

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

FINANCIAL STATEMENT AND
FEDERAL SINGLE AUDIT REPORT
OF

OAK HILL UNITED SCHOOL CORPORATION
GRANT COUNTY, INDIANA

July 1, 2011 to June 30, 2013



FILED
03/03/2014

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SCHEDULE OF OFFICIALS

<u>Office</u>	<u>Official</u>	<u>Term</u>
Treasurer	Debra S. Smith	07-01-11 to 06-30-14
Superintendent of Schools	Joel G. Martin	07-01-11 to 06-30-14
President of the School Board	Scott A. Dubois Douglas A. Daugherty Ryan Smith	07-01-11 to 12-31-12 01-01-13 to 12-31-13 01-01-14 to 12-31-14



STATE OF INDIANA
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INDEPENDENT AUDITOR'S REPORT

TO: THE OFFICIALS OF THE OAK HILL UNITED SCHOOL CORPORATION, GRANT COUNTY, INDIANA

Report on the Financial Statement

We have audited the accompanying financial statement of the Oak Hill United 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 February 11, 2014, on our consideration of the School Corporation's internal control over financial reporting and our tests of its compliance with certain provisions of laws, regulations, contracts, grant agreements, and other matters. The purpose of that report is to describe the scope of our testing of internal control over financial reporting and compliance and the results of that testing and not to provide an opinion on the internal control over financial reporting or on compliance. That report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering the School Corporation's internal control over financial reporting and compliance.

Accompanying Information

Supplementary Information

Our audit was conducted for the purpose of forming an opinion on the School Corporation's financial statement. The accompanying Schedule of Expenditures of Federal Awards is presented for purposes of additional analysis as required by the *U.S. Office of Management and Budget Circular A-133, Audits of States, Local Governments, and Non-Profit Organizations*, and is not a required part of the financial statement. Such information is the responsibility of management and was derived from and relates directly to the underlying accounting and other records used to prepare the financial statement. The information has been subjected to the auditing procedures applied in the audit of the financial statement and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the financial statement or to the financial statement itself, and other additional procedures in accordance with auditing standards generally accepted in the United States of America. In our opinion, the Schedule of Expenditures of Federal Awards is fairly stated, in all material respects, in relation to the financial statement taken as a whole.

INDEPENDENT AUDITOR'S REPORT
(Continued)

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


Paul D. Joyce, CPA
State Examiner

February 11, 2014



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

TO: THE OFFICIALS OF THE OAK HILL UNITED SCHOOL CORPORATION, GRANT 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 Oak Hill United 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 February 11, 2014, wherein we noted the School Corporation followed accounting practices the Indiana State Board of Accounts prescribes rather than accounting principles generally accepted in the United States of America.

Internal Control Over Financial Reporting

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

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

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

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

Compliance and Other Matters

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

Purpose of This Report

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


Paul D. Joyce, CPA
State Examiner

February 11, 2014

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FINANCIAL STATEMENT

The financial statement and accompanying notes were approved by management of the School Corporation. The financial statement and notes are presented as intended by the School Corporation.

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OAK HILL UNITED 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	Receipts	Disbursements	Receipts	Disbursements
General	\$ 790,382	\$ 9,239,762	\$ 8,729,323	\$ (99,125)	\$ 1,201,696	\$ 9,432,383	\$ 9,128,316	\$ (86,980)	\$ 1,418,783	
Debt Service	666,064	2,355,948	2,166,866	100,000	955,146	2,285,764	2,211,476	195,000	1,224,434	
Capital Projects	624,156	995,813	1,108,970	-	510,999	994,891	1,044,805	-	461,085	
School Transportation	489,195	863,696	890,697	-	462,194	747,921	867,723	-	342,392	
School Bus Replacement	15,706	398,808	150,864	(100,000)	163,650	280,130	320,794	(45,000)	77,986	
Rainy Day	390,397	-	144,367	100,000	346,030	-	130,325	87,000	302,705	
Construction	6,814	-	6,814	-	-	-	-	-	-	
Construction - Common School	-	-	107,470	107,470	-	6,443	1,616,452	1,610,865	856	
School Lunch	95,535	521,769	531,042	-	86,262	512,753	539,634	-	59,381	
Textbook Rental	175,745	188,233	293,022	-	70,956	196,426	101,056	-	166,326	
Educational License Plates	2,469	225	-	-	2,694	112	-	-	2,806	
Scholarships	1,000	-	-	-	1,000	-	-	-	1,000	
Gifts and Donations	1,661	1,788	1,250	-	2,199	450	860	-	1,789	
Central Indiana Ethanol Donation	37,962	-	31,718	-	6,244	-	681	-	5,563	
Gifts and Donations - Board Members	125	805	930	-	-	-	-	-	-	
High Ability Grant 2011-12	-	30,380	29,281	-	1,099	-	1,099	-	-	
High Ability Grant 2012-13	178	-	178	-	-	31,901	29,287	-	2,614	
Education Technology	4,992	-	4,992	-	-	327,711	327,711	-	-	
Non-English Speaking Programs	3	951	954	-	-	848	30	-	818	
School Technology	6,248	6,083	953	-	11,378	6,231	12,249	-	5,360	
Special Projects Donation	-	100,000	61,241	-	38,759	-	38,759	-	-	
Professional Development 2007-08	1,527	-	1,527	-	-	-	-	-	-	
Professional Development 2008-09	6,625	74	4,552	-	2,147	-	1,946	-	201	
ECOLAB Grants	180	-	180	-	-	-	-	-	-	
Title I 2011-12	-	142,934	149,781	-	(6,847)	26,153	19,306	-	-	
Title I 2010-11	4,030	12,801	16,831	-	-	-	-	-	-	
Title I 2012-13	-	-	-	-	-	176,593	183,516	-	(6,923)	
Special Education Part B - Technology Grant	-	22,869	22,869	-	-	-	-	-	-	
Special Education Part B - 2011-12	-	257,570	270,505	-	(12,935)	36,710	23,775	-	-	
Special Education Part B - 2010-11	2,652	31,338	33,990	-	-	-	-	-	-	
Special Education Part B - 2012-13	-	-	-	-	-	234,240	270,767	-	(36,527)	
Special Education Improvement Grant	-	-	-	-	-	-	32,685	-	(32,685)	
Special Education Preschool 2011-12	-	6,913	6,913	-	-	6,913	6,913	-	-	
Special Education Preschool 2010-11	-	7,901	7,901	-	-	-	-	-	-	
Special Education Preschool 2012-13	-	-	-	-	-	8,597	8,597	-	-	
Safe and Drug Free Schools 2009-10	7	1,949	1,956	-	-	-	-	-	-	
Improving Teaching Quality, No Child Left Behind, Title II, Part A	-	23,271	24,441	-	(1,170)	28,193	28,199	-	(1,176)	
Title III, Language Instruction	-	-	-	-	-	1,285	321	-	964	
Title I - Grants to LEAs - ARRA	183	-	183	-	-	-	-	-	-	
Special Education - Part B - ARRA	117	450	567	-	-	-	-	-	-	
Special Education - Part B - Preschool - ARRA	558	-	558	-	-	-	-	-	-	
Education Jobs	-	81,869	81,869	-	-	6,063	6,063	-	-	
Clearing	7,236	387,181	387,597	-	6,820	299,361	298,075	-	8,106	
Payroll Withholdings	-	2,143,194	2,141,331	-	1,863	2,213,040	2,214,903	-	-	
Totals	\$ 3,331,747	\$ 17,824,575	\$ 17,414,483	\$ 108,345	\$ 3,850,184	\$ 17,861,112	\$ 19,466,323	\$ 1,760,885	\$ 4,005,858	

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

OAK HILL UNITED SCHOOL CORPORATION
NOTES TO FINANCIAL STATEMENT

Note 1. Summary of Significant Accounting Policies

A. Reporting Entity

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

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

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

B. Basis of Accounting

The financial statement is reported on a regulatory basis of accounting prescribed by the Indiana State Board of Accounts in accordance with state statute (IC 5-11-1-6), which is a comprehensive basis of accounting other than accounting principles generally accepted in the United States of America. The basis of accounting involves the reporting of only cash and investments and the changes therein resulting from cash inflows (receipts) and cash outflows (disbursements) reported in the period in which they occurred.

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

C. Cash and Investments

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

D. Receipts

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

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

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

OAK HILL UNITED 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 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.

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.

OAK HILL UNITED 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 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.

OAK HILL UNITED 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

OAK HILL UNITED 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 reimbursements of expenditures related to federal grant awards not being received by June 30.

Note 8. Holding Corporation

The School Corporation has entered into capital leases with Oak Hill 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 2012 and 2013 totaled \$1,828,000 and \$1,820,500, respectively.

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.

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

	General	Debt Service	Capital Projects	School Transportation	School Bus Replacement	Rainy Day	Construction	Construction - Common School	School Lunch
Cash and investments - beginning	\$ 790,382	\$ 666,064	\$ 624,156	\$ 489,195	\$ 15,706	\$ 390,397	\$ 6,814	\$ -	\$ 95,535
Receipts:									
Local sources	95,921	2,355,948	953,970	692,434	248,808	-	-	-	273,372
Intermediate sources	5,470	-	-	-	-	-	-	-	-
State sources	9,137,292	-	-	-	-	-	-	-	6,273
Federal sources	-	-	-	-	-	-	-	-	241,928
Temporary loans	-	-	41,704	168,910	-	-	-	-	-
Interfund loans	-	-	-	-	150,000	-	-	-	-
Other	1,079	-	139	2,352	-	-	-	-	196
Total receipts	9,239,762	2,355,948	995,813	863,696	398,808	-	-	-	521,769
Disbursements:									
Current:									
Instruction	5,647,496	-	-	-	-	-	-	-	-
Support services	2,904,294	11,693	553,767	684,567	150,864	144,367	-	-	-
Noninstructional services	177,533	-	-	-	-	-	-	-	531,042
Facilities acquisition and construction	-	-	385,430	-	-	-	6,814	107,470	-
Debt services	-	2,005,173	169,773	206,130	-	-	-	-	-
Interfund loans	-	150,000	-	-	-	-	-	-	-
Total disbursements	8,729,323	2,166,866	1,108,970	890,697	150,864	144,367	6,814	107,470	531,042
Excess (deficiency) of receipts over disbursements	510,439	189,082	(113,157)	(27,001)	247,944	(144,367)	(6,814)	(107,470)	(9,273)
Other financing sources (uses):									
Proceeds of long-term debt	-	-	-	-	-	-	-	107,470	-
Sale of capital assets	875	-	-	-	-	-	-	-	-
Transfers in	-	100,000	-	-	-	100,000	-	-	-
Transfers out	(100,000)	-	-	-	(100,000)	-	-	-	-
Total other financing sources (uses)	(99,125)	100,000	-	-	(100,000)	100,000	-	107,470	-
Excess (deficiency) of receipts and other financing sources over disbursements and other financing uses	411,314	289,082	(113,157)	(27,001)	147,944	(44,367)	(6,814)	-	(9,273)
Cash and investments - ending	\$ 1,201,696	\$ 955,146	\$ 510,999	\$ 462,194	\$ 163,650	\$ 346,030	\$ -	\$ -	\$ 86,262

OAK HILL UNITED 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)

	Textbook Rental	Educational License Plates	Scholarships	Gifts and Donations	Central Indiana Ethanol Donation	Gifts and Donations - Board Members	High Ability Grant 2011-12	High Ability Grant 2012-13	Education Technology
Cash and investments - beginning	\$ 175,745	\$ 2,469	\$ 1,000	\$ 1,661	\$ 37,962	\$ 125	\$ -	\$ 178	\$ 4,992
Receipts:									
Local sources	145,150	-	-	1,788	-	805	-	-	-
Intermediate sources	-	225	-	-	-	-	-	-	-
State sources	43,083	-	-	-	-	-	30,380	-	-
Federal sources	-	-	-	-	-	-	-	-	-
Temporary loans	-	-	-	-	-	-	-	-	-
Interfund loans	-	-	-	-	-	-	-	-	-
Other	-	-	-	-	-	-	-	-	-
Total receipts	188,233	225	-	1,788	-	805	30,380	-	-
Disbursements:									
Current:									
Instruction	-	-	-	852	1,043	125	29,281	178	-
Support services	293,022	-	-	-	-	805	-	-	-
Noninstructional services	-	-	-	-	-	-	-	-	-
Facilities acquisition and construction	-	-	-	398	30,675	-	-	-	4,992
Debt services	-	-	-	-	-	-	-	-	-
Interfund loans	-	-	-	-	-	-	-	-	-
Total disbursements	293,022	-	-	1,250	31,718	930	29,281	178	4,992
Excess (deficiency) of receipts over disbursements	(104,789)	225	-	538	(31,718)	(125)	1,099	(178)	(4,992)
Other financing sources (uses):									
Proceeds of long-term debt	-	-	-	-	-	-	-	-	-
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	(104,789)	225	-	538	(31,718)	(125)	1,099	(178)	(4,992)
Cash and investments - ending	\$ 70,956	\$ 2,694	\$ 1,000	\$ 2,199	\$ 6,244	\$ -	\$ 1,099	\$ -	\$ -

OAK HILL UNITED 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)

	Non-English Speaking Programs	School Technology	Special Projects Donation	Professional Development 2007-08	Professional Development 2008-09	ECOLAB Grants	Title I 2011-12	Title I 2010-11	Title I 2012-13
Cash and investments - beginning	\$ 3	\$ 6,248	\$ -	\$ 1,527	\$ 6,625	\$ 180	\$ -	\$ 4,030	\$ -
Receipts:									
Local sources	-	-	100,000	-	-	-	-	-	-
Intermediate sources	-	-	-	-	-	-	-	-	-
State sources	951	6,083	-	-	-	-	-	-	-
Federal sources	-	-	-	-	-	-	142,934	12,801	-
Temporary loans	-	-	-	-	-	-	-	-	-
Interfund loans	-	-	-	-	-	-	-	-	-
Other	-	-	-	-	74	-	-	-	-
Total receipts	951	6,083	100,000	-	74	-	142,934	12,801	-
Disbursements:									
Current:									
Instruction	954	-	-	-	-	180	143,207	7,691	-
Support services	-	-	-	1,527	4,552	-	6,133	9,140	-
Noninstructional services	-	-	-	-	-	-	441	-	-
Facilities acquisition and construction	-	953	61,241	-	-	-	-	-	-
Debt services	-	-	-	-	-	-	-	-	-
Interfund loans	-	-	-	-	-	-	-	-	-
Total disbursements	954	953	61,241	1,527	4,552	180	149,781	16,831	-
Excess (deficiency) of receipts over disbursements	(3)	5,130	38,759	(1,527)	(4,478)	(180)	(6,847)	(4,030)	-
Other financing sources (uses):									
Proceeds of long-term debt	-	-	-	-	-	-	-	-	-
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)	5,130	38,759	(1,527)	(4,478)	(180)	(6,847)	(4,030)	-
Cash and investments - ending	\$ -	\$ 11,378	\$ 38,759	\$ -	\$ 2,147	\$ -	\$ (6,847)	\$ -	\$ -

OAK HILL UNITED 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 - Technology Grant	Special Education Part B - 2011-12	Special Education Part B - 2010-11	Special Education Part B - 2012-13	Special Education Improvement Grant	Special Education Preschool 2011-12	Special Education Preschool 2010-11	Special Education Preschool 2012-13	Safe and Drug Free Schools 2009-10
Cash and investments - beginning	\$ -	\$ -	\$ 2,652	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 7
Receipts:									
Local sources	-	-	-	-	-	-	-	-	-
Intermediate sources	-	-	-	-	-	-	-	-	-
State sources	-	-	-	-	-	-	-	-	-
Federal sources	22,869	257,570	31,338	-	-	6,913	7,901	-	1,949
Temporary loans	-	-	-	-	-	-	-	-	-
Interfund loans	-	-	-	-	-	-	-	-	-
Other	-	-	-	-	-	-	-	-	-
Total receipts	<u>22,869</u>	<u>257,570</u>	<u>31,338</u>	<u>-</u>	<u>-</u>	<u>6,913</u>	<u>7,901</u>	<u>-</u>	<u>1,949</u>
Disbursements:									
Current:									
Instruction	-	162,117	22,027	-	-	6,913	7,401	-	-
Support services	-	108,388	11,963	-	-	-	500	-	1,956
Noninstructional services	-	-	-	-	-	-	-	-	-
Facilities acquisition and construction	22,869	-	-	-	-	-	-	-	-
Debt services	-	-	-	-	-	-	-	-	-
Interfund loans	-	-	-	-	-	-	-	-	-
Total disbursements	<u>22,869</u>	<u>270,505</u>	<u>33,990</u>	<u>-</u>	<u>-</u>	<u>6,913</u>	<u>7,901</u>	<u>-</u>	<u>1,956</u>
Excess (deficiency) of receipts over disbursements	<u>-</u>	<u>(12,935)</u>	<u>(2,652)</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>(7)</u>
Other financing sources (uses):									
Proceeds of long-term debt	-	-	-	-	-	-	-	-	-
Sale of capital assets	-	-	-	-	-	-	-	-	-
Transfers in	-	-	-	-	-	-	-	-	-
Transfers out	-	-	-	-	-	-	-	-	-
Total other financing sources (uses)	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Excess (deficiency) of receipts and other financing sources over disbursements and other financing uses	<u>-</u>	<u>(12,935)</u>	<u>(2,652)</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>(7)</u>
Cash and investments - ending	<u>\$ -</u>	<u>\$ (12,935)</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>

OAK HILL UNITED 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)

	Improving Teaching Quality, No Child Left Behind, Title II, Part A	Title III, Language Instruction	Title I - Grants to LEAs - ARRA	Special Education - Part B - ARRA	Special Education - Part B - Preschool - ARRA	Education Jobs	Clearing	Payroll Withholdings	Totals
Cash and investments - beginning	\$ -	\$ -	\$ 183	\$ 117	\$ 558	\$ -	\$ 7,236	\$ -	\$ 3,331,747
Receipts:									
Local sources	-	-	-	-	-	-	-	-	4,868,196
Intermediate sources	-	-	-	-	-	-	-	-	5,695
State sources	-	-	-	-	-	-	-	-	9,224,062
Federal sources	23,271	-	-	450	-	81,869	-	-	831,793
Temporary loans	-	-	-	-	-	-	-	-	210,614
Interfund loans	-	-	-	-	-	-	-	-	150,000
Other	-	-	-	-	-	-	387,181	2,143,194	2,534,215
Total receipts	23,271	-	-	450	-	81,869	387,181	2,143,194	17,824,575
Disbursements:									
Current:									
Instruction	24,441	-	65	375	126	72,357	-	-	6,126,829
Support services	-	-	-	-	-	8,787	-	-	4,896,325
Noninstructional services	-	-	118	128	54	725	-	-	710,041
Facilities acquisition and construction	-	-	-	64	378	-	-	-	621,284
Debt services	-	-	-	-	-	-	-	-	2,381,076
Interfund loans	-	-	-	-	-	-	387,597	2,141,331	2,678,928
Total disbursements	24,441	-	183	567	558	81,869	387,597	2,141,331	17,414,483
Excess (deficiency) of receipts over disbursements	(1,170)	-	(183)	(117)	(558)	-	(416)	1,863	410,092
Other financing sources (uses):									
Proceeds of long-term debt	-	-	-	-	-	-	-	-	107,470
Sale of capital assets	-	-	-	-	-	-	-	-	875
Transfers in	-	-	-	-	-	-	-	-	200,000
Transfers out	-	-	-	-	-	-	-	-	(200,000)
Total other financing sources (uses)	-	-	-	-	-	-	-	-	108,345
Excess (deficiency) of receipts and other financing sources over disbursements and other financing uses	(1,170)	-	(183)	(117)	(558)	-	(416)	1,863	518,437
Cash and investments - ending	\$ (1,170)	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 6,820	\$ 1,863	\$ 3,850,184

OAK HILL UNITED 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	Capital Projects	School Transportation	School Bus Replacement	Rainy Day	Construction	Construction - Common School	School Lunch
Cash and investments - beginning	\$ 1,201,696	\$ 955,146	\$ 510,999	\$ 462,194	\$ 163,650	\$ 346,030	\$ -	\$ -	\$ 86,262
Receipts:									
Local sources	86,206	2,285,764	971,051	747,618	235,130	-	-	6,443	257,946
Intermediate sources	151	-	-	-	-	-	-	-	-
State sources	9,345,838	-	-	-	-	-	-	-	6,287
Federal sources	-	-	-	-	-	-	-	-	248,323
Temporary loans	-	-	22,022	-	-	-	-	-	-
Interfund loans	-	-	-	-	45,000	-	-	-	-
Other	188	-	1,818	303	-	-	-	-	197
Total receipts	9,432,383	2,285,764	994,891	747,921	280,130	-	-	6,443	512,753
Disbursements:									
Current:									
Instruction	5,856,611	-	-	-	-	-	-	-	-
Support services	3,081,126	15,141	531,747	698,813	170,794	130,325	-	-	-
Noninstructional services	190,579	-	-	-	-	-	-	-	539,634
Facilities acquisition and construction	-	-	471,354	-	-	-	-	1,616,452	-
Debt services	-	2,151,335	41,704	168,910	-	-	-	-	-
Interfund loans	-	45,000	-	-	150,000	-	-	-	-
Total disbursements	9,128,316	2,211,476	1,044,805	867,723	320,794	130,325	-	1,616,452	539,634
Excess (deficiency) of receipts over disbursements	304,067	74,288	(49,914)	(119,802)	(40,664)	(130,325)	-	(1,610,009)	(26,881)
Other financing sources (uses):									
Proceeds of long-term debt	-	-	-	-	-	-	-	1,610,865	-
Sale of capital assets	20	-	-	-	-	-	-	-	-
Transfers in	-	195,000	-	-	-	87,000	-	-	-
Transfers out	(87,000)	-	-	-	(45,000)	-	-	-	-
Total other financing sources (uses)	(86,980)	195,000	-	-	(45,000)	87,000	-	1,610,865	-
Excess (deficiency) of receipts and other financing sources over disbursements and other financing uses	217,087	269,288	(49,914)	(119,802)	(85,664)	(43,325)	-	856	(26,881)
Cash and investments - ending	\$ 1,418,783	\$ 1,224,434	\$ 461,085	\$ 342,392	\$ 77,986	\$ 302,705	\$ -	\$ 856	\$ 59,381

OAK HILL UNITED 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)

	Textbook Rental	Educational License Plates	Scholarships	Gifts and Donations	Central Indiana Ethanol Donation	Gifts and Donations - Board Members	High Ability Grant 2011-12	High Ability Grant 2012-13	Education Technology
Cash and investments - beginning	\$ 70,956	\$ 2,694	\$ 1,000	\$ 2,199	\$ 6,244	\$ -	\$ 1,099	\$ -	\$ -
Receipts:									
Local sources	152,405	-	-	450	-	-	-	-	-
Intermediate sources	-	112	-	-	-	-	-	-	-
State sources	44,021	-	-	-	-	-	-	31,901	-
Federal sources	-	-	-	-	-	-	-	-	-
Temporary loans	-	-	-	-	-	-	-	-	327,711
Interfund loans	-	-	-	-	-	-	-	-	-
Other	-	-	-	-	-	-	-	-	-
Total receipts	196,426	112	-	450	-	-	-	31,901	327,711
Disbursements:									
Current:									
Instruction	-	-	-	410	-	-	1,099	29,287	-
Support services	101,056	-	-	450	681	-	-	-	40,285
Noninstructional services	-	-	-	-	-	-	-	-	-
Facilities acquisition and construction	-	-	-	-	-	-	-	-	287,426
Debt services	-	-	-	-	-	-	-	-	-
Interfund loans	-	-	-	-	-	-	-	-	-
Total disbursements	101,056	-	-	860	681	-	1,099	29,287	327,711
Excess (deficiency) of receipts over disbursements	95,370	112	-	(410)	(681)	-	(1,099)	2,614	-
Other financing sources (uses):									
Proceeds of long-term debt	-	-	-	-	-	-	-	-	-
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	95,370	112	-	(410)	(681)	-	(1,099)	2,614	-
Cash and investments - ending	\$ 166,326	\$ 2,806	\$ 1,000	\$ 1,789	\$ 5,563	\$ -	\$ -	\$ 2,614	\$ -

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

	Non-English Speaking Programs	School Technology	Special Projects Donation	Professional Development 2007-08	Professional Development 2008-09	ECOLAB Grants	Title I 2011-12	Title I 2010-11	Title I 2012-13
Cash and investments - beginning	\$ -	\$ 11,378	\$ 38,759	\$ -	\$ 2,147	\$ -	\$ (6,847)	\$ -	\$ -
Receipts:									
Local sources	-	-	-	-	-	-	-	-	-
Intermediate sources	-	-	-	-	-	-	-	-	-
State sources	848	6,231	-	-	-	-	-	-	-
Federal sources	-	-	-	-	-	-	26,153	-	176,593
Temporary loans	-	-	-	-	-	-	-	-	-
Interfund loans	-	-	-	-	-	-	-	-	-
Other	-	-	-	-	-	-	-	-	-
Total receipts	848	6,231	-	-	-	-	26,153	-	176,593
Disbursements:									
Current:									
Instruction	30	-	-	-	-	-	19,306	-	175,727
Support services	-	-	-	-	1,946	-	-	-	6,269
Noninstructional services	-	-	-	-	-	-	-	-	1,520
Facilities acquisition and construction	-	12,249	38,759	-	-	-	-	-	-
Debt services	-	-	-	-	-	-	-	-	-
Interfund loans	-	-	-	-	-	-	-	-	-
Total disbursements	30	12,249	38,759	-	1,946	-	19,306	-	183,516
Excess (deficiency) of receipts over disbursements	818	(6,018)	(38,759)	-	(1,946)	-	6,847	-	(6,923)
Other financing sources (uses):									
Proceeds of long-term debt	-	-	-	-	-	-	-	-	-
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	818	(6,018)	(38,759)	-	(1,946)	-	6,847	-	(6,923)
Cash and investments - ending	\$ 818	\$ 5,360	\$ -	\$ -	\$ 201	\$ -	\$ -	\$ -	\$ (6,923)

OAK HILL UNITED 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 - Technology Grant	Special Education Part B - 2011-12	Special Education Part B - 2010-11	Special Education Part B - 2012-13	Special Education Improvement Grant	Special Education Preschool 2011-12	Special Education Preschool 2010-11	Special Education Preschool 2012-13	Safe and Drug Free Schools 2009-10
Cash and investments - beginning	\$ -	\$ (12,935)	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Receipts:									
Local sources	-	-	-	-	-	-	-	-	-
Intermediate sources	-	-	-	-	-	-	-	-	-
State sources	-	-	-	-	-	-	-	-	-
Federal sources	-	36,710	-	234,240	-	6,913	-	8,597	-
Temporary loans	-	-	-	-	-	-	-	-	-
Interfund loans	-	-	-	-	-	-	-	-	-
Other	-	-	-	-	-	-	-	-	-
Total receipts	-	36,710	-	234,240	-	6,913	-	8,597	-
Disbursements:									
Current:									
Instruction	-	19,171	-	164,062	32,685	6,913	-	8,597	-
Support services	-	4,604	-	106,705	-	-	-	-	-
Noninstructional services	-	-	-	-	-	-	-	-	-
Facilities acquisition and construction	-	-	-	-	-	-	-	-	-
Debt services	-	-	-	-	-	-	-	-	-
Interfund loans	-	-	-	-	-	-	-	-	-
Total disbursements	-	23,775	-	270,767	32,685	6,913	-	8,597	-
Excess (deficiency) of receipts over disbursements	-	12,935	-	(36,527)	(32,685)	-	-	-	-
Other financing sources (uses):									
Proceeds of long-term debt	-	-	-	-	-	-	-	-	-
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	-	12,935	-	(36,527)	(32,685)	-	-	-	-
Cash and investments - ending	\$ -	\$ -	\$ -	\$ (36,527)	\$ (32,685)	\$ -	\$ -	\$ -	\$ -

OAK HILL UNITED 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)

	Improving Teaching Quality, No Child Left Behind, Title II, Part A	Title III, Language Instruction	Title I - Grants to LEAs - ARRA	Special Education - Part B - ARRA	Special Education - Part B - Preschool - ARRA	Education Jobs	Clearing	Payroll Withholdings	Totals
Cash and investments - beginning	\$ (1,170)	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 6,820	\$ 1,863	\$ 3,850,184
Receipts:									
Local sources	-	-	-	-	-	-	-	-	4,743,013
Intermediate sources	-	-	-	-	-	-	-	-	263
State sources	-	1,285	-	-	-	-	-	-	9,436,411
Federal sources	28,193	-	-	-	-	6,063	-	-	771,785
Temporary loans	-	-	-	-	-	-	-	-	349,733
Interfund loans	-	-	-	-	-	-	-	-	45,000
Other	-	-	-	-	-	-	299,361	2,213,040	2,514,907
Total receipts	28,193	1,285	-	-	-	6,063	299,361	2,213,040	17,861,112
Disbursements:									
Current:									
Instruction	28,199	-	-	-	-	6,063	-	-	6,348,160
Support services	-	321	-	-	-	-	-	-	4,890,263
Noninstructional services	-	-	-	-	-	-	-	-	731,733
Facilities acquisition and construction	-	-	-	-	-	-	-	-	2,426,240
Debt services	-	-	-	-	-	-	-	-	2,361,949
Interfund loans	-	-	-	-	-	-	298,075	2,214,903	2,707,978
Total disbursements	28,199	321	-	-	-	6,063	298,075	2,214,903	19,466,323
Excess (deficiency) of receipts over disbursements	(6)	964	-	-	-	-	1,286	(1,863)	(1,605,211)
Other financing sources (uses):									
Proceeds of long-term debt	-	-	-	-	-	-	-	-	1,610,865
Sale of capital assets	-	-	-	-	-	-	-	-	20
Transfers in	-	-	-	-	-	-	-	-	282,000
Transfers out	-	-	-	-	-	-	-	-	(132,000)
Total other financing sources (uses)	-	-	-	-	-	-	-	-	1,760,885
Excess (deficiency) of receipts and other financing sources over disbursements and other financing uses	(6)	964	-	-	-	-	1,286	(1,863)	155,674
Cash and investments - ending	\$ (1,176)	\$ 964	\$ -	\$ -	\$ -	\$ -	\$ 8,106	\$ -	\$ 4,005,858

OAK HILL UNITED SCHOOL CORPORATION
SCHEDULE OF PAYABLES AND RECEIVABLES
June 30, 2013

<u>School Corporation</u>	<u>Accounts Payable</u>	<u>Accounts Receivable</u>
Governmental activities	<u>\$ 288,615</u>	<u>\$ 246,327</u>

OAK HILL UNITED SCHOOL CORPORATION
SCHEDULE OF LEASES AND DEBT
June 30, 2013

Lessor	Purpose	Annual Lease Payment	Lease Beginning Date	Lease Ending Date
Governmental activities:				
Oak Hill School Building Corporation	Bonds of 1999	\$ 457,500	06-30-06	01-15-14
Oak Hill School Building Corporation	Bonds of 2006	<u>897,000</u>	01-15-07	01-15-26
Total of annual lease payments		<u>\$ 1,354,500</u>		

Type	Description of Debt Purpose	Ending Principal Balance	Principal and Interest Due Within One Year
Governmental activities:			
Notes and loans payable:			
Common School Loan A1360	Technology Upgrades	\$ 54,920	\$ 27,941
Common School Loan A1371	Technology Upgrades	68,550	28,037
Common School Loan A0577	Building Improvements at Oak Hill Jr/Sr H.S.	416,667	49,667
Common School Loan A1437	Technology Upgrades	84,660	28,996
Common School Loan A1479	Technology Upgrades	98,630	29,096
Common School Loan A0585	Building Improvements at Oak Hill Jr/Sr H.S.	475,000	68,500
Common School Loan A0593	Building Improvements at Oak Hill Jr/Sr H.S.	455,250	50,403
Common School Loan A0595	Building Improvements	630,204	-
Common School Loan A0606	Building Improvements	628,179	-
Common School Loan A0611	Building Improvements	280,066	-
Common School Loan A1631	Technology Upgrades	129,342	29,964
Common School Loan A1652	Technology Upgrades	40,285	8,484
Common School Loan A1696	Technology Upgrades	143,713	15,820
2013 State Loan to CPF	Reimburse CPF Funding Shortfall	11,011	11,011
General obligation bonds:			
General Obligation Bonds of 2010	Purchase land and do feasibility study	<u>450,000</u>	<u>5,063</u>
Totals		<u>\$ 3,966,477</u>	<u>\$ 352,982</u>

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OAK HILL UNITED 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.

	<u>Ending Balance</u>
Governmental activities:	
Land	\$ 384,231
Buildings	13,007,953
Improvements other than buildings	13,807,897
Machinery, equipment, and vehicles	4,373,653
Construction in progress	<u>929,009</u>
Total capital assets	<u>\$ 32,502,743</u>

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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 OAK HILL UNITED SCHOOL CORPORATION, GRANT COUNTY, INDIANA

Report on Compliance for Each Major Federal Program

We have audited the Oak Hill United School Corporation's (School Corporation) compliance with the types of compliance requirements described in the *U.S. Office of Management and Budget (OMB) Circular A-133 Compliance Supplement* that could have a direct and material effect on each of its major federal programs for the period of July 1, 2011 to June 30, 2013. The School Corporation's major federal programs are identified in the Summary of Auditor's Results section of the accompanying Schedule of Findings and Questioned Costs.

Management's Responsibility

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

Auditor's Responsibility

Our responsibility is to express an opinion on compliance for each of the School Corporation's major federal programs based on our audit of the types of compliance requirements referred to above. We conducted our audit of compliance in accordance with auditing standards generally accepted in the United States of America; the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States; and OMB Circular A-133, *Audits of States, Local Governments, and Non-Profit Organizations*. Those standards and OMB Circular A-133 require that we plan and perform the audit to obtain reasonable assurance about whether noncompliance with the types of compliance requirements referred to above that could have a direct and material effect on a major federal program occurred. An audit includes examining, on a test basis, evidence about the School Corporation's compliance with those requirements and performing such other procedures as we considered necessary in the circumstances.

We believe that our audit provides a reasonable basis for our opinion on compliance for each major federal program. However, our audit does not provide a legal determination of the School Corporation's compliance.

Opinion on Each Major Federal Program

In our opinion, the School Corporation complied, in all material respects, with the types of compliance requirements referred to above that could have a direct and material effect on each of its major federal programs for the period of July 1, 2011 to June 30, 2013.

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

Report on Internal Control Over Compliance

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

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

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

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


Paul D. Joyce, CPA
State Examiner

February 11, 2014

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SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS

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

OAK HILL UNITED 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>DEPARTMENT OF AGRICULTURE</u>					
Child Nutrition Cluster					
School Breakfast Program	Indiana Department of Education	10.553	FY 11-12 FY 12-13	\$ 44,783 -	\$ - 43,661
Total School Breakfast Program				<u>44,783</u>	<u>43,661</u>
National School Lunch Program	Indiana Department of Education	10.555	FY 11-12 FY 12-13	232,097 -	- 240,967
Total National School Lunch Program				<u>232,097</u>	<u>240,967</u>
Total Child Nutrition Cluster				<u>276,880</u>	<u>284,628</u>
Total Department of Agriculture				<u>276,880</u>	<u>284,628</u>
<u>DEPARTMENT OF EDUCATION</u>					
Title I, Part A Cluster					
Title I Grants to Local Educational Agencies	Indiana Department of Education	84.010	11-5625 12-5625 13-5625	16,831 142,933 -	- 26,155 176,593
Total Title I Grants to Local Educational Agencies				<u>159,764</u>	<u>202,748</u>
ARRA - Title I Grants to Local Educational Agencies, Recovery Act	Indiana Department of Education	84.389	10-5625	183	-
Total Title I, Part A Cluster				<u>159,947</u>	<u>202,748</u>
Special Education Cluster					
Special Education - Grants to States	Mississinewa Community School Corporation	84.027	14211-021-PN01 14212-021-PN01 14213-021-PN01 A58-2-12DL-0178	33,990 257,570 - 22,869	- 36,710 234,240 -
Total Special Education - Grants to States				<u>314,429</u>	<u>270,950</u>

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

OAK HILL UNITED 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
DEPARTMENT OF EDUCATION (continued)					
Special Education Cluster (continued)					
Special Education - Preschool Grants	Mississinewa Community School Corporation	84.173	45711-021-PN01	7,901	-
			45712-021-PN01	6,913	6,913
			45713-021-PN01	-	8,597
				<u>14,814</u>	<u>15,510</u>
Total Special Education - Preschool Grants					
ARRA - Special Education - Grants to States, Recovery Act	Mississinewa Community School Corporation	84.391	33310-021-SN01	566	-
ARRA - Special Education - Preschool Grants, Recovery Act	Mississinewa Community School Corporation	84.392	44410-021-SN01	558	-
Total Special Education Cluster				<u>330,367</u>	<u>286,460</u>
Safe and Drug Free Schools and Communities - State Grants	Indiana Department of Education	84.186	09-5625	1,956	-
Improving Teacher Quality State Grants	Indiana Department of Education	84.367	11-5625	11,573	-
			12-5625	11,698	24,838
			13-5625	-	3,356
Total Improving Teacher Quality State Grants				<u>23,271</u>	<u>28,194</u>
Education Jobs Fund	Indiana Department of Education	84.410	FY 10-11	81,869	6,063
Total Department of Education				<u>597,410</u>	<u>523,465</u>
Total federal awards expended				<u>\$ 874,290</u>	<u>\$ 808,093</u>

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

OAK HILL UNITED 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 Oak Hill United School Corporation (School Corporation) and is presented in accordance with the cash and investment basis of accounting used in the preparation of the financial statement. Accordingly, the amount of federal awards expended is based on when the disbursement related to the award occurs except when the federal award is received on a reimbursement basis. In these instances the federal awards are considered expended when the reimbursement is received.

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

Note 2. Noncash Assistance

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

Program Title	Federal CFDA Number	For the Year Ended June 30, 2012	For the Year Ended June 30, 2013
Child Nutrition Cluster:			
Food Commodities:			
School Breakfast Program	10.553	\$ 5,653	\$ 5,569
National School Lunch Program	10.555	<u>29,299</u>	<u>30,736</u>
Totals		<u>\$ 34,952</u>	<u>\$ 36,305</u>

OAK HILL UNITED SCHOOL CORPORATION
SCHEDULE OF FINDINGS AND QUESTIONED COSTS

Section I – Summary of Auditor's Results

Financial Statement:

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

Federal Awards:

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

Identification of Major Programs:

Name of Federal Program or Cluster

Child Nutrition Cluster
Title I, Part A Cluster

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

Auditee qualified as low-risk auditee?	no
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Section II – Financial Statement Findings

No matters are reportable.

Section III – Federal Award Findings and Questioned Costs

No matters are reportable.

OAK HILL UNITED SCHOOL CORPORATION
EXIT CONFERENCE

The contents of this report were discussed on February 11, 2014, with Debra S. Smith, Treasurer; Joel G. Martin, Superintendent of Schools; and Ryan Smith, President of the School Board. Our audit disclosed no material items that warrant comment at this time.