

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

FINANCIAL STATEMENT AND
FEDERAL SINGLE AUDIT REPORT
OF

NEW CASTLE COMMUNITY SCHOOL CORPORATION
HENRY COUNTY, INDIANA

July 1, 2011 to June 30, 2013



FILED
02/18/2014

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	20-49
Schedule of Payables and Receivables	51
Schedule of Leases and Debt	52
Schedule of Capital Assets	53
Audit Result and Comment:	
Internal Controls – School Lunch	54-55
Supplemental Audit of Federal Awards:	
Independent Auditor's Report on Compliance for Each Major Federal Program and on Internal Control Over Compliance	58-59
Schedule of Expenditures of Federal Awards	63-65
Notes to Schedule of Expenditures of Federal Awards	66
Schedule of Findings and Questioned Costs	67-68
Auditee Prepared Schedules:	
Summary Schedule of Prior Audit Findings	69
Corrective Action Plan	70
Exit Conference	71

SCHEDULE OF OFFICIALS

<u>Office</u>	<u>Official</u>	<u>Term</u>
Treasurer	Megan Bell	07-01-11 to 06-30-14
Superintendent of Schools	Stephen Fisher	07-01-11 to 06-30-17
President of the School Board	Michael D. Fleming Dr. Mark Davisson Elizabeth Whitmer	07-01-11 to 12-31-11 01-01-12 to 12-31-12 01-01-13 to 12-31-13



INDEPENDENT AUDITOR'S REPORT

TO: THE OFFICIALS OF THE NEW CASTLE COMMUNITY
SCHOOL CORPORATION, HENRY COUNTY, INDIANA

Report on the Financial Statement

We have audited the accompanying financial statement of the New Castle Community 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 December 17, 2013, on our consideration of the School Corporation's internal control over financial reporting and our tests of its compliance with certain provisions of laws, regulations, contracts, grant agreements, and other matters. The purpose of that report is to describe the scope of our testing of internal control over financial reporting 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

December 17, 2013



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 NEW CASTLE COMMUNITY
SCHOOL CORPORATION, HENRY 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 New Castle Community 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 December 17, 2013, wherein we noted the School Corporation followed accounting practices the Indiana State Board of Accounts prescribes rather than accounting principles generally accepted in the United States of America.

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.

Compliance and Other Matters

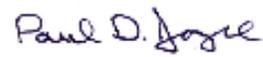
As part of obtaining reasonable assurance about whether the School Corporation's financial statement is free of material misstatement, we performed tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements, noncompliance with which could have a direct and material effect on the determination of financial statement amounts. However, providing an opinion on compliance

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)

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

December 17, 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.

NEW CASTLE COMMUNITY 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		Other Financing Sources (Uses)		Cash and Investments 06-30-12		Other Financing Sources (Uses)		Cash and Investments 06-30-13	
	Receipts	Disbursements			Receipts	Disbursements			Receipts	Disbursements
General	\$ 4,772,212	\$ 24,037,514	\$ 24,327,537	\$ (278,689)	\$ 4,203,500	\$ 23,463,921	\$ 24,251,052	\$ (688,351)	\$ 2,728,018	
Debt Service	1,113,265	1,595,253	1,998,396	-	710,122	1,681,287	1,964,412	-	426,997	
Retirement/Severance Bond Debt Service	163,727	572,810	628,404	-	108,133	580,434	628,488	-	60,079	
Capital Projects	2,450,136	1,950,892	1,883,050	-	2,517,978	2,110,152	2,085,290	-	2,542,840	
School Transportation	1,880,340	1,475,836	1,616,130	-	1,740,046	1,541,158	1,552,419	-	1,728,785	
School Bus Replacement	211,521	218,728	205,422	-	224,827	255,507	213,184	-	267,150	
Rainy Day	-	-	-	-	-	-	-	500,000	500,000	
Post-Retirement/Severance Future Benefits	1,408,436	50,000	308,061	-	1,150,375	-	379,011	-	771,364	
Construction	184,050	-	-	-	184,050	-	-	-	184,050	
School Lunch	215,824	1,984,812	1,611,319	-	589,317	1,667,719	1,706,269	-	550,767	
Textbook Rental	611,559	299,216	459,709	(37,071)	413,995	283,478	67,701	(28,678)	601,094	
Self-Insurance	4,439,719	7,563,656	6,430,424	-	5,572,951	5,790,706	5,483,175	-	5,880,482	
Joint Services and Supply - Special Education Cooperative	1,476,554	4,497,390	3,575,838	(2,000,000)	398,106	4,626,115	3,401,148	(1,450,000)	173,073	
Joint Services and Supply-Preschool Cooperative	(984,651)	-	404,443	1,000,000	(389,094)	-	360,088	750,000	818	
Special Education Intensive Service	(673,608)	-	468,919	1,000,000	(142,527)	-	534,085	700,000	23,388	
Joint Services and Supply - Area Vocational School	174,252	1,435,402	1,345,712	-	263,942	1,438,746	1,392,055	-	310,633	
Area Vocational-BLDG Trades	1,373	13,657	14,472	-	558	27,067	21,931	-	5,694	
Welding Special Projects	3,483	12,811	12,170	-	4,124	4,125	4,415	-	3,834	
AVS-Preschool Program	823	1,490	1,542	-	771	1,150	1,309	-	612	
Machine Trades Special Project	233	-	-	-	233	-	-	-	233	
AVS-CAD Program	1,810	11,809	10,443	-	3,176	11,398	11,224	-	3,350	
AVS-Youth Center	79	-	-	-	79	-	-	-	79	
AVS-Culinary Arts	966	14,250	10,799	-	4,417	11,445	12,512	-	3,350	
AVS-Broadcasting	1,972	3,500	1,577	-	3,895	4,400	3,035	-	5,260	
AVS-Veterinary Science	444	3,390	705	-	3,129	8,289	3,705	-	7,713	
AVS-Graphic Arts	343	4,604	4,745	-	202	5,186	3,648	-	1,740	
AVS-Cosmetology	8,238	5,300	7,457	-	6,081	19,879	18,630	-	7,330	
NCACP Dental Assisting	4,304	3,061	5,610	-	1,755	7,075	4,664	-	4,166	
AVS-Computer Operations	118	226	324	-	20	120	110	-	30	
Henry County Youth Center	(125,510)	153,893	127,136	-	(98,753)	98,753	-	-	-	
Cradles Child Care Program	8,752	109,103	107,625	-	10,230	85,923	102,149	-	(5,996)	
Educational License Plates	113	450	338	-	225	263	282	-	206	
Alternative Education	5,129	12,668	3,022	-	14,775	-	12,148	-	2,627	
Scholarship/Memorial Funds	8,202	-	479	-	7,723	-	124	-	7,599	
Carmichael Scholarship Trust	1,899,776	19,761	32,500	-	1,887,037	20,578	42,500	-	1,865,115	
Grants-AVS	9,005	1,100	327	-	9,778	1,000	1,113	-	9,665	
Donations	-	810	437	-	373	3,265	38	-	3,600	
Grants-NCMS	943	2,400	2,695	-	648	5,608	5,525	-	731	
Grants-Elementary Library	128	-	-	-	128	-	-	-	128	
Grants-Alternative & Spec Ed	453	650	527	-	576	-	23	-	553	
Grants-CHS	718	250	-	-	968	2,765	918	-	2,815	
Grants-Eastwood	457	770	791	-	436	250	-	-	686	
Grants-Wilbur Wright	5,530	4,493	5,306	-	4,717	3,688	3,622	-	4,783	
Robson Scholarship Trust	-	200,899	-	-	200,899	1,395	-	-	202,294	
Parker Library-Robson Trust	-	50,225	-	-	50,225	349	-	-	50,574	
Grants-Westwood	431	300	416	-	315	3,000	296	-	3,019	
Professional Development DOE	21,720	302	10,632	-	11,390	-	2,307	-	9,083	
Grants-Greenstreet	80	-	-	-	80	-	-	-	80	
Grants-Sunnyside	1,169	1,323	1,104	-	1,388	689	319	-	1,758	
Grants-Riley	689	100	101	-	688	101	90	-	699	

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

NEW CASTLE COMMUNITY 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
Grants-Parker	1,109	1,274	557	-	1,826	1,250	217	-	2,859
Adult and Continuing Education	-	-	-	50	50	-	-	-	50
Cultural Arts	1,570	2,223	2,131	-	1,662	613	968	-	1,307
Bundy Auditorium Fund	6,138	36,703	26,510	-	16,331	37,141	23,903	-	29,569
GED Testing Fund	22,898	24,269	24,956	-	22,211	28,113	26,429	-	23,895
Alternative Education	32,848	48,854	39,226	-	42,476	18,925	38,572	-	22,829
Healthy Families 2009-2010	26,864	-	8,002	-	18,862	-	-	-	18,862
Instruction Support	-	39,685	34,762	-	4,923	-	4,923	-	-
Gifted and Talented 2012-2013	3,108	-	3,108	-	-	39,670	32,403	-	7,267
Adult and Continuing Education	12,675	30,259	29,546	-	13,388	27,125	28,492	-	12,021
ABE State Grant 2012-13	-	-	-	-	-	400,037	512,755	71,562	(41,156)
ABE State Grant 2013-14	-	91,317	407,077	315,760	-	-	145,527	145,527	-
Non-English Speaking Programs P.L. 273-1999	617	262	879	-	-	-	-	-	-
School Technology	68,769	20,932	5,300	-	84,401	12,812	31,530	-	65,683
Access Indiana	1,202	-	-	-	1,202	-	-	-	1,202
Miscellaneous Programs	-	19,005	7,365	-	11,640	-	11,640	-	-
Title I 2012-2013	(86,183)	280,906	194,723	-	-	536,366	639,702	-	(103,336)
Title I 2011-2012	-	615,472	661,368	-	(45,896)	234,717	188,821	-	-
Title I Delinquent 2011-2012	-	30,504	31,809	1,305	-	-	-	-	-
Title I Delinquent 2010-2011	(11,929)	28,688	15,454	(1,305)	-	-	-	-	-
Title I School Improve 10-11	(7,007)	32,741	25,734	-	-	-	-	-	-
IDEA PL101-476 2011-2012	-	1,670,994	1,950,146	-	(279,152)	575,640	296,488	-	-
(IDEA, Part B) LEA Capacity Building (Sliver) Grants	(267,649)	644,098	376,449	-	-	1,736,794	2,057,186	-	(320,392)
Preschool HNDPCP 2011-2012	-	98,900	109,496	-	(10,596)	23,115	12,519	-	-
Preschool Handicap 2012-2013	(29,538)	43,084	13,546	-	-	69,919	92,181	-	(22,262)
Adult Education and Family Literacy, Title II	-	2,711	5,369	-	(2,658)	11,623	8,965	-	-
ABE Prof Dev Grant 12-13	-	-	-	-	-	4,999	4,999	-	-
Adult Basic Ed (Reg 6) 12-13	61,004	210,952	271,956	-	-	455,173	461,762	-	(6,589)
Adult Basic Ed (Reg 5) 10-11	(11,597)	50,273	38,676	-	-	-	-	-	-
Adult Basic Education 13-14	30,376	447,267	510,999	-	(33,356)	156,691	123,335	-	-
ABE Innovation Grant	-	-	-	-	-	81,981	81,981	-	-
ABE-Adult Secondary Credit	-	29,150	29,150	-	-	2,200	2,200	-	-
Drug Free Schools 2009-2010	2,502	3,486	5,988	-	-	-	-	-	-
Awards for Excellence 11-12	-	3,434	7,229	-	(3,795)	4,228	433	-	-
Awards for Excellence 10-11	(9,104)	9,104	-	-	-	-	-	-	-
Awards for Excellence 12-13	-	-	-	-	-	4,783	8,727	-	(3,944)
Perkins 2012-2013	(19,993)	70,121	50,128	-	-	79,931	90,392	-	(10,461)
Perkins 2011-2012	-	70,322	101,594	-	(31,272)	56,857	25,585	-	-
Pathways/Tech Prep 2011-12	-	19,372	19,372	-	-	-	-	-	-
Tech Prep Carryover 2012	-	-	-	-	-	4,061	4,061	-	-
Improving Teaching Quality, No Child Left, Title II, Part A	(34,772)	246,310	253,048	-	(41,510)	174,929	166,173	-	(32,754)
Title I - Grants to LEAs	-	10,167	10,167	-	-	-	-	-	-
Special Education - Part B	(2,252)	29,171	26,919	-	-	-	-	-	-
Special Education - Part B - Preschool	-	31,259	31,259	-	-	-	-	-	-
Education Technology	(5,441)	23,992	18,551	-	-	-	-	-	-
Education Jobs	(547,056)	689,471	185,965	-	(43,550)	69,003	25,453	-	-
Payroll Withholdings	1,320,484	7,227,566	8,444,425	-	103,625	7,235,349	6,865,745	-	473,229
Central Stores	59,933	81,264	62,140	-	79,057	81,354	79,317	-	81,094
Totals	\$ 19,924,883	\$ 59,330,666	\$ 59,667,723	\$ 50	\$ 19,587,876	\$ 55,932,383	\$ 56,368,398	\$ 60	\$ 19,151,921

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

NEW CASTLE COMMUNITY SCHOOL CORPORATION
NOTES TO FINANCIAL STATEMENT

Note 1. Summary of Significant Accounting Policies

A. Reporting Entity

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

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

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

B. Basis of Accounting

The financial statement is reported on a regulatory basis of accounting prescribed by the 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 may 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.

NEW CASTLE COMMUNITY 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.

Temporary loans which include money received from a loan obtained to pay current expenses prior to the receipt of revenue from taxes levied for that purpose. These loans, sometimes designated tax anticipation warrants, must be repaid from the next semiannual distribution of local property taxes levied for such fund.

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

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

E. Disbursements

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

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

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

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

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

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

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

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

NEW CASTLE COMMUNITY SCHOOL CORPORATION
NOTES TO FINANCIAL STATEMENT
(Continued)

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 may include the following:

Proceeds of long-term debt which includes money received in relation to the issuance of bonds or other long-term debt issues.

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

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

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

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.

NEW CASTLE COMMUNITY SCHOOL CORPORATION
NOTES TO FINANCIAL STATEMENT
(Continued)

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.

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

NEW CASTLE COMMUNITY SCHOOL CORPORATION
NOTES TO FINANCIAL STATEMENT
(Continued)

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. 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 funds set up for reimbursement grants.

NEW CASTLE COMMUNITY SCHOOL CORPORATION
 NOTES TO FINANCIAL STATEMENT
 (Continued)

Note 8. Holding Corporation

The School Corporation has entered into a capital lease with New Castle High 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 fiscal years 2011-2012 and 2012-2013 totaled \$728,500 and \$731,500, respectively.

Note 9. Other Postemployment Benefits

The School Corporation provides to eligible retirees and their spouses the following benefits: health insurance. These benefits pose a liability to the School Corporation for this year and in future years. Information regarding the benefits can be obtained by contacting the School Corporation.

Note 10. Restatements

For the year ended June 30, 2012, certain changes have been made to 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.

New Fund	Balance as of June 30, 2011	Prior Period Adjustment	Balance as of July 1, 2011
Payroll Withholdings	\$ -	\$ 1,320,484	\$ 1,320,484
Central Stores	-	59,933	59,933

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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.

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

	General	Debt Service	Retirement/ Severance Bond Debt Service	Capital Projects	School Transportation	School Bus Replacement	Rainy Day
Cash and investments - beginning	\$ 4,772,212	\$ 1,113,265	\$ 163,727	\$ 2,450,136	\$ 1,880,340	\$ 211,521	\$ -
Receipts:							
Local sources	289,207	1,595,253	572,810	1,935,556	1,464,975	218,728	-
Intermediate sources	-	-	-	-	-	-	-
State sources	23,739,822	-	-	-	-	-	-
Federal sources	-	-	-	-	-	-	-
Other	8,485	-	-	15,336	10,861	-	-
Total receipts	<u>24,037,514</u>	<u>1,595,253</u>	<u>572,810</u>	<u>1,950,892</u>	<u>1,475,836</u>	<u>218,728</u>	<u>-</u>
Disbursements:							
Current:							
Instruction	15,869,544	-	-	-	-	-	-
Support services	7,772,379	-	-	1,102,142	1,616,130	205,422	-
Noninstructional services	410,090	-	-	-	-	-	-
Facilities acquisition and construction	275,524	-	-	780,908	-	-	-
Debt services	-	1,998,396	628,404	-	-	-	-
Nonprogrammed charges	-	-	-	-	-	-	-
Total disbursements	<u>24,327,537</u>	<u>1,998,396</u>	<u>628,404</u>	<u>1,883,050</u>	<u>1,616,130</u>	<u>205,422</u>	<u>-</u>
Excess (deficiency) of receipts over disbursements	<u>(290,023)</u>	<u>(403,143)</u>	<u>(55,594)</u>	<u>67,842</u>	<u>(140,294)</u>	<u>13,306</u>	<u>-</u>
Other financing sources (uses):							
Sale of capital assets	-	-	-	-	-	-	-
Transfers in	37,071	-	-	-	-	-	-
Transfers out	(315,760)	-	-	-	-	-	-
Total other financing sources (uses)	<u>(278,689)</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Excess (deficiency) of receipts and other financing sources over disbursements and other financing uses	<u>(568,712)</u>	<u>(403,143)</u>	<u>(55,594)</u>	<u>67,842</u>	<u>(140,294)</u>	<u>13,306</u>	<u>-</u>
Cash and investments - ending	<u>\$ 4,203,500</u>	<u>\$ 710,122</u>	<u>\$ 108,133</u>	<u>\$ 2,517,978</u>	<u>\$ 1,740,046</u>	<u>\$ 224,827</u>	<u>\$ -</u>

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

	Post Retirement/ Severance Future Benefits	Construction	School Lunch	Textbook Rental	Self- Insurance	Joint Services and Supply Special Education Cooperative	Joint Services and Supply Preschool Cooperative
Cash and investments - beginning	\$ 1,408,436	\$ 184,050	\$ 215,824	\$ 611,559	\$ 4,439,719	\$ 1,476,554	\$ (984,651)
Receipts:							
Local sources	-	-	517,125	97,696	7,268,940	4,495,773	-
Intermediate sources	-	-	-	-	-	-	-
State sources	-	-	12,005	201,520	-	-	-
Federal sources	-	-	1,448,490	-	-	-	-
Other	50,000	-	7,192	-	294,716	1,617	-
Total receipts	50,000	-	1,984,812	299,216	7,563,656	4,497,390	-
Disbursements:							
Current:							
Instruction	-	-	724	-	-	2,848,736	403,630
Support services	308,061	-	19,501	459,709	-	727,102	813
Noninstructional services	-	-	1,591,094	-	-	-	-
Facilities acquisition and construction	-	-	-	-	-	-	-
Debt services	-	-	-	-	-	-	-
Nonprogrammed charges	-	-	-	-	6,430,424	-	-
Total disbursements	308,061	-	1,611,319	459,709	6,430,424	3,575,838	404,443
Excess (deficiency) of receipts over disbursements	(258,061)	-	373,493	(160,493)	1,133,232	921,552	(404,443)
Other financing sources (uses):							
Sale of capital assets	-	-	-	-	-	-	-
Transfers in	-	-	-	-	-	-	1,000,000
Transfers out	-	-	-	(37,071)	-	(2,000,000)	-
Total other financing sources (uses)	-	-	-	(37,071)	-	(2,000,000)	1,000,000
Excess (deficiency) of receipts and other financing sources over disbursements and other financing uses	(258,061)	-	373,493	(197,564)	1,133,232	(1,078,448)	595,557
Cash and investments - ending	\$ 1,150,375	\$ 184,050	\$ 589,317	\$ 413,995	\$ 5,572,951	\$ 398,106	\$ (389,094)

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

	Special Education Intensive Service	Joint Services and Supply Area Vocational School	Area Vocational BLDG Trades	Welding Special Projects	AVS Preschool Program	Machine Trades Special Projects	AVS CAD Program
Cash and investments - beginning	\$ (673,608)	\$ 174,252	\$ 1,373	\$ 3,483	\$ 823	\$ 233	\$ 1,810
Receipts:							
Local sources	-	1,433,708	9,405	12,411	1,490	-	11,809
Intermediate sources	-	-	-	-	-	-	-
State sources	-	-	-	-	-	-	-
Federal sources	-	-	-	-	-	-	-
Other	-	1,694	4,252	400	-	-	-
Total receipts	-	1,435,402	13,657	12,811	1,490	-	11,809
Disbursements:							
Current:							
Instruction	432,381	1,092,154	14,472	-	-	-	-
Support services	36,538	253,558	-	-	-	-	-
Noninstructional services	-	-	-	12,170	1,542	-	10,443
Facilities acquisition and construction	-	-	-	-	-	-	-
Debt services	-	-	-	-	-	-	-
Nonprogrammed charges	-	-	-	-	-	-	-
Total disbursements	468,919	1,345,712	14,472	12,170	1,542	-	10,443
Excess (deficiency) of receipts over disbursements	(468,919)	89,690	(815)	641	(52)	-	1,366
Other financing sources (uses):							
Sale of capital assets	-	-	-	-	-	-	-
Transfers in	1,000,000	-	-	-	-	-	-
Transfers out	-	-	-	-	-	-	-
Total other financing sources (uses)	1,000,000	-	-	-	-	-	-
Excess (deficiency) of receipts and other financing sources over disbursements and other financing uses	531,081	89,690	(815)	641	(52)	-	1,366
Cash and investments - ending	\$ (142,527)	\$ 263,942	\$ 558	\$ 4,124	\$ 771	\$ 233	\$ 3,176

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

	AVS Youth Center	AVS Culinary Arts	AVS Broadcasting	AVS Veterinary Science	AVS Graphics Arts	AVS Cosmetology	NCACP Dental Assisting
Cash and investments - beginning	\$ 79	\$ 966	\$ 1,972	\$ 444	\$ 343	\$ 8,238	\$ 4,304
Receipts:							
Local sources	-	14,250	3,500	3,390	3,834	5,300	3,059
Intermediate sources	-	-	-	-	-	-	-
State sources	-	-	-	-	-	-	-
Federal sources	-	-	-	-	-	-	-
Other	-	-	-	-	770	-	2
Total receipts	-	14,250	3,500	3,390	4,604	5,300	3,061
Disbursements:							
Current:							
Instruction	-	10,799	1,577	705	4,745	7,457	5,610
Support services	-	-	-	-	-	-	-
Noninstructional services	-	-	-	-	-	-	-
Facilities acquisition and construction	-	-	-	-	-	-	-
Debt services	-	-	-	-	-	-	-
Nonprogrammed charges	-	-	-	-	-	-	-
Total disbursements	-	10,799	1,577	705	4,745	7,457	5,610
Excess (deficiency) of receipts over disbursements	-	3,451	1,923	2,685	(141)	(2,157)	(2,549)
Other financing sources (uses):							
Sale of capital assets	-	-	-	-	-	-	-
Transfers in	-	-	-	-	-	-	-
Transfers out	-	-	-	-	-	-	-
Total other financing sources (uses)	-	-	-	-	-	-	-
Excess (deficiency) of receipts and other financing sources over disbursements and other financing uses	-	3,451	1,923	2,685	(141)	(2,157)	(2,549)
Cash and investments - ending	<u>\$ 79</u>	<u>\$ 4,417</u>	<u>\$ 3,895</u>	<u>\$ 3,129</u>	<u>\$ 202</u>	<u>\$ 6,081</u>	<u>\$ 1,755</u>

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

	AVS Computer Operations	Henry County Youth Center	Cradles Child Care Program	Educational License Plates	Alternative Education	Scholarship Memorial Funds	Carmichael Scholarship Trust
Cash and investments - beginning	\$ 118	\$ (125,510)	\$ 8,752	\$ 113	\$ 5,129	\$ 8,202	\$ 1,899,776
Receipts:							
Local sources	226	153,893	109,024	-	-	-	19,761
Intermediate sources	-	-	-	450	-	-	-
State sources	-	-	-	-	12,668	-	-
Federal sources	-	-	-	-	-	-	-
Other	-	-	79	-	-	-	-
Total receipts	<u>226</u>	<u>153,893</u>	<u>109,103</u>	<u>450</u>	<u>12,668</u>	<u>-</u>	<u>19,761</u>
Disbursements:							
Current:							
Instruction	324	127,136	-	-	3,022	-	-
Support services	-	-	-	-	-	-	-
Noninstructional services	-	-	107,625	338	-	479	-
Facilities acquisition and construction	-	-	-	-	-	-	-
Debt services	-	-	-	-	-	-	-
Nonprogrammed charges	-	-	-	-	-	-	32,500
Total disbursements	<u>324</u>	<u>127,136</u>	<u>107,625</u>	<u>338</u>	<u>3,022</u>	<u>479</u>	<u>32,500</u>
Excess (deficiency) of receipts over disbursements	<u>(98)</u>	<u>26,757</u>	<u>1,478</u>	<u>112</u>	<u>9,646</u>	<u>(479)</u>	<u>(12,739)</u>
Other financing sources (uses):							
Sale of capital assets	-	-	-	-	-	-	-
Transfers in	-	-	-	-	-	-	-
Transfers out	-	-	-	-	-	-	-
Total other financing sources (uses)	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Excess (deficiency) of receipts and other financing sources over disbursements and other financing uses	<u>(98)</u>	<u>26,757</u>	<u>1,478</u>	<u>112</u>	<u>9,646</u>	<u>(479)</u>	<u>(12,739)</u>
Cash and investments - ending	<u>\$ 20</u>	<u>\$ (98,753)</u>	<u>\$ 10,230</u>	<u>\$ 225</u>	<u>\$ 14,775</u>	<u>\$ 7,723</u>	<u>\$ 1,887,037</u>

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

	Grants AVS	Donations	Grants NCMS	Grants Elementary Library	Grants Alternative & Spec Ed	Grants CHS	Grants Eastwood
Cash and investments - beginning	\$ 9,005	\$ -	\$ 943	\$ 128	\$ 453	\$ 718	\$ 457
Receipts:							
Local sources	1,100	810	2,400	-	650	250	770
Intermediate sources	-	-	-	-	-	-	-
State sources	-	-	-	-	-	-	-
Federal sources	-	-	-	-	-	-	-
Other	-	-	-	-	-	-	-
Total receipts	<u>1,100</u>	<u>810</u>	<u>2,400</u>	<u>-</u>	<u>650</u>	<u>250</u>	<u>770</u>
Disbursements:							
Current:							
Instruction	327	437	2,695	-	527	-	791
Support services	-	-	-	-	-	-	-
Noninstructional services	-	-	-	-	-	-	-
Facilities acquisition and construction	-	-	-	-	-	-	-
Debt services	-	-	-	-	-	-	-
Nonprogrammed charges	-	-	-	-	-	-	-
Total disbursements	<u>327</u>	<u>437</u>	<u>2,695</u>	<u>-</u>	<u>527</u>	<u>-</u>	<u>791</u>
Excess (deficiency) of receipts over disbursements	<u>773</u>	<u>373</u>	<u>(295)</u>	<u>-</u>	<u>123</u>	<u>250</u>	<u>(21)</u>
Other financing sources (uses):							
Sale of capital assets	-	-	-	-	-	-	-
Transfers in	-	-	-	-	-	-	-
Transfers out	-	-	-	-	-	-	-
Total other financing sources (uses)	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Excess (deficiency) of receipts and other financing sources over disbursements and other financing uses	<u>773</u>	<u>373</u>	<u>(295)</u>	<u>-</u>	<u>123</u>	<u>250</u>	<u>(21)</u>
Cash and investments - ending	<u>\$ 9,778</u>	<u>\$ 373</u>	<u>\$ 648</u>	<u>\$ 128</u>	<u>\$ 576</u>	<u>\$ 968</u>	<u>\$ 436</u>

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

	Grants Wilbur Wright	Robson Scholarship Trust	Parker Library Robson Trust	Grants Westwood	Professional Development DOE	Grants Greenstreet	Grants Sunnyside
Cash and investments - beginning	\$ 5,530	\$ -	\$ -	\$ 431	\$ 21,720	\$ 80	\$ 1,169
Receipts:							
Local sources	4,493	200,899	50,225	300	-	-	1,323
Intermediate sources	-	-	-	-	-	-	-
State sources	-	-	-	-	-	-	-
Federal sources	-	-	-	-	-	-	-
Other	-	-	-	-	302	-	-
Total receipts	<u>4,493</u>	<u>200,899</u>	<u>50,225</u>	<u>300</u>	<u>302</u>	<u>-</u>	<u>1,323</u>
Disbursements:							
Current:							
Instruction	5,306	-	-	416	-	-	99
Support services	-	-	-	-	10,632	-	1,005
Noninstructional services	-	-	-	-	-	-	-
Facilities acquisition and construction	-	-	-	-	-	-	-
Debt services	-	-	-	-	-	-	-
Nonprogrammed charges	-	-	-	-	-	-	-
Total disbursements	<u>5,306</u>	<u>-</u>	<u>-</u>	<u>416</u>	<u>10,632</u>	<u>-</u>	<u>1,104</u>
Excess (deficiency) of receipts over disbursements	<u>(813)</u>	<u>200,899</u>	<u>50,225</u>	<u>(116)</u>	<u>(10,330)</u>	<u>-</u>	<u>219</u>
Other financing sources (uses):							
Sale of capital assets	-	-	-	-	-	-	-
Transfers in	-	-	-	-	-	-	-
Transfers out	-	-	-	-	-	-	-
Total other financing sources (uses)	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Excess (deficiency) of receipts and other financing sources over disbursements and other financing uses	<u>(813)</u>	<u>200,899</u>	<u>50,225</u>	<u>(116)</u>	<u>(10,330)</u>	<u>-</u>	<u>219</u>
Cash and investments - ending	<u>\$ 4,717</u>	<u>\$ 200,899</u>	<u>\$ 50,225</u>	<u>\$ 315</u>	<u>\$ 11,390</u>	<u>\$ 80</u>	<u>\$ 1,388</u>

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

	Grants Riley	Grants Parker	Adult and Continuing Education	Cultural Arts	Bundy Auditorium Fund	GED Testing Fund	Alternative Education
Cash and investments - beginning	\$ 689	\$ 1,109	\$ -	\$ 1,570	\$ 6,138	\$ 22,898	\$ 32,848
Receipts:							
Local sources	100	1,274	-	2,223	6,703	24,269	48,854
Intermediate sources	-	-	-	-	-	-	-
State sources	-	-	-	-	-	-	-
Federal sources	-	-	-	-	-	-	-
Other	-	-	-	-	30,000	-	-
Total receipts	<u>100</u>	<u>1,274</u>	<u>-</u>	<u>2,223</u>	<u>36,703</u>	<u>24,269</u>	<u>48,854</u>
Disbursements:							
Current:							
Instruction	101	557	-	-	-	24,956	-
Support services	-	-	-	-	-	-	39,226
Noninstructional services	-	-	-	2,131	26,510	-	-
Facilities acquisition and construction	-	-	-	-	-	-	-
Debt services	-	-	-	-	-	-	-
Nonprogrammed charges	-	-	-	-	-	-	-
Total disbursements	<u>101</u>	<u>557</u>	<u>-</u>	<u>2,131</u>	<u>26,510</u>	<u>24,956</u>	<u>39,226</u>
Excess (deficiency) of receipts over disbursements	<u>(1)</u>	<u>717</u>	<u>-</u>	<u>92</u>	<u>10,193</u>	<u>(687)</u>	<u>9,628</u>
Other financing sources (uses):							
Sale of capital assets	-	-	50	-	-	-	-
Transfers in	-	-	-	-	-	-	-
Transfers out	-	-	-	-	-	-	-
Total other financing sources (uses)	<u>-</u>	<u>-</u>	<u>50</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)</u>	<u>717</u>	<u>50</u>	<u>92</u>	<u>10,193</u>	<u>(687)</u>	<u>9,628</u>
Cash and investments - ending	<u>\$ 688</u>	<u>\$ 1,826</u>	<u>\$ 50</u>	<u>\$ 1,662</u>	<u>\$ 16,331</u>	<u>\$ 22,211</u>	<u>\$ 42,476</u>

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

	Healthy Families 2009-2010	Instruction Support	Gifted and Talented 2012-2013	Adult and Continuing Education	ABE State Grant 2012-13	ABE State Grant 2013-14	Non-English Speaking Programs P.L. 273-1999
Cash and investments - beginning	\$ 26,864	\$ -	\$ 3,108	\$ 12,675	\$ -	\$ -	\$ 617
Receipts:							
Local sources	-	-	-	12,325	-	-	-
Intermediate sources	-	-	-	-	-	-	-
State sources	-	39,685	-	17,925	-	91,317	262
Federal sources	-	-	-	-	-	-	-
Other	-	-	-	9	-	-	-
Total receipts	-	39,685	-	30,259	-	91,317	262
Disbursements:							
Current:							
Instruction	8,002	34,762	3,108	460	-	405,000	879
Support services	-	-	-	-	-	-	-
Noninstructional services	-	-	-	-	-	-	-
Facilities acquisition and construction	-	-	-	29,086	-	-	-
Debt services	-	-	-	-	-	-	-
Nonprogrammed charges	-	-	-	-	-	2,077	-
Total disbursements	8,002	34,762	3,108	29,546	-	407,077	879
Excess (deficiency) of receipts over disbursements	(8,002)	4,923	(3,108)	713	-	(315,760)	(617)
Other financing sources (uses):							
Sale of capital assets	-	-	-	-	-	-	-
Transfers in	-	-	-	-	-	315,760	-
Transfers out	-	-	-	-	-	-	-
Total other financing sources (uses)	-	-	-	-	-	315,760	-
Excess (deficiency) of receipts and other financing sources over disbursements and other financing uses	(8,002)	4,923	(3,108)	713	-	-	(617)
Cash and investments - ending	\$ 18,862	\$ 4,923	\$ -	\$ 13,388	\$ -	\$ -	\$ -

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

	School Technology	Access Indiana	Miscellaneous Programs	Title I 2012-2013	Title I 2011-2012	Title I Delinquent 2011-2012
Cash and investments - beginning	\$ 68,769	\$ 1,202	\$ -	\$ (86,183)	\$ -	\$ -
Receipts:						
Local sources	-	-	-	-	-	-
Intermediate sources	-	-	-	-	-	-
State sources	3,781	-	19,005	-	-	-
Federal sources	-	-	-	280,906	615,472	30,504
Other	17,151	-	-	-	-	-
Total receipts	<u>20,932</u>	<u>-</u>	<u>19,005</u>	<u>280,906</u>	<u>615,472</u>	<u>30,504</u>
Disbursements:						
Current:						
Instruction	-	-	-	88,081	367,180	31,809
Support services	5,300	-	7,365	93,201	289,159	-
Noninstructional services	-	-	-	3,574	5,029	-
Facilities acquisition and construction	-	-	-	-	-	-
Debt services	-	-	-	-	-	-
Nonprogrammed charges	-	-	-	9,867	-	-
Total disbursements	<u>5,300</u>	<u>-</u>	<u>7,365</u>	<u>194,723</u>	<u>661,368</u>	<u>31,809</u>
Excess (deficiency) of receipts over disbursements	<u>15,632</u>	<u>-</u>	<u>11,640</u>	<u>86,183</u>	<u>(45,896)</u>	<u>(1,305)</u>
Other financing sources (uses):						
Sale of capital assets	-	-	-	-	-	-
Transfers in	-	-	-	-	-	1,305
Transfers out	-	-	-	-	-	-
Total other financing sources (uses)	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>1,305</u>
Excess (deficiency) of receipts and other financing sources over disbursements and other financing uses	<u>15,632</u>	<u>-</u>	<u>11,640</u>	<u>86,183</u>	<u>(45,896)</u>	<u>-</u>
Cash and investments - ending	<u>\$ 84,401</u>	<u>\$ 1,202</u>	<u>\$ 11,640</u>	<u>\$ -</u>	<u>\$ (45,896)</u>	<u>\$ -</u>

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

	Title I Delinquent 2010-2011	Title I School Improve 10-11	IDEA PL 101-476 2011-2012	(IDEA, Part B) LEA Capacity Building (Sliver) Grants	Preschool HNDCP 2011-2012	Preschool Handicap 2012-2013
Cash and investments - beginning	\$ (11,929)	\$ (7,007)	\$ -	\$ (267,649)	\$ -	\$ (29,538)
Receipts:						
Local sources	-	-	-	-	-	-
Intermediate sources	-	-	-	-	-	-
State sources	-	-	-	-	-	-
Federal sources	28,688	32,741	1,670,994	644,098	98,900	43,084
Other	-	-	-	-	-	-
Total receipts	<u>28,688</u>	<u>32,741</u>	<u>1,670,994</u>	<u>644,098</u>	<u>98,900</u>	<u>43,084</u>
Disbursements:						
Current:						
Instruction	14,454	-	1,740,231	320,639	109,496	13,546
Support services	-	25,734	209,915	39,796	-	-
Noninstructional services	-	-	-	-	-	-
Facilities acquisition and construction	-	-	-	-	-	-
Debt services	-	-	-	-	-	-
Nonprogrammed charges	1,000	-	-	16,014	-	-
Total disbursements	<u>15,454</u>	<u>25,734</u>	<u>1,950,146</u>	<u>376,449</u>	<u>109,496</u>	<u>13,546</u>
Excess (deficiency) of receipts over disbursements	<u>13,234</u>	<u>7,007</u>	<u>(279,152)</u>	<u>267,649</u>	<u>(10,596)</u>	<u>29,538</u>
Other financing sources (uses):						
Sale of capital assets	-	-	-	-	-	-
Transfers in	-	-	-	-	-	-
Transfers out	(1,305)	-	-	-	-	-
Total other financing sources (uses)	<u>(1,305)</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Excess (deficiency) of receipts and other financing sources over disbursements and other financing uses	<u>11,929</u>	<u>7,007</u>	<u>(279,152)</u>	<u>267,649</u>	<u>(10,596)</u>	<u>29,538</u>
Cash and investments - ending	<u>\$ -</u>	<u>\$ -</u>	<u>\$ (279,152)</u>	<u>\$ -</u>	<u>\$ (10,596)</u>	<u>\$ -</u>

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

	Adult Education and Family Literacy Title II	ABE Prof Dev Grant 12-13	Adult Basic Ed (Reg 6) 2012-13	Adult Basic Ed (Reg 5) 2010-11	Adult Basic Education 2013-14	ABE Innovation Grant
Cash and investments - beginning	\$ -	\$ -	\$ 61,004	\$ (11,597)	\$ 30,376	\$ -
Receipts:						
Local sources	-	-	-	-	-	-
Intermediate sources	-	-	-	-	-	-
State sources	-	-	-	-	-	-
Federal sources	2,711	-	210,952	50,273	447,267	-
Other	-	-	-	-	-	-
Total receipts	<u>2,711</u>	<u>-</u>	<u>210,952</u>	<u>50,273</u>	<u>447,267</u>	<u>-</u>
Disbursements:						
Current:						
Instruction	5,369	-	190,388	31,030	454,789	-
Support services	-	-	71,868	6,146	56,210	-
Noninstructional services	-	-	-	-	-	-
Facilities acquisition and construction	-	-	-	-	-	-
Debt services	-	-	-	-	-	-
Nonprogrammed charges	-	-	9,700	1,500	-	-
Total disbursements	<u>5,369</u>	<u>-</u>	<u>271,956</u>	<u>38,676</u>	<u>510,999</u>	<u>-</u>
Excess (deficiency) of receipts over disbursements	<u>(2,658)</u>	<u>-</u>	<u>(61,004)</u>	<u>11,597</u>	<u>(63,732)</u>	<u>-</u>
Other financing sources (uses):						
Sale of capital assets	-	-	-	-	-	-
Transfers in	-	-	-	-	-	-
Transfers out	-	-	-	-	-	-
Total other financing sources (uses)	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Excess (deficiency) of receipts and other financing sources over disbursements and other financing uses	<u>(2,658)</u>	<u>-</u>	<u>(61,004)</u>	<u>11,597</u>	<u>(63,732)</u>	<u>-</u>
Cash and investments - ending	<u>\$ (2,658)</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ (33,356)</u>	<u>\$ -</u>

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

	ABE Adult Secondary Credit	Drug Free Schools 2009-2010	Awards for Excellence 2011-12	Awards for Excellence 2010-11	Awards for Excellence 2012-13	Perkins 2012-2013
Cash and investments - beginning	\$ -	\$ 2,502	\$ -	\$ (9,104)	\$ -	\$ (19,993)
Receipts:						
Local sources	-	-	-	-	-	-
Intermediate sources	-	-	-	-	-	-
State sources	-	-	-	-	-	-
Federal sources	29,150	3,486	3,434	9,104	-	70,121
Other	-	-	-	-	-	-
Total receipts	<u>29,150</u>	<u>3,486</u>	<u>3,434</u>	<u>9,104</u>	<u>-</u>	<u>70,121</u>
Disbursements:						
Current:						
Instruction	29,150	-	7,229	-	-	46
Support services	-	3,029	-	-	-	48,118
Noninstructional services	-	2,767	-	-	-	-
Facilities acquisition and construction	-	-	-	-	-	-
Debt services	-	-	-	-	-	-
Nonprogrammed charges	-	192	-	-	-	1,964
Total disbursements	<u>29,150</u>	<u>5,988</u>	<u>7,229</u>	<u>-</u>	<u>-</u>	<u>50,128</u>
Excess (deficiency) of receipts over disbursements	<u>-</u>	<u>(2,502)</u>	<u>(3,795)</u>	<u>9,104</u>	<u>-</u>	<u>19,993</u>
Other financing sources (uses):						
Sale of capital assets	-	-	-	-	-	-
Transfers in	-	-	-	-	-	-
Transfers out	-	-	-	-	-	-
Total other financing sources (uses)	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Excess (deficiency) of receipts and other financing sources over disbursements and other financing uses	<u>-</u>	<u>(2,502)</u>	<u>(3,795)</u>	<u>9,104</u>	<u>-</u>	<u>19,993</u>
Cash and investments - ending	<u>\$ -</u>	<u>\$ -</u>	<u>\$ (3,795)</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>

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

	Perkins 2011-2012	Pathways/Tech Prep 2011-12	Tech Prep Carryover 2012	Improving Teaching Quality No Child Left Title II, Part A	Title I Grants to LEAs	Special Education Part B
Cash and investments - beginning	\$ -	\$ -	\$ -	\$ (34,772)	\$ -	\$ (2,252)
Receipts:						
Local sources	-	-	-	-	-	-
Intermediate sources	-	-	-	-	-	-
State sources	-	-	-	-	-	-
Federal sources	70,322	19,372	-	246,310	10,167	29,171
Other	-	-	-	-	-	-
Total receipts	<u>70,322</u>	<u>19,372</u>	<u>-</u>	<u>246,310</u>	<u>10,167</u>	<u>29,171</u>
Disbursements:						
Current:						
Instruction	16,791	-	-	75,246	1,867	26,919
Support services	84,803	19,372	-	164,110	8,034	-
Noninstructional services	-	-	-	-	266	-
Facilities acquisition and construction	-	-	-	-	-	-
Debt services	-	-	-	-	-	-
Nonprogrammed charges	-	-	-	13,692	-	-
Total disbursements	<u>101,594</u>	<u>19,372</u>	<u>-</u>	<u>253,048</u>	<u>10,167</u>	<u>26,919</u>
Excess (deficiency) of receipts over disbursements	<u>(31,272)</u>	<u>-</u>	<u>-</u>	<u>(6,738)</u>	<u>-</u>	<u>2,252</u>
Other financing sources (uses):						
Sale of capital assets	-	-	-	-	-	-
Transfers in	-	-	-	-	-	-
Transfers out	-	-	-	-	-	-
Total other financing sources (uses)	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Excess (deficiency) of receipts and other financing sources over disbursements and other financing uses	<u>(31,272)</u>	<u>-</u>	<u>-</u>	<u>(6,738)</u>	<u>-</u>	<u>2,252</u>
Cash and investments - ending	<u>\$ (31,272)</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ (41,510)</u>	<u>\$ -</u>	<u>\$ -</u>

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

	Special Education Part B Preschool	Education Technology	Education Jobs	Payroll Withholdings	Central Stores	Totals
Cash and investments - beginning	\$ -	\$ (5,441)	\$ (547,056)	\$ 1,320,484	\$ 59,933	\$ 19,924,883
Receipts:						
Local sources	-	-	-	-	-	20,600,091
Intermediate sources	-	-	-	-	-	450
State sources	-	-	-	-	-	24,137,990
Federal sources	31,259	23,992	689,471	-	-	6,840,439
Other	-	-	-	7,227,566	81,264	7,751,696
Total receipts	<u>31,259</u>	<u>23,992</u>	<u>689,471</u>	<u>7,227,566</u>	<u>81,264</u>	<u>59,330,666</u>
Disbursements:						
Current:						
Instruction	31,259	-	126,198	-	-	24,993,156
Support services	-	9,022	59,767	-	-	13,753,167
Noninstructional services	-	-	-	-	-	2,174,058
Facilities acquisition and construction	-	-	-	-	-	1,085,518
Debt services	-	-	-	-	-	2,626,800
Nonprogrammed charges	-	9,529	-	8,444,425	62,140	15,035,024
Total disbursements	<u>31,259</u>	<u>18,551</u>	<u>185,965</u>	<u>8,444,425</u>	<u>62,140</u>	<u>59,667,723</u>
Excess (deficiency) of receipts over disbursements	<u>-</u>	<u>5,441</u>	<u>503,506</u>	<u>(1,216,859)</u>	<u>19,124</u>	<u>(337,057)</u>
Other financing sources (uses):						
Sale of capital assets	-	-	-	-	-	50
Transfers in	-	-	-	-	-	2,354,136
Transfers out	-	-	-	-	-	(2,354,136)
Total other financing sources (uses)	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>50</u>
Excess (deficiency) of receipts and other financing sources over disbursements and other financing uses	<u>-</u>	<u>5,441</u>	<u>503,506</u>	<u>(1,216,859)</u>	<u>19,124</u>	<u>(337,007)</u>
Cash and investments - ending	<u>\$ -</u>	<u>\$ -</u>	<u>\$ (43,550)</u>	<u>\$ 103,625</u>	<u>\$ 79,057</u>	<u>\$ 19,587,876</u>

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

	General	Debt Service	Retirement/ Severance Bond Debt Service	Capital Projects	School Transportation	School Bus Replacement	Rainy Day
Cash and investments - beginning	\$ 4,203,500	\$ 710,122	\$ 108,133	\$ 2,517,978	\$ 1,740,046	\$ 224,827	\$ -
Receipts:							
Local sources	190,318	1,681,287	580,434	1,952,117	1,535,942	255,507	-
Intermediate sources	-	-	-	-	-	-	-
State sources	23,270,928	-	-	-	-	-	-
Federal sources	-	-	-	-	-	-	-
Other	2,675	-	-	158,035	5,216	-	-
Total receipts	<u>23,463,921</u>	<u>1,681,287</u>	<u>580,434</u>	<u>2,110,152</u>	<u>1,541,158</u>	<u>255,507</u>	<u>-</u>
Disbursements:							
Current:							
Instruction	15,814,368	-	-	-	-	-	-
Support services	7,738,585	-	-	1,012,125	1,552,419	213,184	-
Noninstructional services	387,410	-	-	-	-	-	-
Facilities acquisition and construction	310,689	-	-	1,073,165	-	-	-
Debt services	-	1,964,412	628,488	-	-	-	-
Nonprogrammed charges	-	-	-	-	-	-	-
Total disbursements	<u>24,251,052</u>	<u>1,964,412</u>	<u>628,488</u>	<u>2,085,290</u>	<u>1,552,419</u>	<u>213,184</u>	<u>-</u>
Excess (deficiency) of receipts over disbursements	<u>(787,131)</u>	<u>(283,125)</u>	<u>(48,054)</u>	<u>24,862</u>	<u>(11,261)</u>	<u>42,323</u>	<u>-</u>
Other financing sources (uses):							
Sale of capital assets	60	-	-	-	-	-	-
Transfers in	28,678	-	-	-	-	-	500,000
Transfers out	(717,089)	-	-	-	-	-	-
Total other financing sources (uses)	<u>(688,351)</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>500,000</u>
Excess (deficiency) of receipts and other financing sources over disbursements and other financing uses	<u>(1,475,482)</u>	<u>(283,125)</u>	<u>(48,054)</u>	<u>24,862</u>	<u>(11,261)</u>	<u>42,323</u>	<u>500,000</u>
Cash and investments - ending	<u>\$ 2,728,018</u>	<u>\$ 426,997</u>	<u>\$ 60,079</u>	<u>\$ 2,542,840</u>	<u>\$ 1,728,785</u>	<u>\$ 267,150</u>	<u>\$ 500,000</u>

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

	Post Retirement/ Severance Future Benefits	Construction	School Lunch	Textbook Rental	Self- Insurance	Joint Services and Supply Special Education Cooperative	Joint Services and Supply Preschool Cooperative
Cash and investments - beginning	\$ 1,150,375	\$ 184,050	\$ 589,317	\$ 413,995	\$ 5,572,951	\$ 398,106	\$ (389,094)
Receipts:							
Local sources	-	-	423,377	69,690	5,560,960	4,625,640	-
Intermediate sources	-	-	-	-	-	-	-
State sources	-	-	11,176	213,788	-	-	-
Federal sources	-	-	1,227,202	-	-	-	-
Other	-	-	5,964	-	229,746	475	-
Total receipts	-	-	1,667,719	283,478	5,790,706	4,626,115	-
Disbursements:							
Current:							
Instruction	-	-	667	-	-	2,603,908	357,912
Support services	379,011	-	19,575	67,701	75,695	797,240	2,176
Noninstructional services	-	-	1,686,027	-	-	-	-
Facilities acquisition and construction	-	-	-	-	-	-	-
Debt services	-	-	-	-	-	-	-
Nonprogrammed charges	-	-	-	-	5,407,480	-	-
Total disbursements	379,011	-	1,706,269	67,701	5,483,175	3,401,148	360,088
Excess (deficiency) of receipts over disbursements	(379,011)	-	(38,550)	215,777	307,531	1,224,967	(360,088)
Other financing sources (uses):							
Sale of capital assets	-	-	-	-	-	-	-
Transfers in	-	-	-	-	-	-	750,000
Transfers out	-	-	-	(28,678)	-	(1,450,000)	-
Total other financing sources (uses)	-	-	-	(28,678)	-	(1,450,000)	750,000
Excess (deficiency) of receipts and other financing sources over disbursements and other financing uses	(379,011)	-	(38,550)	187,099	307,531	(225,033)	389,912
Cash and investments - ending	\$ 771,364	\$ 184,050	\$ 550,767	\$ 601,094	\$ 5,880,482	\$ 173,073	\$ 818

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

	Special Education Intensive Service	Joint Services and Supply Area Vocational School	Area Vocational BLDG Trades	Welding Special Projects	AVS Preschool Program	Machine Trades Special Projects	AVS CAD Program
Cash and investments - beginning	\$ (142,527)	\$ 263,942	\$ 558	\$ 4,124	\$ 771	\$ 233	\$ 3,176
Receipts:							
Local sources	-	1,437,926	13,093	4,125	1,150	-	10,333
Intermediate sources	-	-	-	-	-	-	-
State sources	-	-	-	-	-	-	-
Federal sources	-	-	-	-	-	-	-
Other	-	820	13,974	-	-	-	1,065
Total receipts	-	1,438,746	27,067	4,125	1,150	-	11,398
Disbursements:							
Current:							
Instruction	412,315	1,145,612	21,931	-	-	-	-
Support services	121,770	246,443	-	-	-	-	-
Noninstructional services	-	-	-	4,415	1,309	-	11,224
Facilities acquisition and construction	-	-	-	-	-	-	-
Debt services	-	-	-	-	-	-	-
Nonprogrammed charges	-	-	-	-	-	-	-
Total disbursements	534,085	1,392,055	21,931	4,415	1,309	-	11,224
Excess (deficiency) of receipts over disbursements	(534,085)	46,691	5,136	(290)	(159)	-	174
Other financing sources (uses):							
Sale of capital assets	-	-	-	-	-	-	-
Transfers in	700,000	-	-	-	-	-	-
Transfers out	-	-	-	-	-	-	-
Total other financing sources (uses)	700,000	-	-	-	-	-	-
Excess (deficiency) of receipts and other financing sources over disbursements and other financing uses	165,915	46,691	5,136	(290)	(159)	-	174
Cash and investments - ending	\$ 23,388	\$ 310,633	\$ 5,694	\$ 3,834	\$ 612	\$ 233	\$ 3,350

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

	AVS Youth Center	AVS Culinary Arts	AVS Broadcasting	AVS Veterinary Science	AVS Graphics Arts	AVS Cosmetology	NCACP Dental Assisting
Cash and investments - beginning	\$ 79	\$ 4,417	\$ 3,895	\$ 3,129	\$ 202	\$ 6,081	\$ 1,755
Receipts:							
Local sources	-	11,445	4,400	8,289	5,186	19,879	7,075
Intermediate sources	-	-	-	-	-	-	-
State sources	-	-	-	-	-	-	-
Federal sources	-	-	-	-	-	-	-
Other	-	-	-	-	-	-	-
Total receipts	-	11,445	4,400	8,289	5,186	19,879	7,075
Disbursements:							
Current:							
Instruction	-	12,512	3,035	3,705	3,648	18,630	4,664
Support services	-	-	-	-	-	-	-
Noninstructional services	-	-	-	-	-	-	-
Facilities acquisition and construction	-	-	-	-	-	-	-
Debt services	-	-	-	-	-	-	-
Nonprogrammed charges	-	-	-	-	-	-	-
Total disbursements	-	12,512	3,035	3,705	3,648	18,630	4,664
Excess (deficiency) of receipts over disbursements	-	(1,067)	1,365	4,584	1,538	1,249	2,411
Other financing sources (uses):							
Sale of capital assets	-	-	-	-	-	-	-
Transfers in	-	-	-	-	-	-	-
Transfers out	-	-	-	-	-	-	-
Total other financing sources (uses)	-	-	-	-	-	-	-
Excess (deficiency) of receipts and other financing sources over disbursements and other financing uses	-	(1,067)	1,365	4,584	1,538	1,249	2,411
Cash and investments - ending	\$ 79	\$ 3,350	\$ 5,260	\$ 7,713	\$ 1,740	\$ 7,330	\$ 4,166

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

	AVS Computer Operations	Henry County Youth Center	Cradles Child Care Program	Educational License Plates	Alternative Education	Scholarship Memorial Funds	Carmichael Scholarship Trust
Cash and investments - beginning	\$ 20	\$ (98,753)	\$ 10,230	\$ 225	\$ 14,775	\$ 7,723	\$ 1,887,037
Receipts:							
Local sources	120	98,753	85,859	-	-	-	20,578
Intermediate sources	-	-	-	263	-	-	-
State sources	-	-	-	-	-	-	-
Federal sources	-	-	-	-	-	-	-
Other	-	-	64	-	-	-	-
Total receipts	<u>120</u>	<u>98,753</u>	<u>85,923</u>	<u>263</u>	<u>-</u>	<u>-</u>	<u>20,578</u>
Disbursements:							
Current:							
Instruction	110	-	-	-	12,148	-	-
Support services	-	-	-	-	-	-	-
Noninstructional services	-	-	102,149	282	-	124	-
Facilities acquisition and construction	-	-	-	-	-	-	-
Debt services	-	-	-	-	-	-	-
Nonprogrammed charges	-	-	-	-	-	-	42,500
Total disbursements	<u>110</u>	<u>-</u>	<u>102,149</u>	<u>282</u>	<u>12,148</u>	<u>124</u>	<u>42,500</u>
Excess (deficiency) of receipts over disbursements	<u>10</u>	<u>98,753</u>	<u>(16,226)</u>	<u>(19)</u>	<u>(12,148)</u>	<u>(124)</u>	<u>(21,922)</u>
Other financing sources (uses):							
Sale of capital assets	-	-	-	-	-	-	-
Transfers in	-	-	-	-	-	-	-
Transfers out	-	-	-	-	-	-	-
Total other financing sources (uses)	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Excess (deficiency) of receipts and other financing sources over disbursements and other financing uses	<u>10</u>	<u>98,753</u>	<u>(16,226)</u>	<u>(19)</u>	<u>(12,148)</u>	<u>(124)</u>	<u>(21,922)</u>
Cash and investments - ending	<u>\$ 30</u>	<u>\$ -</u>	<u>\$ (5,996)</u>	<u>\$ 206</u>	<u>\$ 2,627</u>	<u>\$ 7,599</u>	<u>\$ 1,865,115</u>

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

	Grants AVS	Donations	Grants NCMS	Grants Elementary Library	Grants Alternative & Spec Ed	Grants CHS	Grants Eastwood
Cash and investments - beginning	\$ 9,778	\$ 373	\$ 648	\$ 128	\$ 576	\$ 968	\$ 436
Receipts:							
Local sources	1,000	3,265	5,608	-	-	2,765	250
Intermediate sources	-	-	-	-	-	-	-
State sources	-	-	-	-	-	-	-
Federal sources	-	-	-	-	-	-	-
Other	-	-	-	-	-	-	-
Total receipts	<u>1,000</u>	<u>3,265</u>	<u>5,608</u>	<u>-</u>	<u>-</u>	<u>2,765</u>	<u>250</u>
Disbursements:							
Current:							
Instruction	1,113	38	5,525	-	23	918	-
Support services	-	-	-	-	-	-	-
Noninstructional services	-	-	-	-	-	-	-
Facilities acquisition and construction	-	-	-	-	-	-	-
Debt services	-	-	-	-	-	-	-
Nonprogrammed charges	-	-	-	-	-	-	-
Total disbursements	<u>1,113</u>	<u>38</u>	<u>5,525</u>	<u>-</u>	<u>23</u>	<u>918</u>	<u>-</u>
Excess (deficiency) of receipts over disbursements	<u>(113)</u>	<u>3,227</u>	<u>83</u>	<u>-</u>	<u>(23)</u>	<u>1,847</u>	<u>250</u>
Other financing sources (uses):							
Sale of capital assets	-	-	-	-	-	-	-
Transfers in	-	-	-	-	-	-	-
Transfers out	-	-	-	-	-	-	-
Total other financing sources (uses)	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Excess (deficiency) of receipts and other financing sources over disbursements and other financing uses	<u>(113)</u>	<u>3,227</u>	<u>83</u>	<u>-</u>	<u>(23)</u>	<u>1,847</u>	<u>250</u>
Cash and investments - ending	<u>\$ 9,665</u>	<u>\$ 3,600</u>	<u>\$ 731</u>	<u>\$ 128</u>	<u>\$ 553</u>	<u>\$ 2,815</u>	<u>\$ 686</u>

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

	Grants Wilbur Wright	Robson Scholarship Trust	Parker Library Robson Trust	Grants Westwood	Professional Development DOE	Grants Greenstreet	Grants Sunnyside
Cash and investments - beginning	\$ 4,717	\$ 200,899	\$ 50,225	\$ 315	\$ 11,390	\$ 80	\$ 1,388
Receipts:							
Local sources	3,688	1,395	349	3,000	-	-	689
Intermediate sources	-	-	-	-	-	-	-
State sources	-	-	-	-	-	-	-
Federal sources	-	-	-	-	-	-	-
Other	-	-	-	-	-	-	-
Total receipts	<u>3,688</u>	<u>1,395</u>	<u>349</u>	<u>3,000</u>	<u>-</u>	<u>-</u>	<u>689</u>
Disbursements:							
Current:							
Instruction	2,533	-	-	296	-	-	319
Support services	1,089	-	-	-	2,307	-	-
Noninstructional services	-	-	-	-	-	-	-
Facilities acquisition and construction	-	-	-	-	-	-	-
Debt services	-	-	-	-	-	-	-
Nonprogrammed charges	-	-	-	-	-	-	-
Total disbursements	<u>3,622</u>	<u>-</u>	<u>-</u>	<u>296</u>	<u>2,307</u>	<u>-</u>	<u>319</u>
Excess (deficiency) of receipts over disbursements	<u>66</u>	<u>1,395</u>	<u>349</u>	<u>2,704</u>	<u>(2,307)</u>	<u>-</u>	<u>370</u>
Other financing sources (uses):							
Sale of capital assets	-	-	-	-	-	-	-
Transfers in	-	-	-	-	-	-	-
Transfers out	-	-	-	-	-	-	-
Total other financing sources (uses)	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Excess (deficiency) of receipts and other financing sources over disbursements and other financing uses	<u>66</u>	<u>1,395</u>	<u>349</u>	<u>2,704</u>	<u>(2,307)</u>	<u>-</u>	<u>370</u>
Cash and investments - ending	<u>\$ 4,783</u>	<u>\$ 202,294</u>	<u>\$ 50,574</u>	<u>\$ 3,019</u>	<u>\$ 9,083</u>	<u>\$ 80</u>	<u>\$ 1,758</u>

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

	Grants Riley	Grants Parker	Adult and Continuing Education	Cultural Arts	Bundy Auditorium Fund	GED Testing Fund	Alternative Education
Cash and investments - beginning	\$ 688	\$ 1,826	\$ 50	\$ 1,662	\$ 16,331	\$ 22,211	\$ 42,476
Receipts:							
Local sources	101	-	-	613	7,122	28,113	18,925
Intermediate sources	-	-	-	-	-	-	-
State sources	-	-	-	-	-	-	-
Federal sources	-	-	-	-	-	-	-
Other	-	1,250	-	-	30,019	-	-
Total receipts	101	1,250	-	613	37,141	28,113	18,925
Disbursements:							
Current:							
Instruction	90	217	-	-	-	26,429	-
Support services	-	-	-	-	-	-	38,572
Noninstructional services	-	-	-	968	23,903	-	-
Facilities acquisition and construction	-	-	-	-	-	-	-
Debt services	-	-	-	-	-	-	-
Nonprogrammed charges	-	-	-	-	-	-	-
Total disbursements	90	217	-	968	23,903	26,429	38,572
Excess (deficiency) of receipts over disbursements	11	1,033	-	(355)	13,238	1,684	(19,647)
Other financing sources (uses):							
Sale of capital assets	-	-	-	-	-	-	-
Transfers in	-	-	-	-	-	-	-
Transfers out	-	-	-	-	-	-	-
Total other financing sources (uses)	-	-	-	-	-	-	-
Excess (deficiency) of receipts and other financing sources over disbursements and other financing uses	11	1,033	-	(355)	13,238	1,684	(19,647)
Cash and investments - ending	\$ 699	\$ 2,859	\$ 50	\$ 1,307	\$ 29,569	\$ 23,895	\$ 22,829

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

	Healthy Families 2009-2010	Instruction Support	Gifted and Talented 2012-2013	Adult and Continuing Education	ABE State Grant 2012-13	ABE State Grant 2013-14	Non-English Speaking Programs P.L. 273-1999
Cash and investments - beginning	\$ 18,862	\$ 4,923	\$ -	\$ 13,388	\$ -	\$ -	\$ -
Receipts:							
Local sources	-	-	-	27,000	-	-	-
Intermediate sources	-	-	-	-	-	-	-
State sources	-	-	39,670	-	400,037	-	-
Federal sources	-	-	-	-	-	-	-
Other	-	-	-	125	-	-	-
Total receipts	-	-	39,670	27,125	400,037	-	-
Disbursements:							
Current:							
Instruction	-	4,923	32,403	187	486,715	136,631	-
Support services	-	-	-	68	26,040	8,896	-
Noninstructional services	-	-	-	-	-	-	-
Facilities acquisition and construction	-	-	-	28,237	-	-	-
Debt services	-	-	-	-	-	-	-
Nonprogrammed charges	-	-	-	-	-	-	-
Total disbursements	-	4,923	32,403	28,492	512,755	145,527	-
Excess (deficiency) of receipts over disbursements	-	(4,923)	7,267	(1,367)	(112,718)	(145,527)	-
Other financing sources (uses):							
Sale of capital assets	-	-	-	-	-	-	-
Transfers in	-	-	-	-	71,562	145,527	-
Transfers out	-	-	-	-	-	-	-
Total other financing sources (uses)	-	-	-	-	71,562	145,527	-
Excess (deficiency) of receipts and other financing sources over disbursements and other financing uses	-	(4,923)	7,267	(1,367)	(41,156)	-	-
Cash and investments - ending	\$ 18,862	\$ -	\$ 7,267	\$ 12,021	\$ (41,156)	\$ -	\$ -

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

	School Technology	Access Indiana	Miscellaneous Programs	Title I 2012-2013	Title I 2011-2012	Title I Delinquent 2011-2012
Cash and investments - beginning	\$ 84,401	\$ 1,202	\$ 11,640	\$ -	\$ (45,896)	\$ -
Receipts:						
Local sources	-	-	-	-	-	-
Intermediate sources	-	-	-	-	-	-
State sources	3,447	-	-	-	-	-
Federal sources	-	-	-	536,366	234,717	-
Other	9,365	-	-	-	-	-
Total receipts	12,812	-	-	536,366	234,717	-
Disbursements:						
Current:						
Instruction	-	-	-	406,151	120,172	-
Support services	31,530	-	11,640	227,221	66,712	-
Noninstructional services	-	-	-	6,330	1,937	-
Facilities acquisition and construction	-	-	-	-	-	-
Debt services	-	-	-	-	-	-
Nonprogrammed charges	-	-	-	-	-	-
Total disbursements	31,530	-	11,640	639,702	188,821	-
Excess (deficiency) of receipts over disbursements	(18,718)	-	(11,640)	(103,336)	45,896	-
Other financing sources (uses):						
Sale of capital assets	-	-	-	-	-	-
Transfers in	-	-	-	-	-	-
Transfers out	-	-	-	-	-	-
Total other financing sources (uses)	-	-	-	-	-	-
Excess (deficiency) of receipts and other financing sources over disbursements and other financing uses	(18,718)	-	(11,640)	(103,336)	45,896	-
Cash and investments - ending	\$ 65,683	\$ 1,202	\$ -	\$ (103,336)	\$ -	\$ -

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

	Title I Delinquent 2010-2011	Title I School Improve 10-11	IDEA PL 101-476 2011-2012	(IDEA, Part B) LEA Capacity Building (Sliver) Grants	Preschool HNDCCP 2011-2012	Preschool Handicap 2012-2013
Cash and investments - beginning	\$ -	\$ -	\$ (279,152)	\$ -	\$ (10,596)	\$ -
Receipts:						
Local sources	-	-	-	-	-	-
Intermediate sources	-	-	-	-	-	-
State sources	-	-	-	-	-	-
Federal sources	-	-	575,640	1,736,794	23,115	69,919
Other	-	-	-	-	-	-
Total receipts	-	-	575,640	1,736,794	23,115	69,919
Disbursements:						
Current:						
Instruction	-	-	264,912	1,846,779	12,519	92,181
Support services	-	-	31,576	210,407	-	-
Noninstructional services	-	-	-	-	-	-
Facilities acquisition and construction	-	-	-	-	-	-
Debt services	-	-	-	-	-	-
Nonprogrammed charges	-	-	-	-	-	-
Total disbursements	-	-	296,488	2,057,186	12,519	92,181
Excess (deficiency) of receipts over disbursements	-	-	279,152	(320,392)	10,596	(22,262)
Other financing sources (uses):						
Sale of capital assets	-	-	-	-	-	-
Transfers in	-	-	-	-	-	-
Transfers out	-	-	-	-	-	-
Total other financing sources (uses)	-	-	-	-	-	-
Excess (deficiency) of receipts and other financing sources over disbursements and other financing uses	-	-	279,152	(320,392)	10,596	(22,262)
Cash and investments - ending	\$ -	\$ -	\$ -	\$ (320,392)	\$ -	\$ (22,262)

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

	Adult Education and Family Literacy Title II	ABE Prof Dev Grant 12-13	Adult Basic Ed (Reg 6) 2012-13	Adult Basic Ed (Reg 5) 2010-11	Adult Basic Education 2013-14	ABE Innovation Grant
Cash and investments - beginning	\$ (2,658)	\$ -	\$ -	\$ -	\$ (33,356)	\$ -
Receipts:						
Local sources	-	-	-	-	-	-
Intermediate sources	-	-	-	-	-	-
State sources	-	-	-	-	-	-
Federal sources	11,623	4,999	455,173	-	156,691	81,981
Other	-	-	-	-	-	-
Total receipts	<u>11,623</u>	<u>4,999</u>	<u>455,173</u>	<u>-</u>	<u>156,691</u>	<u>81,981</u>
Disbursements:						
Current:						
Instruction	8,965	4,999	449,197	-	123,449	49,438
Support services	-	-	11,743	-	(2,481)	32,543
Noninstructional services	-	-	-	-	-	-
Facilities acquisition and construction	-	-	-	-	-	-
Debt services	-	-	-	-	-	-
Nonprogrammed charges	-	-	822	-	2,367	-
Total disbursements	<u>8,965</u>	<u>4,999</u>	<u>461,762</u>	<u>-</u>	<u>123,335</u>	<u>81,981</u>
Excess (deficiency) of receipts over disbursements	<u>2,658</u>	<u>-</u>	<u>(6,589)</u>	<u>-</u>	<u>33,356</u>	<u>-</u>
Other financing sources (uses):						
Sale of capital assets	-	-	-	-	-	-
Transfers in	-	-	-	-	-	-
Transfers out	-	-	-	-	-	-
Total other financing sources (uses)	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Excess (deficiency) of receipts and other financing sources over disbursements and other financing uses	<u>2,658</u>	<u>-</u>	<u>(6,589)</u>	<u>-</u>	<u>33,356</u>	<u>-</u>
Cash and investments - ending	<u>\$ -</u>	<u>\$ -</u>	<u>\$ (6,589)</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>

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

	ABE Adult Secondary Credit	Drug Free Schools 2009-2010	Awards for Excellence 2011-12	Awards for Excellence 2010-11	Awards for Excellence 2012-13	Perkins 2012-2013
Cash and investments - beginning	\$ -	\$ -	\$ (3,795)	\$ -	\$ -	\$ -
Receipts:						
Local sources	-	-	-	-	-	-
Intermediate sources	-	-	-	-	-	-
State sources	-	-	-	-	-	-
Federal sources	2,200	-	4,228	-	4,783	79,931
Other	-	-	-	-	-	-
Total receipts	<u>2,200</u>	<u>-</u>	<u>4,228</u>	<u>-</u>	<u>4,783</u>	<u>79,931</u>
Disbursements:						
Current:						
Instruction	2,200	-	433	-	8,727	13,768
Support services	-	-	-	-	-	76,624
Noninstructional services	-	-	-	-	-	-
Facilities acquisition and construction	-	-	-	-	-	-
Debt services	-	-	-	-	-	-
Nonprogrammed charges	-	-	-	-	-	-
Total disbursements	<u>2,200</u>	<u>-</u>	<u>433</u>	<u>-</u>	<u>8,727</u>	<u>90,392</u>
Excess (deficiency) of receipts over disbursements	<u>-</u>	<u>-</u>	<u>3,795</u>	<u>-</u>	<u>(3,944)</u>	<u>(10,461)</u>
Other financing sources (uses):						
Sale of capital assets	-	-	-	-	-	-
Transfers in	-	-	-	-	-	-
Transfers out	-	-	-	-	-	-
Total other financing sources (uses)	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Excess (deficiency) of receipts and other financing sources over disbursements and other financing uses	<u>-</u>	<u>-</u>	<u>3,795</u>	<u>-</u>	<u>(3,944)</u>	<u>(10,461)</u>
Cash and investments - ending	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ (3,944)</u>	<u>\$ (10,461)</u>

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

	Perkins 2011-2012	Pathways/Tech Prep 2011-12	Tech Prep Carryover 2012	Improving Teaching Quality No Child Left Title II, Part A	Title I Grants to LEAs	Special Education Part B
Cash and investments - beginning	\$ (31,272)	\$ -	\$ -	\$ (41,510)	\$ -	\$ -
Receipts:						
Local sources	-	-	-	-	-	-
Intermediate sources	-	-	-	-	-	-
State sources	-	-	-	-	-	-
Federal sources	56,857	-	4,061	174,929	-	-
Other	-	-	-	-	-	-
Total receipts	<u>56,857</u>	<u>-</u>	<u>4,061</u>	<u>174,929</u>	<u>-</u>	<u>-</u>
Disbursements:						
Current:						
Instruction	662	-	-	95,195	-	-
Support services	24,923	-	4,061	70,978	-	-
Noninstructional services	-	-	-	-	-	-
Facilities acquisition and construction	-	-	-	-	-	-
Debt services	-	-	-	-	-	-
Nonprogrammed charges	-	-	-	-	-	-
Total disbursements	<u>25,585</u>	<u>-</u>	<u>4,061</u>	<u>166,173</u>	<u>-</u>	<u>-</u>
Excess (deficiency) of receipts over disbursements	<u>31,272</u>	<u>-</u>	<u>-</u>	<u>8,756</u>	<u>-</u>	<u>-</u>
Other financing sources (uses):						
Sale of capital assets	-	-	-	-	-	-
Transfers in	-	-	-	-	-	-
Transfers out	-	-	-	-	-	-
Total other financing sources (uses)	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Excess (deficiency) of receipts and other financing sources over disbursements and other financing uses	<u>31,272</u>	<u>-</u>	<u>-</u>	<u>8,756</u>	<u>-</u>	<u>-</u>
Cash and investments - ending	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ (32,754)</u>	<u>\$ -</u>	<u>\$ -</u>

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

	Special Education Part B Preschool	Education Technology	Education Jobs	Payroll Withholdings	Central Stores	Totals
Cash and investments - beginning	\$ -	\$ -	\$ (43,550)	\$ 103,625	\$ 79,057	\$ 19,587,876
Receipts:						
Local sources	-	-	-	-	-	18,707,366
Intermediate sources	-	-	-	-	-	263
State sources	-	-	-	-	-	23,939,046
Federal sources	-	-	69,003	-	-	5,510,212
Other	-	-	-	7,235,349	81,354	7,775,496
Total receipts	-	-	69,003	7,235,349	81,354	55,932,383
Disbursements:						
Current:						
Instruction	-	-	19,740	-	-	24,633,012
Support services	-	-	5,713	-	-	13,106,086
Noninstructional services	-	-	-	-	-	2,226,078
Facilities acquisition and construction	-	-	-	-	-	1,412,091
Debt services	-	-	-	-	-	2,592,900
Nonprogrammed charges	-	-	-	6,865,745	79,317	12,398,231
Total disbursements	-	-	25,453	6,865,745	79,317	56,368,398
Excess (deficiency) of receipts over disbursements	-	-	43,550	369,604	2,037	(436,015)
Other financing sources (uses):						
Sale of capital assets	-	-	-	-	-	60
Transfers in	-	-	-	-	-	2,195,767
Transfers out	-	-	-	-	-	(2,195,767)
Total other financing sources (uses)	-	-	-	-	-	60
Excess (deficiency) of receipts and other financing sources over disbursements and other financing uses	-	-	43,550	369,604	2,037	(435,955)
Cash and investments - ending	\$ -	\$ -	\$ -	\$ 473,229	\$ 81,094	\$ 19,151,921

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NEW CASTLE COMMUNITY SCHOOL CORPORATION
SCHEDULE OF PAYABLES AND RECEIVABLES
June 30, 2013

School Corporation	Accounts Payable	Accounts Receivable
Governmental activities	<u>\$ 1,079,630</u>	<u>\$ 546,890</u>

NEW CASTLE COMMUNITY SCHOOL CORPORATION
 SCHEDULE OF LEASES AND DEBT
 June 30, 2013

Lessor	Purpose	Annual Lease Payment	Lease Beginning Date	Lease Ending Date
Governmental activities: Building Corp	New Castle High School	\$ <u>735,000</u>	07-15-05	01-15-17

Type	Description of Debt Purpose	Ending Principal Balance	Principal and Interest Due Within One Year
Governmental activities: Notes and loans payable	Common School Loans	\$ 6,046,804	\$ 1,170,066
General obligation bonds	Pension Bond	<u>900,000</u>	<u>316,798</u>
Totals		<u>\$ 6,946,804</u>	<u>\$ 1,486,864</u>

NEW CASTLE COMMUNITY 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	\$ 290,214.00
Buildings	52,343,400.56
Improvements other than buildings	1,917,279.17
Machinery, equipment, and vehicles	9,557,666.59
Total capital assets	\$ 64,108,560

NEW CASTLE COMMUNITY SCHOOL CORPORATION
AUDIT RESULT AND COMMENT

INTERNAL CONTROLS - SCHOOL LUNCH

Internal controls over Compliance, Inventory, and Record-Keeping for the activities related to School Lunch were insufficient:

There was no written documentation provided of internal controls over food inventory for the School Corporation.

The following deficiencies were cited as Serious Findings as the result of a review of the Summer Food Service Program which was performed by the Indiana Department of Education in June, July, and August of 2013:

- Lunches were claimed for reimbursement which had been disallowed.
- The School Corporation did not properly complete production record of meals served.
- There were mathematical errors in calculating daily meal counts.
- The School Corporation did not maintain an inventory by recording the kind, quantity, and value of purchased food items on hand at the beginning or end of the program.
- Supporting documentation for expenditures of the summer meal program for 2013 was not provided.
- Incomplete second helpings were counted as full meals for reimbursement.
- Adults were eating children's food. The requirement is that the meals are to be for children 18 and under.
- The on-site reviewer observed the staff only counting and documenting meals sporadically on the Daily Meal Count sheets.
- There were no production records for the day of review or the previous operating days.
- There was inadequate supporting documentation for all the meals served during the summer meal program.

We tested records supporting School Lunch Claims for Reimbursement for number of meals served for February 1-7, 2013. We performed a comparison of information on the Record of Meals Served to the Production Sheets which revealed that the number of meals served at New Castle Chrysler High School did not agree between the two reports. In addition, a significant number of excess meals were prepared when the excess was calculated by comparing lunches prepared as reported on the Production Sheets to the number served as reported on the Record of Meals Served. However, the number of excess meals documented on the Production Sheets did not agree to this calculated excess. The results of the comparison indicate that the recordkeeping over meal production and meals served on the Production Sheets at the High School are deficient. This could indicate that excess meals are prepared and served which are not charged and are not accounted for. The following schedule shows this comparison:

NEW CASTLE COMMUNITY SCHOOL CORPORATION
 AUDIT RESULT AND COMMENT
 (Continued)

<u>Date</u>	<u>Meals Served Per Daily Record of Meals Served (A)</u>	<u>Meals Prepared Per Production Sheet (B)</u>	<u>Meals Served Per Production Sheet (C)</u>	<u>Excess Meals Per Production Sheet (B-C)</u>	<u>Calculated Excess Meals (B-A)</u>
02-01-13	552	576	566	10	24
02-04-13	575	781	702	69	206
02-05-13	578	687	634	50	109
02-06-13	532	834	834	-	302
02-07-13	550	622	599	23	72

The records for Parker Elementary were tested for the same dates without exception.

Some adults other than those involved with the operation and the administration of the food services program are served free lunches without a School Board approved resolution authorizing the free lunches.

Volume 184, Page 5 of the December 2008 "The School Administrator and Uniform Compliance Guideline" discusses how a school corporation may, in a public meeting, pass a resolution (Home Rule), for accomplishing something for which specific statutory authority is not known to exist (free meals). Additionally, a policy letter from the United States Department of Agriculture (in regards to the food service program) states in part:

". . . Meals served to adults who are directly involved in the operation and administration of the school nutrition programs may, at the discretion of the school food authority, be furnished at no charge. As such, their cost may be fully attributed to and supported by the non for profit food service operation. Meals served to these adults may not be claimed for reimbursement or counted towards the donated foods entitlement. The determination of individuals, positions involved, and the degree to which their services are attributed to the non for profit food service program operations is left to State and local officials."

A school board's resolution regarding free meals should include (other than meals of employees in accordance with IC 20-26-5-4) each position eligible to receive the free meal. School Lunch Forms require a daily accounting of meals provided by individual for the school food program. (See Form SF-1, School Food Service Certification of Meals provided Per Home Rule). Other meals provided (other than the school food program) may require additional accounting. The Internal Revenue Service and State Revenue Department should also be contacted for written guidance on any possible reporting implications. (The School Administrator and Uniform Compliance Guidelines, Volume 197)

Governmental units should have internal controls in effect which provide reasonable assurance regarding the reliability of financial information and records, effectiveness and efficiency of operations, proper execution of management's objectives, and compliance with laws and regulations. Among other things, segregation of duties, safeguarding controls over cash and all other assets, and all forms of information processing are necessary for proper internal control. (Accounting and Uniform Compliance Guidelines Manual for Indiana Public School Corporations, Chapter 9)

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SUPPLEMENTAL AUDIT OF
FEDERAL AWARDS



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

TO: THE OFFICIALS OF THE NEW CASTLE COMMUNITY
SCHOOL CORPORATION, HENRY COUNTY, INDIANA

Report on Compliance for Each Major Federal Program

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

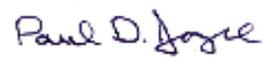
Management of the School Corporation is responsible for establishing and maintaining effective internal control over compliance with the types of compliance requirements referred to above. In planning and performing our audit of compliance, we considered the School Corporation's internal control over 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.

Our consideration of internal control over compliance was for the limited purpose described in the preceding paragraph and was not designed to identify all deficiencies in internal control over compliance that might be material weaknesses or significant deficiencies and therefore, material weaknesses or significant deficiencies may exist that were not identified. However, as discussed below, we identified certain deficiencies in internal control over compliance that we consider to be material weaknesses.

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. We consider the deficiencies in internal control over compliance described in the accompanying Schedule of Findings and Questioned Costs as item 2013-001 to be material weaknesses.

The School Corporation's response to the internal control over compliance findings identified in our audit is described in the accompanying Corrective Action Plan. The School Corporation's response was not subjected to the auditing procedures applied in the audit of compliance and, accordingly, we express no opinion on the response.

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

December 17, 2013

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SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS

The Schedule of Expenditures of Federal Awards and accompanying notes presented were prepared by management of the School Corporation. The schedule and notes are presented as intended by the School Corporation.

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NEW CASTLE COMMUNITY 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	2011-2012 2012-2013	\$ 341,535 -	\$ - 313,374
Total - School Breakfast Program				<u>341,535</u>	<u>313,374</u>
National School Lunch Program	Indiana Department of Education	10.555	2011-2012 2012-2013	1,147,791 -	- 978,588
Total - National School Lunch Program				<u>1,147,791</u>	<u>978,588</u>
Summer Food Service Program for Children	Indiana Department of Education	10.559	2011-2012 2012-2013	8,924 -	- 9,005
Total - Summer Food Service Program for Children				<u>8,924</u>	<u>9,005</u>
Total - Child Nutrition Cluster				<u>1,498,250</u>	<u>1,300,967</u>
Fresh Fruit and Vegetable Program	Indiana Department of Education	10.582	2011-2012 2012-2013	63,897 -	- 47,926
Total - Fresh Fruit Vegetable Program				<u>63,897</u>	<u>47,926</u>
Total - Department of Agriculture				<u>1,562,147</u>	<u>1,348,893</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	11-3445 12-3445 13-3445	280,904 615,467 -	- 234,717 536,366
Delinquency 2010-2011			11-3445	28,688	-
Delinquency 2011-2012			12-3445	30,504	-
Title I Improvement 2010-2011			11-3445	32,740	-
Total - Title I Grants to Local Educational Agencies				<u>988,303</u>	<u>771,083</u>

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

NEW CASTLE COMMUNITY 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>					
Title I, Part A Cluster (continued)					
ARRA - Title I Grants to Local Educational Agencies, Recovery Act	Indiana Department of Education	84.389	2009-2010	10,167	-
Total - Title I, Part A Cluster				<u>998,470</u>	<u>771,083</u>
Special Education Cluster					
Special Education - Grants to States	Indiana Department of Education	84.027	14211-044-PN01	644,097	-
			14212-044-PN01	1,670,994	575,639
			14213-044-PN13	-	1,736,719
Total - Special Education - Grants to States				<u>2,315,091</u>	<u>2,312,358</u>
Special Education - Preschool Grants					
Special Education - Preschool Grants	Indiana Department of Education	84.173	14211-044-PN01	43,084	-
			14212-044-PN01	98,899	23,114
			14213-044-PN01	-	69,919
Total - Special Education - Preschool Grants				<u>141,983</u>	<u>93,033</u>
ARRA - Special Education - Grants to States, Recovery Act					
ARRA - Special Education - Grants to States, Recovery Act	Indiana Department of Education	84.391	33310-044-SN01	29,171	-
ARRA - Special Education - Preschool Grants, Recovery Act					
ARRA - Special Education - Preschool Grants, Recovery Act	Indiana Department of Education	84.392	44410-044-SN01	31,259	-
Total - Special Education Cluster				<u>2,517,504</u>	<u>2,405,391</u>
Education Technology State Grants Cluster					
ARRA - Education Technology State Grants, Recovery Act	Indiana Department of Education	84.386	C310S3445	23,991	-
Total - Education Technology State Grants Cluster				<u>23,991</u>	<u>-</u>
Adult Education - Basic Grants to States					
Adult Education - Basic Grants to States	Indiana Department of Education	84.002	2011-8026	210,952	-
			2011-1105G	50,272	-
			C12-AE-1-25	447,267	156,691
			C13-AE-2-25	-	455,172
Total - Adult Education - Basic Grants to States				<u>708,491</u>	<u>611,863</u>

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

NEW CASTLE COMMUNITY 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>					
Career and Technical Education - Basic Grant to States	Indiana Department of Education	84.048			
			11-4700-3445	70,121	-
			12-4700-3445	70,321	56,855
			13-4700-3445	-	79,929
Tech Prep Carryover 2012			13-4700-3445	-	4,061
Awards for Excellence 2010-2011			2010-2011	9,104	-
Awards for Excellence 2011-2012			2011-2012	3,434	4,228
Awards for Excellence 2012-2013			A58-2-12CI-01314	-	4,782
				<u>152,980</u>	<u>149,855</u>
Total - Career and Technical Education - Basic Grant to States					
Safe and Drug Free Schools and Communities - State Grants	Indiana Department of Education	84.186			
			09-3445	3,486	-
				<u>3,486</u>	<u>-</u>
Improving Teacher Quality State Grants	Indiana Department of Education	84.367			
			10-3445	37,500	-
			11-3445	161,391	13,698
			12-3445	47,418	115,254
			13-3445	-	45,976
				<u>246,309</u>	<u>174,928</u>
Total - Improving Teacher Quality State Grants					
Education Jobs Fund	Indiana Department of Education	84.410			
			2010-2011	689,471	69,003
				<u>689,471</u>	<u>69,003</u>
Total - U.S. Department of Education				<u>5,340,702</u>	<u>4,182,123</u>
Total federal awards expended				<u>\$ 6,902,849</u>	<u>\$ 5,531,016</u>

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

NEW CASTLE COMMUNITY SCHOOL CORPORATION
NOTES TO SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS

Note 1. Basis of Presentation

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

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

Note 2. Subrecipients

Of the federal expenditures presented in the schedule, the School Corporation provided federal awards to subrecipients as follows for the years ended June 30, 2012 and 2013:

Program Title	Federal CFDA Number	2012	2013
Adult Education – Basic Grants to States	84.002	\$ 559,106	\$ 519,938

Note 3. 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	\$ 26,064	\$ 29,517
National School Lunch Program	10.555	87,593	92,174

NEW CASTLE COMMUNITY SCHOOL CORPORATION
SCHEDULE OF FINDINGS AND QUESTIONED COSTS

Section I – Summary of Auditor's Results

Financial Statement:

Type of auditor's report issued:	Adverse as to GAAP; 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?	yes
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?	yes

Identification of Major Programs:

CFDA Number	Name of Federal Program or Cluster
	Special Education Cluster
84.002	Adult Education – Basic Grants to States
84.367	Improving Teacher Quality State Grants
84.410	Education Jobs Fund

Dollar threshold used to distinguish between Type A and Type B programs: \$373,316

Auditee qualified as low-risk auditee? no

Section II – Financial Statement Findings

No matters are reportable.

NEW CASTLE COMMUNITY SCHOOL CORPORATION
SCHEDULE OF FINDINGS AND QUESTIONED COSTS
(Continued)

Section III – Federal Award Findings and Questioned Costs

FINDING 2013-001 - INTERNAL CONTROLS OVER CASH MANAGEMENT AND REPORTING

Federal Agency: U.S. Department of Education

Federal Programs: Special Education - Grants to States and Special Education - Preschool Grants

CFDA Number: 84.027 and 84.173

Federal Award Number and Year (or Other Identifying Number): 14211-044-PN01; 14212-044-PN01;
14213-044-PN13; and 14213-044-PN01

Pass-Through Entity: Indiana Department of Education

Federal Agency: U.S. Department of Education

Federal Program: Improving Teacher Quality Fund

CFDA Number: 84.367

Federal Award Number and Year (or Other Identifying Number): 10-3445; 11-3445; 12-3445; and
13-3445

Pass-Through Entity: Indiana Department of Education

Management of the New Castle Community School Corporation (School Corporation) has not established an effective internal control system, which would include segregation of duties, related to the grant agreement and Cash Management and Reporting compliance requirements that have a direct and material effect to the program. Reimbursement requests are prepared and submitted by one individual without evidence of a separate review. The failure to establish an effective internal control system places the School Corporation at risk of noncompliance with the grant agreement and the compliance requirements. A lack of segregation of duties within an internal control system could also allow noncompliance with compliance requirements and allow the misuse and mismanagement of federal funds and assets by not having proper oversight, reviews, and approvals over the activities of the grant.

An internal control system, including segregation of duties, should be designed and operate effectively to provide reasonable assurance that material noncompliance with the grant agreement, or a type of compliance requirement of a federal program will be prevented, or detected and corrected, on a timely basis. In order to have an effective internal control system, it is important to have proper segregation of duties. This is accomplished by making sure proper oversight, reviews, and approvals take place and to have a separation of functions over certain activities related to the program. The fundamental premise of segregation of duties is that an individual or small group of individuals should not be in a position to initiate, approve, undertake, and review the same activity.

OMB Circular A-133, Subpart C, section .300 states in part:

"The auditee shall: . . . (b) Maintain internal control over Federal programs that provides reasonable assurance that the auditee is managing Federal awards in compliance with laws, regulations, and the provisions of contracts or grant agreements that could have a material effect on each of its Federal programs."

The failure to establish internal controls could enable material noncompliance to go undetected. Noncompliance of the grant agreement or the compliance requirements that have a direct and material effect to the program could result in the loss of federal funds to the School Corporation.

We recommended that the School Corporation's management establish controls, including segregation of duties, related to the grant agreement and compliance requirements that have a direct and material effect to the program.

New Castle Community School Corporation

Community Education Center, 322 Elliott Avenue, New Castle, IN 47362

Mr. Stephen Fisher, *Superintendent*
Mr. William Pheffer, *Assistant Superintendent for Secondary Programs and Facilities*
Dr. Maria Sells, *Assistant Superintendent for Elementary Programs and Human Resources*
Ms. Megan Bell, *Business Manager Treasurer*



(765) 521-7201
Fax: (765) 521-7268

November 8, 2013

SUMMARY SCHEDULE OF PRIOR AUDIT FINDINGS

Original SBA Audit Report	B40134
Fiscal Years	07-01-2009 to 06-30-2011
Auditee Contact Person	Megan Bell
Title of Contact Person	Business Manager/Treasurer
Telephone Number	765-521-7201
Status of Finding	Corrective Action Taken

FEDERAL FINDING 2011-1 INTERNAL CONTROL CASH MANAGEMENT

As stated in the corrective action plan, federal funds are now reimbursed for actual expenditures instead of being advanced according to a cash request schedule. This change took effect for all federal grants on July 1, 2010.

A handwritten signature in cursive script that reads "Megan Bell".

Megan Bell



New Castle Community School Corporation

Community Education Center, 322 Elliott Avenue • New Castle, Indiana 47362

MR. STEPHEN G. FISHER, Ed.S., *Superintendent*
MR. WILLIAM B. PHEFFER, Ed.S., *Assistant Superintendent for Secondary Programs and Facilities*
DR. MARIA SELLS, *Assistant Superintendent for Elementary Programs and Human Resources*
MRS. MEGAN BELL, *Business Manager*

(765) 521-7201
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CORRECTIVE ACTION PLAN – RESPONSE TO FINDINGS FEDERAL AWARDS JULY 1, 2011 TO JUNE 30, 2013

FINDING 2013-001- INTERNAL CONTROLS OVER CASH MANAGEMENT AND REPORTING

Federal Agency: U.S. Department of Education
Federal Program: Special Education Cluster
CFDA Number: 84.027 and 84.173
Federal Award Number and Year (or Other Identifying Number): 14211-044-PN01; 14212-044-PN01;
14213-044-PN13; and 14213-044-PN01
Pass-Through Entity: Indiana Department of Education

Federal Agency: U.S. Department of Education
Federal Program: Improving Teacher Quality Fund
CFDA Number: 84.367
Federal Award Number and Year (or Other Identifying Number): 10-3445; 11-3445; 12-3445; and 13-3445
Pass-Through Entity: Indiana Department of Education

New Castle Community School Corporation will develop and implement improved procedures and controls to ensure segregation of duties exist in the preparation of Reimbursement Requests. Reimbursement Requests prepared by the Business Manager will now be reviewed by the Accounting Secretary prior to submission.

Respectfully,

Megan Bell
Business Manager

NEW CASTLE COMMUNITY SCHOOL CORPORATION
EXIT CONFERENCE

The contents of this report were discussed on December 17, 2013, with Megan Bell, Treasurer; Stephen Fisher, Superintendent of Schools; and Elizabeth Whitmer, President of the School Board.