

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

FINANCIAL STATEMENT AND  
FEDERAL SINGLE AUDIT REPORT  
OF

RANDOLPH EASTERN SCHOOL CORPORATION  
RANDOLPH COUNTY, INDIANA

July 1, 2011 to June 30, 2013



**FILED**  
01/31/2014



## TABLE OF CONTENTS

<u>Description</u>	<u>Page</u>
Schedule of Officials .....	2
Independent Auditor's Report .....	3-5
Independent Auditor's 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 .....	6-7
Financial Statement:	
Statement of Receipts, Disbursements, Other Financing Sources (Uses), and Cash and Investment Balances – Regulatory Basis .....	10-11
Notes to Financial Statement .....	12-17
Supplementary Information - Unaudited:	
Combining Schedules of Receipts, Disbursements, Other Financing Sources (Uses), and Cash and Investment Balances – Regulatory Basis .....	20-41
Schedule of Payable and Receivables .....	42
Schedule of Leases and Debt .....	43
Schedule of Capital Assets .....	44
Supplemental Audit of Federal Awards:	
Independent Auditor's Report on Compliance for Each Major Federal Program and on Internal Control Over Compliance .....	46-47
Schedule of Expenditures of Federal Awards .....	50-51
Notes to Schedule of Expenditures of Federal Awards .....	52
Schedule of Findings and Questioned Costs .....	53
Auditee Prepared Schedule:	
Summary Schedule of Prior Audit Findings .....	54
Exit Conference .....	55

SCHEDULE OF OFFICIALS

<u>Office</u>	<u>Official</u>	<u>Term</u>
Treasurer	Brenda R. Peacock	07-01-11 to 06-30-14
Superintendent of Schools	Brent M. Lehman Cathy A. Stephen (interim) Lisa K. Smith	07-01-11 to 06-30-13 07-01-13 to 07-14-13 07-15-13 to 06-30-14
President of the School Board	Kurt L. Prescott Selina A. Miller	07-01-11 to 12-31-13 01-01-14 to 12-31-14



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INDEPENDENT AUDITOR'S REPORT

TO: THE OFFICIALS OF THE RANDOLPH EASTERN SCHOOL  
CORPORATION, RANDOLPH COUNTY, INDIANA

***Report on the Financial Statement***

We have audited the accompanying financial statement of the Randolph Eastern School Corporation (School Corporation), which comprises the financial position and results of operations for the period of July 1, 2011 to June 30, 2013, and the related notes to the financial statement.

***Management's Responsibility for the Financial Statement***

Management is responsible for the preparation and fair presentation of this financial statement in accordance with the financial reporting provisions of the Indiana State Board of Accounts as allowed by state statute (IC 5-11-1-6). Management is responsible for and has determined that the regulatory basis of accounting, as established by the Indiana State Board of Accounts, is an acceptable basis of presentation. Management is also responsible for the design, implementation, and maintenance of internal control relevant to the preparation and fair presentation of a financial statement that is free from material misstatement, whether due to fraud or error.

***Auditor's Responsibility***

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 involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial statement. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the financial statement, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the School Corporation's preparation and fair presentation of the financial statement in order to design 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. Accordingly, we express no such opinion. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of significant accounting estimates made by management, as well as evaluating the overall presentation of the financial statement.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion.

INDEPENDENT AUDITOR'S REPORT  
(Continued)

***Basis for Adverse Opinion on U.S. Generally Accepted Accounting Principles***

As discussed in Note 1 of the financial statement, the School Corporation prepares its financial statement on the prescribed basis of accounting that demonstrates compliance with the reporting requirements established by the Indiana State Board of Accounts as allowed by state statute (IC 5-11-1-6), which is a 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 the regulatory basis of accounting described in Note 1 and accounting principles generally accepted in the United States of America, although not reasonably determinable, are presumed to be material.

***Adverse Opinion on U.S. Generally Accepted Accounting Principles***

In our opinion, because of the significance of the matter discussed in the *Basis for Adverse Opinion on U.S. Generally Accepted Accounting Principles* paragraph, the financial statement referred to above does not present fairly, in accordance 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, 2011 to June 30, 2013.

***Opinion on Regulatory Basis of Accounting***

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, 2011 to June 30, 2013, in accordance with the financial reporting provisions of the Indiana State Board of Accounts described in Note 1.

***Other Reporting Required by Government Auditing Standards***

In accordance with *Government Auditing Standards*, we have also issued a report dated January 2, 2014, on our consideration of the School Corporation's internal control over financial reporting and our tests of its compliance with certain provisions of laws, regulations, contracts, grant agreements, and other matters. The purpose of that report is to describe the scope of our testing of internal control over financial reporting and compliance and the results of that testing and not to provide an opinion on the internal control over financial reporting or on compliance. That report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering the School Corporation's internal control over financial reporting and compliance.

***Accompanying Information***

*Supplementary Information*

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 records 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.

INDEPENDENT AUDITOR'S REPORT  
(Continued)

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, Schedule of Payables and Receivables, Schedule of Leases and Debt, and Schedule of Capital Assets, 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.

  
Paul D. Joyce, CPA  
State Examiner

January 2, 2014



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INDEPENDENT AUDITOR'S 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 RANDOLPH EASTERN SCHOOL  
CORPORATION, RANDOLPH COUNTY, INDIANA

We have audited, 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, the financial statement of the Randolph Eastern School Corporation (School Corporation), which comprises the financial position and results of operations for the period of July 1, 2011 to June 30, 2013, and the related notes to the financial statement, and have issued our report thereon dated January 2, 2014, wherein we noted the School Corporation followed accounting practices the Indiana State Board of Accounts prescribes rather than accounting principles generally accepted in the United States of America.

***Internal Control Over Financial Reporting***

In planning and performing our audit of the financial statement, we considered the School Corporation's internal control over financial reporting (internal control) to determine the audit procedures that are appropriate in the circumstances 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. Accordingly, we do not express an opinion on the effectiveness of the School Corporation's internal control.

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. A significant deficiency is a deficiency or combination of deficiencies in internal control that is less severe than a material weakness, yet important enough to merit attention by those charged with governance.

Our consideration of internal control was for the limited purpose described in the first paragraph of this section and was not designed to identify all deficiencies in internal control that might be material weaknesses or significant deficiencies. Given these limitations, during our audit we did not identify any deficiencies in internal control that we consider to be material weaknesses. However, material weaknesses may exist that have not been identified.

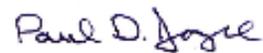
INDEPENDENT AUDITOR'S REPORT ON INTERNAL CONTROL OVER FINANCIAL REPORTING  
AND ON COMPLIANCE AND OTHER MATTERS BASED ON AN AUDIT OF THE FINANCIAL  
STATEMENT PERFORMED IN ACCORDANCE WITH GOVERNMENT AUDITING STANDARDS  
(Continued)

***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*.

***Purpose of This Report***

The purpose of this report is solely to describe the scope of our testing of internal control and compliance and the results of that testing, and not to provide an opinion on the effectiveness of the School Corporation's internal control or on compliance. This report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering the School Corporation's internal control and compliance. Accordingly, this communication is not suitable for any other purpose.

  
Paul D. Joyce, CPA  
State Examiner

January 2, 2014

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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.

RANDOLPH EASTERN SCHOOL CORPORATION  
STATEMENT OF RECEIPTS, DISBURSEMENTS, OTHER FINANCING SOURCES (USES), AND CASH AND INVESTMENT BALANCES -  
REGULATORY BASIS  
For the Years Ended June 30, 2012 and 2013

	Cash and Investments 07-01-11	Receipts	Disbursements	Other Financing Sources (Uses)	Cash and Investments 06-30-12	Receipts	Disbursements	Other Financing Sources (Uses)	Cash and Investments 06-30-13
General	\$ 1,035,365	\$ 6,471,019	\$ 6,045,315	\$ (300,000)	\$ 1,161,069	\$ 6,364,900	\$ 5,943,365	\$ (300,000)	\$ 1,282,604
Debt Service	448,423	590,262	705,819	(2,000)	330,866	626,034	711,420	(6,233)	239,247
Retirement/Severance Bond Debt Service	31,993	36,630	46,996	-	21,627	44,663	50,199	-	16,091
Capital Projects	151,975	625,100	438,557	-	338,518	641,685	425,683	-	554,520
School Transportation	268,194	469,003	419,938	-	317,259	496,805	409,206	(87,728)	317,130
School Bus Replacement	108,183	54,580	48,500	-	114,263	61,547	124,731	-	51,079
Rainy Day	582,256	-	38,063	300,000	844,193	-	102,886	400,000	1,141,307
School Lunch	220,453	478,378	500,542	-	198,289	477,527	497,725	-	178,091
Textbook Rental	119,387	95,285	104,473	2,000	112,199	134,624	160,867	6,233	92,189
Levy Excess	-	8,800	-	-	8,800	3,472	-	(12,272)	-
Educational License Plates	2,090	225	587	-	1,728	244	616	-	1,356
Reading Recovery	-	-	-	-	-	3,000	-	-	3,000
Community Grant	-	2,100	415	-	1,685	200	914	-	971
Happy Trails Scholarship	1,597	2	600	-	999	1	800	-	200
Powers Scholarship	750	-	750	-	-	-	-	-	-
Energy Project	1,270	-	1,270	-	-	-	-	-	-
Martha Harrison Vocational	710	1,359	602	-	1,467	-	1,400	-	67
Science Camp	2,087	2,600	4,189	-	498	4,550	4,037	-	1,011
Adult and Continuing Education	400	-	-	-	400	-	-	-	400
Kenneth C. Hinshaw Scholarship	147,093	172	32,000	-	115,265	2,023	117,288	-	-
Martha Goodman Scholarship	86,541	119	5,600	-	81,060	718	81,778	-	-
John D. Wilson Scholarship	6,590	9,032	6,591	-	9,031	12,633	9,031	-	12,633
David & Carol Young Scholarship	42,907	45,015	44,769	-	43,153	45,002	45,004	-	43,151
Steve Reish Athletic Scholarship	1,719	502	500	-	1,721	1	500	-	1,222
Harry & June Loy Scholarship	66,393	93	2,000	-	64,486	15	64,501	-	-
Bill & Mary Lou Fulk Scholarship	1,001	1,000	1,001	-	1,000	1,000	1,000	-	1,000
Edith Winn Scholarship	59,471	83	1,500	-	58,054	14	58,068	-	-
Clyde & Sarah Wise Scholarship	47,609	67	1,200	-	46,476	11	46,487	-	-
Claudia B. Wise Scholarship	266,424	370	12,000	-	254,794	59	254,853	-	-
Steve Hinshaw Humanitarian	36,995	50	2,000	-	35,045	4,009	39,054	-	-
Carl & Virginia Keller Scholarship	101,353	143	1,000	-	100,496	1,024	101,520	-	-
Perry Valedictorian Award	25,985	36	1,000	-	25,021	6	25,027	-	-
W.L. Witters Biological Preserve	2,081	-	-	-	2,081	-	-	-	2,081
B. Everett Memorial Nature Program	45	-	-	-	45	-	-	-	45

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

RANDOLPH EASTERN SCHOOL CORPORATION  
STATEMENT OF RECEIPTS, DISBURSEMENTS, OTHER FINANCING SOURCES (USES), AND CASH AND INVESTMENT BALANCES -  
REGULATORY BASIS  
For the Years Ended June 30, 2012 and 2013  
(Continued)

	Cash and Investments 07-01-11	Receipts	Disbursements	Other Financing Sources (Uses)	Cash and Investments 06-30-12	Receipts	Disbursements	Other Financing Sources (Uses)	Cash and Investments 06-30-13
Community Foundation Literacy Coalition	359	-	147	-	212	-	130	-	82
Mark Welch Memorial	5,282	7	500	-	4,789	1	4,790	-	-
High Ability Grant - 2012	-	27,659	27,659	-	-	-	-	-	-
High Ability Grant - 2013	-	-	-	-	-	27,567	27,567	-	-
Medicaid Reimbursement	465	3,257	2,330	-	1,392	2,922	1,424	-	2,890
Non-English Speaking Program 2011-12	-	6,151	6,151	-	-	-	-	-	-
Non-English Speaking Program 2012-13	-	-	-	-	-	4,808	4,808	-	-
School Technology	47	3,288	3,335	-	-	3,621	3,621	-	-
Wellness Grant 2010-11	6,829	-	6,829	-	-	-	-	-	-
Wellness Grant 2011-12	-	10,532	4,876	-	5,656	-	5,656	-	-
Wellness Grant 2012-13	-	-	-	-	-	10,416	6,569	-	3,847
Senator David Ford Technology	-	-	-	-	-	750	450	-	300
Teacher Instruction Mini-Grant	6,275	970	2,590	-	4,655	864	1,488	-	4,031
Consolidation Study	298	-	298	-	-	-	-	-	-
Title I FY11	-	40,966	40,966	-	-	-	-	-	-
Title I FY12	-	240,946	265,850	-	(24,904)	69,934	45,030	-	-
Title I FY13	-	-	-	-	-	308,358	339,332	-	(30,974)
IDEA, Part B, P.L. 102-17 2011-12	-	192,567	201,122	-	(8,555)	8,555	-	-	-
IDEA, Part B, P.L. 105-17 2012-13	-	-	-	-	-	194,557	200,471	-	(5,914)
Drug Free	-	1,944	1,944	-	-	458	458	-	-
Medicaid Reimbursement Federal	4,984	6,035	3,289	-	7,730	5,460	417	-	12,773
Title II, A 2010-11	-	19,361	19,421	-	(60)	3,937	3,877	-	-
Title II, A 2011-12	-	-	57	-	(57)	29,952	29,895	-	-
Rural and Low Income School FY10	-	24,453	24,453	-	-	-	-	-	-
Rural and Low Income School FY11	-	9,663	16,647	-	(6,984)	11,393	4,729	-	(320)
Title III Language Instruction	-	-	5,925	-	(5,925)	6,492	567	-	-
Title III, Limited English	-	-	-	-	-	-	1,487	-	(1,487)
Education Jobs	13	173,367	191,627	-	(18,247)	22,753	4,506	-	-
Payroll Withholdings	34,249	1,720,440	1,728,238	-	26,451	1,741,387	1,741,397	-	26,441
Totals	<u>\$ 3,926,141</u>	<u>\$ 11,373,631</u>	<u>\$ 11,022,031</u>	<u>\$ -</u>	<u>\$ 4,277,741</u>	<u>\$ 11,379,952</u>	<u>\$ 11,706,629</u>	<u>\$ -</u>	<u>\$ 3,951,064</u>

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

RANDOLPH EASTERN SCHOOL CORPORATION  
NOTES TO FINANCIAL STATEMENT

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

*A. Reporting Entity*

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

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

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

*B. Basis of Accounting*

The financial statement is reported on a regulatory basis of accounting prescribed by the Indiana 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. The basis of accounting involves the reporting of only cash and investments and the changes therein resulting from cash inflows (receipts) and cash outflows (disbursements) reported in the period in which they occurred.

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.

RANDOLPH EASTERN SCHOOL CORPORATION  
NOTES TO FINANCIAL STATEMENT  
(Continued)

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.

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

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

*E. Disbursements*

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

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

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

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

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

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

Nonprogrammed charges which include outflows for donations to foundations, securities purchased, indirect costs, scholarships, funds held temporarily for authorized recipients, 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.

RANDOLPH EASTERN SCHOOL CORPORATION  
NOTES TO FINANCIAL STATEMENT  
(Continued)

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 (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.

RANDOLPH EASTERN SCHOOL CORPORATION  
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 (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.

RANDOLPH EASTERN SCHOOL CORPORATION  
NOTES TO FINANCIAL STATEMENT  
(Continued)

*B. Teachers' Retirement Fund*

*Plan Description*

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

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

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

*Funding Policy and Annual Pension Cost*

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

**Note 7. Cash Balance Deficits**

The financial statement contains some funds with deficits in cash. This is a result of reimbursements not yet received from grantor agencies.

**Note 8. Restatements**

The Payroll Withholdings Fund was omitted from the financial statement for the year ended June 30, 2011. This fund, including its beginning balance of \$34,249 at July 1, 2011, is included in the financial statement for the years ended June 30, 2012 and 2013.

RANDOLPH EASTERN SCHOOL CORPORATION  
NOTES TO FINANCIAL STATEMENT  
(Continued)

**Note 9. *Holding Corporation***

The School Corporation has entered into a capital lease with the Randolph Eastern 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 ended June 30, 2012 and 2013, totaled \$170,000 and \$175,000, 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.

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

	General	Debt Service	Retirement/ Severance Bond Debt Service	Capital Projects	School Transportation	School Bus Replacement
Cash and investments - beginning	\$ 1,035,365	\$ 448,423	\$ 31,993	\$ 151,975	\$ 268,194	\$ 108,183
Receipts:						
Local sources	78,709	590,262	36,630	591,538	469,003	54,580
Intermediate sources	-	-	-	-	-	-
State sources	6,392,110	-	-	-	-	-
Federal sources	-	-	-	-	-	-
Other	200	-	-	33,562	-	-
Total receipts	<u>6,471,019</u>	<u>590,262</u>	<u>36,630</u>	<u>625,100</u>	<u>469,003</u>	<u>54,580</u>
Disbursements:						
Current:						
Instruction	4,325,182	-	-	-	-	-
Support services	1,629,720	-	-	239,123	419,938	48,500
Noninstructional services	90,413	-	-	-	-	-
Facilities acquisition and construction	-	-	-	199,434	-	-
Debt services	-	705,819	46,996	-	-	-
Nonprogrammed charges	-	-	-	-	-	-
Total disbursements	<u>6,045,315</u>	<u>705,819</u>	<u>46,996</u>	<u>438,557</u>	<u>419,938</u>	<u>48,500</u>
Excess (deficiency) of receipts over disbursements	<u>425,704</u>	<u>(115,557)</u>	<u>(10,366)</u>	<u>186,543</u>	<u>49,065</u>	<u>6,080</u>
Other financing sources (uses):						
Transfers in	-	-	-	-	-	-
Transfers out	(300,000)	(2,000)	-	-	-	-
Total other financing sources (uses)	<u>(300,000)</u>	<u>(2,000)</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Excess (deficiency) of receipts and other financing sources over disbursements and other financing uses	<u>125,704</u>	<u>(117,557)</u>	<u>(10,366)</u>	<u>186,543</u>	<u>49,065</u>	<u>6,080</u>
Cash and investments - ending	<u>\$ 1,161,069</u>	<u>\$ 330,866</u>	<u>\$ 21,627</u>	<u>\$ 338,518</u>	<u>\$ 317,259</u>	<u>\$ 114,263</u>

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

	Rainy Day	School Lunch	Textbook Rental	Levy Excess	Educational License Plates
Cash and investments - beginning	\$ 582,256	\$ 220,453	\$ 119,387	\$ -	\$ 2,090
Receipts:					
Local sources	-	134,579	51,402	-	-
Intermediate sources	-	-	-	-	225
State sources	-	4,143	43,783	8,800	-
Federal sources	-	339,451	-	-	-
Other	-	205	100	-	-
Total receipts	<u>-</u>	<u>478,378</u>	<u>95,285</u>	<u>8,800</u>	<u>225</u>
Disbursements:					
Current:					
Instruction	-	-	-	-	587
Support services	4,800	205	104,473	-	-
Noninstructional services	-	500,337	-	-	-
Facilities acquisition and construction	33,263	-	-	-	-
Debt services	-	-	-	-	-
Nonprogrammed charges	-	-	-	-	-
Total disbursements	<u>38,063</u>	<u>500,542</u>	<u>104,473</u>	<u>-</u>	<u>587</u>
Excess (deficiency) of receipts over disbursements	<u>(38,063)</u>	<u>(22,164)</u>	<u>(9,188)</u>	<u>8,800</u>	<u>(362)</u>
Other financing sources (uses):					
Transfers in	300,000	-	2,000	-	-
Transfers out	-	-	-	-	-
Total other financing sources (uses)	<u>300,000</u>	<u>-</u>	<u>2,000</u>	<u>-</u>	<u>-</u>
Excess (deficiency) of receipts and other financing sources over disbursements and other financing uses	<u>261,937</u>	<u>(22,164)</u>	<u>(7,188)</u>	<u>8,800</u>	<u>(362)</u>
Cash and investments - ending	<u>\$ 844,193</u>	<u>\$ 198,289</u>	<u>\$ 112,199</u>	<u>\$ 8,800</u>	<u>\$ 1,728</u>

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

	Community Grant	Happy Trails Scholarship	Powers Scholarship	Energy Project	Martha Harrison Vocational
Cash and investments - beginning	\$ -	\$ 1,597	\$ 750	\$ 1,270	\$ 710
Receipts:					
Local sources	2,100	2	-	-	1,359
Intermediate sources	-	-	-	-	-
State sources	-	-	-	-	-
Federal sources	-	-	-	-	-
Other	-	-	-	-	-
Total receipts	<u>2,100</u>	<u>2</u>	<u>-</u>	<u>-</u>	<u>1,359</u>
Disbursements:					
Current:					
Instruction	415	-	-	-	602
Support services	-	-	-	1,270	-
Noninstructional services	-	-	-	-	-
Facilities acquisition and construction	-	-	-	-	-
Debt services	-	-	-	-	-
Nonprogrammed charges	-	600	750	-	-
Total disbursements	<u>415</u>	<u>600</u>	<u>750</u>	<u>1,270</u>	<u>602</u>
Excess (deficiency) of receipts over disbursements	<u>1,685</u>	<u>(598)</u>	<u>(750)</u>	<u>(1,270)</u>	<u>757</u>
Other financing sources (uses):					
Transfers in	-	-	-	-	-
Transfers out	-	-	-	-	-
Total other financing sources (uses)	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Excess (deficiency) of receipts and other financing sources over disbursements and other financing uses	<u>1,685</u>	<u>(598)</u>	<u>(750)</u>	<u>(1,270)</u>	<u>757</u>
Cash and investments - ending	<u>\$ 1,685</u>	<u>\$ 999</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 1,467</u>

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

	Science Camp	Adult and Continuing Education	Kenneth C. Hinshaw Scholarship	Martha Goodman Scholarship	John D. Wilson Scholarship
Cash and investments - beginning	\$ 2,087	\$ 400	\$ 147,093	\$ 86,541	\$ 6,590
Receipts:					
Local sources	2,600	-	172	119	9,032
Intermediate sources	-	-	-	-	-
State sources	-	-	-	-	-
Federal sources	-	-	-	-	-
Other	-	-	-	-	-
Total receipts	<u>2,600</u>	<u>-</u>	<u>172</u>	<u>119</u>	<u>9,032</u>
Disbursements:					
Current:					
Instruction	4,189	-	-	-	-
Support services	-	-	-	-	-
Noninstructional services	-	-	-	-	-
Facilities acquisition and construction	-	-	-	-	-
Debt services	-	-	-	-	-
Nonprogrammed charges	-	-	32,000	5,600	6,591
Total disbursements	<u>4,189</u>	<u>-</u>	<u>32,000</u>	<u>5,600</u>	<u>6,591</u>
Excess (deficiency) of receipts over disbursements	<u>(1,589)</u>	<u>-</u>	<u>(31,828)</u>	<u>(5,481)</u>	<u>2,441</u>
Other financing sources (uses):					
Transfers in	-	-	-	-	-
Transfers out	-	-	-	-	-
Total other financing sources (uses)	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Excess (deficiency) of receipts and other financing sources over disbursements and other financing uses	<u>(1,589)</u>	<u>-</u>	<u>(31,828)</u>	<u>(5,481)</u>	<u>2,441</u>
Cash and investments - ending	<u>\$ 498</u>	<u>\$ 400</u>	<u>\$ 115,265</u>	<u>\$ 81,060</u>	<u>\$ 9,031</u>

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

	David & Carol Young Scholarship	Steve Reish Athletic Scholarship	Harry & June Loy Scholarship	Bill & Mary Lou Fulk Scholarship	Edith Winn Scholarship
Cash and investments - beginning	\$ 42,907	\$ 1,719	\$ 66,393	\$ 1,001	\$ 59,471
Receipts:					
Local sources	45,015	502	93	1,000	83
Intermediate sources	-	-	-	-	-
State sources	-	-	-	-	-
Federal sources	-	-	-	-	-
Other	-	-	-	-	-
Total receipts	<u>45,015</u>	<u>502</u>	<u>93</u>	<u>1,000</u>	<u>83</u>
Disbursements:					
Current:					
Instruction	500	-	-	-	-
Support services	-	-	-	-	-
Noninstructional services	-	-	-	-	-
Facilities acquisition and construction	-	-	-	-	-
Debt services	-	-	-	-	-
Nonprogrammed charges	<u>44,269</u>	<u>500</u>	<u>2,000</u>	<u>1,001</u>	<u>1,500</u>
Total disbursements	<u>44,769</u>	<u>500</u>	<u>2,000</u>	<u>1,001</u>	<u>1,500</u>
Excess (deficiency) of receipts over disbursements	<u>246</u>	<u>2</u>	<u>(1,907)</u>	<u>(1)</u>	<u>(1,417)</u>
Other financing sources (uses):					
Transfers in	-	-	-	-	-
Transfers out	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Total other financing sources (uses)	<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>246</u>	<u>2</u>	<u>(1,907)</u>	<u>(1)</u>	<u>(1,417)</u>
Cash and investments - ending	<u>\$ 43,153</u>	<u>\$ 1,721</u>	<u>\$ 64,486</u>	<u>\$ 1,000</u>	<u>\$ 58,054</u>

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

	Clyde & Sarah Wise <u>Scholarship</u>	Claudia B. Wise <u>Scholarship</u>	Steve Hinshaw <u>Humanitarian</u>	Carl & Virginia Keller <u>Scholarship</u>	Perry Valedictorian <u>Award</u>
Cash and investments - beginning	\$ 47,609	\$ 266,424	\$ 36,995	\$ 101,353	\$ 25,985
Receipts:					
Local sources	67	370	50	143	36
Intermediate sources	-	-	-	-	-
State sources	-	-	-	-	-
Federal sources	-	-	-	-	-
Other	-	-	-	-	-
	<u>67</u>	<u>370</u>	<u>50</u>	<u>143</u>	<u>36</u>
Total receipts					
Disbursements:					
Current:					
Instruction	-	-	-	-	-
Support services	-	-	-	-	-
Noninstructional services	-	-	-	-	-
Facilities acquisition and construction	-	-	-	-	-
Debt services	-	-	-	-	-
Nonprogrammed charges	1,200	12,000	2,000	1,000	1,000
	<u>1,200</u>	<u>12,000</u>	<u>2,000</u>	<u>1,000</u>	<u>1,000</u>
Total disbursements					
	<u>1,200</u>	<u>12,000</u>	<u>2,000</u>	<u>1,000</u>	<u>1,000</u>
Excess (deficiency) of receipts over disbursements	<u>(1,133)</u>	<u>(11,630)</u>	<u>(1,950)</u>	<u>(857)</u>	<u>(964)</u>
Other financing sources (uses):					
Transfers in	-	-	-	-	-
Transfers out	-	-	-	-	-
	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Total other financing sources (uses)					
	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Excess (deficiency) of receipts and other financing sources over disbursements and other financing uses	<u>(1,133)</u>	<u>(11,630)</u>	<u>(1,950)</u>	<u>(857)</u>	<u>(964)</u>
Cash and investments - ending	<u>\$ 46,476</u>	<u>\$ 254,794</u>	<u>\$ 35,045</u>	<u>\$ 100,496</u>	<u>\$ 25,021</u>

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

	W.L. Witters Biological Preserve	B. Everett Memorial Nature Program	Community Foundation Literacy Coalition	Mark Welch Memorial	High Ability Grant - 2012
Cash and investments - beginning	\$ 2,081	\$ 45	\$ 359	\$ 5,282	\$ -
Receipts:					
Local sources	-	-	-	7	-
Intermediate sources	-	-	-	-	-
State sources	-	-	-	-	27,659
Federal sources	-	-	-	-	-
Other	-	-	-	-	-
	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Total receipts	<u>-</u>	<u>-</u>	<u>-</u>	<u>7</u>	<u>27,659</u>
Disbursements:					
Current:					
Instruction	-	-	147	-	27,659
Support services	-	-	-	-	-
Noninstructional services	-	-	-	-	-
Facilities acquisition and construction	-	-	-	-	-
Debt services	-	-	-	-	-
Nonprogrammed charges	-	-	-	500	-
	<u>-</u>	<u>-</u>	<u>-</u>	<u>500</u>	<u>-</u>
Total disbursements	<u>-</u>	<u>-</u>	<u>147</u>	<u>500</u>	<u>27,659</u>
Excess (deficiency) of receipts over disbursements	<u>-</u>	<u>-</u>	<u>(147)</u>	<u>(493)</u>	<u>-</u>
Other financing sources (uses):					
Transfers in	-	-	-	-	-
Transfers out	-	-	-	-	-
	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Total other financing sources (uses)	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Excess (deficiency) of receipts and other financing sources over disbursements and other financing uses	<u>-</u>	<u>-</u>	<u>(147)</u>	<u>(493)</u>	<u>-</u>
Cash and investments - ending	<u>\$ 2,081</u>	<u>\$ 45</u>	<u>\$ 212</u>	<u>\$ 4,789</u>	<u>\$ -</u>

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

	Medicaid Reimbursement	Non-English Speaking Program 2011-12	School Technology	Wellness Grant 2010-11	Wellness Grant 2011-12
Cash and investments - beginning	\$ 465	\$ -	\$ 47	\$ 6,829	\$ -
Receipts:					
Local sources	-	1,361	-	-	10,532
Intermediate sources	-	-	-	-	-
State sources	3,257	4,790	3,288	-	-
Federal sources	-	-	-	-	-
Other	-	-	-	-	-
Total receipts	<u>3,257</u>	<u>6,151</u>	<u>3,288</u>	<u>-</u>	<u>10,532</u>
Disbursements:					
Current:					
Instruction	-	6,151	-	-	-
Support services	2,330	-	3,335	6,829	4,876
Noninstructional services	-	-	-	-	-
Facilities acquisition and construction	-	-	-	-	-
Debt services	-	-	-	-	-
Nonprogrammed charges	-	-	-	-	-
Total disbursements	<u>2,330</u>	<u>6,151</u>	<u>3,335</u>	<u>6,829</u>	<u>4,876</u>
Excess (deficiency) of receipts over disbursements	<u>927</u>	<u>-</u>	<u>(47)</u>	<u>(6,829)</u>	<u>5,656</u>
Other financing sources (uses):					
Transfers in	-	-	-	-	-
Transfers out	-	-	-	-	-
Total other financing sources (uses)	<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>927</u>	<u>-</u>	<u>(47)</u>	<u>(6,829)</u>	<u>5,656</u>
Cash and investments - ending	<u>\$ 1,392</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 5,656</u>

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

	Teacher Instruction Mini-Grant	Consolidation Study	Title I FY11	Title I FY12	IDEA, Part B, P.L. 102-17 2011-12
Cash and investments - beginning	\$ 6,275	\$ 298	\$ -	\$ -	\$ -
Receipts:					
Local sources	970	-	-	-	-
Intermediate sources	-	-	-	-	-
State sources	-	-	-	-	-
Federal sources	-	-	40,966	240,946	192,567
Other	-	-	-	-	-
Total receipts	<u>970</u>	<u>-</u>	<u>40,966</u>	<u>240,946</u>	<u>192,567</u>
Disbursements:					
Current:					
Instruction	2,565	-	28,279	176,794	201,122
Support services	25	298	11,834	84,947	-
Noninstructional services	-	-	853	4,109	-
Facilities acquisition and construction	-	-	-	-	-
Debt services	-	-	-	-	-
Nonprogrammed charges	-	-	-	-	-
Total disbursements	<u>2,590</u>	<u>298</u>	<u>40,966</u>	<u>265,850</u>	<u>201,122</u>
Excess (deficiency) of receipts over disbursements	<u>(1,620)</u>	<u>(298)</u>	<u>-</u>	<u>(24,904)</u>	<u>(8,555)</u>
Other financing sources (uses):					
Transfers in	-	-	-	-	-
Transfers out	-	-	-	-	-
Total other financing sources (uses)	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Excess (deficiency) of receipts and other financing sources over disbursements and other financing uses	<u>(1,620)</u>	<u>(298)</u>	<u>-</u>	<u>(24,904)</u>	<u>(8,555)</u>
Cash and investments - ending	<u>\$ 4,655</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ (24,904)</u>	<u>\$ (8,555)</u>

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

	Drug Free	Medicaid Reimbursement Federal	Title II, A 2010-11	Title II, A 2011-12	Rural and Low Income School FY10
Cash and investments - beginning	\$ -	\$ 4,984	\$ -	\$ -	\$ -
Receipts:					
Local sources	-	-	-	-	-
Intermediate sources	-	-	-	-	-
State sources	-	-	-	-	-
Federal sources	1,944	6,035	19,361	-	24,453
Other	-	-	-	-	-
Total receipts	<u>1,944</u>	<u>6,035</u>	<u>19,361</u>	<u>-</u>	<u>24,453</u>
Disbursements:					
Current:					
Instruction	1,944	2,824	-	-	24,453
Support services	-	465	19,421	57	-
Noninstructional services	-	-	-	-	-
Facilities acquisition and construction	-	-	-	-	-
Debt services	-	-	-	-	-
Nonprogrammed charges	-	-	-	-	-
Total disbursements	<u>1,944</u>	<u>3,289</u>	<u>19,421</u>	<u>57</u>	<u>24,453</u>
Excess (deficiency) of receipts over disbursements	<u>-</u>	<u>2,746</u>	<u>(60)</u>	<u>(57)</u>	<u>-</u>
Other financing sources (uses):					
Transfers in	-	-	-	-	-
Transfers out	-	-	-	-	-
Total other financing sources (uses)	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Excess (deficiency) of receipts and other financing sources over disbursements and other financing uses	<u>-</u>	<u>2,746</u>	<u>(60)</u>	<u>(57)</u>	<u>-</u>
Cash and investments - ending	<u>\$ -</u>	<u>\$ 7,730</u>	<u>\$ (60)</u>	<u>\$ (57)</u>	<u>\$ -</u>

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

	Rural and Low Income School FY11	Title III Language Instruction	Education Jobs	Payroll Withholdings	Totals
Cash and investments - beginning	\$ -	\$ -	\$ 13	\$ 34,249	\$ 3,926,141
Receipts:					
Local sources	-	-	-	-	2,082,316
Intermediate sources	-	-	-	-	225
State sources	-	-	-	-	6,487,830
Federal sources	9,663	-	173,367	-	1,048,753
Other	-	-	-	1,720,440	1,754,507
Total receipts	<u>9,663</u>	<u>-</u>	<u>173,367</u>	<u>1,720,440</u>	<u>11,373,631</u>
Disbursements:					
Current:					
Instruction	-	5,925	102,327	-	4,911,665
Support services	16,647	-	89,300	-	2,688,393
Noninstructional services	-	-	-	-	595,712
Facilities acquisition and construction	-	-	-	-	232,697
Debt services	-	-	-	-	752,815
Nonprogrammed charges	-	-	-	1,728,238	1,840,749
Total disbursements	<u>16,647</u>	<u>5,925</u>	<u>191,627</u>	<u>1,728,238</u>	<u>11,022,031</u>
Excess (deficiency) of receipts over disbursements	<u>(6,984)</u>	<u>(5,925)</u>	<u>(18,260)</u>	<u>(7,798)</u>	<u>351,600</u>
Other financing sources (uses):					
Transfers in	-	-	-	-	302,000
Transfers out	-	-	-	-	(302,000)
Total other financing sources (uses)	<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>(6,984)</u>	<u>(5,925)</u>	<u>(18,260)</u>	<u>(7,798)</u>	<u>351,600</u>
Cash and investments - ending	<u>\$ (6,984)</u>	<u>\$ (5,925)</u>	<u>\$ (18,247)</u>	<u>\$ 26,451</u>	<u>\$ 4,277,741</u>

RANDOLPH EASTERN SCHOOL CORPORATION  
 COMBINING SCHEDULE OF RECEIPTS, DISBURSEMENTS, OTHER FINANCING SOURCES (USES), AND CASH AND INVESTMENT BALANCES -  
 REGULATORY BASIS  
 For the Year Ended June 30, 2013

	General	Debt Service	Retirement/ Severance Bond Debt Service	Capital Projects	School Transportation	School Bus Replacement
Cash and investments - beginning	\$ 1,161,069	\$ 330,866	\$ 21,627	\$ 338,518	\$ 317,259	\$ 114,263
Receipts:						
Local sources	103,854	626,034	44,663	641,185	494,614	61,547
Intermediate sources	-	-	-	-	-	-
State sources	6,260,846	-	-	-	-	-
Federal sources	-	-	-	-	-	-
Other	200	-	-	500	2,191	-
Total receipts	<u>6,364,900</u>	<u>626,034</u>	<u>44,663</u>	<u>641,685</u>	<u>496,805</u>	<u>61,547</u>
Disbursements:						
Current:						
Instruction	4,170,506	-	-	-	-	-
Support services	1,679,032	-	-	283,294	409,206	124,731
Noninstructional services	93,827	-	-	-	-	-
Facilities acquisition and construction	-	-	-	142,389	-	-
Debt services	-	711,420	50,199	-	-	-
Nonprogrammed charges	-	-	-	-	-	-
Total disbursements	<u>5,943,365</u>	<u>711,420</u>	<u>50,199</u>	<u>425,683</u>	<u>409,206</u>	<u>124,731</u>
Excess (deficiency) of receipts over disbursements	<u>421,535</u>	<u>(85,386)</u>	<u>(5,536)</u>	<u>216,002</u>	<u>87,599</u>	<u>(63,184)</u>
Other financing sources (uses):						
Transfers in	-	-	-	-	12,272	-
Transfers out	(300,000)	(6,233)	-	-	(100,000)	-
Total other financing sources (uses)	<u>(300,000)</u>	<u>(6,233)</u>	<u>-</u>	<u>-</u>	<u>(87,728)</u>	<u>-</u>
Excess (deficiency) of receipts and other financing sources over disbursements and other financing uses	<u>121,535</u>	<u>(91,619)</u>	<u>(5,536)</u>	<u>216,002</u>	<u>(129)</u>	<u>(63,184)</u>
Cash and investments - ending	<u>\$ 1,282,604</u>	<u>\$ 239,247</u>	<u>\$ 16,091</u>	<u>\$ 554,520</u>	<u>\$ 317,130</u>	<u>\$ 51,079</u>

RANDOLPH EASTERN SCHOOL CORPORATION  
 COMBINING SCHEDULE OF RECEIPTS, DISBURSEMENTS, OTHER FINANCING SOURCES (USES), AND CASH AND INVESTMENT BALANCES -  
 REGULATORY BASIS  
 For the Year Ended June 30, 2013  
 (Continued)

	Rainy Day	School Lunch	Textbook Rental	Levy Excess	Educational License Plates
Cash and investments - beginning	\$ 844,193	\$ 198,289	\$ 112,199	\$ 8,800	\$ 1,728
Receipts:					
Local sources	-	134,130	53,164	-	-
Intermediate sources	-	-	-	-	244
State sources	-	3,895	42,802	3,472	-
Federal sources	-	339,296	-	-	-
Other	-	206	38,658	-	-
	<u>-</u>	<u>477,527</u>	<u>134,624</u>	<u>3,472</u>	<u>244</u>
Total receipts	-	477,527	134,624	3,472	244
Disbursements:					
Current:					
Instruction	28,590	-	-	-	616
Support services	15,413	205	128,742	-	-
Noninstructional services	-	497,520	-	-	-
Facilities acquisition and construction	58,883	-	-	-	-
Debt services	-	-	-	-	-
Nonprogrammed charges	-	-	32,125	-	-
	<u>-</u>	<u>-</u>	<u>32,125</u>	<u>-</u>	<u>-</u>
Total disbursements	102,886	497,725	160,867	-	616
Excess (deficiency) of receipts over disbursements	<u>(102,886)</u>	<u>(20,198)</u>	<u>(26,243)</u>	<u>3,472</u>	<u>(372)</u>
Other financing sources (uses):					
Transfers in	400,000	-	6,233	-	-
Transfers out	-	-	-	(12,272)	-
	<u>-</u>	<u>-</u>	<u>-</u>	<u>(12,272)</u>	<u>-</u>
Total other financing sources (uses)	400,000	-	6,233	(12,272)	-
Excess (deficiency) of receipts and other financing sources over disbursements and other financing uses	<u>297,114</u>	<u>(20,198)</u>	<u>(20,010)</u>	<u>(8,800)</u>	<u>(372)</u>
Cash and investments - ending	<u>\$ 1,141,307</u>	<u>\$ 178,091</u>	<u>\$ 92,189</u>	<u>\$ -</u>	<u>\$ 1,356</u>

RANDOLPH EASTERN SCHOOL CORPORATION  
 COMBINING SCHEDULE OF RECEIPTS, DISBURSEMENTS, OTHER FINANCING SOURCES (USES), AND CASH AND INVESTMENT BALANCES -  
 REGULATORY BASIS  
 For the Year Ended June 30, 2013  
 (Continued)

	Reading Recovery	Community Grant	Happy Trails Scholarship	Martha Harrison Vocational	Science Camp
Cash and investments - beginning	\$ -	\$ 1,685	\$ 999	\$ 1,467	\$ 498
Receipts:					
Local sources	3,000	200	1	-	4,550
Intermediate sources	-	-	-	-	-
State sources	-	-	-	-	-
Federal sources	-	-	-	-	-
Other	-	-	-	-	-
Total receipts	<u>3,000</u>	<u>200</u>	<u>1</u>	<u>-</u>	<u>4,550</u>
Disbursements:					
Current:					
Instruction	-	914	-	1,400	4,037
Support services	-	-	-	-	-
Noninstructional services	-	-	-	-	-
Facilities acquisition and construction	-	-	-	-	-
Debt services	-	-	-	-	-
Nonprogrammed charges	-	-	800	-	-
Total disbursements	<u>-</u>	<u>914</u>	<u>800</u>	<u>1,400</u>	<u>4,037</u>
Excess (deficiency) of receipts over disbursements	<u>3,000</u>	<u>(714)</u>	<u>(799)</u>	<u>(1,400)</u>	<u>513</u>
Other financing sources (uses):					
Transfers in	-	-	-	-	-
Transfers out	-	-	-	-	-
Total other financing sources (uses)	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Excess (deficiency) of receipts and other financing sources over disbursements and other financing uses	<u>3,000</u>	<u>(714)</u>	<u>(799)</u>	<u>(1,400)</u>	<u>513</u>
Cash and investments - ending	<u>\$ 3,000</u>	<u>\$ 971</u>	<u>\$ 200</u>	<u>\$ 67</u>	<u>\$ 1,011</u>

RANDOLPH EASTERN SCHOOL CORPORATION  
 COMBINING SCHEDULE OF RECEIPTS, DISBURSEMENTS, OTHER FINANCING SOURCES (USES), AND CASH AND INVESTMENT BALANCES -  
 REGULATORY BASIS  
 For the Year Ended June 30, 2013  
 (Continued)

	<u>Adult and Continuing Education</u>	<u>Kenneth C. Hinshaw Scholarship</u>	<u>Martha Goodman Scholarship</u>	<u>John D. Wilson Scholarship</u>	<u>David &amp; Carol Young Scholarship</u>
Cash and investments - beginning	\$ 400	\$ 115,265	\$ 81,060	\$ 9,031	\$ 43,153
Receipts:					
Local sources	-	2,023	718	12,633	45,002
Intermediate sources	-	-	-	-	-
State sources	-	-	-	-	-
Federal sources	-	-	-	-	-
Other	-	-	-	-	-
	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Total receipts	<u>-</u>	<u>2,023</u>	<u>718</u>	<u>12,633</u>	<u>45,002</u>
Disbursements:					
Current:					
Instruction	-	-	-	-	500
Support services	-	-	-	-	-
Noninstructional services	-	-	-	-	-
Facilities acquisition and construction	-	-	-	-	-
Debt services	-	-	-	-	-
Nonprogrammed charges	-	117,288	81,778	9,031	44,504
	<u>-</u>	<u>117,288</u>	<u>81,778</u>	<u>9,031</u>	<u>44,504</u>
Total disbursements	<u>-</u>	<u>117,288</u>	<u>81,778</u>	<u>9,031</u>	<u>45,004</u>
Excess (deficiency) of receipts over disbursements	<u>-</u>	<u>(115,265)</u>	<u>(81,060)</u>	<u>3,602</u>	<u>(2)</u>
Other financing sources (uses):					
Transfers in	-	-	-	-	-
Transfers out	-	-	-	-	-
	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Total other financing sources (uses)	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Excess (deficiency) of receipts and other financing sources over disbursements and other financing uses	<u>-</u>	<u>(115,265)</u>	<u>(81,060)</u>	<u>3,602</u>	<u>(2)</u>
Cash and investments - ending	<u>\$ 400</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 12,633</u>	<u>\$ 43,151</u>

RANDOLPH EASTERN SCHOOL CORPORATION  
 COMBINING SCHEDULE OF RECEIPTS, DISBURSEMENTS, OTHER FINANCING SOURCES (USES), AND CASH AND INVESTMENT BALANCES -  
 REGULATORY BASIS  
 For the Year Ended June 30, 2013  
 (Continued)

	Steve Reish Athletic Scholarship	Harry & June Loy Scholarship	Bill & Mary Lou Fulk Scholarship	Edith Winn Scholarship	Clyde & Sarah Wise Scholarship
Cash and investments - beginning	\$ 1,721	\$ 64,486	\$ 1,000	\$ 58,054	\$ 46,476
Receipts:					
Local sources	1	15	1,000	14	11
Intermediate sources	-	-	-	-	-
State sources	-	-	-	-	-
Federal sources	-	-	-	-	-
Other	-	-	-	-	-
Total receipts	<u>1</u>	<u>15</u>	<u>1,000</u>	<u>14</u>	<u>11</u>
Disbursements:					
Current:					
Instruction	-	-	-	-	-
Support services	-	-	-	-	-
Noninstructional services	-	-	-	-	-
Facilities acquisition and construction	-	-	-	-	-
Debt services	-	-	-	-	-
Nonprogrammed charges	<u>500</u>	<u>64,501</u>	<u>1,000</u>	<u>58,068</u>	<u>46,487</u>
Total disbursements	<u>500</u>	<u>64,501</u>	<u>1,000</u>	<u>58,068</u>	<u>46,487</u>
Excess (deficiency) of receipts over disbursements	<u>(499)</u>	<u>(64,486)</u>	<u>-</u>	<u>(58,054)</u>	<u>(46,476)</u>
Other financing sources (uses):					
Transfers in	-	-	-	-	-
Transfers out	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Total other financing sources (uses)	<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>(499)</u>	<u>(64,486)</u>	<u>-</u>	<u>(58,054)</u>	<u>(46,476)</u>
Cash and investments - ending	<u>\$ 1,222</u>	<u>\$ -</u>	<u>\$ 1,000</u>	<u>\$ -</u>	<u>\$ -</u>

RANDOLPH EASTERN SCHOOL CORPORATION  
 COMBINING SCHEDULE OF RECEIPTS, DISBURSEMENTS, OTHER FINANCING SOURCES (USES), AND CASH AND INVESTMENT BALANCES -  
 REGULATORY BASIS  
 For the Year Ended June 30, 2013  
 (Continued)

	Claudia B. Wise Scholarship	Steve Hinshaw Humanitarian	Carl & Virginia Keller Scholarship	Perry Valedictorian Award	W.L. Witters Biological Preserve
Cash and investments - beginning	\$ 254,794	\$ 35,045	\$ 100,496	\$ 25,021	\$ 2,081
Receipts:					
Local sources	59	4,009	1,024	6	-
Intermediate sources	-	-	-	-	-
State sources	-	-	-	-	-
Federal sources	-	-	-	-	-
Other	-	-	-	-	-
Total receipts	<u>59</u>	<u>4,009</u>	<u>1,024</u>	<u>6</u>	<u>-</u>
Disbursements:					
Current:					
Instruction	-	-	-	-	-
Support services	-	-	-	-	-
Noninstructional services	-	-	-	-	-
Facilities acquisition and construction	-	-	-	-	-
Debt services	-	-	-	-	-
Nonprogrammed charges	<u>254,853</u>	<u>39,054</u>	<u>101,520</u>	<u>25,027</u>	<u>-</u>
Total disbursements	<u>254,853</u>	<u>39,054</u>	<u>101,520</u>	<u>25,027</u>	<u>-</u>
Excess (deficiency) of receipts over disbursements	<u>(254,794)</u>	<u>(35,045)</u>	<u>(100,496)</u>	<u>(25,021)</u>	<u>-</u>
Other financing sources (uses):					
Transfers in	-	-	-	-	-
Transfers out	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Total other financing sources (uses)	<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>(254,794)</u>	<u>(35,045)</u>	<u>(100,496)</u>	<u>(25,021)</u>	<u>-</u>
Cash and investments - ending	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 2,081</u>

RANDOLPH EASTERN SCHOOL CORPORATION  
 COMBINING SCHEDULE OF RECEIPTS, DISBURSEMENTS, OTHER FINANCING SOURCES (USES), AND CASH AND INVESTMENT BALANCES -  
 REGULATORY BASIS  
 For the Year Ended June 30, 2013  
 (Continued)

	B. Everett Memorial Nature Program	Community Foundation Literacy Coalition	Mark Welch Memorial	High Ability Grant - 2013	Medicaid Reimbursement
Cash and investments - beginning	\$ 45	\$ 212	\$ 4,789	\$ -	\$ 1,392
Receipts:					
Local sources	-	-	1	-	-
Intermediate sources	-	-	-	-	-
State sources	-	-	-	27,567	2,922
Federal sources	-	-	-	-	-
Other	-	-	-	-	-
	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Total receipts	<u>-</u>	<u>-</u>	<u>1</u>	<u>27,567</u>	<u>2,922</u>
Disbursements:					
Current:					
Instruction	-	130	-	27,567	-
Support services	-	-	-	-	1,424
Noninstructional services	-	-	-	-	-
Facilities acquisition and construction	-	-	-	-	-
Debt services	-	-	-	-	-
Nonprogrammed charges	-	-	4,790	-	-
	<u>-</u>	<u>-</u>	<u>4,790</u>	<u>-</u>	<u>-</u>
Total disbursements	<u>-</u>	<u>130</u>	<u>4,790</u>	<u>27,567</u>	<u>1,424</u>
Excess (deficiency) of receipts over disbursements	<u>-</u>	<u>(130)</u>	<u>(4,789)</u>	<u>-</u>	<u>1,498</u>
Other financing sources (uses):					
Transfers in	-	-	-	-	-
Transfers out	-	-	-	-	-
	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Total other financing sources (uses)	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Excess (deficiency) of receipts and other financing sources over disbursements and other financing uses	<u>-</u>	<u>(130)</u>	<u>(4,789)</u>	<u>-</u>	<u>1,498</u>
Cash and investments - ending	<u>\$ 45</u>	<u>\$ 82</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 2,890</u>

RANDOLPH EASTERN SCHOOL CORPORATION  
 COMBINING SCHEDULE OF RECEIPTS, DISBURSEMENTS, OTHER FINANCING SOURCES (USES), AND CASH AND INVESTMENT BALANCES -  
 REGULATORY BASIS  
 For the Year Ended June 30, 2013  
 (Continued)

	Non-English Speaking Program 2012-13	School Technology	Wellness Grant 2011-12	Wellness Grant 2012-13	Senator David Ford Technology
Cash and investments - beginning	\$ -	\$ -	\$ 5,656	\$ -	\$ -
Receipts:					
Local sources	-	-	-	10,416	-
Intermediate sources	-	-	-	-	-
State sources	4,808	3,621	-	-	750
Federal sources	-	-	-	-	-
Other	-	-	-	-	-
Total receipts	<u>4,808</u>	<u>3,621</u>	<u>-</u>	<u>10,416</u>	<u>750</u>
Disbursements:					
Current:					
Instruction	4,808	-	-	-	-
Support services	-	3,621	5,656	6,569	450
Noninstructional services	-	-	-	-	-
Facilities acquisition and construction	-	-	-	-	-
Debt services	-	-	-	-	-
Nonprogrammed charges	-	-	-	-	-
Total disbursements	<u>4,808</u>	<u>3,621</u>	<u>5,656</u>	<u>6,569</u>	<u>450</u>
Excess (deficiency) of receipts over disbursements	<u>-</u>	<u>-</u>	<u>(5,656)</u>	<u>3,847</u>	<u>300</u>
Other financing sources (uses):					
Transfers in	-	-	-	-	-
Transfers out	-	-	-	-	-
Total other financing sources (uses)	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Excess (deficiency) of receipts and other financing sources over disbursements and other financing uses	<u>-</u>	<u>-</u>	<u>(5,656)</u>	<u>3,847</u>	<u>300</u>
Cash and investments - ending	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 3,847</u>	<u>\$ 300</u>

RANDOLPH EASTERN SCHOOL CORPORATION  
 COMBINING SCHEDULE OF RECEIPTS, DISBURSEMENTS, OTHER FINANCING SOURCES (USES), AND CASH AND INVESTMENT BALANCES -  
 REGULATORY BASIS  
 For the Year Ended June 30, 2013  
 (Continued)

	Teacher Instruction Mini-Grant	Title I FY12	Title I FY13	IDEA, Part B, P.L. 102-17 2011-12	IDEA, Part B, P.L. 105-17 2012-13
Cash and investments - beginning	\$ 4,655	\$ (24,904)	\$ -	\$ (8,555)	\$ -
Receipts:					
Local sources	864	-	-	-	-
Intermediate sources	-	-	-	-	-
State sources	-	-	-	-	-
Federal sources	-	69,934	308,358	8,555	194,557
Other	-	-	-	-	-
Total receipts	<u>864</u>	<u>69,934</u>	<u>308,358</u>	<u>8,555</u>	<u>194,557</u>
Disbursements:					
Current:					
Instruction	911	33,755	335,866	-	200,471
Support services	577	9,927	3,466	-	-
Noninstructional services	-	1,348	-	-	-
Facilities acquisition and construction	-	-	-	-	-
Debt services	-	-	-	-	-
Nonprogrammed charges	-	-	-	-	-
Total disbursements	<u>1,488</u>	<u>45,030</u>	<u>339,332</u>	<u>-</u>	<u>200,471</u>
Excess (deficiency) of receipts over disbursements	<u>(624)</u>	<u>24,904</u>	<u>(30,974)</u>	<u>8,555</u>	<u>(5,914)</u>
Other financing sources (uses):					
Transfers in	-	-	-	-	-
Transfers out	-	-	-	-	-
Total other financing sources (uses)	<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>(624)</u>	<u>24,904</u>	<u>(30,974)</u>	<u>8,555</u>	<u>(5,914)</u>
Cash and investments - ending	<u>\$ 4,031</u>	<u>\$ -</u>	<u>\$ (30,974)</u>	<u>\$ -</u>	<u>\$ (5,914)</u>

RANDOLPH EASTERN SCHOOL CORPORATION  
 COMBINING SCHEDULE OF RECEIPTS, DISBURSEMENTS, OTHER FINANCING SOURCES (USES), AND CASH AND INVESTMENT BALANCES -  
 REGULATORY BASIS  
 For the Year Ended June 30, 2013  
 (Continued)

	Drug Free	Medicaid Reimbursement Federal	Title II, A 2010-11	Title II, A 2011-12	Rural and Low Income School FY11
Cash and investments - beginning	\$ -	\$ 7,730	\$ (60)	\$ (57)	\$ (6,984)
Receipts:					
Local sources	-	-	-	-	-
Intermediate sources	-	-	-	-	-
State sources	-	-	-	-	-
Federal sources	458	5,460	3,937	29,952	11,393
Other	-	-	-	-	-
Total receipts	<u>458</u>	<u>5,460</u>	<u>3,937</u>	<u>29,952</u>	<u>11,393</u>
Disbursements:					
Current:					
Instruction	458	143	-	-	-
Support services	-	274	3,877	29,895	4,729
Noninstructional services	-	-	-	-	-
Facilities acquisition and construction	-	-	-	-	-
Debt services	-	-	-	-	-
Nonprogrammed charges	-	-	-	-	-
Total disbursements	<u>458</u>	<u>417</u>	<u>3,877</u>	<u>29,895</u>	<u>4,729</u>
Excess (deficiency) of receipts over disbursements	<u>-</u>	<u>5,043</u>	<u>60</u>	<u>57</u>	<u>6,664</u>
Other financing sources (uses):					
Transfers in	-	-	-	-	-
Transfers out	-	-	-	-	-
Total other financing sources (uses)	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Excess (deficiency) of receipts and other financing sources over disbursements and other financing uses	<u>-</u>	<u>5,043</u>	<u>60</u>	<u>57</u>	<u>6,664</u>
Cash and investments - ending	<u>\$ -</u>	<u>\$ 12,773</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ (320)</u>

RANDOLPH EASTERN SCHOOL CORPORATION  
 COMBINING SCHEDULE OF RECEIPTS, DISBURSEMENTS, OTHER FINANCING SOURCES (USES), AND CASH AND INVESTMENT BALANCES -  
 REGULATORY BASIS  
 For the Year Ended June 30, 2013  
 (Continued)

	Title III Language Instruction	Title III, Limited English	Education Jobs	Payroll Withholdings	Totals
Cash and investments - beginning	\$ (5,925)	\$ -	\$ (18,247)	\$ 26,451	\$ 4,277,741
Receipts:					
Local sources	-	-	-	-	2,244,738
Intermediate sources	-	-	-	-	244
State sources	-	-	-	-	6,350,683
Federal sources	6,492	-	22,753	-	1,001,145
Other	-	-	-	1,741,387	1,783,142
Total receipts	<u>6,492</u>	<u>-</u>	<u>22,753</u>	<u>1,741,387</u>	<u>11,379,952</u>
Disbursements:					
Current:					
Instruction	567	1,487	3,422	-	4,816,148
Support services	-	-	1,084	-	2,712,172
Noninstructional services	-	-	-	-	592,695
Facilities acquisition and construction	-	-	-	-	201,272
Debt services	-	-	-	-	761,619
Nonprogrammed charges	-	-	-	1,741,397	2,622,723
Total disbursements	<u>567</u>	<u>1,487</u>	<u>4,506</u>	<u>1,741,397</u>	<u>11,706,629</u>
Excess (deficiency) of receipts over disbursements	<u>5,925</u>	<u>(1,487)</u>	<u>18,247</u>	<u>(10)</u>	<u>(326,677)</u>
Other financing sources (uses):					
Transfers in	-	-	-	-	418,505
Transfers out	-	-	-	-	(418,505)
Total other financing sources (uses)	<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>5,925</u>	<u>(1,487)</u>	<u>18,247</u>	<u>(10)</u>	<u>(326,677)</u>
Cash and investments - ending	<u>\$ -</u>	<u>\$ (1,487)</u>	<u>\$ -</u>	<u>\$ 26,441</u>	<u>\$ 3,951,064</u>

RANDOLPH EASTERN SCHOOL CORPORATION  
SCHEDULE OF PAYABLES AND RECEIVABLES  
June 30, 2013

School Corporation	Accounts Payable	Accounts Receivable
Governmental activities	<u>\$ 97,106</u>	<u>\$ 38,695</u>

RANDOLPH EASTERN SCHOOL CORPORATION  
SCHEDULE OF LEASES AND DEBT  
June 30, 2013

Lessor	Purpose	Annual Lease Payment	Lease Beginning Date	Lease Ending Date
Governmental activities:				
Randolph Eastern School Building Corporation	Financing and constructing or reconstructing facilities for lease of the School Corporation	\$ 75,000	07-17-02	12-31-16
Randolph Eastern School Building Corporation	Financing and constructing or reconstructing facilities for lease of the School Corporation	<u>100,000</u>	12-15-05	12-31-21
Total of annual lease payments		<u>\$ 175,000</u>		

Type	Description of Debt Purpose	Ending Principal Balance	Principal and Interest Due Within One Year
Governmental activities:			
Notes and loans payable	Common School Loans	\$ 6,278,086	\$ 534,319
General obligation bonds	2004 Pension Bonds	75,000	52,994
Other debt	Energy Savings Contract	<u>156,717</u>	<u>130,000</u>
Totals		<u>\$ 6,509,803</u>	<u>\$ 717,313</u>

RANDOLPH EASTERN SCHOOL CORPORATION  
 SCHEDULE OF CAPITAL ASSETS  
 June 30, 2013

Capital assets are reported at actual or estimated historical cost based on appraisals or deflated current replacement cost. Contributed or donated assets are reported at estimated fair value at the time received.

	Ending Balance
Governmental activities:	
Land	\$ 149,841
Buildings	15,246,477
Improvements other than buildings	1,407,975
Machinery, equipment, and vehicles	932,023
Transportation	862,364
Total capital assets	\$ 18,598,680

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

INDEPENDENT AUDITOR'S REPORT ON COMPLIANCE FOR EACH MAJOR FEDERAL  
PROGRAM AND ON INTERNAL CONTROL OVER COMPLIANCE

TO: THE OFFICIALS OF THE RANDOLPH EASTERN SCHOOL  
CORPORATION, RANDOLPH COUNTY, INDIANA

***Report on Compliance for Each Major Federal Program***

We have audited the Randolph Eastern School Corporation's (School Corporation) compliance with the types of compliance requirements described in the *U.S. Office of Management and Budget (OMB) Circular A-133 Compliance Supplement* that could have a direct and material effect on each of its major federal programs for the period of July 1, 2011 to June 30, 2013. 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.

***Management's Responsibility***

Management is responsible for compliance with the requirements of laws, regulations, contracts, and grants applicable to its federal programs.

***Auditor's Responsibility***

Our responsibility is to express an opinion on compliance for each of the School Corporation's major federal programs based on our audit of the types of compliance requirements referred to above. 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 on compliance for each major federal program. However, our audit does not provide a legal determination of the School Corporation's compliance.

***Opinion on Each Major Federal Program***

In our opinion, the School Corporation complied, in all material respects, with the types of compliance 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, 2011 to June 30, 2013.

INDEPENDENT AUDITOR'S REPORT ON COMPLIANCE FOR EACH MAJOR FEDERAL  
PROGRAM AND ON INTERNAL CONTROL OVER COMPLIANCE  
(Continued)

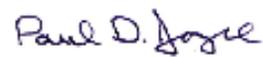
***Report on Internal Control Over Compliance***

Management of the School Corporation is responsible for establishing and maintaining effective internal control over compliance with the types of compliance requirements referred to above. In planning and performing our audit of compliance, we considered the School Corporation's internal control over compliance with the types of requirements that could have a direct and material effect on each major federal program to determine the auditing procedures that are appropriate in the circumstances for the purpose of expressing our opinion on compliance for each major federal program 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.

A deficiency in internal control over compliance exists when the design or operation of a control over compliance 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. A significant deficiency in internal control over compliance is a deficiency, or combination of deficiencies, in internal control over compliance with a type of compliance requirement of a federal program that is less severe than a material weakness in internal control over compliance, yet important enough to merit attention by those charged with governance.

Our consideration of 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 material weaknesses or significant deficiencies. We did not identify any deficiencies in internal control over compliance that we consider to be material weaknesses. However, material weaknesses may exist that have not been identified.

The purpose of this report on internal control over compliance is solely to describe the scope of our testing of internal control over compliance and the results of that testing based on the requirements of OMB Circular A-133. Accordingly, this report is not suitable for any other purpose.

  
Paul D. Joyce, CPA  
State Examiner

January 2, 2014

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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.

RANDOLPH EASTERN SCHOOL CORPORATION  
SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS  
For the Years Ended June 30, 2012 and 2013

Federal Grantor Agency Cluster Title/Program Title/Project Title	Pass-Through Entity or Direct Grant	Federal CFDA Number	Pass-Through Entity (or Other) Identifying Number	Total Federal Awards Expended 06-30-12	Total Federal Awards Expended 06-30-13
<u>U.S. Department of Agriculture</u>					
Child Nutrition Cluster					
School Breakfast Program	Indiana Department of Education	10.553	11-6835 12-6835	\$ 84,323 -	\$ - 80,844
Total for School Breakfast Program				<u>84,323</u>	<u>80,844</u>
National School Lunch Program	Indiana Department of Education	10.555	11-6835 12-6835	276,956 -	- 285,015
Total for National School Lunch Program				<u>276,956</u>	<u>285,015</u>
Summer Food Service Program for Children	Indiana Department of Education	10.559	11-6835 12-6835	10,447 -	- 7,791
Total for Summer Food Service Program for Children				<u>10,447</u>	<u>7,791</u>
Total for U.S. Department of Agriculture				<u>371,726</u>	<u>373,650</u>
<u>U.S. Department of Education</u>					
Title I, Part A Cluster					
Title I Grants to Local Educational Agencies	Indiana Department of Education	84.010	11-6835 12-6835 13-6835	40,966 240,946 -	- 69,934 308,358
Total for Title I, Part A Cluster				<u>281,912</u>	<u>378,292</u>

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

RANDOLPH EASTERN SCHOOL CORPORATION  
SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS  
For the Years Ended June 30, 2012 and 2013  
(Continued)

Federal Grantor Agency Cluster Title/Program Title/Project Title	Pass-Through Entity or Direct Grant	Federal CFDA Number	Pass-Through Entity (or Other) Identifying Number	Total Federal Awards Expended 06-30-12	Total Federal Awards Expended 06-30-13
<u>U.S. Department of Education (continued)</u>					
Special Education Cluster					
Special Education - Grants to States	Greater Randolph Interlocal Cooperative	84.027	14212-066-PN01	192,567	8,555
			14213-066-PN01	-	194,557
Total for Special Education Cluster				<u>192,567</u>	<u>203,112</u>
Safe and Drug Free Schools and Communities - National Programs	Indiana Department of Education	84.184	10-6835	1,944	458
Rural Education	Indiana Department of Education	84.358	10-6835	24,453	-
			11-6835	9,663	11,393
Total for Rural Education				<u>34,116</u>	<u>11,393</u>
English Language Acquisition Grants	Jay School Corporation	84.365	01112-032-PN01	-	6,492
Improving Teacher Quality State Grants	Indiana Department of Education	84.367	10-6835	19,361	3,937
			11-6835	-	29,952
Total for Improving Teacher Quality Grants				<u>19,361</u>	<u>33,889</u>
Education Jobs Fund	Indiana Department of Education	84.410	7000S410A100015	173,364	22,753
Total for U.S. Department of Education				<u>703,264</u>	<u>656,389</u>
Total federal awards expended				<u>\$ 1,074,990</u>	<u>\$ 1,030,039</u>

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

RANDOLPH EASTERN SCHOOL CORPORATION  
NOTES TO SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS

**Note 1. Basis of Presentation**

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

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

**Note 2. Noncash Assistance**

The School Corporation expended the following amount of noncash assistance for the years ending June 30, 2012 and 2013. This noncash assistance is also included in the federal expenditures presented in the schedule.

Program Title	Federal CFDA Number	2012	2013
School Breakfast Program	10.553	\$ 7,550	\$ 7,620
National School Lunch Program	10.555	24,725	26,734

RANDOLPH EASTERN SCHOOL CORPORATION  
SCHEDULE OF FINDINGS AND QUESTIONED COSTS

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

Financial Statement:

Type of auditor's report issued:	Adverse as to GAAP; Unmodified 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:	Unmodified
Any audit findings disclosed that are required to be reported in accordance with section 510(a) of OMB Circular A-133?	no

Identification of Major Programs:

\_\_\_\_\_ Name of Federal Program or Cluster \_\_\_\_\_

Child Nutrition Cluster  
Special Education Cluster

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

Auditee qualified as low-risk auditee? no

**Section II – Financial Statement Findings**

No matters are reportable.

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

No matters are reportable.

KURT L. PRESCOTT, PRESIDENT  
WENDY SMITH, VICE PRESIDENT

GREGORY S. WHITESEL, SECRETARY  
SELINA MILLER, MEMBER  
JAMIE KERNS, MEMBER



## RANDOLPH EASTERN SCHOOL CORPORATION

907 NORTH PLUM STREET  
UNION CITY, INDIANA 47390-1097  
PHONE 765/964-4994 FAX 765/964-6590

LISA K. SMITH, SUPERINTENDENT

BRENDA PEACOCK, TREASURER  
LINDA WOOD, SECRETARY

To: State Board of Accounts  
From: Lisa Smith, Superintendent Randolph Eastern School Corporation   
Date: October 28, 2013  
RE: Summary Schedule of Prior Audit Findings – Audit Report # B40211

### FINDING 2011-02 REPORTING

Federal Agency: U.S. Department of Agriculture  
Pass through Agency: Indiana Department of Education  
Federal Programs: Child Nutrition Cluster  
CFDA Numbers: 10.555  
Award Numbers: 09-6835; 10-6835

#### Deficiency in Major Program Internal Control - Internal Controls Over Reporting

The School Corporation's controls over reporting for federal awards were not effective for the Child Nutrition Cluster. The reports are prepared by the school lunch secretary. The reports are then sent to the superintendent who reviews the reports. The reports are then presented to the board for approval and are submitted online. The internal controls over reviewing the reports were not effective to prevent errors that were found in three of the four reports that were tested.

CORRECTIVE ACTION – Corrective action was immediately taken to address finding 2011-02. Procedural safeguards were put in place which developed two points of communication with the school lunch program secretary to provide a double check for the data submitted on the lunch reports.

RANDOLPH EASTERN SCHOOL CORPORATION  
EXIT CONFERENCE

The contents of this report were discussed on January 2, 2014, with Lisa K. Smith, Superintendent of Schools; Brenda R. Peacock, Treasurer; and Selina A. Miller, President of the School Board. Our audit disclosed no material items that warrant comment at this time.