

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

FINANCIAL STATEMENT EXAMINATION REPORT

OF

CROTHERSVILLE COMMUNITY SCHOOLS

JACKSON COUNTY, INDIANA

July 1, 2010 to June 30, 2012



FILED
05/31/2013

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SCHEDULE OF OFFICIALS

<u>Office</u>	<u>Official</u>	<u>Term</u>
Treasurer	Terry L. Richey	07-01-10 to 06-30-13
Superintendent of Schools	Dr. Terry L. Goodin	07-01-10 to 06-30-13
President of the School Board	Dale Schmelzle	07-01-10 to 12-31-13



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INDEPENDENT ACCOUNTANT'S REPORT

TO: THE OFFICIALS OF CROTHERSVILLE COMMUNITY SCHOOLS, JACKSON COUNTY, INDIANA

We have examined the accompanying financial statement of Crothersville Community Schools (School Corporation), for the period of July 1, 2010 to June 30, 2012. The financial statement is the responsibility of the School Corporation's management. Our responsibility is to express an opinion on the financial statement based on our examination.

Our examination was conducted in accordance with attestation standards established by the American Institute of Certified Public Accountants and, accordingly, included examining, on a test basis, evidence supporting the financial statement and performing such other procedures as we considered necessary in the circumstances. We believe that our examination 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.

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.

Our examination was conducted for the purpose of forming an opinion on the School Corporation's financial statement. The Combining Schedules of Receipts, Disbursements, Other Financing Sources (Uses), and Cash and Investment Balances – Regulatory Basis, and Schedule of Leases and Debt, as listed in the Table of Contents, are presented for additional analysis and are not required parts of the financial statement. They have not been subjected to the examination procedures applied to the financial statement and, accordingly, we express no opinion on them.

Bruce Hartman
State Examiner

May 8, 2013

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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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CROTHERSVILLE COMMUNITY 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	\$ 2,546,564	\$ 3,984,537	\$ 4,053,594	\$ -	\$ 2,477,507	\$ 3,870,528	\$ 4,382,326	\$ -	\$ 1,965,709
Debt Service	695,600	778,633	1,437,292	-	36,941	658,396	334,156	-	361,181
Retirement/Severance Bond Debt Service	121,163	235,602	366,495	53,419	43,689	204,469	221,360	(53,419)	(26,621)
Capital Projects	428,103	470,997	320,695	-	578,405	438,075	426,296	-	590,184
School Transportation	246,446	236,909	208,801	-	274,554	242,148	221,772	-	294,930
School Bus Replacement	162,632	64,445	-	(53,419)	173,658	17,324	-	53,419	244,401
Retirement/Severance Bond	1,164,612	-	47,584	-	1,117,028	-	73,881	-	1,043,147
School Lunch	40,774	266,123	254,276	-	52,621	265,871	262,107	-	56,385
Textbook Rental	89,536	51,841	48,319	-	93,058	59,132	28,554	-	123,636
Educational License Plates	3,388	94	-	-	3,482	131	-	-	3,613
SAFE School Haven	996	-	-	-	996	-	-	-	996
Special Needs	1,504	4	-	-	1,508	3	-	-	1,511
Aisin Grant	22,500	-	-	-	22,500	2,500	7,500	-	17,500
High Ability	17,177	26,968	29,723	-	14,422	26,086	23,922	-	16,586
Medicaid Reimbursement	1,967	-	-	-	1,967	-	-	-	1,967
Non-English Speaking Programs P.L. 273-1999	240	-	-	-	240	-	-	-	240
School Technology	6,380	4,110	-	-	10,490	4,110	1,260	-	13,340
Technology Grants [IC 20-40-15]	1,082	-	-	-	1,082	-	-	-	1,082
Access Indiana	317	-	-	-	317	-	-	-	317
Special Ed. Coop	321,264	116,981	131,705	-	306,540	13,027	311,282	-	8,285
Special Ed. Preschool Coop	-	4,570	4,570	-	-	10	10	-	-
Innovative Education Grant	-	-	-	-	-	89,163	89,163	-	-
Excess PTRC Distributions	-	17,943	-	-	17,943	-	-	-	17,943
Title I 2004-2005	-	63,011	68,129	5,942	824	8,171	5,884	(3,111)	-
Title I	-	-	-	-	-	79,794	83,966	3,111	(1,061)
Title I - FY 09-10	6,471	-	529	(5,942)	-	-	-	-	-
Title V, Part A Drug-Free FY 08-09	577	-	577	-	-	-	-	-	-
Title V, Part A Drug-Free FY 09-10	915	-	-	-	915	-	915	-	-
Medicaid Reimbursement - Federal	2,889	-	-	-	2,889	-	-	-	2,889
Improving Teaching Quality, No Child Left, Title II, Part A	11,359	14,745	27,064	-	(960)	25,283	25,594	-	(1,271)
Rural Schools Achievement	-	28,580	28,580	-	-	31,036	31,036	-	-
Title I - Grants to LEAs	3,722	12,600	15,677	-	645	-	645	-	-
Special Education - Part B	2,211	57,140	59,351	-	-	-	-	-	-
Special Education - Part B - Preschool	721	-	721	-	-	-	-	-	-
Education Jobs	-	125,640	125,640	-	-	1,856	1,856	-	-
Payroll	5,599	1,000,052	998,938	-	6,713	3,227,375	3,231,433	-	2,655
Totals	\$ 5,906,709	\$ 7,561,525	\$ 8,228,260	\$ -	\$ 5,239,974	\$ 9,264,488	\$ 9,764,918	\$ -	\$ 4,739,544

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

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

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

C. Cash and Investments

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

D. Receipts

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

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

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

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

CROTHERSVILLE COMMUNITY 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.

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.

F. Other Financing Sources and Uses

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

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

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

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

CROTHERSVILLE COMMUNITY SCHOOLS
NOTES TO FINANCIAL STATEMENT
(Continued)

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.

CROTHERSVILLE COMMUNITY SCHOOLS
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

CROTHERSVILLE COMMUNITY SCHOOLS
 NOTES TO FINANCIAL STATEMENT
 (Continued)

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

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

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

Funding Policy and Annual Pension Cost

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

Note 7. Cash Balance Deficits

The financial statement contains funds with deficits in cash. This is a result of the funds being set up for reimbursable grants. The reimbursements for expenditures made by the School Corporation were not received by June 30, 2011 and 2012, respectively.

Note 8. Restatements

For the year ended June 30, 2010, certain changes have been made to some of the beginning balances of the financial statement to more appropriately reflect financial activity of the School Corporation. The following schedule presents a summary of restated beginning balances:

<u>Fund Name</u>	<u>Balance as Reported June 30, 2010</u>	<u>New Fund</u>	<u>Balance as Restated July 1, 2010</u>
Payroll	<u>\$ -</u>	<u>\$ 5,599</u>	<u>\$ 5,599</u>

CROTHERSVILLE COMMUNITY SCHOOLS
NOTES TO FINANCIAL STATEMENT
(Continued)

Note 9. Holding Corporation

The School Corporation has entered into a capital lease with Crothersville 2000 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 \$987,600 and \$327,950, respectively.

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SUPPLEMENTARY INFORMATION – UNAUDITED

For additional financial information, the School Corporation's Financial Report 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 Report(s) 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 examination. This is a common occurrence in any financial statement examination. The financial information presented in this report is examined information, and the accuracy of such information can be determined by reading the opinion given in the Independent Accountant's Report.

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

CROTHERSVILLE COMMUNITY 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	Retirement/ Severance Bond	School Lunch	Textbook Rental	Educational License Plates
Cash and investments - beginning	\$ 2,546,564	\$ 695,600	\$ 121,163	\$ 428,103	\$ 246,446	\$ 162,632	\$ 1,164,612	\$ 40,774	\$ 89,536	\$ 3,388
Receipts:										
Local sources	70,966	778,633	235,602	470,997	236,909	64,445	-	133,181	32,868	-
Intermediate sources	11	-	-	-	-	-	-	-	-	94
State sources	3,913,560	-	-	-	-	-	-	1,537	18,973	-
Federal sources	-	-	-	-	-	-	-	131,405	-	-
Other	-	-	-	-	-	-	-	-	-	-
Total receipts	<u>3,984,537</u>	<u>778,633</u>	<u>235,602</u>	<u>470,997</u>	<u>236,909</u>	<u>64,445</u>	<u>-</u>	<u>266,123</u>	<u>51,841</u>	<u>94</u>
Disbursements:										
Current:										
Instruction	2,851,176	-	-	-	-	-	47,584	-	-	-
Support services	1,195,746	-	-	49,767	193,801	-	-	-	48,319	-
Noninstructional services	-	-	-	-	-	-	-	254,276	-	-
Facilities acquisition and construction	-	-	-	270,928	-	-	-	-	-	-
Debt services	6,672	1,437,292	366,495	-	15,000	-	-	-	-	-
Nonprogrammed charges	-	-	-	-	-	-	-	-	-	-
Total disbursements	<u>4,053,594</u>	<u>1,437,292</u>	<u>366,495</u>	<u>320,695</u>	<u>208,801</u>	<u>-</u>	<u>47,584</u>	<u>254,276</u>	<u>48,319</u>	<u>-</u>
Excess (deficiency) of receipts over disbursements	<u>(69,057)</u>	<u>(658,659)</u>	<u>(130,893)</u>	<u>150,302</u>	<u>28,108</u>	<u>64,445</u>	<u>(47,584)</u>	<u>11,847</u>	<u>3,522</u>	<u>94</u>
Other financing sources (uses):										
Transfers in	-	31,122	53,419	-	-	31,123	-	-	-	-
Transfers out	-	(31,122)	-	-	-	(84,542)	-	-	-	-
Total other financing sources (uses)	<u>-</u>	<u>-</u>	<u>53,419</u>	<u>-</u>	<u>-</u>	<u>(53,419)</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Excess (deficiency) of receipts and other financing sources over disbursements and other financing uses	<u>(69,057)</u>	<u>(658,659)</u>	<u>(77,474)</u>	<u>150,302</u>	<u>28,108</u>	<u>11,026</u>	<u>(47,584)</u>	<u>11,847</u>	<u>3,522</u>	<u>94</u>
Cash and investments - ending	<u>\$ 2,477,507</u>	<u>\$ 36,941</u>	<u>\$ 43,689</u>	<u>\$ 578,405</u>	<u>\$ 274,554</u>	<u>\$ 173,658</u>	<u>\$ 1,117,028</u>	<u>\$ 52,621</u>	<u>\$ 93,058</u>	<u>\$ 3,482</u>

CROTHERSVILLE COMMUNITY 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)

	SAFE School Haven	Special Needs	Aisin Grant	High Ability	Medicaid Reimbursement	Non-English Speaking Programs P.L. 273-1999	School Technology	Technology Grants [IC 20-40-15]	Access Indiana
Cash and investments - beginning	\$ 996	\$ 1,504	\$ 22,500	\$ 17,177	\$ 1,967	\$ 240	\$ 6,380	\$ 1,082	\$ 317
Receipts:									
Local sources	-	4	-	-	-	-	-	-	-
Intermediate sources	-	-	-	-	-	-	-	-	-
State sources	-	-	-	26,968	-	-	4,110	-	-
Federal sources	-	-	-	-	-	-	-	-	-
Other	-	-	-	-	-	-	-	-	-
Total receipts	-	4	-	26,968	-	-	4,110	-	-
Disbursements:									
Current:									
Instruction	-	-	-	29,723	-	-	-	-	-
Support services	-	-	-	-	-	-	-	-	-
Noninstructional services	-	-	-	-	-	-	-	-	-
Facilities acquisition and construction	-	-	-	-	-	-	-	-	-
Debt services	-	-	-	-	-	-	-	-	-
Nonprogrammed charges	-	-	-	-	-	-	-	-	-
Total disbursements	-	-	-	29,723	-	-	-	-	-
Excess (deficiency) of receipts over disbursements	-	4	-	(2,755)	-	-	4,110	-	-
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	-	(2,755)	-	-	4,110	-	-
Cash and investments - ending	\$ 996	\$ 1,508	\$ 22,500	\$ 14,422	\$ 1,967	\$ 240	\$ 10,490	\$ 1,082	\$ 317

CROTHERSVILLE COMMUNITY 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)

	Special Ed. Coop	Special Ed. Preschool Coop	Innovative Education Grant	Excess PTRC Distributions	Title I 2004-2005	Title I	Title I FY 09-10	Title V, Part A Drug-Free FY 08-09	Title V, Part A Drug-Free FY 09-10
Cash and investments - beginning	\$ 321,264	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 6,471	\$ 577	\$ 915
Receipts:									
Local sources	116,981	4,570	-	-	-	-	-	-	-
Intermediate sources	-	-	-	-	-	-	-	-	-
State sources	-	-	-	17,943	-	-	-	-	-
Federal sources	-	-	-	-	63,011	-	-	-	-
Other	-	-	-	-	-	-	-	-	-
Total receipts	<u>116,981</u>	<u>4,570</u>	<u>-</u>	<u>17,943</u>	<u>63,011</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Disbursements:									
Current:									
Instruction	131,705	4,570	-	-	65,898	-	529	577	-
Support services	-	-	-	-	-	-	-	-	-
Noninstructional services	-	-	-	-	2,231	-	-	-	-
Facilities acquisition and construction	-	-	-	-	-	-	-	-	-
Debt services	-	-	-	-	-	-	-	-	-
Nonprogrammed charges	-	-	-	-	-	-	-	-	-
Total disbursements	<u>131,705</u>	<u>4,570</u>	<u>-</u>	<u>-</u>	<u>68,129</u>	<u>-</u>	<u>529</u>	<u>577</u>	<u>-</u>
Excess (deficiency) of receipts over disbursements	<u>(14,724)</u>	<u>-</u>	<u>-</u>	<u>17,943</u>	<u>(5,118)</u>	<u>-</u>	<u>(529)</u>	<u>(577)</u>	<u>-</u>
Other financing sources (uses):									
Transfers in	-	-	-	-	5,942	-	-	-	-
Transfers out	-	-	-	-	-	-	(5,942)	-	-
Total other financing sources (uses)	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>5,942</u>	<u>-</u>	<u>(5,942)</u>	<u>-</u>	<u>-</u>
Excess (deficiency) of receipts and other financing sources over disbursements and other financing uses	<u>(14,724)</u>	<u>-</u>	<u>-</u>	<u>17,943</u>	<u>824</u>	<u>-</u>	<u>(6,471)</u>	<u>(577)</u>	<u>-</u>
Cash and investments - ending	<u>\$ 306,540</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 17,943</u>	<u>\$ 824</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 915</u>

CROTHERSVILLE COMMUNITY 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)

	Medicaid Reimbursement Federal	Improving Teaching Quality No Child Left Title II, Part A	Rural Schools Achievement	Title I Grants to LEAs	Special Education Part B	Special Education Part B Preschool	Education Jobs	Payroll	Totals
Cash and investments - beginning	\$ 2,889	\$ 11,359	\$ -	\$ 3,722	\$ 2,211	\$ 721	\$ -	\$ 5,599	\$ 5,906,709
Receipts:									
Local sources	-	-	-	-	-	-	-	-	2,145,156
Intermediate sources	-	-	-	-	-	-	-	-	105
State sources	-	-	-	-	-	-	-	-	3,983,091
Federal sources	-	14,745	28,580	12,600	57,140	-	125,640	-	433,121
Other	-	-	-	-	-	-	-	1,000,052	1,000,052
Total receipts	-	14,745	28,580	12,600	57,140	-	125,640	1,000,052	7,561,525
Disbursements:									
Current:									
Instruction	-	27,064	28,580	15,677	59,351	721	125,640	-	3,388,795
Support services	-	-	-	-	-	-	-	-	1,487,633
Noninstructional services	-	-	-	-	-	-	-	-	256,507
Facilities acquisition and construction	-	-	-	-	-	-	-	-	270,928
Debt services	-	-	-	-	-	-	-	-	1,825,459
Nonprogrammed charges	-	-	-	-	-	-	-	998,938	998,938
Total disbursements	-	27,064	28,580	15,677	59,351	721	125,640	998,938	8,228,260
Excess (deficiency) of receipts over disbursements	-	(12,319)	-	(3,077)	(2,211)	(721)	-	1,114	(666,735)
Other financing sources (uses):									
Transfers in	-	-	-	-	-	-	-	-	121,606
Transfers out	-	-	-	-	-	-	-	-	(121,606)
Total other financing sources (uses)	-	-	-	-	-	-	-	-	-
Excess (deficiency) of receipts and other financing sources over disbursements and other financing uses	-	(12,319)	-	(3,077)	(2,211)	(721)	-	1,114	(666,735)
Cash and investments - ending	\$ 2,889	\$ (960)	\$ -	\$ 645	\$ -	\$ -	\$ -	\$ 6,713	\$ 5,239,974

CROTHERSVILLE COMMUNITY 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	Retirement/ Severance Bond	School Lunch	Textbook Rental	Educational License Plates
Cash and investments - beginning	\$ 2,477,507	\$ 36,941	\$ 43,689	\$ 578,405	\$ 274,554	\$ 173,658	\$ 1,117,028	\$ 52,621	\$ 93,058	\$ 3,482
Receipts:										
Local sources	42,263	658,396	204,469	438,075	242,148	17,324	-	130,036	39,613	-
Intermediate sources	6	-	-	-	-	-	-	-	-	131
State sources	3,828,259	-	-	-	-	-	-	1,434	19,519	-
Federal sources	-	-	-	-	-	-	-	134,401	-	-
Other	-	-	-	-	-	-	-	-	-	-
Total receipts	<u>3,870,528</u>	<u>658,396</u>	<u>204,469</u>	<u>438,075</u>	<u>242,148</u>	<u>17,324</u>	<u>-</u>	<u>265,871</u>	<u>59,132</u>	<u>131</u>
Disbursements:										
Current:										
Instruction	3,101,460	-	-	-	-	-	73,881	-	-	-
Support services	1,280,866	-	-	56,450	221,772	-	-	-	28,554	-
Noninstructional services	-	-	-	-	-	-	-	262,107	-	-
Facilities acquisition and construction	-	-	-	369,846	-	-	-	-	-	-
Debt services	-	334,156	221,360	-	-	-	-	-	-	-
Nonprogrammed charges	-	-	-	-	-	-	-	-	-	-
Total disbursements	<u>4,382,326</u>	<u>334,156</u>	<u>221,360</u>	<u>426,296</u>	<u>221,772</u>	<u>-</u>	<u>73,881</u>	<u>262,107</u>	<u>28,554</u>	<u>-</u>
Excess (deficiency) of receipts over disbursements	<u>(511,798)</u>	<u>324,240</u>	<u>(16,891)</u>	<u>11,779</u>	<u>20,376</u>	<u>17,324</u>	<u>(73,881)</u>	<u>3,764</u>	<u>30,578</u>	<u>131</u>
Other financing sources (uses):										
Transfers in	-	-	-	-	-	53,419	-	-	-	-
Transfers out	-	-	(53,419)	-	-	-	-	-	-	-
Total other financing sources (uses)	<u>-</u>	<u>-</u>	<u>(53,419)</u>	<u>-</u>	<u>-</u>	<u>53,419</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Excess (deficiency) of receipts and other financing sources over disbursements and other financing uses	<u>(511,798)</u>	<u>324,240</u>	<u>(70,310)</u>	<u>11,779</u>	<u>20,376</u>	<u>70,743</u>	<u>(73,881)</u>	<u>3,764</u>	<u>30,578</u>	<u>131</u>
Cash and investments - ending	<u>\$ 1,965,709</u>	<u>\$ 361,181</u>	<u>\$ (26,621)</u>	<u>\$ 590,184</u>	<u>\$ 294,930</u>	<u>\$ 244,401</u>	<u>\$ 1,043,147</u>	<u>\$ 56,385</u>	<u>\$ 123,636</u>	<u>\$ 3,613</u>

CROTHERSVILLE COMMUNITY 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)

	SAFE School Haven	Special Needs	Aisin Grant	High Ability	Medicaid Reimbursement	Non-English Speaking Programs P.L. 273-1999	School Technology	Technology Grants [IC 20-40-15]	Access Indiana
Cash and investments - beginning	\$ 996	\$ 1,508	\$ 22,500	\$ 14,422	\$ 1,967	\$ 240	\$ 10,490	\$ 1,082	\$ 317
Receipts:									
Local sources	-	3	2,500	-	-	-	-	-	-
Intermediate sources	-	-	-	-	-	-	-	-	-
State sources	-	-	-	26,086	-	-	4,110	-	-
Federal sources	-	-	-	-	-	-	-	-	-
Other	-	-	-	-	-	-	-	-	-
Total receipts	-	3	2,500	26,086	-	-	4,110	-	-
Disbursements:									
Current:									
Instruction	-	-	7,500	23,922	-	-	-	-	-
Support services	-	-	-	-	-	-	1,260	-	-
Noninstructional services	-	-	-	-	-	-	-	-	-
Facilities acquisition and construction	-	-	-	-	-	-	-	-	-
Debt services	-	-	-	-	-	-	-	-	-
Nonprogrammed charges	-	-	-	-	-	-	-	-	-
Total disbursements	-	-	7,500	23,922	-	-	1,260	-	-
Excess (deficiency) of receipts over disbursements	-	3	(5,000)	2,164	-	-	2,850	-	-
Other financing sources (uses):									
Transfers in	-	-	-	-	-	-	-	-	-
Transfers out	-	-	-	-	-	-	-	-	-
Total other financing sources (uses)	-	-	-	-	-	-	-	-	-
Excess (deficiency) of receipts and other financing sources over disbursements and other financing uses	-	3	(5,000)	2,164	-	-	2,850	-	-
Cash and investments - ending	\$ 996	\$ 1,511	\$ 17,500	\$ 16,586	\$ 1,967	\$ 240	\$ 13,340	\$ 1,082	\$ 317

CROTHERSVILLE COMMUNITY 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)

	Special Ed. Coop	Special Ed. Preschool Coop	Innovative Education Grant	Excess PTRC Distributions	Title I 2004-2005	Title I	Title I FY 09-10	Title V, Part A Drug-Free FY 08-09	Title V, Part A Drug-Free FY 09-10
Cash and investments - beginning	\$ 306,540	\$ -	\$ -	\$ 17,943	\$ 824	\$ -	\$ -	\$ -	\$ 915
Receipts:									
Local sources	13,027	10	-	-	-	-	-	-	-
Intermediate sources	-	-	-	-	-	-	-	-	-
State sources	-	-	89,163	-	-	-	-	-	-
Federal sources	-	-	-	-	8,171	79,794	-	-	-
Other	-	-	-	-	-	-	-	-	-
Total receipts	13,027	10	89,163	-	8,171	79,794	-	-	-
Disbursements:									
Current:									
Instruction	311,282	10	89,163	-	5,884	82,105	-	-	915
Support services	-	-	-	-	-	480	-	-	-
Noninstructional services	-	-	-	-	-	1,381	-	-	-
Facilities acquisition and construction	-	-	-	-	-	-	-	-	-
Debt services	-	-	-	-	-	-	-	-	-
Nonprogrammed charges	-	-	-	-	-	-	-	-	-
Total disbursements	311,282	10	89,163	-	5,884	83,966	-	-	915
Excess (deficiency) of receipts over disbursements	(298,255)	-	-	-	2,287	(4,172)	-	-	(915)
Other financing sources (uses):									
Transfers in	-	-	-	-	-	3,111	-	-	-
Transfers out	-	-	-	-	(3,111)	-	-	-	-
Total other financing sources (uses)	-	-	-	-	(3,111)	3,111	-	-	-
Excess (deficiency) of receipts and other financing sources over disbursements and other financing uses	(298,255)	-	-	-	(824)	(1,061)	-	-	(915)
Cash and investments - ending	\$ 8,285	\$ -	\$ -	\$ 17,943	\$ -	\$ (1,061)	\$ -	\$ -	\$ -

CROTHERSVILLE COMMUNITY 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)

	Medicaid Reimbursement Federal	Improving Teaching Quality No Child Left Title II, Part A	Rural Schools Achievement	Title I Grants to LEAs	Special Education Part B	Special Education Part B Preschool	Education Jobs	Payroll	Totals
Cash and investments - beginning	\$ 2,889	\$ (960)	\$ -	\$ 645	\$ -	\$ -	\$ -	\$ 6,713	\$ 5,239,974
Receipts:									
Local sources	-	-	-	-	-	-	-	-	1,787,864
Intermediate sources	-	-	-	-	-	-	-	-	137
State sources	-	-	-	-	-	-	-	-	3,968,571
Federal sources	-	25,283	31,036	-	-	-	1,856	-	280,541
Other	-	-	-	-	-	-	-	3,227,375	3,227,375
Total receipts	-	25,283	31,036	-	-	-	1,856	3,227,375	9,264,488
Disbursements:									
Current:									
Instruction	-	25,594	31,036	645	-	-	1,856	-	3,755,253
Support services	-	-	-	-	-	-	-	-	1,589,382
Noninstructional services	-	-	-	-	-	-	-	-	263,488
Facilities acquisition and construction	-	-	-	-	-	-	-	-	369,846
Debt services	-	-	-	-	-	-	-	-	555,516
Nonprogrammed charges	-	-	-	-	-	-	-	3,231,433	3,231,433
Total disbursements	-	25,594	31,036	645	-	-	1,856	3,231,433	9,764,918
Excess (deficiency) of receipts over disbursements	-	(311)	-	(645)	-	-	-	(4,058)	(500,430)
Other financing sources (uses):									
Transfers in	-	-	-	-	-	-	-	-	56,530
Transfers out	-	-	-	-	-	-	-	-	(56,530)
Total other financing sources (uses)	-	-	-	-	-	-	-	-	-
Excess (deficiency) of receipts and other financing sources over disbursements and other financing uses	-	(311)	-	(645)	-	-	-	(4,058)	(500,430)
Cash and investments - ending	\$ 2,889	\$ (1,271)	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 2,655	\$ 4,739,544

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CROTHERSVILLE COMMUNITY SCHOOLS
 SUPPLEMENTARY INFORMATION
 SCHEDULE OF LEASES AND DEBT
 June 30, 2012

The School Corporation has entered into the following debt:

Description of Debt	Ending Principal Balance	Principal and Interest Due Within One Year
Governmental activities:		
Capital leases:		
Crothersville School Building Corporation	\$ 7,165,000	\$ 662,000
Cisco Capital	289,543	146,328
Bonds payable:		
General obligation bonds:		
Pension bonds of 2006	<u>2,045,000</u>	<u>108,708</u>
Total governmental activities debt	<u>\$ 9,499,543</u>	<u>\$ 917,036</u>

CROTHERSVILLE COMMUNITY SCHOOLS
EXAMINATION RESULT AND COMMENT

OVERDRAWN FUND BALANCE

The Retirement/Severance Bond Debt Service Fund balance was overdrawn in 2012 by \$26,621.

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

CROTHERSVILLE COMMUNITY SCHOOLS
EXIT CONFERENCE

The contents of this report were discussed on May 8, 2013, with Dr. Terry L. Goodin, Superintendent of Schools; Dale Schmelzle, President of the School Board; and Terry L. Richey, Treasurer. The officials concurred with our finding.