

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

FINANCIAL STATEMENT AND
FEDERAL SINGLE AUDIT REPORT
OF

CENTER GROVE COMMUNITY SCHOOL CORPORATION
JOHNSON COUNTY, INDIANA

July 1, 2011 to June 30, 2013



FILED
03/25/2014

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SCHEDULE OF OFFICIALS

<u>Office</u>	<u>Official</u>	<u>Term</u>
Treasurer	Sandra K. London	07-01-11 to 06-30-14
Superintendent of Schools	Richard Arkanoff	07-01-11 to 06-30-14
President of the School Board	Carol Tumey John Steed Jack Russell Scott Alexander	07-01-11 to 12-31-11 01-01-12 to 12-31-12 01-01-13 to 12-31-13 01-01-14 to 12-31-14



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INDEPENDENT AUDITOR'S REPORT

TO: THE OFFICIALS OF THE CENTER GROVE COMMUNITY
SCHOOL CORPORATION, JOHNSON COUNTY, INDIANA

Report on the Financial Statement

We have audited the accompanying financial statement of the Center Grove 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 February 12, 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.

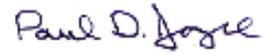
Accompanying Information

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 12, 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 CENTER GROVE COMMUNITY
SCHOOL CORPORATION, JOHNSON 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 Center Grove 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 February 12, 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 12, 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.

CENTER GROVE 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		Disbursements	Other Financing	Cash and Investments		Disbursements	Other Financing	Cash and Investments
	07-01-11	Receipts		Sources (Uses)	06-30-12	Receipts		Sources (Uses)	06-30-13
General	\$ 585,585	\$ 41,257,320	\$ 39,805,528	\$ -	\$ 2,037,377	\$ 42,318,639	\$ 42,155,338	\$ -	\$ 2,200,678
Debt Service	6,508,584	12,552,472	12,741,922	30,794	6,349,928	12,667,707	13,404,179	(39,434)	5,574,022
Retirement/Severance Bond Debt Service	80,377	1,072,145	1,053,182	-	99,340	1,012,945	1,055,358	-	56,927
Capital Projects	3,951,598	8,393,397	7,011,073	(417,203)	4,916,719	7,266,657	8,067,111	(303,000)	3,813,265
School Transportation	2,229,800	4,005,091	3,673,974	(515,000)	2,045,917	4,077,304	3,919,775	(307,451)	1,895,995
School Bus Replacement	576,678	416,468	950,214	-	42,932	355,242	43,242	-	354,932
Rainy Day	493,036	-	865,902	982,250	609,384	-	1,306,175	803,000	106,209
Retirement/Severance Bond	61,079	-	30,396	-	30,683	-	-	-	30,683
2008 General Obligation Bond Construction	2,732	-	2,732	-	-	-	-	-	-
2009-A General Obligation Bond Construction	726,857	-	35,242	-	691,615	-	383,858	-	307,757
2009-B General Obligation Bond Technology	301,929	-	240,315	-	61,614	-	61,614	-	-
2010 General Obligation Bond Construction Technology	1,770,530	-	793,287	-	977,243	-	479,286	-	497,957
2011A General Obligation Bond Tech-TB	4,900	-	339,578	485,100	150,422	-	141,299	-	9,123
2011B General Obligation Bond Projects	-	-	93,082	1,970,000	1,876,918	-	1,249,540	-	627,378
2011C General Obligation Bond Technology	-	-	135,653	1,750,000	1,614,347	-	1,032,412	-	581,935
2012A General Obligation Bond Projects	-	-	-	-	-	-	28,204	1,988,750	1,960,546
2012B General Obligation Bond Technology	-	-	-	-	-	-	880,386	1,968,750	1,088,364
2013A Multipurpose Bonds	-	-	-	-	-	-	34,851	1,600,000	1,565,149
2004 Construction	92,915	-	-	-	92,915	-	92,915	-	-
School Lunch	626,834	3,357,995	3,368,461	5,845	622,213	3,496,384	3,380,230	-	738,367
Textbook Rental	316,249	930,198	831,054	45,744	461,137	981,994	755,270	112,642	800,503
Self-Insurance	1,161,717	5,987,632	6,066,899	-	1,082,450	6,278,456	5,644,624	-	1,716,282
Levy Excess	-	147,937	-	-	147,937	44,612	-	(192,549)	-
Alternative Education	7,479	8,438	10,212	-	5,705	11,598	10,558	-	6,745
Early Intervention 2009-2010	10,699	-	10,699	-	-	-	-	-	-
Early Intervention 2011-2012	-	196,167	81,806	-	114,361	-	114,361	-	-
Donations, Gifts and Trust	4,821	3,063	3,665	-	4,219	25,081	26,867	-	2,433
Wellness Activity	-	250	-	-	250	-	-	-	250
Digital Library	-	1,909	-	-	1,909	300	-	-	2,209
NFL Play 60 American Heart Association	-	2,500	-	-	2,500	-	2,500	-	-
US/Japan Grant 2011-2012	-	5,000	4,939	-	61	-	61	-	-
Johnson County Foundation	-	6,020	250	-	5,770	6,825	8,954	-	3,641
Miscellaneous Grant	1,824	-	534	-	1,290	-	354	-	936
Johnson CH/Comm Hospital Donation	-	62,500	31,250	(31,250)	-	-	-	-	-
High Ability Grant 2010-2011	25,491	-	25,491	-	-	-	-	-	-
High Ability Grant 2011-2012	-	56,207	34,020	-	22,187	-	22,187	-	-

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

CENTER GROVE 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
High Ability Grant 2012-2013	-	-	-	-	-	57,170	34,303	-	22,867
Medicaid Reimbursement - State	123	23,048	17,671	-	5,500	30,739	25,558	-	10,681
Non English Speaking Grant 2010-2011	411	-	411	-	-	-	-	-	-
Non English Speaking Grant 2011-2012	-	8,407	7,028	-	1,379	-	1,379	-	-
NESP 2012-2013	-	-	-	-	-	7,155	1,460	-	5,695
School Technology	72,626	81,395	44,107	-	109,914	49,256	58,673	-	100,497
Access Indiana	2,500	-	2,500	-	-	-	-	-	-
Vincennes University Tuition	6,346	8,817	14,938	-	225	16,412	12,012	-	4,625
Soft Drink	29,206	77,863	62,520	-	44,549	77,781	66,515	-	55,815
Senator David Ford Technology	(15,000)	195,987	254,321	-	(73,334)	122,886	51,816	-	(2,264)
Title 1 2010-2011	(2,201)	32,244	30,043	-	-	-	-	-	-
Title 1 2011-2012	-	203,002	227,101	-	(24,099)	241,868	217,769	-	-
Title 1 2012-2013	-	-	-	-	-	241,625	268,307	-	(26,682)
Special Education Improvement Grant	-	-	-	-	-	60,937	60,937	-	-
Drug Free Schools 2009-2010	-	2,542	2,542	-	-	-	-	-	-
Team Nutrition Training Grants	4,759	3,200	2,025	-	5,934	-	5,934	-	-
First Robotics Grant 2010-2012	-	2,500	2,500	-	-	-	-	-	-
Biomedical Grant 2010-2011	(3,373)	8,114	4,741	-	-	-	-	-	-
Medicaid Reimbursement - Federal	67,269	42,458	15,057	-	94,670	57,177	26,900	-	124,947
High Schools That Work	115	-	-	-	115	-	115	-	-
Title II Part A 2010-2011	1,351	82,168	83,519	-	-	-	-	-	-
Title IIA 2011-2013	-	8,009	16,065	-	(8,056)	108,592	100,536	-	-
Title IIA 2012-2014	-	-	-	-	-	14,833	24,047	-	(9,214)
Title II eLearning Conference	-	-	-	-	-	10,714	19,269	-	(8,555)
Title III Consortium FY 2011	5,462	-	5,462	-	-	-	-	-	-
Title III 2011-2012	-	6,539	7,948	-	(1,409)	4,153	2,744	-	-
Title III 2012-2013	-	-	-	-	-	6,407	6,536	-	(129)
Special Education - Part B	(28,301)	104,511	76,210	-	-	-	-	-	-
Education Technology	(5,447)	31,635	26,188	-	-	-	-	-	-
Qualified School Construction Bond	2,685,561	-	2,381,314	-	304,247	-	237,899	-	66,348
Education Jobs	-	1,309,277	1,309,277	-	-	26,734	26,734	-	-
Prepaid Food	60,772	2,488,957	2,475,343	-	74,386	2,612,240	2,604,532	-	82,094
Payroll Clearing	1,095,075	20,090,465	20,079,585	-	1,105,955	20,932,733	21,652,848	-	385,840
Totals	\$ 23,518,968	\$ 103,273,847	\$ 105,389,776	\$ 4,306,280	\$ 25,709,319	\$ 103,223,156	\$ 109,808,332	\$ 5,630,708	\$ 24,754,851

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

CENTER GROVE 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 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.

CENTER GROVE 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.

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

E. Disbursements

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

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

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

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

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

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

Nonprogrammed charges which include outflows for donations to foundations, securities purchased, indirect costs, scholarships, funds held temporarily for an authorized recipient, and self-insurance payments.

F. Other Financing Sources and Uses

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

CENTER GROVE COMMUNITY SCHOOL CORPORATION
NOTES TO FINANCIAL STATEMENT
(Continued)

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.

CENTER GROVE 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

CENTER GROVE 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 reimbursement for expenditures made by the School Corporation for federal reimbursable grants was not received by June 30, 2012 and 2013.

Note 8. Holding Corporations

The School Corporation has entered into capital leases with Center Grove High School Improvement Building Corporation; Center Grove 2000 School Building Corporation; Center Grove 2004 School Building Corporation; Central Nine Career Center Addition, Series 2007; and Central

CENTER GROVE COMMUNITY SCHOOL CORPORATION
NOTES TO FINANCIAL STATEMENT
(Continued)

Nine Career Center Addition, Series 2009 (the lessors). The lessors were organized as not-for-profit corporations pursuant to state statute for the purpose of financing and constructing or reconstructing facilities for lease to the School Corporation. The lessors have been determined to be related parties of the School Corporation. Lease payments during the year ending June 30, 2012, totaled \$3,539,500; \$2,948,000; \$2,724,000; \$167,918 (Center Grove share only); and \$159,077 (Center Grove share only), respectively. Lease payments during the year ending June 30, 2013, totaled \$3,558,000; \$2,952,000; \$2,724,000; \$168,137 (Center Grove share only); and \$159,077 (Center Grove share only), respectively.

Note 9. Other Postemployment Benefits

The School Corporation provides to eligible retirees and their spouses the following benefits: health, vision, dental, life, and cancer 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.

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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.

CENTER GROVE 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	Retirement/ Severance Bond	2008 General Obligation Bond Construction	2009-A General Obligation Bond Construction
Cash and investments - beginning	\$ 585,585	\$ 6,508,584	\$ 80,377	\$ 3,951,598	\$ 2,229,800	\$ 576,678	\$ 493,036	\$ 61,079	\$ 2,732	\$ 726,857
Receipts:										
Local sources	1,016,098	12,552,472	1,072,145	6,267,771	3,222,409	416,468	-	-	-	-
Intermediate sources	4	-	-	-	-	-	-	-	-	-
State sources	40,236,729	-	-	-	-	-	-	-	-	-
Federal sources	4,489	-	-	-	-	-	-	-	-	-
Temporary loans	-	-	-	2,112,390	771,676	-	-	-	-	-
Other	-	-	-	13,236	11,006	-	-	-	-	-
Total receipts	41,257,320	12,552,472	1,072,145	8,393,397	4,005,091	416,468	-	-	-	-
Disbursements:										
Current:										
Instruction	28,681,000	-	-	-	-	-	541,121	19,959	-	-
Support services	9,879,431	809	-	3,415,787	2,919,720	950,214	167,818	10,437	-	-
Noninstructional services	1,236,872	-	-	-	-	-	-	-	-	-
Facilities acquisition and construction	8,225	-	-	2,631,134	-	-	156,963	-	2,732	35,242
Debt services	-	12,741,113	1,053,182	964,152	754,254	-	-	-	-	-
Nonprogrammed charges	-	-	-	-	-	-	-	-	-	-
Total disbursements	39,805,528	12,741,922	1,053,182	7,011,073	3,673,974	950,214	865,902	30,396	2,732	35,242
Excess (deficiency) of receipts over disbursements	1,451,792	(189,450)	18,963	1,382,324	331,117	(533,746)	(865,902)	(30,396)	(2,732)	(35,242)
Other financing sources (uses):										
Proceeds of long-term debt	-	76,538	-	-	-	-	-	-	-	-
Sale of capital assets	-	-	-	18,797	-	-	-	-	-	-
Transfers in	-	-	-	-	-	-	982,250	-	-	-
Transfers out	-	(45,744)	-	(436,000)	(515,000)	-	-	-	-	-
Total other financing sources (uses)	-	30,794	-	(417,203)	(515,000)	-	982,250	-	-	-
Excess (deficiency) of receipts and other financing sources over disbursements and other financing uses	1,451,792	(158,656)	18,963	965,121	(183,883)	(533,746)	116,348	(30,396)	(2,732)	(35,242)
Cash and investments - ending	\$ 2,037,377	\$ 6,349,928	\$ 99,340	\$ 4,916,719	\$ 2,045,917	\$ 42,932	\$ 609,384	\$ 30,683	\$ -	\$ 691,615

CENTER GROVE 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)

	2009-B General Obligation Bond Technology	2010 General Obligation Bond Construction Technology	2011A General Obligation Bond Tech-TB	2011B General Obligation Bond Projects	2011C General Obligation Bond Technology	2012A General Obligation Bond Projects	2012B General Obligation Bond Technology	2013A Multipurpose Bonds	2004 Construction	School Lunch
Cash and investments - beginning	\$ 301,929	\$ 1,770,530	\$ 4,900	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 92,915	\$ 626,834
Receipts:										
Local sources	-	-	-	-	-	-	-	-	-	2,538,891
Intermediate sources	-	-	-	-	-	-	-	-	-	-
State sources	-	-	-	-	-	-	-	-	-	48,882
Federal sources	-	-	-	-	-	-	-	-	-	770,222
Temporary loans	-	-	-	-	-	-	-	-	-	-
Other	-	-	-	-	-	-	-	-	-	-
Total receipts	-	-	-	-	-	-	-	-	-	3,357,995
Disbursements:										
Current:										
Instruction	-	-	-	-	-	-	-	-	-	-
Support services	12,380	-	-	-	18,830	-	-	-	-	388
Noninstructional services	-	-	-	-	-	-	-	-	-	3,305,573
Facilities acquisition and construction	227,935	793,287	339,578	93,082	116,823	-	-	-	-	-
Debt services	-	-	-	-	-	-	-	-	-	-
Nonprogrammed charges	-	-	-	-	-	-	-	-	-	62,500
Total disbursements	240,315	793,287	339,578	93,082	135,653	-	-	-	-	3,368,461
Excess (deficiency) of receipts over disbursements	(240,315)	(793,287)	(339,578)	(93,082)	(135,653)	-	-	-	-	(10,466)
Other financing sources (uses):										
Proceeds of long-term debt	-	-	485,100	1,970,000	1,750,000	-	-	-	-	-
Sale of capital assets	-	-	-	-	-	-	-	-	-	5,845
Transfers in	-	-	-	-	-	-	-	-	-	-
Transfers out	-	-	-	-	-	-	-	-	-	-
Total other financing sources (uses)	-	-	485,100	1,970,000	1,750,000	-	-	-	-	5,845
Excess (deficiency) of receipts and other financing sources over disbursements and other financing uses	(240,315)	(793,287)	145,522	1,876,918	1,614,347	-	-	-	-	(4,621)
Cash and investments - ending	\$ 61,614	\$ 977,243	\$ 150,422	\$ 1,876,918	\$ 1,614,347	\$ -	\$ -	\$ -	\$ 92,915	\$ 622,213

CENTER GROVE 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)

	Textbook Rental	Self- Insurance	Levy Excess	Alternative Education	Early Intervention 2009-2010	Early Intervention 2011-2012	Donations, Gifts and Trust	Wellness Activity	Digital Library	NFL Play 60 American Heart Association
Cash and investments - beginning	\$ 316,249	\$ 1,161,717	\$ -	\$ 7,479	\$ 10,699	\$ -	\$ 4,821	\$ -	\$ -	\$ -
Receipts:										
Local sources	824,124	5,987,632	-	395	-	-	3,063	250	1,909	2,500
Intermediate sources	-	-	-	-	-	-	-	-	-	-
State sources	106,074	-	147,937	8,043	-	196,167	-	-	-	-
Federal sources	-	-	-	-	-	-	-	-	-	-
Temporary loans	-	-	-	-	-	-	-	-	-	-
Other	-	-	-	-	-	-	-	-	-	-
Total receipts	930,198	5,987,632	147,937	8,438	-	196,167	3,063	250	1,909	2,500
Disbursements:										
Current:										
Instruction	-	-	-	10,212	10,629	-	-	-	-	-
Support services	815,757	6,680	-	-	70	81,806	2,952	-	-	-
Noninstructional services	-	-	-	-	-	-	-	-	-	-
Facilities acquisition and construction	15,297	-	-	-	-	-	713	-	-	-
Debt services	-	-	-	-	-	-	-	-	-	-
Nonprogrammed charges	-	6,060,219	-	-	-	-	-	-	-	-
Total disbursements	831,054	6,066,899	-	10,212	10,699	81,806	3,665	-	-	-
Excess (deficiency) of receipts over disbursements	99,144	(79,267)	147,937	(1,774)	(10,699)	114,361	(602)	250	1,909	2,500
Other financing sources (uses):										
Proceeds of long-term debt	-	-	-	-	-	-	-	-	-	-
Sale of capital assets	-	-	-	-	-	-	-	-	-	-
Transfers in	45,744	-	-	-	-	-	-	-	-	-
Transfers out	-	-	-	-	-	-	-	-	-	-
Total other financing sources (uses)	45,744	-	-	-	-	-	-	-	-	-
Excess (deficiency) of receipts and other financing sources over disbursements and other financing uses	144,888	(79,267)	147,937	(1,774)	(10,699)	114,361	(602)	250	1,909	2,500
Cash and investments - ending	\$ 461,137	\$ 1,082,450	\$ 147,937	\$ 5,705	\$ -	\$ 114,361	\$ 4,219	\$ 250	\$ 1,909	\$ 2,500

CENTER GROVE 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)

	US/Japan Grant 2011-2012	Johnson County Foundation	Miscellaneous Grant	Johnson CH/Comm Hospital Donation	High Ability Grant 2010-2011	High Ability Grant 2011-2012	High Ability Grant 2012-2013	Medicaid Reimbursement State	Non English Speaking Grant 2010-2011	Non English Speaking Grant 2011-2012
Cash and investments - beginning	\$ -	\$ -	\$ 1,824	\$ -	\$ 25,491	\$ -	\$ -	\$ 123	\$ 411	\$ -
Receipts:										
Local sources	5,000	6,020	-	62,500	-	-	-	-	-	-
Intermediate sources	-	-	-	-	-	-	-	-	-	-
State sources	-	-	-	-	-	56,207	-	23,048	-	8,407
Federal sources	-	-	-	-	-	-	-	-	-	-
Temporary loans	-	-	-	-	-	-	-	-	-	-
Other	-	-	-	-	-	-	-	-	-	-
Total receipts	5,000	6,020	-	62,500	-	56,207	-	23,048	-	8,407
Disbursements:										
Current:										
Instruction	4,939	-	-	-	20,183	8,859	-	-	57	4,480
Support services	-	250	534	-	5,308	25,161	-	17,671	354	2,548
Noninstructional services	-	-	-	-	-	-	-	-	-	-
Facilities acquisition and construction	-	-	-	31,250	-	-	-	-	-	-
Debt services	-	-	-	-	-	-	-	-	-	-
Nonprogrammed charges	-	-	-	-	-	-	-	-	-	-
Total disbursements	4,939	250	534	31,250	25,491	34,020	-	17,671	411	7,028
Excess (deficiency) of receipts over disbursements	61	5,770	(534)	31,250	(25,491)	22,187	-	5,377	(411)	1,379
Other financing sources (uses):										
Proceeds of long-term debt	-	-	-	-	-	-	-	-	-	-
Sale of capital assets	-	-	-	-	-	-	-	-	-	-
Transfers in	-	-	-	-	-	-	-	-	-	-
Transfers out	-	-	-	(31,250)	-	-	-	-	-	-
Total other financing sources (uses)	-	-	-	(31,250)	-	-	-	-	-	-
Excess (deficiency) of receipts and other financing sources over disbursements and other financing uses	61	5,770	(534)	-	(25,491)	22,187	-	5,377	(411)	1,379
Cash and investments - ending	\$ 61	\$ 5,770	\$ 1,290	\$ -	\$ -	\$ 22,187	\$ -	\$ 5,500	\$ -	\$ 1,379

CENTER GROVE 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)

	NESP 2012-2013	School Technology	Access Indiana	Vincennes University Tuition	Soft Drink	Senator David Ford Technology	Title 1 2010-2011	Title 1 2011-2012	Title 1 2012-2013	Special Education Improvement Grant
Cash and investments - beginning	\$ -	\$ 72,626	\$ 2,500	\$ 6,346	\$ 29,206	\$ (15,000)	\$ (2,201)	\$ -	\$ -	\$ -
Receipts:										
Local sources	-	71,860	-	8,817	77,863	-	-	-	-	-
Intermediate sources	-	-	-	-	-	-	-	-	-	-
State sources	-	9,535	-	-	-	195,987	-	-	-	-
Federal sources	-	-	-	-	-	-	32,244	203,002	-	-
Temporary loans	-	-	-	-	-	-	-	-	-	-
Other	-	-	-	-	-	-	-	-	-	-
Total receipts	-	81,395	-	8,817	77,863	195,987	32,244	203,002	-	-
Disbursements:										
Current:										
Instruction	-	-	-	14,021	-	144,297	28,333	190,513	-	-
Support services	-	44,107	2,500	917	10,820	110,024	1,710	36,435	-	-
Noninstructional services	-	-	-	-	-	-	-	153	-	-
Facilities acquisition and construction	-	-	-	-	-	-	-	-	-	-
Debt services	-	-	-	-	-	-	-	-	-	-
Nonprogrammed charges	-	-	-	-	51,700	-	-	-	-	-
Total disbursements	-	44,107	2,500	14,938	62,520	254,321	30,043	227,101	-	-
Excess (deficiency) of receipts over disbursements	-	37,288	(2,500)	(6,121)	15,343	(58,334)	2,201	(24,099)	-	-
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	-	37,288	(2,500)	(6,121)	15,343	(58,334)	2,201	(24,099)	-	-
Cash and investments - ending	\$ -	\$ 109,914	\$ -	\$ 225	\$ 44,549	\$ (73,334)	\$ -	\$ (24,099)	\$ -	\$ -

CENTER GROVE 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)

	Drug Free Schools 2009-2010	Team Nutrition Training Grants	First Robotics Grant 2010-2012	Biomedical Grant 2010-2011	Medicaid Reimbursement Federal	High Schools That Work	Title II Part A 2010-2011	Title IIA 2011-2013	Title IIA 2012-2014	Title II eLearning Conference
Cash and investments - beginning	\$ -	\$ 4,759	\$ -	\$ (3,373)	\$ 67,269	\$ 115	\$ 1,351	\$ -	\$ -	\$ -
Receipts:										
Local sources	-	-	-	-	-	-	-	-	-	-
Intermediate sources	-	-	-	-	-	-	-	-	-	-
State sources	-	-	-	-	-	-	-	-	-	-
Federal sources	2,542	3,200	2,500	8,114	42,458	-	82,168	8,009	-	-
Temporary loans	-	-	-	-	-	-	-	-	-	-
Other	-	-	-	-	-	-	-	-	-	-
Total receipts	<u>2,542</u>	<u>3,200</u>	<u>2,500</u>	<u>8,114</u>	<u>42,458</u>	<u>-</u>	<u>82,168</u>	<u>8,009</u>	<u>-</u>	<u>-</u>
Disbursements:										
Current:										
Instruction	-	1,445	2,500	1,500	15,057	-	20,863	384	-	-
Support services	2,542	-	-	3,241	-	-	62,656	15,681	-	-
Noninstructional services	-	580	-	-	-	-	-	-	-	-
Facilities acquisition and construction	-	-	-	-	-	-	-	-	-	-
Debt services	-	-	-	-	-	-	-	-	-	-
Nonprogrammed charges	-	-	-	-	-	-	-	-	-	-
Total disbursements	<u>2,542</u>	<u>2,025</u>	<u>2,500</u>	<u>4,741</u>	<u>15,057</u>	<u>-</u>	<u>83,519</u>	<u>16,065</u>	<u>-</u>	<u>-</u>
Excess (deficiency) of receipts over disbursements	<u>-</u>	<u>1,175</u>	<u>-</u>	<u>3,373</u>	<u>27,401</u>	<u>-</u>	<u>(1,351)</u>	<u>(8,056)</u>	<u>-</u>	<u>-</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>	<u>-</u>
Excess (deficiency) of receipts and other financing sources over disbursements and other financing uses	<u>-</u>	<u>1,175</u>	<u>-</u>	<u>3,373</u>	<u>27,401</u>	<u>-</u>	<u>(1,351)</u>	<u>(8,056)</u>	<u>-</u>	<u>-</u>
Cash and investments - ending	<u>\$ -</u>	<u>\$ 5,934</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 94,670</u>	<u>\$ 115</u>	<u>\$ -</u>	<u>\$ (8,056)</u>	<u>\$ -</u>	<u>\$ -</u>

CENTER GROVE 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 III Consortium FY 2011	Title III 2011-2012	Title III 2012-2013	Special Education Part B	Education Technology	Qualified School Construction Bond	Education Jobs	Prepaid Food	Payroll Clearing	Totals
Cash and investments - beginning	\$ 5,462	\$ -	\$ -	\$ (28,301)	\$ (5,447)	\$ 2,685,561	\$ -	\$ 60,772	\$ 1,095,075	\$ 23,518,968
Receipts:										
Local sources	-	-	-	-	-	-	-	-	-	34,138,187
Intermediate sources	-	-	-	-	-	-	-	-	-	4
State sources	-	-	-	-	-	-	-	-	-	41,037,016
Federal sources	-	6,539	-	104,511	31,635	-	1,309,277	-	-	2,610,910
Temporary loans	-	-	-	-	-	-	-	-	-	2,884,066
Other	-	-	-	-	-	-	-	2,488,957	20,090,465	22,603,664
Total receipts	-	6,539	-	104,511	31,635	-	1,309,277	2,488,957	20,090,465	103,273,847
Disbursements:										
Current:										
Instruction	-	3,858	-	37,146	-	-	226,266	-	-	29,987,622
Support services	5,462	3,417	-	39,064	26,188	-	1,083,011	-	-	19,782,680
Noninstructional services	-	673	-	-	-	-	-	-	-	4,543,851
Facilities acquisition and construction	-	-	-	-	-	2,381,314	-	-	-	6,833,575
Debt services	-	-	-	-	-	-	-	-	-	15,512,701
Nonprogrammed charges	-	-	-	-	-	-	-	2,475,343	20,079,585	28,729,347
Total disbursements	5,462	7,948	-	76,210	26,188	2,381,314	1,309,277	2,475,343	20,079,585	105,389,776
Excess (deficiency) of receipts over disbursements	(5,462)	(1,409)	-	28,301	5,447	(2,381,314)	-	13,614	10,880	(2,115,929)
Other financing sources (uses):										
Proceeds of long-term debt	-	-	-	-	-	-	-	-	-	4,281,638
Sale of capital assets	-	-	-	-	-	-	-	-	-	24,642
Transfers in	-	-	-	-	-	-	-	-	-	1,027,994
Transfers out	-	-	-	-	-	-	-	-	-	(1,027,994)
Total other financing sources (uses)	-	-	-	-	-	-	-	-	-	4,306,280
Excess (deficiency) of receipts and other financing sources over disbursements and other financing uses	(5,462)	(1,409)	-	28,301	5,447	(2,381,314)	-	13,614	10,880	2,190,351
Cash and investments - ending	\$ -	\$ (1,409)	\$ -	\$ -	\$ -	\$ 304,247	\$ -	\$ 74,386	\$ 1,105,955	\$ 25,709,319

CENTER GROVE 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	Retirement/ Severance Bond	2008 General Obligation Bond Construction	2009-A General Obligation Bond Construction
Cash and investments - beginning	\$ 2,037,377	\$ 6,349,928	\$ 99,340	\$ 4,916,719	\$ 2,045,917	\$ 42,932	\$ 609,384	\$ 30,683	\$ -	\$ 691,615
Receipts:										
Local sources	568,483	12,667,707	1,012,945	6,424,016	3,326,841	355,242	-	-	-	-
Intermediate sources	4	-	-	-	-	-	-	-	-	-
State sources	41,746,033	-	-	-	-	-	-	-	-	-
Federal sources	4,119	-	-	-	-	-	-	-	-	-
Temporary loans	-	-	-	827,063	747,535	-	-	-	-	-
Other	-	-	-	15,578	2,928	-	-	-	-	-
Total receipts	42,318,639	12,667,707	1,012,945	7,266,657	4,077,304	355,242	-	-	-	-
Disbursements:										
Current:										
Instruction	29,325,548	-	-	-	-	-	501,387	-	-	-
Support services	11,524,490	571	-	3,036,985	3,148,099	43,242	437,811	-	-	-
Noninstructional services	1,305,300	-	-	-	-	-	-	-	-	-
Facilities acquisition and construction	-	-	-	2,917,736	-	-	366,977	-	-	383,858
Debt services	-	13,403,608	1,055,358	2,112,390	771,676	-	-	-	-	-
Nonprogrammed charges	-	-	-	-	-	-	-	-	-	-
Total disbursements	42,155,338	13,404,179	1,055,358	8,067,111	3,919,775	43,242	1,306,175	-	-	383,858
Excess (deficiency) of receipts over disbursements	163,301	(736,472)	(42,413)	(800,454)	157,529	312,000	(1,306,175)	-	-	(383,858)
Other financing sources (uses):										
Proceeds of long-term debt	-	73,208	-	-	-	-	-	-	-	-
Sale of capital assets	-	-	-	-	-	-	-	-	-	-
Transfers in	-	-	-	-	192,549	-	803,000	-	-	-
Transfers out	-	(112,642)	-	(303,000)	(500,000)	-	-	-	-	-
Total other financing sources (uses)	-	(39,434)	-	(303,000)	(307,451)	-	803,000	-	-	-
Excess (deficiency) of receipts and other financing sources over disbursements and other financing uses	163,301	(775,906)	(42,413)	(1,103,454)	(149,922)	312,000	(503,175)	-	-	(383,858)
Cash and investments - ending	\$ 2,200,678	\$ 5,574,022	\$ 56,927	\$ 3,813,265	\$ 1,895,995	\$ 354,932	\$ 106,209	\$ 30,683	\$ -	\$ 307,757

CENTER GROVE 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)

	2009-B General Obligation Bond Technology	2010 General Obligation Bond Construction Technology	2011A General Obligation Bond Tech-TB	2011B General Obligation Bond Projects	2011C General Obligation Bond Technology	2012A General Obligation Bond Projects	2012B General Obligation Bond Technology	2013A Multipurpose Bonds	2004 Construction	School Lunch
Cash and investments - beginning	\$ 61,614	\$ 977,243	\$ 150,422	\$ 1,876,918	\$ 1,614,347	\$ -	\$ -	\$ -	\$ 92,915	\$ 622,213
Receipts:										
Local sources	-	-	-	-	-	-	-	-	-	2,581,266
Intermediate sources	-	-	-	-	-	-	-	-	-	-
State sources	-	-	-	-	-	-	-	-	-	47,321
Federal sources	-	-	-	-	-	-	-	-	-	867,797
Temporary loans	-	-	-	-	-	-	-	-	-	-
Other	-	-	-	-	-	-	-	-	-	-
Total receipts	-	-	-	-	-	-	-	-	-	3,496,384
Disbursements:										
Current:										
Instruction	-	-	-	-	-	-	-	-	-	-
Support services	-	-	-	-	25,003	-	377,453	-	92,915	-
Noninstructional services	-	-	-	-	-	-	-	-	-	3,255,230
Facilities acquisition and construction	61,614	479,286	141,299	1,249,540	1,007,409	28,204	502,933	34,851	-	-
Debt services	-	-	-	-	-	-	-	-	-	-
Nonprogrammed charges	-	-	-	-	-	-	-	-	-	125,000
Total disbursements	61,614	479,286	141,299	1,249,540	1,032,412	28,204	880,386	34,851	92,915	3,380,230
Excess (deficiency) of receipts over disbursements	(61,614)	(479,286)	(141,299)	(1,249,540)	(1,032,412)	(28,204)	(880,386)	(34,851)	(92,915)	116,154
Other financing sources (uses):										
Proceeds of long-term debt	-	-	-	-	-	1,988,750	1,968,750	1,600,000	-	-
Sale of capital assets	-	-	-	-	-	-	-	-	-	-
Transfers in	-	-	-	-	-	-	-	-	-	-
Transfers out	-	-	-	-	-	-	-	-	-	-
Total other financing sources (uses)	-	-	-	-	-	1,988,750	1,968,750	1,600,000	-	-
Excess (deficiency) of receipts and other financing sources over disbursements and other financing uses	(61,614)	(479,286)	(141,299)	(1,249,540)	(1,032,412)	1,960,546	1,088,364	1,565,149	(92,915)	116,154
Cash and investments - ending	\$ -	\$ 497,957	\$ 9,123	\$ 627,378	\$ 581,935	\$ 1,960,546	\$ 1,088,364	\$ 1,565,149	\$ -	\$ 738,367

CENTER GROVE 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)

	Textbook Rental	Self- Insurance	Levy Excess	Alternative Education	Early Intervention 2009-2010	Early Intervention 2011-2012	Donations, Gifts and Trust	Wellness Activity	Digital Library	NFL Play 60 American Heart Association
Cash and investments - beginning	\$ 461,137	\$ 1,082,450	\$ 147,937	\$ 5,705	\$ -	\$ 114,361	\$ 4,219	\$ 250	\$ 1,909	\$ 2,500
Receipts:										
Local sources	873,237	6,278,456	-	-	-	-	25,081	-	300	-
Intermediate sources	-	-	-	-	-	-	-	-	-	-
State sources	108,757	-	44,612	11,598	-	-	-	-	-	-
Federal sources	-	-	-	-	-	-	-	-	-	-
Temporary loans	-	-	-	-	-	-	-	-	-	-
Other	-	-	-	-	-	-	-	-	-	-
Total receipts	981,994	6,278,456	44,612	11,598	-	-	25,081	-	300	-
Disbursements:										
Current:										
Instruction	4,350	-	-	10,558	-	-	4,230	-	-	2,500
Support services	747,901	6,654	-	-	-	114,361	5,246	-	-	-
Noninstructional services	-	-	-	-	-	-	-	-	-	-
Facilities acquisition and construction	3,019	-	-	-	-	-	17,391	-	-	-
Debt services	-	-	-	-	-	-	-	-	-	-
Nonprogrammed charges	-	5,637,970	-	-	-	-	-	-	-	-
Total disbursements	755,270	5,644,624	-	10,558	-	114,361	26,867	-	-	2,500
Excess (deficiency) of receipts over disbursements	226,724	633,832	44,612	1,040	-	(114,361)	(1,786)	-	300	(2,500)
Other financing sources (uses):										
Proceeds of long-term debt	-	-	-	-	-	-	-	-	-	-
Sale of capital assets	-	-	-	-	-	-	-	-	-	-
Transfers in	112,642	-	-	-	-	-	-	-	-	-
Transfers out	-	-	(192,549)	-	-	-	-	-	-	-
Total other financing sources (uses)	112,642	-	(192,549)	-	-	-	-	-	-	-
Excess (deficiency) of receipts and other financing sources over disbursements and other financing uses	339,366	633,832	(147,937)	1,040	-	(114,361)	(1,786)	-	300	(2,500)
Cash and investments - ending	\$ 800,503	\$ 1,716,282	\$ -	\$ 6,745	\$ -	\$ -	\$ 2,433	\$ 250	\$ 2,209	\$ -

CENTER GROVE 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)

	US/Japan Grant 2011-2012	Johnson County Foundation	Miscellaneous Grant	Johnson CH/Comm Hospital Donation	High Ability Grant 2010-2011	High Ability Grant 2011-2012	High Ability Grant 2012-2013	Medicaid Reimbursement State	Non English Speaking Grant 2010-2011	Non English Speaking Grant 2011-2012
Cash and investments - beginning	\$ 61	\$ 5,770	\$ 1,290	\$ -	\$ -	\$ 22,187	\$ -	\$ 5,500	\$ -	\$ 1,379
Receipts:										
Local sources	-	6,825	-	-	-	-	-	-	-	-
Intermediate sources	-	-	-	-	-	-	-	-	-	-
State sources	-	-	-	-	-	-	57,170	30,739	-	-
Federal sources	-	-	-	-	-	-	-	-	-	-
Temporary loans	-	-	-	-	-	-	-	-	-	-
Other	-	-	-	-	-	-	-	-	-	-
Total receipts	-	6,825	-	-	-	-	57,170	30,739	-	-
Disbursements:										
Current:										
Instruction	-	-	-	-	-	18,764	29,356	-	-	459
Support services	61	8,954	354	-	-	3,423	4,947	25,558	-	920
Noninstructional services	-	-	-	-	-	-	-	-	-	-
Facilities acquisition and construction	-	-	-	-	-	-	-	-	-	-
Debt services	-	-	-	-	-	-	-	-	-	-
Nonprogrammed charges	-	-	-	-	-	-	-	-	-	-
Total disbursements	61	8,954	354	-	-	22,187	34,303	25,558	-	1,379
Excess (deficiency) of receipts over disbursements	(61)	(2,129)	(354)	-	-	(22,187)	22,867	5,181	-	(1,379)
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	(61)	(2,129)	(354)	-	-	(22,187)	22,867	5,181	-	(1,379)
Cash and investments - ending	\$ -	\$ 3,641	\$ 936	\$ -	\$ -	\$ -	\$ 22,867	\$ 10,681	\$ -	\$ -

CENTER GROVE 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)

	NESP 2012-2013	School Technology	Access Indiana	Vincennes University Tuition	Soft Drink	Senator David Ford Technology	Title 1 2010-2011	Title 1 2011-2012	Title 1 2012-2013	Special Education Improvement Grant
Cash and investments - beginning	\$ -	\$ 109,914	\$ -	\$ 225	\$ 44,549	\$ (73,334)	\$ -	\$ (24,099)	\$ -	\$ -
Receipts:										
Local sources	-	39,371	-	16,412	77,781	-	-	-	-	-
Intermediate sources	-	-	-	-	-	-	-	-	-	-
State sources	7,155	9,885	-	-	-	122,886	-	-	-	-
Federal sources	-	-	-	-	-	-	-	241,868	241,625	60,937
Temporary loans	-	-	-	-	-	-	-	-	-	-
Other	-	-	-	-	-	-	-	-	-	-
Total receipts	<u>7,155</u>	<u>49,256</u>	<u>-</u>	<u>16,412</u>	<u>77,781</u>	<u>122,886</u>	<u>-</u>	<u>241,868</u>	<u>241,625</u>	<u>60,937</u>
Disbursements:										
Current:										
Instruction	-	-	-	12,012	-	31,093	-	168,761	204,775	3,430
Support services	725	58,673	-	-	14,465	20,723	-	44,425	60,969	57,507
Noninstructional services	735	-	-	-	350	-	-	4,583	2,563	-
Facilities acquisition and construction	-	-	-	-	-	-	-	-	-	-
Debt services	-	-	-	-	-	-	-	-	-	-
Nonprogrammed charges	-	-	-	-	51,700	-	-	-	-	-
Total disbursements	<u>1,460</u>	<u>58,673</u>	<u>-</u>	<u>12,012</u>	<u>66,515</u>	<u>51,816</u>	<u>-</u>	<u>217,769</u>	<u>268,307</u>	<u>60,937</u>
Excess (deficiency) of receipts over disbursements	<u>5,695</u>	<u>(9,417)</u>	<u>-</u>	<u>4,400</u>	<u>11,266</u>	<u>71,070</u>	<u>-</u>	<u>24,099</u>	<u>(26,682)</u>	<u>-</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>	<u>-</u>
Excess (deficiency) of receipts and other financing sources over disbursements and other financing uses	<u>5,695</u>	<u>(9,417)</u>	<u>-</u>	<u>4,400</u>	<u>11,266</u>	<u>71,070</u>	<u>-</u>	<u>24,099</u>	<u>(26,682)</u>	<u>-</u>
Cash and investments - ending	<u>\$ 5,695</u>	<u>\$ 100,497</u>	<u>\$ -</u>	<u>\$ 4,625</u>	<u>\$ 55,815</u>	<u>\$ (2,264)</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ (26,682)</u>	<u>\$ -</u>

CENTER GROVE 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)

	Drug Free Schools 2009-2010	Team Nutrition Training Grants	First Robotics Grant 2010-2012	Biomedical Grant 2010-2011	Medicaid Reimbursement Federal	High Schools That Work	Title II Part A 2010-2011	Title IIA 2011-2013	Title IIA 2012-2014	Title II eLearning Conference
Cash and investments - beginning	\$ -	\$ 5,934	\$ -	\$ -	\$ 94,670	\$ 115	\$ -	\$ (8,056)	\$ -	\$ -
Receipts:										
Local sources	-	-	-	-	-	-	-	-	-	-
Intermediate sources	-	-	-	-	-	-	-	-	-	-
State sources	-	-	-	-	-	-	-	-	-	-
Federal sources	-	-	-	-	57,177	-	-	108,592	14,833	10,714
Temporary loans	-	-	-	-	-	-	-	-	-	-
Other	-	-	-	-	-	-	-	-	-	-
Total receipts	-	-	-	-	57,177	-	-	108,592	14,833	10,714
Disbursements:										
Current:										
Instruction	-	357	-	-	25,333	-	-	-	5,357	-
Support services	-	5,555	-	-	1,567	115	-	100,536	18,690	19,269
Noninstructional services	-	22	-	-	-	-	-	-	-	-
Facilities acquisition and construction	-	-	-	-	-	-	-	-	-	-
Debt services	-	-	-	-	-	-	-	-	-	-
Nonprogrammed charges	-	-	-	-	-	-	-	-	-	-
Total disbursements	-	5,934	-	-	26,900	115	-	100,536	24,047	19,269
Excess (deficiency) of receipts over disbursements	-	(5,934)	-	-	30,277	(115)	-	8,056	(9,214)	(8,555)
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	-	(5,934)	-	-	30,277	(115)	-	8,056	(9,214)	(8,555)
Cash and investments - ending	\$ -	\$ -	\$ -	\$ -	\$ 124,947	\$ -	\$ -	\$ -	\$ (9,214)	\$ (8,555)

CENTER GROVE 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 III Consortium FY 2011	Title III 2011-2012	Title III 2012-2013	Special Education Part B	Education Technology	Qualified School Construction Bond	Education Jobs	Prepaid Food	Payroll Clearing	Totals
Cash and investments - beginning	\$ -	\$ (1,409)	\$ -	\$ -	\$ -	\$ 304,247	\$ -	\$ 74,386	\$ 1,105,955	\$ 25,709,319
Receipts:										
Local sources	-	-	-	-	-	-	-	-	-	34,253,963
Intermediate sources	-	-	-	-	-	-	-	-	-	4
State sources	-	-	-	-	-	-	-	-	-	42,186,156
Federal sources	-	4,153	6,407	-	-	-	26,734	-	-	1,644,956
Temporary loans	-	-	-	-	-	-	-	-	-	1,574,598
Other	-	-	-	-	-	-	-	2,612,240	20,932,733	23,563,479
Total receipts	-	4,153	6,407	-	-	-	26,734	2,612,240	20,932,733	103,223,156
Disbursements:										
Current:										
Instruction	-	1,848	129	-	-	-	-	-	-	30,350,247
Support services	-	896	6,117	-	-	-	26,734	-	-	20,041,914
Noninstructional services	-	-	290	-	-	-	-	-	-	4,569,073
Facilities acquisition and construction	-	-	-	-	-	237,899	-	-	-	7,432,016
Debt services	-	-	-	-	-	-	-	-	-	17,343,032
Nonprogrammed charges	-	-	-	-	-	-	-	2,604,532	21,652,848	30,072,050
Total disbursements	-	2,744	6,536	-	-	237,899	26,734	2,604,532	21,652,848	109,808,332
Excess (deficiency) of receipts over disbursements	-	1,409	(129)	-	-	(237,899)	-	7,708	(720,115)	(6,585,176)
Other financing sources (uses):										
Proceeds of long-term debt	-	-	-	-	-	-	-	-	-	5,630,708
Sale of capital assets	-	-	-	-	-	-	-	-	-	-
Transfers in	-	-	-	-	-	-	-	-	-	1,108,191
Transfers out	-	-	-	-	-	-	-	-	-	(1,108,191)
Total other financing sources (uses)	-	-	-	-	-	-	-	-	-	5,630,708
Excess (deficiency) of receipts and other financing sources over disbursements and other financing uses	-	1,409	(129)	-	-	(237,899)	-	7,708	(720,115)	(954,468)
Cash and investments - ending	\$ -	\$ -	\$ (129)	\$ -	\$ -	\$ 66,348	\$ -	\$ 82,094	\$ 385,840	\$ 24,754,851

CENTER GROVE COMMUNITY 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>\$ 1,828,800</u>	<u>\$ 152,768</u>

CENTER GROVE COMMUNITY SCHOOL CORPORATION
SCHEDULE OF LEASES AND DEBT
June 30, 2013

Lessor	Purpose	2013 Annual Lease/Bond Payment	Lease/Bond Beginning Date	Lease/Bond Ending Date	Ending Principal Balance as of June 30, 2013	December 2013 and June 30, 2014 Principal and Interest Due
GO Bonds						
Pension Bond of 2003	Retirement/Severance	\$ 1,015,000	2003	2013	\$ 515,000	\$ 528,519
2009 QSCB-HS Renovations	HS Renovation	29,994	2009	2015	1,970,000	29,944
2010 QSCB Tech/Energy Savings	Corporation/Technology Projects	76,537	2010	2017	1,975,000	76,538
2011A GO Bond-Tech	Technology equipment	85,200	2011	2017	425,000	84,300
2011B GO Bond-Projects	Corporation Maintenance Projects	1,008,955	2011	2013	505,000	508,005
2011C GO Bond Technology	Corporation Technology Projects	892,914	2011	2013	445,000	447,648
2012A GO Bond-Projects	Corporation Maintenance Projects	1,006,280	2012	2014	1,495,000	1,006,228
2012B GO Bond-Technology	Corporation Technology Projects	996,295	2012	2014	1,480,000	996,239
Totals - Go Bonds					<u>\$ 8,810,000</u>	<u>\$ 3,677,419</u>
Tax Anticipation Warrants						
Debt Service	Interest on TAW	10,126	2013	2013	\$ -	\$ 10,125
Capital Projects Fund	TAW-CPF	552,000	2013	2013	552,000	552,000
Transportation Fund	TAW-Transportation	747,535	2013	2013	747,535	747,535
Totals - Tax Anticipation Warrants					<u>\$ 1,299,535</u>	<u>\$ 1,309,660</u>
Notes and Loans Payable						
Common School loans payable	HS Renovation	86,250	1996	2021	\$ 510,000	\$ 84,750
Energy Savings Contract Series 2008	Energy Savings Projects-paid from CPF	455,823	2008	2018	2,200,000	457,456
2013 CPF Loan	Correction of DLGF error-paid from Debt Service	275,063	2013	2013	137,532	137,532
Totals - Notes and Loans Payable					<u>\$ 2,847,532</u>	<u>\$ 679,738</u>
Capital Leases						
Center Grove HS Improvement Building Corp	HS renovation	3,558,000	2008	2014	\$ 2,600,000	\$ 2,233,500
Center Grove 2000 School Building Corporation	Build MSN	2,952,000	2005	2026	27,705,000	2,949,000
Center Grove 2004 School Building Corporation	Build MGES, Maint/Transportation Center	-	2004	2013	-	-
Center Grove 2013 Refund of 2004 Bonds	Refinance above issue	2,724,000	2013	2027	29,880,000	2,724,000
Central Nine Career Center 2007-CG share	Addition/renovation Central Nine Career Center	168,137	2007	2018	721,055	168,576
Central Nine Career Center 2009-CG share	Addition/renovation Central Nine Career Center	159,077	2009	2020	942,633	158,953
Totals - Capital Leases					<u>\$ 61,848,688</u>	<u>\$ 8,234,029</u>
Total of annual lease payments		<u>\$ 16,799,184</u>				
Description of Debt		Ending Principal Balance	December 2013 & June 2014 Principal and Interest Due			
Type	Purpose					
Governmental activities:						
Notes and loans payable		\$ 2,847,532	\$	679,738		
General obligation bonds		8,810,000		3,677,419		
Tax anticipation warrants		1,299,535		1,309,660		
Other debt		61,848,688		8,234,029		
Totals		<u>\$ 74,805,755</u>	<u>\$</u>	<u>13,900,846</u>		

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CENTER GROVE 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	\$ 6,779,318
Buildings	157,188,434
Improvements other than buildings	16,065,355
Machinery, equipment, and vehicles	39,759,871
 Total capital assets	 \$ 219,792,977

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SUPPLEMENTAL AUDIT OF
FEDERAL AWARDS



STATE OF INDIANA
AN EQUAL OPPORTUNITY EMPLOYER

STATE BOARD OF ACCOUNTS
302 WEST WASHINGTON STREET
ROOM E418
INDIANAPOLIS, INDIANA 46204-2769

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

TO: THE OFFICIALS OF THE CENTER GROVE COMMUNITY
SCHOOL CORPORATION, JOHNSON COUNTY, INDIANA

Report on Compliance for Each Major Federal Program

We have audited the Center Grove 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)

Other Matters

The results of our auditing procedures disclosed instances of noncompliance, which are required to be reported in accordance with OMB Circular A-133 and which are described in the accompanying Schedule of Findings and Questioned Costs as item 2013-001. Our opinion on each major federal program is not modified with respect to these matters.

The School Corporation's response to the noncompliance finding 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.

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.

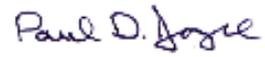
Our consideration of internal control over compliance was for the limited purpose described in the preceding paragraph and was not designed to identify all deficiencies in internal control over compliance that might be material weaknesses or significant deficiencies and therefore, material weaknesses 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 finding 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.

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

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 12, 2014

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.

CENTER GROVE COMMUNITY SCHOOL CORPORATION
SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS
For The Years Ended June 30, 2012 and 2013

Federal Grantor Agency/Pass-Through Entity Cluster Title/Program Title/Project Title	Federal CFDA Number	Pass-Through Entity (or Other) Identifying Number	Total Federal Awards Expended 06-30-12	Total Federal Awards Expended 06-30-13
U.S. DEPARTMENT OF AGRICULTURE				
Pass-Through Indiana Department of Education				
Child Nutrition Cluster				
School Breakfast Program	10.553			
School Year 2011-2012		Agreement 41-4205	\$ 121,286	\$ -
School Year 2012-2013		Agreement 41-4205	-	137,004
Total for program			<u>121,286</u>	<u>137,004</u>
National School Lunch Program				
School Year 2011-2012	10.555			
School Year 2012-2013		Agreement 41-4205	827,297	-
		Agreement 41-4205	-	933,066
Total for program			<u>827,297</u>	<u>933,066</u>
Summer Food Service Program for Children				
Summer 2011	10.559			
Summer 2012		Agreement 41-4205	4,027	-
		Agreement 41-4205	-	5,390
Total for program			<u>4,027</u>	<u>5,390</u>
Total for cluster			<u>952,610</u>	<u>1,075,460</u>
Team Nutrition Grants				
Training Grant	10.574	4205	2,025	5,934
Total for federal grantor agency			<u>954,635</u>	<u>1,081,394</u>
U.S. DEPARTMENT OF EDUCATION				
Pass-Through Indiana Department of Education				
Title I, Part A Cluster				
Title I Grants to Local Educational Agencies	84.010			
Fiscal Year 2011, Basic		11-4205	30,043	-
Fiscal Year 2012, Basic		12-4205	203,002	241,868
Fiscal Year 2013, Basic		13-4205	-	241,625
Total for cluster			<u>233,045</u>	<u>483,493</u>
Special Education Cluster (IDEA)				
Special Education - Grants to States	84.027			
Fiscal Year 2012		7000H027A100084	-	60,937

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

CENTER GROVE COMMUNITY SCHOOL CORPORATION
SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS
For The Years Ended June 30, 2012 and 2013
(Continued)

Federal Grantor Agency/Pass-Through Entity Cluster Title/Program Title/Project Title	Federal CFDA Number	Pass-Through Entity (or Other) Identifying Number	Total Federal Awards Expended 06-30-12	Total Federal Awards Expended 06-30-13
<u>U.S. DEPARTMENT OF EDUCATION (continued)</u>				
Pass-Through Special Services - Johnson County Schools ARRA - Special Education - Grants to States, Recovery Act Fiscal Year 2009	84.391	33310-033-SN01	76,210	-
Total for cluster			<u>76,210</u>	<u>60,937</u>
Pass-Through MSD of Washington Township, Marion County Educational Technology State Grants Cluster ARRA - Education Technology State Grants, Recovery Act Enhancing Education through Technology Program	84.386	4205	26,188	-
Total for cluster			<u>26,188</u>	<u>-</u>
Pass-Through Indiana Department of Education Career and Technical Education - Basic Grants to States Techpoint for Youth TechPoint Foundation for Youth, FIRST Red Alert Robotics Team High Schools That Work	84.048	Grant#000008276 08-1303-4205	2,500 -	- 115
Total for program			<u>2,500</u>	<u>115</u>
Safe and Drug Free Schools and Communities - State Grants Fiscal Year 2010	84.186	08-4205	2,542	-
Tech-Prep Education Bio Medical	84.243	33310-033-SN01	4,741	-
English Language Acquisition Grants Title III 2010-2011 Title III 2011-2012 Title III 2012-2013	84.365	01111-034-PN01 01112-034-PN01 01113-036-PN01	5,462 6,539 -	- 4,153 6,407
Total for program			<u>12,001</u>	<u>10,560</u>
Improving Teacher Quality State Grants Fiscal Year 2010 Fiscal Year 2011 Fiscal Year 2012 eLearning Conference FY 2012	84.367	FY2010 FY2011 FY2012 State Activities FY2012	83,519 8,009 - -	- 108,592 14,833 10,714
Total for program			<u>91,528</u>	<u>134,139</u>
Education Jobs Fund FY 2009-2010 Stimulus	84.410	4205	1,309,277	26,734
Total for federal grantor agency			<u>1,758,032</u>	<u>715,978</u>
Total federal awards expended			<u>\$ 2,712,667</u>	<u>\$ 1,797,372</u>

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

CENTER GROVE 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 Center Grove 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. 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
Child Nutrition Cluster:			
School Breakfast Program	10.553	\$ 23,320	\$ 26,588
National School Lunch Program	10.555	159,068	181,075

CENTER GROVE 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
84.410	Child Nutrition Cluster Education Jobs Fund

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

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

No matters are reportable.

CENTER GROVE COMMUNITY SCHOOL CORPORATION
SCHEDULE OF FINDINGS AND QUESTIONED COSTS
(Continued)

Section III – Federal Award Findings and Questioned Costs

FINDING 2013-001 - ALLOWABLE COST/COST PRINCIPLES RELATING TO TIME AND EFFORT

Federal Agency: U.S. Department of Agriculture

Federal Program: School Breakfast Program, National School Lunch Program,
and Summer Food Service Program for Children

CFDA Number: 10.553, 10.555, and 10.559

Federal Award Number and Year (or Other Identifying Number): Agreement 41-4205

Pass-Through Entity: Indiana Department of Education

Management of the School Corporation has not established an effective internal control system, related to the grant agreement and the Allowable Cost/Cost Principles compliance requirement. 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.

The School Corporation was required to maintain time and effort reporting on all employees paid using funds from the School Breakfast Program, National School Lunch Program, and Summer Food Service Program for Children. No time and effort reports were maintained for the audit period of July 1, 2011 to June 30, 2013.

OMB Circular A-87, Attachment B, item (8)(h), states in part:

"(3) Where employees are expected to work solely on a single Federal award or cost objective, charges for their salaries and wages will be supported by periodic certifications that the employees worked solely on that program for the period covered by the certification. These certifications will be prepared at least semi-annually and will be signed by the employee or supervisory official having first-hand knowledge of the work performed by the employee.

(4) Where employees work on multiple activities or cost objectives, a distribution of their salaries or wages will be supported by personnel activity reports or equivalent documentation which meets the standards in subsection (5) unless a statistical sampling system (see subsection (6)) or other substitute system has been approved by the cognizant Federal agency."

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. Non-compliance 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 related to the grant agreement and all compliance requirements that have a direct and material effect to the program.



Center Grove Community School Corporation

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February 10, 2014

FINDING 2013-001 Allowable Cost/Cost Principles Relating to Time and Effort

Federal Agency: Department of Agriculture
Federal Program: School Breakfast Program, National School Lunch Program, Summer Food Service Program for Children
CFDA Number: 10.553, 10.555, 10.559
Federal Award Number and Year (or Other Identifying Number): Agreement 41-4205
Pass-Through Entity: Indiana Department of Education

CORRECTIVE ACTION PLAN

We were made aware that the Food and Nutrition Services Department was noncompliant in maintaining Time and Effort requirements during the time period of July 1, 2011 to June 30, 2013. To correct this, at the end of each school semester the Director of Food and Nutrition Services will conduct a semi-annual certification activity report for all employees paid from the School Lunch fund.

Sincerely,

Signed Rose E Smith

Titled Assistant Director of Food & Nutrition Services

Date 02-10-14

CENTER GROVE COMMUNITY SCHOOL CORPORATION
EXIT CONFERENCE

The contents of this report were discussed on February 12, 2014, with Sandra K. London, Treasurer; Paul G. Gabriel, Chief Financial Officer; Rose E. Smith, Assistant Director of Food Service; and Richard Arkanoff, Superintendent of Schools.