

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

FINANCIAL STATEMENT AND
FEDERAL SINGLE AUDIT REPORT
OF

MADISON CONSOLIDATED SCHOOLS
JEFFERSON COUNTY, INDIANA

July 1, 2010 to June 30, 2012



FILED
03/26/2013

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SCHEDULE OF OFFICIALS

<u>Office</u>	<u>Official</u>	<u>Term</u>
Treasurer	Charlene O'Connell	07-01-10 to 06-30-13
Director of Finance	Kathy M. May	07-01-10 to 06-30-13
Superintendent of Schools	Dr. Thomas G. Patterson (Vacant) R. Stephen Gookins (Interim) Dr. Ginger Studebaker-Bolinger	07-01-10 to 11-15-11 11-16-11 to 12-01-11 12-02-11 to 06-30-12 07-01-12 to 06-30-13
President of the School Board	Gregory N. Bentz Andrew D. Lytle Carl G. Schaum Todd S. Bass	01-01-10 to 12-31-10 01-01-11 to 12-31-11 01-01-12 to 12-31-12 01-01-13 to 12-31-13



INDEPENDENT AUDITOR'S REPORT

TO: THE OFFICIALS OF THE MADISON CONSOLIDATED SCHOOLS, JEFFERSON COUNTY, INDIANA

We have audited the accompanying financial statement of the Madison Consolidated Schools (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 (Indiana Code 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 March 4, 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.

STATE BOARD OF ACCOUNTS

March 4, 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 MADISON CONSOLIDATED SCHOOLS, JEFFERSON COUNTY, INDIANA

We have audited the financial statement of the Madison Consolidated Schools (School Corporation), for the period of July 1, 2010 to June 30, 2012, and have issued our report thereon dated March 4, 2013. We conducted our audit in accordance with auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in Government Auditing Standards, issued by the Comptroller General of the United States.

Internal Control Over Financial Reporting

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

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

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

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

Compliance and Other Matters

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

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

STATE BOARD OF ACCOUNTS

March 4, 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.

MADISON CONSOLIDATED SCHOOLS
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	\$ 2,804,461	\$ 20,785,320	\$ 21,273,463	\$ 81,661	\$ 2,397,979	\$ 20,501,888	\$ 19,676,732	\$ 108,285	\$ 3,331,420
Debt Service	919,854	3,222,760	2,950,500	(52,912)	1,139,202	3,210,807	2,946,258	(55,111)	1,348,640
Retirement/Severance Bond Debt Service	719,853	1,387,319	1,402,461	-	704,711	1,383,623	1,407,426	-	680,908
Capital Projects	3,493,115	3,247,018	3,661,393	-	3,078,740	2,862,076	3,720,171	-	2,220,645
School Transportation	701,087	1,996,140	1,822,589	98,719	973,357	1,515,939	2,160,001	-	329,295
School Bus Replacement	178,389	200,240	-	-	378,629	34,337	398,591	-	14,375
Rainy Day	178,000	-	-	-	178,000	-	-	-	178,000
Retirement/Severance Bond	1,221,498	-	581,176	-	640,322	-	431,763	-	208,559
Construction	-	-	-	106,000	106,000	-	84,965	-	21,035
Lydia Middleton Construction	38,120	-	-	-	38,120	-	-	-	38,120
School Lunch	1,220,768	1,443,457	1,237,481	-	1,426,744	1,381,864	1,259,277	-	1,549,331
Textbook Rental	278,946	314,763	485,987	-	107,722	305,153	308,004	55,111	159,982
Educational License Plates	113	-	-	-	113	-	-	-	113
Alternative Education	5,000	-	-	-	5,000	-	-	-	5,000
Early Intervention Grant 2009/2010	509	-	509	-	-	-	-	-	-
Early Intervention Grant 2010/2011	-	6,000	3,625	-	2,375	-	2,375	-	-
Early Intervention Grant 2011/2012	-	-	-	-	-	34,850	34,850	-	-
E. O. Muncie Donation	1,117	-	1,117	-	-	-	-	-	-
Employee Recognition/Learning Place	45,137	1,751	19,732	-	27,156	15,000	13,092	-	29,064
Reading Recovery Site Training	14,155	-	7,748	-	6,407	-	5,013	-	1,394
Stimulus Dollars SSU	-	1,700	1,700	-	-	-	-	-	-
Donations	4,966	13,205	2,851	-	15,320	13,750	14,190	-	14,880
Project Lead The Way	383	-	383	-	-	-	-	-	-
Project Lead The Way	9,995	2,375	8,153	(4,217)	-	-	-	-	-
ECO15/Robotics Project	-	15,000	13,474	-	1,526	-	1,526	-	-
ECO15/Lilly 2011/2012	-	4,700	6,176	4,217	2,741	-	2,741	-	-
ECO15/MJHS Project Colab/Video Conference	-	-	-	-	-	14,700	-	-	14,700
Anderson Wrap-Around Kindergarten Project	109	-	-	-	109	-	109	-	-
A. S. Custer Fund	40,794	849	1,900	-	39,743	502	1,900	-	38,345
Forfeited SEC 125	9,748	1,227	-	-	10,975	663	-	-	11,638
Education Foundation 2011	483	11,000	5,480	-	6,003	-	5,802	-	201
Education Foundation 2012	-	-	-	-	-	11,000	5,838	-	5,162
GED	1,285	4,375	3,111	-	2,549	6,135	7,415	-	1,269
Cub Field Renovation Donation	962	-	-	-	962	-	-	-	962
CPR Training	7	-	-	-	7	-	7	-	-
Employee Benefit Fund	2,478,013	3,329,015	1,220,987	(2,133,991)	2,452,050	3,102,038	593,598	(2,280,227)	2,680,263
Insurance	-	-	1,621,791	2,133,991	512,200	153,039	2,456,667	2,280,227	488,799
Deaf/Blind Instructional Fund	-	2,527	2,527	-	-	-	2,405	-	(2,405)
4 Community Grant	33	324	-	-	357	-	-	-	357

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

MADISON CONSOLIDATED SCHOOLS
STATEMENT OF RECEIPTS, DISBURSEMENTS, OTHER FINANCING SOURCES (USES), AND CASH AND INVESTMENT BALANCES -
REGULATORY BASIS
For the Years Ended June 30, 2011 and 2012
(Continued)

	Cash and Investments 07-01-10	Receipts	Disbursements	Other Financing Sources (Uses)	Cash and Investments 06-30-11	Receipts	Disbursements	Other Financing Sources (Uses)	Cash and Investments 06-30-12
CAPE Community Foundation Grant	20,763	100,201	117,278	-	3,686	-	621	-	3,065
Driver's Education	23,979	34,115	46,602	-	11,492	54,585	50,047	-	16,030
Tech Prep Grant 2011/2012	-	-	-	-	-	15,000	15,000	-	-
ECA Athletics	-	2,908	2,908	-	-	3,127	3,127	-	-
Non-English Speaking Programs P.L. 273-1999	641	-	641	-	-	-	-	-	-
Non-English Speaking Program EOM 2010/2011	-	3,932	3,932	-	-	-	-	-	-
Non-English Speaking Program EOM 2011/2012	-	-	-	-	-	2,444	2,391	-	53
School Technology	-	3,946	2,959	-	987	4,274	4,627	-	634
Technology Grant Buddy System	2,030	-	-	-	2,030	-	-	-	2,030
Indiana IMPR Awards	1,234	-	-	-	1,234	-	-	-	1,234
Senator David Ford Technology	-	-	-	-	-	2,500	2,223	-	277
Excess PTRC Distribution	45,807	-	-	(45,807)	-	-	-	-	-
Title I School Improvement Dupont	139	-	139	-	-	-	-	-	-
Title I 2009/2010	58,298	158,593	95,141	(121,750)	-	-	-	-	-
Title I FY 2010/2011 PL 107-110	-	677,916	683,478	121,750	116,188	45,135	98,753	(62,570)	-
Title I Part A 2011/2012	-	-	-	-	-	452,304	583,485	62,570	(68,611)
Title I 2009/2010 Delinquent Intervention	24,147	6,139	10,326	(19,960)	-	-	-	-	-
Title I 2010/2011 Delinquent Intervention	-	-	9,480	19,960	10,480	-	10,480	-	-
Title I School Improvement E. O. Muncie	34,510	51,200	85,710	-	-	-	-	-	-
Part B IDEA Technology Grant PL 101-476	-	-	-	-	-	68,838	68,838	-	-
Drug Free Schools Title IV PL 107-110 FY 2009	481	-	481	-	-	-	-	-	-
Drug Free Schools Title IV PL 107-110 FY 2010	-	6,790	6,020	-	770	7,838	8,608	-	-
Title II Part A 2008/2009	6,896	-	6,896	-	-	-	-	-	-
Title II Part A 2009/2010	(3,443)	103,000	107,557	-	(8,000)	8,000	-	-	-
Title II Part A 2010/2011	-	109,405	97,328	-	12,077	99,678	111,755	-	-
Title II Part A 2011/2012	-	-	-	-	-	36,928	43,347	-	(6,419)
ITQ, Enhanced Education Through Technology, Title II, Part D	-	19,556	7,085	-	12,471	24,690	68,576	-	(31,415)
Title III English Language Proficiency Migrant	-	602	602	-	-	-	-	-	-
Title III Consortium 2010/2011	-	-	-	-	-	1,740	1,740	-	-
Reading First Program Grant 2009/2010	14,704	68,558	83,262	-	-	-	-	-	-
ARRA Title I Grant	5,155	164,844	146,100	-	23,899	-	23,899	-	-
ARRA Title II Part D	(698)	147,103	36,405	-	110,000	45,072	155,072	-	-
ARRA Title I Delinquent Intervention	(1,130)	3,800	2,670	-	-	-	-	-	-
ARRA Educational Jobs Fund Stimulus 2011	-	-	-	-	-	526,768	581,355	-	(54,587)
Payroll Clearing	675	5,627,185	5,627,860	-	-	5,277,740	5,277,740	-	-
Totals	\$ 14,601,088	\$ 43,280,858	\$ 43,517,174	\$ 187,661	\$ 14,552,433	\$ 41,224,025	\$ 42,652,400	\$ 108,285	\$ 13,232,343

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

MADISON CONSOLIDATED SCHOOLS
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 (Indiana Code 5-11-1-6), which is a comprehensive basis of accounting other than accounting principles generally accepted in the United States of America. Receipts are recorded when received and disbursements are recorded when paid.

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

C. Cash and Investments

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

D. Receipts

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

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

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

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

MADISON CONSOLIDATED SCHOOLS
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.

Interfund loans which include money temporarily transferred from one fund to a depleted fund for use in paying current operating expenses. Such advancement shall not be made for a period extending beyond the budget year.

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

E. Disbursements

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

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

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

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

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

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

Nonprogrammed charges which include outflows for donations to foundations, securities purchased, indirect costs, scholarships, and self-insurance payments.

Interfund loans which include money temporarily transferred from one fund to a depleted fund for use in paying current operating expenses. Such advancement shall not be made for a period extending beyond the budget year.

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.

MADISON CONSOLIDATED SCHOOLS
NOTES TO FINANCIAL STATEMENT
(Continued)

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

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

G. Fund Accounting

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

Note 2. Budgets

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

Note 3. Property Taxes

Property taxes levied are collected by the County Treasurer and are scheduled to be distributed to the School Corporation in June and December; however, situations can arise which would delay the distributions. State statute (Indiana Code 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 (Indiana Code 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.

MADISON CONSOLIDATED SCHOOLS
NOTES TO FINANCIAL STATEMENT
(Continued)

Note 5. Risk Management

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

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

Note 6. Pension Plans

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 (Indiana Code 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.

MADISON CONSOLIDATED SCHOOLS
NOTES TO FINANCIAL STATEMENT
(Continued)

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 (Indiana Code 5-10.2) governs, through the Indiana Public Retirement System (INPRS) Board, most requirements of the system, and gives the School Corporation authority to contribute to the plan. The TRF retirement benefit consists of the pension provided by employer contributions plus an annuity provided by the member's annuity savings account. The annuity savings account consists of members' contributions, set by state statute at 3 percent of compensation, plus the interest credited to the member's account. The School Corporation may elect to make the contributions on behalf of the member.

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

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

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 funds with deficits in cash. This is a result of disbursements made prior to disbursements being reimbursed from grant proceeds. These deficits are to be repaid from future receipts.

Note 8. Holding Corporation

The School Corporation has entered into a capital lease with Madison Consolidated School Building Corporation (the lessor). The lessor was organized as a not-for-profit corporation pursuant to state statute for the purpose of financing and constructing or reconstructing 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 2011 and 2012 totaled \$1,725,787, and \$1,774,625, respectively.

MADISON CONSOLIDATED SCHOOLS
NOTES TO FINANCIAL STATEMENT
(Continued)

The School Corporation has entered into a capital lease with Lydia Middleton School Building Corporation (the lessor). The lessor was organized as a not-for-profit corporation pursuant to state statute for the purpose of financing and constructing or reconstructing 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 2011 and 2012 totaled \$1,167,000, and \$1,167,500, respectively.

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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.

MADISON CONSOLIDATED SCHOOLS
 COMBINING SCHEDULE OF RECEIPTS, DISBURSEMENTS, OTHER FINANCING SOURCES (USES), AND CASH AND INVESTMENT BALANCES -
 REGULATORY BASIS
 For the Year Ended June 30, 2011

	General	Debt Service	Retirement/ Severance Bond Debt Service	Capital Projects	School Transportation	School Bus Replacement	Rainy Day	Retirement/ Severance Bond	Construction
Cash and investments - beginning	\$ 2,804,461	\$ 919,854	\$ 719,853	\$ 3,493,115	\$ 701,087	\$ 178,389	\$ 178,000	\$ 1,221,498	\$ -
Receipts:									
Local sources	366,388	3,169,848	1,387,319	3,086,704	1,545,440	200,240	-	-	-
Intermediate sources	161	-	-	-	-	-	-	-	-
State sources	20,290,016	52,912	-	-	-	-	-	-	-
Federal sources	41,666	-	-	-	-	-	-	-	-
Interfund loans	-	-	-	150,000	425,000	-	-	-	-
Other	87,089	-	-	10,314	25,700	-	-	-	-
Total receipts	<u>20,785,320</u>	<u>3,222,760</u>	<u>1,387,319</u>	<u>3,247,018</u>	<u>1,996,140</u>	<u>200,240</u>	<u>-</u>	<u>-</u>	<u>-</u>
Disbursements:									
Current:									
Instruction	15,736,306	-	-	-	-	-	-	-	-
Support services	5,360,958	-	-	1,438,297	1,672,589	-	-	581,176	-
Noninstructional services	176,199	-	-	-	-	-	-	-	-
Facilities acquisition and construction	-	-	-	1,798,096	-	-	-	-	-
Debt services	-	2,950,500	1,402,461	-	-	-	-	-	-
Nonprogrammed charges	-	-	-	-	-	-	-	-	-
Interfund loans	-	-	-	425,000	150,000	-	-	-	-
Total disbursements	<u>21,273,463</u>	<u>2,950,500</u>	<u>1,402,461</u>	<u>3,661,393</u>	<u>1,822,589</u>	<u>-</u>	<u>-</u>	<u>581,176</u>	<u>-</u>
Excess (deficiency) of receipts over disbursements	<u>(488,143)</u>	<u>272,260</u>	<u>(15,142)</u>	<u>(414,375)</u>	<u>173,551</u>	<u>200,240</u>	<u>-</u>	<u>(581,176)</u>	<u>-</u>
Other financing sources (uses):									
Sale of capital assets	81,661	-	-	-	-	-	-	-	106,000
Transfers in	-	-	-	-	98,719	-	-	-	-
Transfers out	-	(52,912)	-	-	-	-	-	-	-
Total other financing sources (uses)	<u>81,661</u>	<u>(52,912)</u>	<u>-</u>	<u>-</u>	<u>98,719</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>106,000</u>
Excess (deficiency) of receipts and other financing sources over disbursements and other financing uses	<u>(406,482)</u>	<u>219,348</u>	<u>(15,142)</u>	<u>(414,375)</u>	<u>272,270</u>	<u>200,240</u>	<u>-</u>	<u>(581,176)</u>	<u>106,000</u>
Cash and investments - ending	<u>\$ 2,397,979</u>	<u>\$ 1,139,202</u>	<u>\$ 704,711</u>	<u>\$ 3,078,740</u>	<u>\$ 973,357</u>	<u>\$ 378,629</u>	<u>\$ 178,000</u>	<u>\$ 640,322</u>	<u>\$ 106,000</u>

MADISON CONSOLIDATED SCHOOLS
 COMBINING SCHEDULE OF RECEIPTS, DISBURSEMENTS, OTHER FINANCING SOURCES (USES), AND CASH AND INVESTMENT BALANCES -
 REGULATORY BASIS
 For the Year Ended June 30, 2011
 (Continued)

	Lydia Middleton Construction	School Lunch	Textbook Rental	Educational License Plates	Alternative Education	Early Intervention Grants 2009/2010	Early Intervention Grants 2011/2012	Early Intervention Grants 2011/2012	E. O. Muncie Donation
Cash and investments - beginning	\$ 38,120	\$ 1,220,768	\$ 278,946	\$ 113	\$ 5,000	\$ 509	\$ -	\$ -	\$ 1,117
Receipts:									
Local sources	-	593,525	163,489	-	-	-	-	-	-
Intermediate sources	-	-	-	-	-	-	-	-	-
State sources	-	12,349	151,274	-	-	-	6,000	-	-
Federal sources	-	828,616	-	-	-	-	-	-	-
Interfund loans	-	-	-	-	-	-	-	-	-
Other	-	8,967	-	-	-	-	-	-	-
Total receipts	-	1,443,457	314,763	-	-	-	6,000	-	-
Disbursements:									
Current:									
Instruction	-	-	-	-	-	-	-	-	1,117
Support services	-	4,446	485,987	-	-	509	3,625	-	-
Noninstructional services	-	1,233,035	-	-	-	-	-	-	-
Facilities acquisition and construction	-	-	-	-	-	-	-	-	-
Debt services	-	-	-	-	-	-	-	-	-
Nonprogrammed charges	-	-	-	-	-	-	-	-	-
Interfund loans	-	-	-	-	-	-	-	-	-
Total disbursements	-	1,237,481	485,987	-	-	509	3,625	-	1,117
Excess (deficiency) of receipts over disbursements	-	205,976	(171,224)	-	-	(509)	2,375	-	(1,117)
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	-	205,976	(171,224)	-	-	(509)	2,375	-	(1,117)
Cash and investments - ending	\$ 38,120	\$ 1,426,744	\$ 107,722	\$ 113	\$ 5,000	\$ -	\$ 2,375	\$ -	\$ -

MADISON CONSOLIDATED SCHOOLS
 COMBINING SCHEDULE OF RECEIPTS, DISBURSEMENTS, OTHER FINANCING SOURCES (USES), AND CASH AND INVESTMENT BALANCES -
 REGULATORY BASIS
 For the Year Ended June 30, 2011
 (Continued)

	Employee Recognition/ Learning Place	Reading Recovery Site Training	Stimulus Dollars SSU	Donations	Project Lead The Way	Project Lead The Way	ECO15/Robotics Project	ECO15/Lilly 2011/2012	ECO15/MJHS Colab/Video Conference
Cash and investments - beginning	\$ 45,137	\$ 14,155	\$ -	\$ 4,966	\$ 383	\$ 9,995	\$ -	\$ -	\$ -
Receipts:									
Local sources	1,751	-	1,700	13,205	-	2,375	15,000	4,700	-
Intermediate sources	-	-	-	-	-	-	-	-	-
State sources	-	-	-	-	-	-	-	-	-
Federal sources	-	-	-	-	-	-	-	-	-
Interfund loans	-	-	-	-	-	-	-	-	-
Other	-	-	-	-	-	-	-	-	-
Total receipts	1,751	-	1,700	13,205	-	2,375	15,000	4,700	-
Disbursements:									
Current:									
Instruction	-	-	1,700	-	-	-	13,474	-	-
Support services	19,732	7,748	-	2,851	383	8,153	-	6,176	-
Noninstructional services	-	-	-	-	-	-	-	-	-
Facilities acquisition and construction	-	-	-	-	-	-	-	-	-
Debt services	-	-	-	-	-	-	-	-	-
Nonprogrammed charges	-	-	-	-	-	-	-	-	-
Interfund loans	-	-	-	-	-	-	-	-	-
Total disbursements	19,732	7,748	1,700	2,851	383	8,153	13,474	6,176	-
Excess (deficiency) of receipts over disbursements	(17,981)	(7,748)	-	10,354	(383)	(5,778)	1,526	(1,476)	-
Other financing sources (uses):									
Sale of capital assets	-	-	-	-	-	-	-	-	-
Transfers in	-	-	-	-	-	-	-	4,217	-
Transfers out	-	-	-	-	-	(4,217)	-	-	-
Total other financing sources (uses)	-	-	-	-	-	(4,217)	-	4,217	-
Excess (deficiency) of receipts and other financing sources over disbursements and other financing uses	(17,981)	(7,748)	-	10,354	(383)	(9,995)	1,526	2,741	-
Cash and investments - ending	\$ 27,156	\$ 6,407	\$ -	\$ 15,320	\$ -	\$ -	\$ 1,526	\$ 2,741	\$ -

MADISON CONSOLIDATED SCHOOLS
 COMBINING SCHEDULE OF RECEIPTS, DISBURSEMENTS, OTHER FINANCING SOURCES (USES), AND CASH AND INVESTMENT BALANCES -
 REGULATORY BASIS
 For the Year Ended June 30, 2011
 (Continued)

	Anderson Wrap-Around Kindergarten Project	A. S. Custer Fund	Forfeited SEC 125	Education Foundation 2011	Education Foundation 2012	GED	Cub Field Renovation Donation	CPR Training
Cash and investments - beginning	\$ 109	\$ 40,794	\$ 9,748	\$ 483	\$ -	\$ 1,285	\$ 962	\$ 7
Receipts:								
Local sources	-	849	1,227	11,000	-	4,375	-	-
Intermediate sources	-	-	-	-	-	-	-	-
State sources	-	-	-	-	-	-	-	-
Federal sources	-	-	-	-	-	-	-	-
Interfund loans	-	-	-	-	-	-	-	-
Other	-	-	-	-	-	-	-	-
Total receipts	-	849	1,227	11,000	-	4,375	-	-
Disbursements:								
Current:								
Instruction	-	-	-	-	-	-	-	-
Support services	-	-	-	-	-	3,111	-	-
Noninstructional services	-	-	-	5,480	-	-	-	-
Facilities acquisition and construction	-	-	-	-	-	-	-	-
Debt services	-	-	-	-	-	-	-	-
Nonprogrammed charges	-	1,900	-	-	-	-	-	-
Interfund loans	-	-	-	-	-	-	-	-
Total disbursements	-	1,900	-	5,480	-	3,111	-	-
Excess (deficiency) of receipts over disbursements	-	(1,051)	1,227	5,520	-	1,264	-	-
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	-	(1,051)	1,227	5,520	-	1,264	-	-
Cash and investments - ending	\$ 109	\$ 39,743	\$ 10,975	\$ 6,003	\$ -	\$ 2,549	\$ 962	\$ 7

MADISON CONSOLIDATED SCHOOLS
 COMBINING SCHEDULE OF RECEIPTS, DISBURSEMENTS, OTHER FINANCING SOURCES (USES), AND CASH AND INVESTMENT BALANCES -
 REGULATORY BASIS
 For the Year Ended June 30, 2011
 (Continued)

	Employee Benefit Fund	Insurance	Deaf/Blind Instructional Fund	4 Community Grant	CAPE Community Foundation Grant	Driver's Education	Tech Prep Grant 2011/2012	ECA Athletics
Cash and investments - beginning	\$ 2,478,013	\$ -	\$ -	\$ 33	\$ 20,763	\$ 23,979	\$ -	\$ -
Receipts:								
Local sources	-	-	2,527	-	100,201	34,115	-	2,908
Intermediate sources	-	-	-	-	-	-	-	-
State sources	-	-	-	-	-	-	-	-
Federal sources	-	-	-	-	-	-	-	-
Interfund loans	-	-	-	-	-	-	-	-
Other	3,329,015	-	-	324	-	-	-	-
Total receipts	3,329,015	-	2,527	324	100,201	34,115	-	2,908
Disbursements:								
Current:								
Instruction	-	-	-	-	117,278	-	-	-
Support services	1,220,987	-	2,527	-	-	75	-	-
Noninstructional services	-	-	-	-	-	27,617	-	2,908
Facilities acquisition and construction	-	-	-	-	-	18,910	-	-
Debt services	-	-	-	-	-	-	-	-
Nonprogrammed charges	-	1,621,791	-	-	-	-	-	-
Interfund loans	-	-	-	-	-	-	-	-
Total disbursements	1,220,987	1,621,791	2,527	-	117,278	46,602	-	2,908
Excess (deficiency) of receipts over disbursements	2,108,028	(1,621,791)	-	324	(17,077)	(12,487)	-	-
Other financing sources (uses):								
Sale of capital assets	-	-	-	-	-	-	-	-
Transfers in	-	2,133,991	-	-	-	-	-	-
Transfers out	(2,133,991)	-	-	-	-	-	-	-
Total other financing sources (uses)	(2,133,991)	2,133,991	-	-	-	-	-	-
Excess (deficiency) of receipts and other financing sources over disbursements and other financing uses	(25,963)	512,200	-	324	(17,077)	(12,487)	-	-
Cash and investments - ending	\$ 2,452,050	\$ 512,200	\$ -	\$ 357	\$ 3,686	\$ 11,492	\$ -	\$ -

MADISON CONSOLIDATED SCHOOLS
 COMBINING SCHEDULE OF RECEIPTS, DISBURSEMENTS, OTHER FINANCING SOURCES (USES), AND CASH AND INVESTMENT BALANCES -
 REGULATORY BASIS
 For the Year Ended June 30, 2011
 (Continued)

	Non-English Speaking Programs P.L. 273-1999	Non-English Speaking Program EOM 2010/2011	Non-English Speaking Program EOM 2011/2012	School Technology	Technology Grant Buddy System	Indiana IMPR Awards	Senator David Ford Technology	Excess PTRC Distribution
Cash and investments - beginning	\$ 641	\$ -	\$ -	\$ -	\$ 2,030	\$ 1,234	\$ -	\$ 45,807
Receipts:								
Local sources	-	-	-	-	-	-	-	-
Intermediate sources	-	-	-	-	-	-	-	-
State sources	-	3,932	-	3,946	-	-	-	-
Federal sources	-	-	-	-	-	-	-	-
Interfund loans	-	-	-	-	-	-	-	-
Other	-	-	-	-	-	-	-	-
Total receipts	-	3,932	-	3,946	-	-	-	-
Disbursements:								
Current:								
Instruction	641	3,932	-	-	-	-	-	-
Support services	-	-	-	2,959	-	-	-	-
Noninstructional services	-	-	-	-	-	-	-	-
Facilities acquisition and construction	-	-	-	-	-	-	-	-
Debt services	-	-	-	-	-	-	-	-
Nonprogrammed charges	-	-	-	-	-	-	-	-
Interfund loans	-	-	-	-	-	-	-	-
Total disbursements	641	3,932	-	2,959	-	-	-	-
Excess (deficiency) of receipts over disbursements	(641)	-	-	987	-	-	-	-
Other financing sources (uses):								
Sale of capital assets	-	-	-	-	-	-	-	-
Transfers in	-	-	-	-	-	-	-	-
Transfers out	-	-	-	-	-	-	-	(45,807)
Total other financing sources (uses)	-	-	-	-	-	-	-	(45,807)
Excess (deficiency) of receipts and other financing sources over disbursements and other financing uses	(641)	-	-	987	-	-	-	(45,807)
Cash and investments - ending	\$ -	\$ -	\$ -	\$ 987	\$ 2,030	\$ 1,234	\$ -	\$ -

MADISON CONSOLIDATED SCHOOLS
 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 I School Improvement Dupont	Title I 2009/2010	Title I FY 2010/2011 PL 107-110	Title I Part A 2011/2012	Title I 2009/2010 Delinquent Intervention	Title I 2010/2011 Delinquent Intervention	Title I School Improvement E. O. Muncie	Part B IDEA Technology Grant PL 101-476
Cash and investments - beginning	\$ 139	\$ 58,298	\$ -	\$ -	\$ 24,147	\$ -	\$ 34,510	\$ -
Receipts:								
Local sources	-	-	802	-	-	-	-	-
Intermediate sources	-	-	-	-	-	-	-	-
State sources	-	-	-	-	-	-	-	-
Federal sources	-	158,593	677,114	-	6,139	-	51,200	-
Interfund loans	-	-	-	-	-	-	-	-
Other	-	-	-	-	-	-	-	-
Total receipts	-	158,593	677,916	-	6,139	-	51,200	-
Disbursements:								
Current:								
Instruction	-	52,461	467,163	-	9,976	9,386	3,446	-
Support services	139	29,268	210,070	-	-	-	73,707	-
Noninstructional services	-	346	6,245	-	-	-	8,557	-
Facilities acquisition and construction	-	-	-	-	-	-	-	-
Debt services	-	-	-	-	-	-	-	-
Nonprogrammed charges	-	13,066	-	-	350	94	-	-
Interfund loans	-	-	-	-	-	-	-	-
Total disbursements	139	95,141	683,478	-	10,326	9,480	85,710	-
Excess (deficiency) of receipts over disbursements	(139)	63,452	(5,562)	-	(4,187)	(9,480)	(34,510)	-
Other financing sources (uses):								
Sale of capital assets	-	-	-	-	-	-	-	-
Transfers in	-	-	121,750	-	-	19,960	-	-
Transfers out	-	(121,750)	-	-	(19,960)	-	-	-
Total other financing sources (uses)	-	(121,750)	121,750	-	(19,960)	19,960	-	-
Excess (deficiency) of receipts and other financing sources over disbursements and other financing uses	(139)	(58,298)	116,188	-	(24,147)	10,480	(34,510)	-
Cash and investments - ending	\$ -	\$ -	\$ 116,188	\$ -	\$ -	\$ 10,480	\$ -	\$ -

MADISON CONSOLIDATED SCHOOLS
 COMBINING SCHEDULE OF RECEIPTS, DISBURSEMENTS, OTHER FINANCING SOURCES (USES), AND CASH AND INVESTMENT BALANCES -
 REGULATORY BASIS
 For the Year Ended June 30, 2011
 (Continued)

	Drug Free Schools Title IV PL 107-110 FY 2009	Drug Free Schools Title IV PL 107-110 FY 2010	Title II Part A 2008/2009	Title II Part A 2009/2010	Title II Part A 2010/2011	Title II Part A 2011/2012	ITQ Enhanced Education Through Technology Title II, Part D	Title III English Language Proficiency Migrant
Cash and investments - beginning	\$ 481	\$ -	\$ 6,896	\$ (3,443)	\$ -	\$ -	\$ -	\$ -
Receipts:								
Local sources	-	-	-	-	-	-	-	602
Intermediate sources	-	-	-	-	-	-	-	-
State sources	-	-	-	-	-	-	-	-
Federal sources	-	6,790	-	103,000	109,405	-	19,556	-
Interfund loans	-	-	-	-	-	-	-	-
Other	-	-	-	-	-	-	-	-
Total receipts	<u>-</u>	<u>6,790</u>	<u>-</u>	<u>103,000</u>	<u>109,405</u>	<u>-</u>	<u>19,556</u>	<u>602</u>
Disbursements:								
Current:								
Instruction	-	-	-	104,728	94,657	-	-	602
Support services	481	6,020	1,754	1,031	2,671	-	7,085	-
Noninstructional services	-	-	-	-	-	-	-	-
Facilities acquisition and construction	-	-	-	-	-	-	-	-
Debt services	-	-	-	-	-	-	-	-
Nonprogrammed charges	-	-	5,142	1,798	-	-	-	-
Interfund loans	-	-	-	-	-	-	-	-
Total disbursements	<u>481</u>	<u>6,020</u>	<u>6,896</u>	<u>107,557</u>	<u>97,328</u>	<u>-</u>	<u>7,085</u>	<u>602</u>
Excess (deficiency) of receipts over disbursements	<u>(481)</u>	<u>770</u>	<u>(6,896)</u>	<u>(4,557)</u>	<u>12,077</u>	<u>-</u>	<u>12,471</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>(481)</u>	<u>770</u>	<u>(6,896)</u>	<u>(4,557)</u>	<u>12,077</u>	<u>-</u>	<u>12,471</u>	<u>-</u>
Cash and investments - ending	<u>\$ -</u>	<u>\$ 770</u>	<u>\$ -</u>	<u>\$ (8,000)</u>	<u>\$ 12,077</u>	<u>\$ -</u>	<u>\$ 12,471</u>	<u>\$ -</u>

MADISON CONSOLIDATED SCHOOLS
 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 III Consortium 2010/2011	Reading First Program Grant 2009/2010	ARRA Title I Grant	ARRA Title II Part D	ARRA Title I Delinquent Intervention	ARRA Educational Jobs Fund Stimulus 2011	Payroll Clearing	Totals
Cash and investments - beginning	\$ -	\$ 14,704	\$ 5,155	\$ (698)	\$ (1,130)	\$ -	\$ 675	\$ 14,601,088
Receipts:								
Local sources	-	-	444	-	-	-	-	10,710,734
Intermediate sources	-	-	-	-	-	-	-	161
State sources	-	-	-	-	-	-	-	20,520,429
Federal sources	-	68,558	164,400	147,103	3,800	-	-	2,385,940
Interfund loans	-	-	-	-	-	-	-	575,000
Other	-	-	-	-	-	-	5,627,185	9,088,594
Total receipts	-	68,558	164,844	147,103	3,800	-	5,627,185	43,280,858
Disbursements:								
Current:								
Instruction	-	35,380	75,694	29,301	(1,621)	-	-	16,755,621
Support services	-	36,277	61,589	-	4,291	-	-	11,256,672
Noninstructional services	-	-	2,403	-	-	-	-	1,462,790
Facilities acquisition and construction	-	-	-	-	-	-	-	1,817,006
Debt services	-	-	-	-	-	-	-	4,352,961
Nonprogrammed charges	-	11,605	6,414	7,104	-	-	5,627,860	7,297,124
Interfund loans	-	-	-	-	-	-	-	575,000
Total disbursements	-	83,262	146,100	36,405	2,670	-	5,627,860	43,517,174
Excess (deficiency) of receipts over disbursements	-	(14,704)	18,744	110,698	1,130	-	(675)	(236,316)
Other financing sources (uses):								
Sale of capital assets	-	-	-	-	-	-	-	187,661
Transfers in	-	-	-	-	-	-	-	2,378,637
Transfers out	-	-	-	-	-	-	-	(2,378,637)
Total other financing sources (uses)	-	-	-	-	-	-	-	187,661
Excess (deficiency) of receipts and other financing sources over disbursements and other financing uses	-	(14,704)	18,744	110,698	1,130	-	(675)	(48,655)
Cash and investments - ending	\$ -	\$ -	\$ 23,899	\$ 110,000	\$ -	\$ -	\$ -	\$ 14,552,433

MADISON CONSOLIDATED SCHOOLS
 COMBINING SCHEDULE OF RECEIPTS, DISBURSEMENTS, OTHER FINANCING SOURCES (USES), AND CASH AND INVESTMENT BALANCES -
 REGULATORY BASIS
 For the Year Ended June 30, 2012

	General	Debt Service	Retirement/ Severance Bond Debt Service	Capital Projects	School Transportation	School Bus Replacement	Rainy Day	Retirement/ Severance Bond	Construction
Cash and investments - beginning	\$ 2,397,979	\$ 1,139,202	\$ 704,711	\$ 3,078,740	\$ 973,357	\$ 378,629	\$ 178,000	\$ 640,322	\$ 106,000
Receipts:									
Local sources	296,729	3,210,807	1,383,623	2,424,774	1,500,426	34,337	-	-	-
Intermediate sources	86	-	-	-	-	-	-	-	-
State sources	20,142,112	-	-	-	-	-	-	-	-
Federal sources	42,812	-	-	-	-	-	-	-	-
Interfund loans	-	-	-	425,000	-	-	-	-	-
Other	20,149	-	-	12,302	15,513	-	-	-	-
Total receipts	<u>20,501,888</u>	<u>3,210,807</u>	<u>1,383,623</u>	<u>2,862,076</u>	<u>1,515,939</u>	<u>34,337</u>	<u>-</u>	<u>-</u>	<u>-</u>
Disbursements:									
Current:									
Instruction	14,637,442	-	-	-	-	-	-	-	-
Support services	4,859,131	-	-	1,510,063	1,735,001	398,591	-	431,763	-
Noninstructional services	180,159	-	-	-	-	-	-	-	-
Facilities acquisition and construction	-	-	-	2,210,108	-	-	-	-	84,965
Debt services	-	2,946,258	1,407,426	-	-	-	-	-	-
Nonprogrammed charges	-	-	-	-	-	-	-	-	-
Interfund loans	-	-	-	-	425,000	-	-	-	-
Total disbursements	<u>19,676,732</u>	<u>2,946,258</u>	<u>1,407,426</u>	<u>3,720,171</u>	<u>2,160,001</u>	<u>398,591</u>	<u>-</u>	<u>431,763</u>	<u>84,965</u>
Excess (deficiency) of receipts over disbursements	<u>825,156</u>	<u>264,549</u>	<u>(23,803)</u>	<u>(858,095)</u>	<u>(644,062)</u>	<u>(364,254)</u>	<u>-</u>	<u>(431,763)</u>	<u>(84,965)</u>
Other financing sources (uses):									
Sale of capital assets	108,285	-	-	-	-	-	-	-	-
Transfers in	-	-	-	-	-	-	-	-	-
Transfers out	-	(55,111)	-	-	-	-	-	-	-
Total other financing sources (uses)	<u>108,285</u>	<u>(55,111)</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>933,441</u>	<u>209,438</u>	<u>(23,803)</u>	<u>(858,095)</u>	<u>(644,062)</u>	<u>(364,254)</u>	<u>-</u>	<u>(431,763)</u>	<u>(84,965)</u>
Cash and investments - ending	<u>\$ 3,331,420</u>	<u>\$ 1,348,640</u>	<u>\$ 680,908</u>	<u>\$ 2,220,645</u>	<u>\$ 329,295</u>	<u>\$ 14,375</u>	<u>\$ 178,000</u>	<u>\$ 208,559</u>	<u>\$ 21,035</u>

MADISON CONSOLIDATED SCHOOLS
 COMBINING SCHEDULE OF RECEIPTS, DISBURSEMENTS, OTHER FINANCING SOURCES (USES), AND CASH AND INVESTMENT BALANCES -
 REGULATORY BASIS
 For the Year Ended June 30, 2012
 (Continued)

	Lydia Middleton Construction	School Lunch	Textbook Rental	Educational License Plates	Alternative Education	Early Intervention Grants 2009/2010	Early Intervention Grants 2011/2012	Early Intervention Grants 2011/2012	E. O. Muncie Donation
Cash and investments - beginning	\$ 38,120	\$ 1,426,744	\$ 107,722	\$ 113	\$ 5,000	\$ -	\$ 2,375	\$ -	\$ -
Receipts:									
Local sources	-	604,859	175,516	-	-	-	-	-	-
Intermediate sources	-	-	-	-	-	-	-	-	-
State sources	-	12,665	129,637	-	-	-	-	34,850	-
Federal sources	-	759,554	-	-	-	-	-	-	-
Interfund loans	-	-	-	-	-	-	-	-	-
Other	-	4,786	-	-	-	-	-	-	-
Total receipts	-	1,381,864	305,153	-	-	-	-	34,850	-
Disbursements:									
Current:									
Instruction	-	-	-	-	-	-	-	-	-
Support services	-	6,402	308,004	-	-	-	2,375	34,850	-
Noninstructional services	-	1,252,875	-	-	-	-	-	-	-
Facilities acquisition and construction	-	-	-	-	-	-	-	-	-
Debt services	-	-	-	-	-	-	-	-	-
Nonprogrammed charges	-	-	-	-	-	-	-	-	-
Interfund loans	-	-	-	-	-	-	-	-	-
Total disbursements	-	1,259,277	308,004	-	-	-	2,375	34,850	-
Excess (deficiency) of receipts over disbursements	-	122,587	(2,851)	-	-	-	(2,375)	-	-
Other financing sources (uses):									
Sale of capital assets	-	-	-	-	-	-	-	-	-
Transfers in	-	-	55,111	-	-	-	-	-	-
Transfers out	-	-	-	-	-	-	-	-	-
Total other financing sources (uses)	-	-	55,111	-	-	-	-	-	-
Excess (deficiency) of receipts and other financing sources over disbursements and other financing uses	-	122,587	52,260	-	-	-	(2,375)	-	-
Cash and investments - ending	\$ 38,120	\$ 1,549,331	\$ 159,982	\$ 113	\$ 5,000	\$ -	\$ -	\$ -	\$ -

MADISON CONSOLIDATED SCHOOLS
 COMBINING SCHEDULE OF RECEIPTS, DISBURSEMENTS, OTHER FINANCING SOURCES (USES), AND CASH AND INVESTMENT BALANCES -
 REGULATORY BASIS
 For the Year Ended June 30, 2012
 (Continued)

	Employee Recognition/ Learning Place	Reading Recovery Site Training	Stimulus Dollars SSU	Donations	Project Lead The Way	Project Lead The Way	ECO15/Robotics Project	ECO15/Lilly 2011/2012	ECO15/MJHS Colab/Video Conference
Cash and investments - beginning	\$ 27,156	\$ 6,407	\$ -	\$ 15,320	\$ -	\$ -	\$ 1,526	\$ 2,741	\$ -
Receipts:									
Local sources	15,000	-	-	13,750	-	-	-	-	14,700
Intermediate sources	-	-	-	-	-	-	-	-	-
State sources	-	-	-	-	-	-	-	-	-
Federal sources	-	-	-	-	-	-	-	-	-
Interfund loans	-	-	-	-	-	-	-	-	-
Other	-	-	-	-	-	-	-	-	-
Total receipts	15,000	-	-	13,750	-	-	-	-	14,700
Disbursements:									
Current:									
Instruction	-	-	-	541	-	-	1,526	-	-
Support services	13,092	5,013	-	13,649	-	-	-	2,741	-
Noninstructional services	-	-	-	-	-	-	-	-	-
Facilities acquisition and construction	-	-	-	-	-	-	-	-	-
Debt services	-	-	-	-	-	-	-	-	-
Nonprogrammed charges	-	-	-	-	-	-	-	-	-
Interfund loans	-	-	-	-	-	-	-	-	-
Total disbursements	13,092	5,013	-	14,190	-	-	1,526	2,741	-
Excess (deficiency) of receipts over disbursements	1,908	(5,013)	-	(440)	-	-	(1,526)	(2,741)	14,700
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	1,908	(5,013)	-	(440)	-	-	(1,526)	(2,741)	14,700
Cash and investments - ending	\$ 29,064	\$ 1,394	\$ -	\$ 14,880	\$ -	\$ -	\$ -	\$ -	\$ 14,700

MADISON CONSOLIDATED SCHOOLS
 COMBINING SCHEDULE OF RECEIPTS, DISBURSEMENTS, OTHER FINANCING SOURCES (USES), AND CASH AND INVESTMENT BALANCES -
 REGULATORY BASIS
 For the Year Ended June 30, 2012
 (Continued)

	Anderson Wrap-Around Kindergarten Project	A. S. Custer Fund	Forfeited SEC 125	Education Foundation 2011	Education Foundation 2012	GED	Cub Field Renovation Donation	CPR Training
Cash and investments - beginning	\$ 109	\$ 39,743	\$ 10,975	\$ 6,003	\$ -	\$ 2,549	\$ 962	\$ 7
Receipts:								
Local sources	-	502	663	-	11,000	6,135	-	-
Intermediate sources	-	-	-	-	-	-	-	-
State sources	-	-	-	-	-	-	-	-
Federal sources	-	-	-	-	-	-	-	-
Interfund loans	-	-	-	-	-	-	-	-
Other	-	-	-	-	-	-	-	-
Total receipts	-	502	663	-	11,000	6,135	-	-
Disbursements:								
Current:								
Instruction	109	-	-	-	-	-	-	-
Support services	-	-	-	-	-	7,415	-	7
Noninstructional services	-	-	-	5,802	5,838	-	-	-
Facilities acquisition and construction	-	-	-	-	-	-	-	-
Debt services	-	-	-	-	-	-	-	-
Nonprogrammed charges	-	1,900	-	-	-	-	-	-
Interfund loans	-	-	-	-	-	-	-	-
Total disbursements	109	1,900	-	5,802	5,838	7,415	-	7
Excess (deficiency) of receipts over disbursements	(109)	(1,398)	663	(5,802)	5,162	(1,280)	-	(7)
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	(109)	(1,398)	663	(5,802)	5,162	(1,280)	-	(7)
Cash and investments - ending	\$ -	\$ 38,345	\$ 11,638	\$ 201	\$ 5,162	\$ 1,269	\$ 962	\$ -

MADISON CONSOLIDATED SCHOOLS
 COMBINING SCHEDULE OF RECEIPTS, DISBURSEMENTS, OTHER FINANCING SOURCES (USES), AND CASH AND INVESTMENT BALANCES -
 REGULATORY BASIS
 For the Year Ended June 30, 2012
 (Continued)

	Employee Benefit Fund	Insurance	Deaf/Blind Instructional Fund	4 Community Grant	CAPE Community Foundation Grant	Driver's Education	Tech Prep Grant 2011/2012	ECA Athletics
Cash and investments - beginning	\$ 2,452,050	\$ 512,200	\$ -	\$ 357	\$ 3,686	\$ 11,492	\$ -	\$ -
Receipts:								
Local sources	-	-	-	-	-	54,585	15,000	3,127
Intermediate sources	-	-	-	-	-	-	-	-
State sources	-	-	-	-	-	-	-	-
Federal sources	-	-	-	-	-	-	-	-
Interfund loans	-	-	-	-	-	-	-	-
Other	3,102,038	153,039	-	-	-	-	-	-
Total receipts	3,102,038	153,039	-	-	-	54,585	15,000	3,127
Disbursements:								
Current:								
Instruction	-	-	-	-	621	-	-	-
Support services	593,598	-	2,405	-	-	8,898	15,000	-
Noninstructional services	-	-	-	-	-	38,166	-	3,127
Facilities acquisition and construction	-	-	-	-	-	2,983	-	-
Debt services	-	-	-	-	-	-	-	-
Nonprogrammed charges	-	2,456,667	-	-	-	-	-	-
Interfund loans	-	-	-	-	-	-	-	-
Total disbursements	593,598	2,456,667	2,405	-	621	50,047	15,000	3,127
Excess (deficiency) of receipts over disbursements	2,508,440	(2,303,628)	(2,405)	-	(621)	4,538	-	-
Other financing sources (uses):								
Sale of capital assets	-	-	-	-	-	-	-	-
Transfers in	-	2,280,227	-	-	-	-	-	-
Transfers out	(2,280,227)	-	-	-	-	-	-	-
Total other financing sources (uses)	(2,280,227)	2,280,227	-	-	-	-	-	-
Excess (deficiency) of receipts and other financing sources over disbursements and other financing uses	228,213	(23,401)	(2,405)	-	(621)	4,538	-	-
Cash and investments - ending	\$ 2,680,263	\$ 488,799	\$ (2,405)	\$ 357	\$ 3,065	\$ 16,030	\$ -	\$ -

MADISON CONSOLIDATED SCHOOLS
 COMBINING SCHEDULE OF RECEIPTS, DISBURSEMENTS, OTHER FINANCING SOURCES (USES), AND CASH AND INVESTMENT BALANCES -
 REGULATORY BASIS
 For the Year Ended June 30, 2012
 (Continued)

	Non-English Speaking Programs P.L. 273-1999	Non-English Speaking Program EOM 2010/2011	Non-English Speaking Program EOM 2011/2012	School Technology	Technology Grant Buddy System	Indiana IMPR Awards	Senator David Ford Technology	Excess PTRC Distribution
Cash and investments - beginning	\$ -	\$ -	\$ -	\$ 987	\$ 2,030	\$ 1,234	\$ -	\$ -
Receipts:								
Local sources	-	-	-	-	-	-	-	-
Intermediate sources	-	-	-	-	-	-	-	-
State sources	-	-	2,444	4,274	-	-	2,500	-
Federal sources	-	-	-	-	-	-	-	-
Interfund loans	-	-	-	-	-	-	-	-
Other	-	-	-	-	-	-	-	-
Total receipts	-	-	2,444	4,274	-	-	2,500	-
Disbursements:								
Current:								
Instruction	-	-	2,391	-	-	-	-	-
Support services	-	-	-	4,627	-	-	2,223	-
Noninstructional services	-	-	-	-	-	-	-	-
Facilities acquisition and construction	-	-	-	-	-	-	-	-
Debt services	-	-	-	-	-	-	-	-
Nonprogrammed charges	-	-	-	-	-	-	-	-
Interfund loans	-	-	-	-	-	-	-	-
Total disbursements	-	-	2,391	4,627	-	-	2,223	-
Excess (deficiency) of receipts over disbursements	-	-	53	(353)	-	-	277	-
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	-	-	53	(353)	-	-	277	-
Cash and investments - ending	\$ -	\$ -	\$ 53	\$ 634	\$ 2,030	\$ 1,234	\$ 277	\$ -

MADISON CONSOLIDATED SCHOOLS
 COMBINING SCHEDULE OF RECEIPTS, DISBURSEMENTS, OTHER FINANCING SOURCES (USES), AND CASH AND INVESTMENT BALANCES -
 REGULATORY BASIS
 For the Year Ended June 30, 2012
 (Continued)

	Title I School Improvement Dupont	Title I 2009/2010	Title I FY 2010/2011 PL 107-110	Title I Part A 2011/2012	Title I 2009/2010 Delinquent Intervention	Title I 2010/2011 Delinquent Intervention	Title I School Improvement E. O. Muncie	Part B IDEA Technology Grant PL 101-476
Cash and investments - beginning	\$ -	\$ -	\$ 116,188	\$ -	\$ -	\$ 10,480	\$ -	\$ -
Receipts:								
Local sources	-	-	-	-	-	-	-	-
Intermediate sources	-	-	-	-	-	-	-	-
State sources	-	-	-	-	-	-	-	-
Federal sources	-	-	45,135	452,304	-	-	-	68,838
Interfund loans	-	-	-	-	-	-	-	-
Other	-	-	-	-	-	-	-	-
Total receipts	-	-	45,135	452,304	-	-	-	68,838
Disbursements:								
Current:								
Instruction	-	-	61,967	525,732	-	-	-	68,838
Support services	-	-	36,118	54,618	-	10,480	-	-
Noninstructional services	-	-	668	3,135	-	-	-	-
Facilities acquisition and construction	-	-	-	-	-	-	-	-
Debt services	-	-	-	-	-	-	-	-
Nonprogrammed charges	-	-	-	-	-	-	-	-
Interfund loans	-	-	-	-	-	-	-	-
Total disbursements	-	-	98,753	583,485	-	10,480	-	68,838
Excess (deficiency) of receipts over disbursements	-	-	(53,618)	(131,181)	-	(10,480)	-	-
Other financing sources (uses):								
Sale of capital assets	-	-	-	-	-	-	-	-
Transfers in	-	-	-	62,570	-	-	-	-
Transfers out	-	-	(62,570)	-	-	-	-	-
Total other financing sources (uses)	-	-	(62,570)	62,570	-	-	-	-
Excess (deficiency) of receipts and other financing sources over disbursements and other financing uses	-	-	(116,188)	(68,611)	-	(10,480)	-	-
Cash and investments - ending	\$ -	\$ -	\$ -	\$ (68,611)	\$ -	\$ -	\$ -	\$ -

MADISON CONSOLIDATED SCHOOLS
 COMBINING SCHEDULE OF RECEIPTS, DISBURSEMENTS, OTHER FINANCING SOURCES (USES), AND CASH AND INVESTMENT BALANCES -
 REGULATORY BASIS
 For the Year Ended June 30, 2012
 (Continued)

	Drug Free Schools Title IV PL 107-110 FY 2009	Drug Free Schools Title IV PL 107-110 FY 2010	Title II Part A 2008/2009	Title II Part A 2009/2010	Title II Part A 2010/2011	Title II Part A 2011/2012	ITQ Enhanced Education Through Technology Title II, Part D	Title III English Language Proficiency Migrant
Cash and investments - beginning	\$ -	\$ 770	\$ -	\$ (8,000)	\$ 12,077	\$ -	\$ 12,471	\$ -
Receipts:								
Local sources	-	-	-	-	-	-	-	-
Intermediate sources	-	-	-	-	-	-	-	-
State sources	-	-	-	-	-	-	-	-
Federal sources	-	7,838	-	8,000	99,678	36,928	24,690	-
Interfund loans	-	-	-	-	-	-	-	-
Other	-	-	-	-	-	-	-	-
Total receipts	-	7,838	-	8,000	99,678	36,928	24,690	-
Disbursements:								
Current:								
Instruction	-	-	-	-	111,755	26,101	-	-
Support services	-	8,608	-	-	-	17,246	68,576	-
Noninstructional services	-	-	-	-	-	-	-	-
Facilities acquisition and construction	-	-	-	-	-	-	-	-
Debt services	-	-	-	-	-	-	-	-
Nonprogrammed charges	-	-	-	-	-	-	-	-
Interfund loans	-	-	-	-	-	-	-	-
Total disbursements	-	8,608	-	-	111,755	43,347	68,576	-
Excess (deficiency) of receipts over disbursements	-	(770)	-	8,000	(12,077)	(6,419)	(43,886)	-
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	-	(770)	-	8,000	(12,077)	(6,419)	(43,886)	-
Cash and investments - ending	\$ -	\$ -	\$ -	\$ -	\$ -	\$ (6,419)	\$ (31,415)	\$ -

MADISON CONSOLIDATED SCHOOLS
 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 III Consortium 2010/2011	Reading First Program Grant 2009/2010	ARRA Title I Grant	ARRA Title II Part D	ARRA Title I Delinquent Intervention	ARRA Educational Jobs Fund Stimulus 2011	Payroll Clearing	Totals
Cash and investments - beginning	\$ -	\$ -	\$ 23,899	\$ 110,000	\$ -	\$ -	\$ -	\$ 14,552,433
Receipts:								
Local sources	1,740	-	-	-	-	-	-	9,767,273
Intermediate sources	-	-	-	-	-	-	-	86
State sources	-	-	-	-	-	-	-	20,328,482
Federal sources	-	-	-	45,072	-	526,768	-	2,117,617
Interfund loans	-	-	-	-	-	-	-	425,000
Other	-	-	-	-	-	-	5,277,740	8,585,567
Total receipts	<u>1,740</u>	<u>-</u>	<u>-</u>	<u>45,072</u>	<u>-</u>	<u>526,768</u>	<u>5,277,740</u>	<u>41,224,025</u>
Disbursements:								
Current:								
Instruction	1,740	-	7,190	-	-	581,355	-	16,027,308
Support services	-	-	16,431	155,072	-	-	-	10,321,997
Noninstructional services	-	-	-	-	-	-	-	1,489,770
Facilities acquisition and construction	-	-	-	-	-	-	-	2,298,056
Debt services	-	-	-	-	-	-	-	4,353,684
Nonprogrammed charges	-	-	278	-	-	-	5,277,740	7,736,585
Interfund loans	-	-	-	-	-	-	-	425,000
Total disbursements	<u>1,740</u>	<u>-</u>	<u>23,899</u>	<u>155,072</u>	<u>-</u>	<u>581,355</u>	<u>5,277,740</u>	<u>42,652,400</u>
Excess (deficiency) of receipts over disbursements	<u>-</u>	<u>-</u>	<u>(23,899)</u>	<u>(110,000)</u>	<u>-</u>	<u>(54,587)</u>	<u>-</u>	<u>(1,428,375)</u>
Other financing sources (uses):								
Sale of capital assets	-	-	-	-	-	-	-	108,285
Transfers in	-	-	-	-	-	-	-	2,397,908
Transfers out	-	-	-	-	-	-	-	(2,397,908)
Total other financing sources (uses)	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>108,285</u>
Excess (deficiency) of receipts and other financing sources over disbursements and other financing uses	<u>-</u>	<u>-</u>	<u>(23,899)</u>	<u>(110,000)</u>	<u>-</u>	<u>(54,587)</u>	<u>-</u>	<u>(1,320,090)</u>
Cash and investments - ending	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ (54,587)</u>	<u>\$ -</u>	<u>\$ 13,232,343</u>

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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

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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 MADISON CONSOLIDATED SCHOOLS, JEFFERSON COUNTY, INDIANA

Compliance

We have audited the Madison Consolidated School'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

March 4, 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.

MADISON CONSOLIDATED SCHOOLS
SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS
For The Years Ended June 30, 2011 and 2012

Federal Grantor Agency/Pass-Through Entity Cluster Title/Program Title/Project Title	Federal CFDA Number	Pass-Through Entity (or Other) Identifying Number	Total Federal Awards Expended 06-30-11	Total Federal Awards Expended 06-30-12
U.S. DEPARTMENT OF AGRICULTURE				
Pass-Through Indiana Department of Education				
Child Nutrition Cluster				
School Breakfast Program	10.553			
		FY 11	\$ 171,410	\$ -
		FY 12	-	193,028
National School Lunch Program	10.555			
		FY 11	743,964	-
		FY 12	-	775,279
Total for cluster			<u>915,374</u>	<u>968,307</u>
Total for federal grantor agency			<u>915,374</u>	<u>968,307</u>
U.S. DEPARTMENT OF EDUCATION				
Pass-Through Indiana Department of Education				
Title I, Part A Cluster				
Title I Grants to Local Educational Agencies	84.010			
Delinquent Children		FY 10	10,326	-
Delinquent Children		FY 11	9,481	-
Basic Grant		FY 10	95,141	-
Basic Grant		FY 11	683,477	98,754
Basic Grant		FY 12	-	514,874
Total for program			<u>798,425</u>	<u>613,628</u>
ARRA Title I Grants to Local Educational Agencies, Recovery Act	84.389			
		09-3995	56,549	-
		10-3995	2,670	-
		11-3995	89,551	23,899
Total for program			<u>148,770</u>	<u>23,899</u>
Total for cluster			<u>947,195</u>	<u>637,527</u>
Special Education Cluster (IDEA)				
Special Education Grants to States	84.027			
		FY 12	-	68,838
Total for cluster			<u>-</u>	<u>68,838</u>
Educational Technology State Grants Cluster				
Educational Technology State Grants	84.318			
		FY 12	7,085	37,160
Total for program			<u>7,085</u>	<u>37,160</u>

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

MADISON CONSOLIDATED SCHOOLS
SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS
For The Years Ended June 30, 2011 and 2012
(Continued)

Federal Grantor Agency/Pass-Through Entity Cluster Title/Program Title/Project Title	Federal CFDA Number	Pass-Through Entity (or Other) Identifying Number	Total Federal Awards Expended 06-30-11	Total Federal Awards Expended 06-30-12
<u>U.S. DEPARTMENT OF EDUCATION (continued)</u>				
ARRA Education Technology State Grants, Recovery Act	84.386	FY 10	36,405	155,072
Total for program			36,405	155,072
Total for cluster			43,490	192,232
School Improvement Grants Cluster				
School Improvement Grants	84.377	FY 10	51,200	-
Total for cluster			51,200	-
Safe and Drug Free Schools and Communities State Grants	84.186	FY 09 FY 10	6,020 470	8,608 -
Total for program			6,490	8,608
Reading First State Grants	84.357	FY 10	72,107	-
Total for program			72,107	-
Improving Teacher Quality State Grants	84.367	FY 09 FY 10 FY 11 FY 12	6,896 107,557 97,328 -	- - 111,755 36,928
Total for program			211,781	148,683
Grants for State Assessments and Related Activities	84.369	FY 11	420	-
Total for program			420	-
Education Jobs Fund	84.410	FY 11	-	526,768
Total for program			-	526,768
Total for federal grantor agency			1,332,683	1,582,656
Total federal awards expended			<u>\$ 2,248,057</u>	<u>\$ 2,550,963</u>

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

MADISON CONSOLIDATED SCHOOLS
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 Madison Consolidated Schools (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 (Indiana Code 5-11-1 et seq.), audits of school corporations shall be conducted biennially. Such audits shall include both years within the biennial period.

Note 2. Subrecipients

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

Subrecipient	Federal CFDA Number	2011	2012
Madison Area Educational Special Services Unit	84.027	\$ -	\$ 68,838
South Ripley Community School Corporation	84.386	21,101	-

Note 3. Noncash Assistance

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

Program Title	Federal CFDA Number	2011	2012
National School Lunch Program	10.555	\$ 79,652	\$ 98,561

MADISON CONSOLIDATED SCHOOLS
SCHEDULE OF FINDINGS AND QUESTIONED COSTS

Section I – Summary of Auditor's Results

Financial Statement:

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

Federal Awards:

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

Identification of Major Programs:

<u>CFDA Number</u>	<u>Name of Federal Program or Cluster</u>
	Child Nutrition Cluster
	Title I, Part A Cluster
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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Section II – Financial Statement Findings

No matters are reportable.

Section III – Federal Award Findings and Questioned Costs

No matters are reportable.

MADISON CONSOLIDATED SCHOOLS
EXIT CONFERENCE

The contents of this report were discussed on March 4, 2013, with Charlene O'Connell, Treasurer; Kathy M. May, Director of Finance; Dr. Ginger Stuebaker-Bolinger, Superintendent of Schools, and Todd S. Bass, President of the School Board. Our audit disclosed no material items that warrant comment at this time.