-	-	233,738
Debt services	-	-	-	-	-	-	-	654,000
Nonprogrammed charges	-	-	-	-	-	-	1,637,697	1,648,897
Total disbursements	155	-	31,481	25,603	20,939	-	1,637,697	10,333,394
Excess (deficiency) of receipts over disbursements	(155)	-	1,652	(25,603)	6,030	-	25,743	130,058
Other financing sources (uses):								
Sale of capital assets	-	-	-	-	-	-	-	265
Transfers in	-	-	-	-	-	-	-	87,884
Transfers out	-	-	-	-	-	-	-	(87,884)
Total other financing sources (uses)	-	-	-	-	-	-	-	265
Excess (deficiency) of receipts and other financing sources over disbursements and other financing uses	(155)	-	1,652	(25,603)	6,030	-	25,743	130,323
Cash and investments - ending	<u>\$ 2</u>	<u>\$ 4,853</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ (119)</u>	<u>\$ -</u>	<u>\$ 33,595</u>	<u>\$ 3,396,985</u>

RISING SUN - OHIO 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	Capital Projects	School Transportation	School Bus Replacement	Rainy Day	School Lunch	Textbook Rental
Cash and investments - beginning	\$ 726,657	\$ 1,493,469	\$ 180,535	\$ 178,742	\$ 96,790	\$ 75,000	\$ 86,086	\$ 52,657
Receipts:								
Local sources	532,103	654,000	715,817	392,212	137,882	-	255,719	50,704
Intermediate sources	31	-	-	-	-	-	-	-
State sources	5,384,778	-	-	-	-	-	4,498	25,274
Federal sources	-	-	-	-	-	-	159,361	-
Other	17,153	-	-	-	-	-	-	-
Total receipts	<u>5,934,065</u>	<u>654,000</u>	<u>715,817</u>	<u>392,212</u>	<u>137,882</u>	<u>-</u>	<u>419,578</u>	<u>75,978</u>
Disbursements:								
Current:								
Instruction	3,918,034	-	-	-	-	32,000	206,427	-
Support services	1,649,656	-	404,969	440,841	75,132	-	3,946	180,661
Noninstructional services	106,141	-	-	-	-	-	186,689	-
Facilities acquisition and construction	-	-	232,582	-	-	-	-	-
Debt services	-	654,000	-	-	-	-	-	-
Nonprogrammed charges	-	-	-	-	-	-	-	-
Total disbursements	<u>5,673,831</u>	<u>654,000</u>	<u>637,551</u>	<u>440,841</u>	<u>75,132</u>	<u>32,000</u>	<u>397,062</u>	<u>180,661</u>
Excess (deficiency) of receipts over disbursements	<u>260,234</u>	<u>-</u>	<u>78,266</u>	<u>(48,629)</u>	<u>62,750</u>	<u>(32,000)</u>	<u>22,516</u>	<u>(104,683)</u>
Other financing sources (uses):								
Transfers in	-	-	-	-	-	65,000	-	71,960
Transfers out	<u>(71,960)</u>	<u>-</u>	<u>(50,000)</u>	<u>-</u>	<u>(15,000)</u>	<u>-</u>	<u>-</u>	<u>-</u>
Total other financing sources (uses)	<u>(71,960)</u>	<u>-</u>	<u>(50,000)</u>	<u>-</u>	<u>(15,000)</u>	<u>65,000</u>	<u>-</u>	<u>71,960</u>
Excess (deficiency) of receipts and other financing sources over disbursements and other financing uses	<u>188,274</u>	<u>-</u>	<u>28,266</u>	<u>(48,629)</u>	<u>47,750</u>	<u>33,000</u>	<u>22,516</u>	<u>(32,723)</u>
Cash and investments - ending	<u>\$ 914,931</u>	<u>\$ 1,493,469</u>	<u>\$ 208,801</u>	<u>\$ 130,113</u>	<u>\$ 144,540</u>	<u>\$ 108,000</u>	<u>\$ 108,602</u>	<u>\$ 19,934</u>

RISING SUN - OHIO 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)

	Levy Excess	Recreational Activities	Cooper Scholarship	United Community Bank Scholarship	Gray Scholarship	Charles Johnson Scholarship	Ohio County Community Foundation	ECO 15 Grant
Cash and investments - beginning	\$ -	\$ 9,419	\$ 40,704	\$ -	\$ 300,398	\$ 15,709	\$ 31,022	\$ 1,872
Receipts:								
Local sources	-	18,005	361	2,000	2,661	20,210	-	-
Intermediate sources	-	-	-	-	-	-	-	-
State sources	-	-	-	-	-	-	-	-
Federal sources	-	-	-	-	-	-	12,625	-
Other	-	-	-	-	-	-	-	-
Total receipts	-	18,005	361	2,000	2,661	20,210	12,625	-
Disbursements:								
Current:								
Instruction	-	-	-	-	-	-	42,348	-
Support services	-	-	-	-	-	-	-	-
Noninstructional services	-	22,509	-	-	-	-	-	-
Facilities acquisition and construction	-	-	-	-	-	-	-	-
Debt services	-	-	-	-	-	-	-	-
Nonprogrammed charges	-	-	600	2,000	4,400	6,000	-	-
Total disbursements	-	22,509	600	2,000	4,400	6,000	42,348	-
Excess (deficiency) of receipts over disbursements	-	(4,504)	(239)	-	(1,739)	14,210	(29,723)	-
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	-	(4,504)	(239)	-	(1,739)	14,210	(29,723)	-
Cash and investments - ending	\$ -	\$ 4,915	\$ 40,465	\$ -	\$ 298,659	\$ 29,919	\$ 1,299	\$ 1,872

RISING SUN - OHIO 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)

	RSHS Teacher's Aide Grant	LPN Grant	Endowment Gift	City of Rising Sun Personnel Grant	Health Department H1N1 Reimbursement	BP Gift	Red Ribbon Grant 2012	Non-English Speaking Programs P.L. 273-1999
Cash and investments - beginning	\$ (1,060)	\$ 466	\$ -	\$ -	\$ -	\$ 15,285	\$ -	\$ -
Receipts:								
Local sources	110,000	-	-	-	-	-	-	-
Intermediate sources	-	-	-	-	-	-	-	-
State sources	-	-	-	-	-	-	-	-
Federal sources	-	-	-	110,000	-	-	1,000	-
Other	-	-	-	-	-	-	-	-
Total receipts	110,000	-	-	110,000	-	-	1,000	-
Disbursements:								
Current:								
Instruction	81,164	-	-	-	-	15,000	-	-
Support services	-	-	-	-	-	-	-	-
Noninstructional services	-	-	-	-	-	-	-	-
Facilities acquisition and construction	-	-	-	-	-	-	-	-
Debt services	-	-	-	-	-	-	-	-
Nonprogrammed charges	-	-	-	-	-	-	-	-
Total disbursements	81,164	-	-	-	-	15,000	-	-
Excess (deficiency) of receipts over disbursements	28,836	-	-	110,000	-	(15,000)	1,000	-
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	28,836	-	-	110,000	-	(15,000)	1,000	-
Cash and investments - ending	\$ 27,776	\$ 466	\$ -	\$ 110,000	\$ -	\$ 285	\$ 1,000	\$ -

RISING SUN - OHIO 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)

	State Connectivity Grant	Rising Sun Regional Foundation Grant	Professional Developmet Capital Building Grant	School Safety Grant 2011	MainSource Bank Donation	Title I 2010-2011	Title I 2011-2012	Drug Free Schools
Cash and investments - beginning	\$ 3,870	\$ 51,624	\$ 500	\$ -	\$ -	\$ (1,566)	\$ -	\$ 475
Receipts:								
Local sources	-	-	-	-	-	-	-	-
Intermediate sources	-	-	-	-	-	-	-	-
State sources	6,115	-	-	10,000	-	-	-	-
Federal sources	-	129,348	-	-	1,000	1,614	96,835	420
Other	-	-	-	-	-	-	-	-
Total receipts	<u>6,115</u>	<u>129,348</u>	<u>-</u>	<u>10,000</u>	<u>1,000</u>	<u>1,614</u>	<u>96,835</u>	<u>420</u>
Disbursements:								
Current:								
Instruction	-	175,325	-	-	303	1,343	101,732	420
Support services	5,715	-	-	-	-	(1,343)	3,300	-
Noninstructional services	-	-	-	-	-	-	-	-
Facilities acquisition and construction	-	-	-	10,000	-	-	-	-
Debt services	-	-	-	-	-	-	-	-
Nonprogrammed charges	-	-	-	-	-	-	-	-
Total disbursements	<u>5,715</u>	<u>175,325</u>	<u>-</u>	<u>10,000</u>	<u>303</u>	<u>-</u>	<u>105,032</u>	<u>420</u>
Excess (deficiency) of receipts over disbursements	<u>400</u>	<u>(45,977)</u>	<u>-</u>	<u>-</u>	<u>697</u>	<u>1,614</u>	<u>(8,197)</u>	<u>-</u>
Other financing sources (uses):								
Transfers in	-	-	-	-	-	-	-	-
Transfers out	-	-	-	-	-	-	-	-
Total other financing sources (uses)	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Excess (deficiency) of receipts and other financing sources over disbursements and other financing uses	<u>400</u>	<u>(45,977)</u>	<u>-</u>	<u>-</u>	<u>697</u>	<u>1,614</u>	<u>(8,197)</u>	<u>-</u>
Cash and investments - ending	<u>\$ 4,270</u>	<u>\$ 5,647</u>	<u>\$ 500</u>	<u>\$ -</u>	<u>\$ 697</u>	<u>\$ 48</u>	<u>\$ (8,197)</u>	<u>\$ 475</u>

RISING SUN - OHIO 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)

	Arts and Education Grant	Medicaid Reimbursement Federal	Improving Teaching Quality No Child Left Title II, Part A	Title I Grants to LEAs	Special Education Part B	Education Jobs	Payroll Withholdings	Totals
Cash and investments - beginning	\$ 2	\$ 4,853	\$ -	\$ -	\$ (119)	\$ -	\$ 33,595	\$ 3,396,985
Receipts:								
Local sources	-	-	-	-	-	-	-	2,891,674
Intermediate sources	-	-	-	-	-	-	-	31
State sources	-	-	-	-	-	-	-	5,430,665
Federal sources	-	-	15,253	-	-	179,403	-	706,859
Other	-	-	-	-	-	-	1,558,378	1,575,531
Total receipts	-	-	15,253	-	-	179,403	1,558,378	10,604,760
Disbursements:								
Current:								
Instruction	-	-	19,838	-	20	182,544	-	4,776,498
Support services	-	-	-	-	-	-	-	2,762,877
Noninstructional services	-	-	-	-	-	-	-	315,339
Facilities acquisition and construction	-	-	-	-	-	-	-	242,582
Debt services	-	-	-	-	-	-	-	654,000
Nonprogrammed charges	-	-	-	-	-	-	1,568,612	1,581,612
Total disbursements	-	-	19,838	-	20	182,544	1,568,612	10,332,908
Excess (deficiency) of receipts over disbursements	-	-	(4,585)	-	(20)	(3,141)	(10,234)	271,852
Other financing sources (uses):								
Transfers in	-	-	-	-	-	-	-	136,960
Transfers out	-	-	-	-	-	-	-	(136,960)
Total other financing sources (uses)	-	-	-	-	-	-	-	-
Excess (deficiency) of receipts and other financing sources over disbursements and other financing uses	-	-	(4,585)	-	(20)	(3,141)	(10,234)	271,852
Cash and investments - ending	<u>\$ 2</u>	<u>\$ 4,853</u>	<u>\$ (4,585)</u>	<u>\$ -</u>	<u>\$ (139)</u>	<u>\$ (3,141)</u>	<u>\$ 23,361</u>	<u>\$ 3,668,837</u>

RISING SUN - OHIO COUNTY COMMUNITY SCHOOL CORPORATION  
AUDIT RESULT AND COMMENT

***INTERNAL CONTROLS OVER FINANCIAL TRANSACTIONS AND REPORTING***

We noted a deficiency in the internal control system of the School Corporation related to financial transactions and reporting. We believe the following deficiency constitutes a material weakness.

**Lack of Segregation of Duties:** Due to the small number of employees being assigned financial related duties, the School Corporation has not been able to segregate duties related to receipts, disbursements, and cash and investment balances. The lack of segregation of duties over key financial areas could enable material misstatements or irregularities to occur and remain undetected for an extended period of time.

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)

We recommend that internal control activities continue to be reviewed to determine if risks can be reduced regarding related duties.

A similar comment was made in prior Report B38538.

SUPPLEMENTAL AUDIT OF  
FEDERAL AWARDS



**STATE OF INDIANA**  
AN EQUAL OPPORTUNITY EMPLOYER

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

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

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

TO: THE OFFICIALS OF THE RISING SUN - OHIO COUNTY COMMUNITY  
SCHOOL CORPORATION, OHIO COUNTY, INDIANA

Compliance

We have audited the Rising Sun - Ohio 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.

Internal Control Over Compliance

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

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

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

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

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

STATE BOARD OF ACCOUNTS

February 20, 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.

RISING SUN - OHIO 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
<b><u>U.S. DEPARTMENT OF AGRICULTURE</u></b>				
Pass-Through Indiana Department of Education				
Child Nutrition Cluster				
School Breakfast Program	10.553		\$ 32,499	\$ -
		FY 10-11	-	37,011
		FY 11-12	-	-
National School Lunch Program	10.555		145,597	-
		FY 10-11	-	147,034
		FY 11-12	-	-
Total for cluster			<u>178,096</u>	<u>184,045</u>
Total for federal grantor agency			<u>178,096</u>	<u>184,045</u>
<b><u>U.S. DEPARTMENT OF EDUCATION</u></b>				
Pass-Through Indiana Department of Education				
Title I, Part A Cluster				
Title I Grants to Local Educational Agencies	84.010		103,674	-
		11-6080	-	96,835
		12-6080	-	-
ARRA Title 1 Grants to Local Educational Agencies, Recovery Act	84.389		25,604	-
		10-6080	-	-
Total for cluster			<u>129,278</u>	<u>96,835</u>
Pass-Through Sunman Dearborn Community School Corporation				
Special Education Cluster (IDEA)				
Special Education Grants to States	84.027		138,971	-
		FY 10-11	-	149,718
		FY 11-12	-	-
Special Education Preschool Grants	84.173		8,733	-
		FY 10-11	-	8,195
		FY 11-12	-	-
ARRA Special Education - Grants to States, Recovery Act	84.391		20,938	-
		333110-052-SN01	-	66,000
		FY 11-12	-	-
Total for cluster			<u>168,642</u>	<u>223,913</u>
Pass-Through Indiana Department of Education				
Safe and Drug-Free Schools and Communities State Grants	84.186		-	420
		11-6080	-	-
Pass-Through Indiana Department of Education				
Improving Teacher Quality State Grants	84.367		31,480	-
		10-6080	-	15,253
		11-6080	-	-
Pass-Through Indiana Department of Education				
Education Jobs Fund	84.410		-	179,403
		DOE-V2-6080	-	-
Total for federal grantor agency			<u>329,400</u>	<u>515,824</u>
Total federal awards expended			<u>\$ 507,496</u>	<u>\$ 699,869</u>

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

RISING SUN - OHIO 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 Rising Sun - Ohio 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. 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	\$ 21,710	\$ 24,232

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

Identification of Major Programs:

CFDA Number	Name of Federal Program or Cluster
N/A	Title I, Part A Cluster
N/A	Special Education Cluster (IDEA)
84.410	Education Jobs Fund

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

Auditee qualified as low-risk auditee?	no
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RISING SUN - OHIO COUNTY COMMUNITY SCHOOL CORPORATION  
SCHEDULE OF FINDINGS AND QUESTIONED COSTS  
(Continued)

***Section II – Financial Statement Findings***

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

We noted a deficiency in the internal control system of the School Corporation related to financial transactions and reporting. We believe the following deficiency constitutes a material weakness.

Lack of Segregation of Duties: Due to the small number of employees being assigned financial related duties, the School Corporation has not been able to segregate duties related to receipts, disbursements, and cash and investment balances. The lack of segregation of duties over key financial areas could enable material misstatements or irregularities to occur and remain undetected for an extended period of time.

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)

We recommend that internal control activities continue to be reviewed to determine if risks can be reduced regarding financial related duties.

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

No matters are reportable.



STEPHEN PATZ  
SUPERINTENDENT

# Rising Sun - Ohio County Community Schools

110 HENRIETTA STREET ♦ RISING SUN, INDIANA 47040

PHONE (812) 438-2655 ♦ FAX (812) 438-4636

February 7, 2013

Indiana State Board of Accounts  
302 W. Washington St.  
Indianapolis, IN 46204-2765

RE: Corrective Action Plan: Internal Controls - Segregation of Duties

We will review our procedures for internal control and attempt to implement steps to provide segregation of duties of cash, receipts and disbursements. Being a small school corporation, management has determined that the cost associated with employing additional staff necessary to properly segregate the duties would outweigh the benefits of additional internal control. We will investigate the possibility of reassigning responsibilities to better comply with the required internal controls. We acknowledge and assume the risk inherent with the current design of the business office operations.

If there are any questions, please feel free to contact at the number above.

Sincerely,

Stephen Patz  
Superintendent

RISING SUN - OHIO COUNTY COMMUNITY SCHOOL CORPORATION  
EXIT CONFERENCE

The contents of this report were discussed on February 20, 2013, with Stephen Patz, Superintendent of Schools; Harlan Hoffman, Vice President of the School Board; and Kelli Keith, Treasurer.