

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

FINANCIAL STATEMENT EXAMINATION REPORT  
OF

COMMUNITY SCHOOL CORPORATION  
OF EASTERN HANCOCK COUNTY  
HANCOCK COUNTY, INDIANA

July 1, 2011 to June 30, 2013



**FILED**  
05/02/2014



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SCHEDULE OF OFFICIALS

<u>Office</u>	<u>Official</u>	<u>Term</u>
Treasurer	Kimberly Payne Shelley Goe (Interim) Jill Muegge	07-01-11 to 09-19-12 09-20-12 to 11-17-12 11-18-12 to 12-31-14
Superintendent of Schools	Randy Harris	07-01-11 to 06-30-14
President of the School Board	Scott Petry	07-01-11 to 12-31-14



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INDEPENDENT ACCOUNTANT'S REPORT

TO: THE OFFICIALS OF THE COMMUNITY SCHOOL CORPORATION  
OF EASTERN HANCOCK COUNTY, HANCOCK COUNTY, INDIANA

We have examined the accompanying financial statement of the Community School Corporation of Eastern Hancock County (School Corporation), for the period of July 1, 2011 to June 30, 2013. The financial statement is the responsibility of the School Corporation's management. Our responsibility is to express an opinion on the financial statement based on our examination.

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

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

In our opinion, because of the matter discussed in the preceding paragraph, the financial statement referred to above does not present fairly, in conformity with accounting principles generally accepted in the United States of America, the financial position and results of operations of the School Corporation for the period of July 1, 2011 to June 30, 2013.

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, on the basis of accounting described in Note 1.

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

The School Corporation's response to the Examination Results and Comments identified in our examination is described in the accompanying section of the report entitled Official Response. We did not examine the School Corporation's response and, accordingly, we express no opinion on it.

*Paul D. Joyce*  
Paul D. Joyce, CPA  
State Examiner

April 8, 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.

COMMUNITY SCHOOL CORPORATION OF EASTERN HANCOCK COUNTY  
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	\$ 1,583,236	\$ 6,414,144	\$ 6,271,763	\$ (121,715)	\$ 1,603,902	\$ 6,517,730	\$ 6,519,042	\$ (21,718)	\$ 1,580,872	
Debt Service	715,513	1,206,120	1,190,768	8,049	738,914	1,197,211	1,200,806	(10,023)	725,296	
Retirement/Severance Bond Debt Service	87,873	140,074	143,499	-	84,448	137,618	122,644	(858)	98,564	
Capital Projects	359,897	910,055	843,322	(14,053)	412,577	860,489	1,013,952	(27,437)	231,677	
School Transportation	423,770	832,199	784,949	5,338	476,358	760,106	940,857	(6,685)	288,922	
School Bus Replacement	118,828	111,233	168,806	666	61,921	171,246	80,217	(1,027)	151,923	
Rainy Day	100,000	-	-	100,000	200,000	-	-	-	200,000	
Post-Retirement/Severance Future Benefits	-	-	21,715	21,715	-	-	21,715	21,715	-	-
School Lunch	108,514	536,334	524,578	-	120,270	460,350	565,052	-	15,568	
Textbook Rental	87,759	113,816	103,369	-	98,206	134,560	183,442	-	49,324	
Levy Excess	-	-	-	-	-	1,671	-	46,033	47,704	
Educational License Plates	75	185	-	-	260	75	-	-	335	
SAFE School Haven	14	-	-	-	14	-	14	-	-	
Early Intervention Grant	-	-	-	-	-	6,362	6,362	-	-	
Donations/Contributions	800	-	-	-	800	-	-	-	800	
Lifeskills Class	53	460	267	-	246	-	241	-	5	
BSU Grant German Class	28	-	-	-	28	-	-	-	28	
NASA Grant	627	-	-	-	627	-	627	-	-	
Outdoor Lab	1,203	-	-	-	1,203	-	-	-	1,203	
Employee Wellness	-	500	-	-	500	-	-	-	500	
Safe Hire Fees	128	896	705	-	319	616	948	-	(13)	
Scholarships and Awards 2012-2013	-	-	-	-	-	500	500	-	-	
Scholarships and Awards 2013-2014	-	1,244	1,244	-	-	1,131	452	-	679	
Griffith Library Endowment	524	-	-	-	524	-	-	-	524	
Auditorium Microphones Donation	-	1,215	1,215	-	-	-	-	-	-	
High Ability 2012-2013	-	-	-	-	-	29,203	23,125	-	6,078	
High Ability 2010-2011	10,484	-	10,484	-	-	-	-	-	-	
High Ability 2011-2012	-	28,590	18,777	-	9,813	-	18,307	-	(8,494)	
Building Blocks 2012	-	-	-	-	-	10,700	10,700	-	-	
Non-English Speaking Programs P.L. 273-1999	775	-	-	-	775	-	-	-	775	
School Technology	2,000	7,110	6,000	-	3,110	14,871	10,602	-	7,379	
Title I 2012-2013	-	-	-	-	-	62,449	68,296	-	(5,847)	
Title I 2011-2012	-	22,034	41,579	-	(19,545)	41,763	12,155	-	10,063	
Title I Migrant	874	-	-	-	874	-	-	-	874	
Drug Free Schools Title IV	319	-	-	-	319	-	319	-	-	
Improving Teaching Quality, No Child Left, Title II, Part A	7,801	3,446	15,617	-	(4,370)	16,418	15,265	-	(3,217)	

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

COMMUNITY SCHOOL CORPORATION OF EASTERN HANCOCK COUNTY  
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
ITQ, Enhanced Education Through Technology, Title II, Part D	13	-	-	-	13	-	-	-	13
Special Education - Part B	(9,958)	9,958	-	-	-	-	-	-	-
Education Jobs	-	197,871	197,871	-	-	-	-	-	-
Prepaid Food Collections - SFS	17,753	388,613	385,733	-	20,633	99,906	689	-	119,850
Employer Benefits	-	-	-	-	-	516,733	493,080	-	23,653
Book Rental Employees	(968)	1,397	(757)	-	1,186	4,436	5,580	-	42
Transfer Tuition	968	-	968	-	-	-	-	-	-
Federal Withholding Taxes	934	449,077	450,011	-	-	422,645	422,645	-	-
Social Security Clearing Account	(706)	367,093	366,387	-	-	681,122	681,122	-	-
State Withholding Taxes	10,985	159,932	156,109	-	14,808	154,789	169,597	-	-
County Tax Clearing Account	3,456	58,283	53,878	-	7,861	69,155	77,016	-	-
Teacher Retirement Clearing Account	130	75,858	3,493	-	72,495	363,104	435,599	-	-
PERF Clearing Account	8,414	64,239	36,979	-	35,674	148,510	184,184	-	-
Medical Insurance Deduction Account	10,139	151,363	152,017	-	9,485	102,715	111,518	-	682
Annuities Clearing Account	2,895	48,508	51,403	-	-	59,957	59,491	-	466
Child Support	28	6,084	6,112	-	-	3,517	3,517	-	-
Garnishment	-	820	820	-	-	843	843	-	-
Dependent Life Insurance	6	70	153	-	(77)	143	57	-	9
United Way Deductions	180	390	375	-	195	390	390	-	195
Life Insurance	-	332	332	-	-	-	-	-	-
Fortis Disability Insurance Non-Cert	118	568	555	-	131	1,288	1,416	-	3
American Fidelity Life Insurance	-	427	285	-	142	1,624	1,766	-	-
American Fidelity Disability Insurance	-	1,124	762	-	362	3,407	3,769	-	-
American Fidelity Accident Insurance	-	1,011	665	-	346	4,831	5,177	-	-
American Fidelity Critical Care Insurance	-	497	332	-	165	1,679	1,844	-	-
Dental Insurance	-	-	-	-	-	13,521	13,521	-	-
Vision Insurance	-	-	-	-	-	2,139	2,139	-	-
Medical Expense Reimbursement	16,181	40,402	53,417	-	3,166	40,558	43,188	-	536
Additional Life insurance Premiums	71	561	624	-	8	110	102	-	16
Cancer Insurance American Fidelity	(11,368)	15,090	2,525	-	1,197	16,185	16,934	-	448
Retiree Medical Insurance Premium	(2,443)	20,100	17,685	-	(28)	33,231	35,186	-	(1,983)
Miscellaneous Clearing	(6)	2,055	2,041	-	8	133	105	-	36
<b>Totals</b>	<b>\$ 3,657,917</b>	<b>\$ 12,391,378</b>	<b>\$ 12,089,432</b>	<b>\$ -</b>	<b>\$ 3,959,863</b>	<b>\$ 13,171,740</b>	<b>\$ 13,586,115</b>	<b>\$ -</b>	<b>\$ 3,545,488</b>

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

COMMUNITY SCHOOL CORPORATION OF EASTERN HANCOCK COUNTY  
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.

COMMUNITY SCHOOL CORPORATION OF EASTERN HANCOCK COUNTY  
NOTES TO FINANCIAL STATEMENT  
(Continued)

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

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

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

*E. Disbursements*

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

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

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

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

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

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

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.

*F. Other Financing Sources and Uses*

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

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

COMMUNITY SCHOOL CORPORATION OF EASTERN HANCOCK COUNTY  
NOTES TO FINANCIAL STATEMENT  
(Continued)

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

**G. Fund Accounting**

Separate funds are established, maintained, and reported by the School Corporation. Each fund is used to account for money received from and used for specific sources and uses as determined by various regulations. Restrictions on some funds are set by statute while other funds are internally restricted by the School Corporation. The money accounted for in a specific fund may only be available for use for certain, legally restricted purposes. Additionally, some funds are used to account for assets held by the School Corporation in a trustee capacity as an agent of individuals, private organizations, other funds, or other governmental units and therefore the funds cannot be used for any expenditures of the unit itself.

**Note 2. Budgets**

The operating budget is initially prepared and approved at the local level. The fiscal officer of the School Corporation submits a proposed operating budget to the governing board for the following calendar year. The budget is advertised as required by law. Prior to adopting the budget, the governing board conducts public hearings and obtains taxpayer comments. Prior to November 1, the governing board approves the budget for the next year. The budget for funds for which property taxes are levied or highway use taxes are received is subject to final approval by the Indiana Department of Local Government Finance.

**Note 3. Property Taxes**

Property taxes levied are collected by the County Treasurer and are scheduled to be distributed to the School Corporation in June and December; however, situations can arise which would delay the distributions. State statute (IC 6-1.1-17-16) requires the Indiana Department of Local Government Finance to establish property tax rates and levies by February 15. These rates were based upon the preceding year's March 1 (lien date) assessed valuations adjusted for various tax credits. Taxable property is assessed at 100 percent of the true tax value (determined in accordance with rules and regulations adopted by the Indiana Department of Local Government Finance). Taxes may be paid in two equal installments which normally become delinquent if not paid by May 10 and November 10, respectively.

**Note 4. Deposits and Investments**

Deposits, made in accordance with state statute (IC 5-13), with financial institutions in the State of Indiana at year end should be entirely insured by the Federal Depository Insurance Corporation or by the Indiana Public Deposit Insurance Fund. This includes any deposit accounts issued or offered by a qualifying financial institution.

State statutes authorize the School Corporation to invest in securities including, but not limited to, federal government securities, repurchase agreements, and certain money market mutual funds. Certain other statutory restrictions apply to all investments made by local governmental units.

COMMUNITY SCHOOL CORPORATION OF EASTERN HANCOCK COUNTY  
NOTES TO FINANCIAL STATEMENT  
(Continued)

**Note 5. Risk Management**

The School Corporation may be exposed to various risks of loss related to torts; theft of, damage to, and destruction of assets; errors and omissions; job related illnesses or injuries to employees; medical benefits to employees, retirees, and dependents; and natural disasters.

These risks can be mitigated through the purchase of insurance, establishment of a self-insurance fund, and/or participation in a risk pool. The purchase of insurance transfers the risk to an independent third party. The establishment of a self-insurance fund allows the School Corporation to set aside money for claim settlements. The self-insurance fund would be included in the financial statement. The purpose of participation in a risk pool is to provide a medium for the funding and administration of the risks.

**Note 6. Pension Plans**

*A. Public Employees' Retirement Fund*

*Plan Description*

The Indiana Public Employees' Retirement Fund (PERF) is a defined benefit pension plan. PERF is an agent multiple-employer public employee retirement system, which provides retirement benefits to plan members and beneficiaries. All full-time employees are eligible to participate in this defined benefit plan. State statutes (IC 5-10.2 and 5-10.3) govern, through the Indiana Public Retirement System (INPRS) Board, most requirements of the system, and give the School Corporation authority to contribute to the plan. The PERF retirement benefit consists of the pension provided by employer contributions plus an annuity provided by the member's annuity savings account. The annuity savings account consists of members' contributions, set by state statute at 3 percent of compensation, plus the interest credited to the member's account. The employer may elect to make the contributions on behalf of the member.

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

Indiana Public Retirement System  
1 North Capital Street, Suite 001  
Indianapolis, IN 46204  
Ph. (888) 526-1687

*Funding Policy and Annual Pension Cost*

The contribution requirements of the plan members for PERF are established by the Board of Trustees of INPRS.

COMMUNITY SCHOOL CORPORATION OF EASTERN HANCOCK COUNTY  
NOTES TO FINANCIAL STATEMENT  
(Continued)

*B. Teachers' Retirement Fund*

*Plan Description*

The Indiana Teachers' Retirement Fund (TRF) is a defined benefit pension plan. TRF is a cost-sharing multiple-employer public employee retirement system, which provides retirement benefits to plan members and beneficiaries. All employees engaged in teaching or in the supervision of teaching in the public schools of the State of Indiana are eligible to participate in TRF. State statute (IC 5-10.2) governs, through the Indiana Public Retirement System (INPRS) Board, most requirements of the system, and gives the School Corporation authority to contribute to the plan. The TRF retirement benefit consists of the pension provided by employer contributions plus an annuity provided by the member's annuity savings account. The annuity savings account consists of members' contributions, set by state statute at 3 percent of compensation, plus the interest credited to the member's account. The School Corporation may elect to make the contributions on behalf of the member.

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

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

*Funding Policy and Annual Pension Cost*

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

**Note 7. Negative Receipts and Disbursements**

The financial statement contains some receipts and/or disbursements which appear as negative entries. This is a result of incorrect transfer during payroll withholding accounts being combined.

**Note 8. Cash Balance Deficits**

The financial statement contains some funds with deficits in cash. This is a result of several funds being set up for reimbursable grants, and premiums paid prior to receiving reimbursement.

COMMUNITY SCHOOL CORPORATION OF EASTERN HANCOCK COUNTY  
NOTES TO FINANCIAL STATEMENT  
(Continued)

**Note 9. *Holding Corporation***

The School Corporation has entered into a capital lease with Eastern Hancock Middle School Building Corporation (the lessor). The lessor was organized as a not-for-profit corporation pursuant to state statute for the purpose of financing and constructing or reconstructing facilities for lease to the School Corporation. The lessor has been determined to be a related party of the School Corporation. Lease payments during the years 2012 and 2013 totaled \$1,169,000 and \$1,190,000, respectively.

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## SUPPLEMENTARY INFORMATION – UNAUDITED

For additional financial information, the School Corporation's Financial Reports can be found on the Indiana Department of Education website: <http://mustang.doe.state.in.us/TRENDS/fin.cfm>. This website is maintained by the Indiana Department of Education. More current financial information is available from the School Corporation Treasurer's Office.

Differences may be noted between the financial information presented in the financial statement contained in this report and the financial information presented in the Financial Reports of the School Corporation which are referenced above. These differences, if any, are due to adjustments made to the financial information during the course of the examination. This is a common occurrence in any financial statement examination. The financial information presented in this report is examined information, and the accuracy of such information can be determined by reading the opinion given in the Independent Accountant's Report.

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

COMMUNITY SCHOOL CORPORATION OF EASTERN HANCOCK COUNTY  
 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	Post Retirement/ Severance Future Benefits	School Lunch	Textbook Rental
Cash and investments - beginning	\$ 1,583,236	\$ 715,513	\$ 87,873	\$ 359,897	\$ 423,770	\$ 118,828	\$ 100,000	\$ -	\$ 108,514	\$ 87,759
Receipts:										
Local sources	73,571	1,206,120	140,074	910,055	832,096	111,233	-	-	419,382	91,911
Intermediate sources	-	-	-	-	-	-	-	-	-	-
State sources	6,317,607	-	-	-	-	-	-	-	5,996	21,905
Federal sources	-	-	-	-	-	-	-	-	110,956	-
Other	22,966	-	-	-	103	-	-	-	-	-
Total receipts	6,414,144	1,206,120	140,074	910,055	832,199	111,233	-	-	536,334	113,816
Disbursements:										
Current:										
Instruction	4,176,710	-	-	-	-	-	-	21,715	-	-
Support services	1,957,407	-	-	377,331	784,949	168,806	-	-	13,321	103,369
Noninstructional services	134,831	-	-	-	-	-	-	-	511,257	-
Facilities acquisition and construction	2,815	-	-	465,991	-	-	-	-	-	-
Debt services	-	1,190,768	143,499	-	-	-	-	-	-	-
Nonprogrammed charges	-	-	-	-	-	-	-	-	-	-
Total disbursements	6,271,763	1,190,768	143,499	843,322	784,949	168,806	-	21,715	524,578	103,369
Excess (deficiency) of receipts over disbursements	142,381	15,352	(3,425)	66,733	47,250	(57,573)	-	(21,715)	11,756	10,447
Other financing sources (uses):										
Transfers in	-	8,049	-	5,748	5,338	666	100,000	21,715	-	-
Transfers out	(121,715)	-	-	(19,801)	-	-	-	-	-	-
Total other financing sources (uses)	(121,715)	8,049	-	(14,053)	5,338	666	100,000	21,715	-	-
Excess (deficiency) of receipts and other financing sources over disbursements and other financing uses	20,666	23,401	(3,425)	52,680	52,588	(56,907)	100,000	-	11,756	10,447
Cash and investments - ending	\$ 1,603,902	\$ 738,914	\$ 84,448	\$ 412,577	\$ 476,358	\$ 61,921	\$ 200,000	\$ -	\$ 120,270	\$ 98,206

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

	Levy Excess	Educational License Plates	SAFE School Haven	Early Intervention Grant	Donations/ Contributions	Lifeskills Class	BSU Grant German Class	NASA Grant	Outdoor Lab	Employee Wellness
Cash and investments - beginning	\$ -	\$ 75	\$ 14	\$ -	\$ 800	\$ 53	\$ 28	\$ 627	\$ 1,203	\$ -
Receipts:										
Local sources	-	-	-	-	-	460	-	-	-	500
Intermediate sources	-	185	-	-	-	-	-	-	-	-
State sources	-	-	-	-	-	-	-	-	-	-
Federal sources	-	-	-	-	-	-	-	-	-	-
Other	-	-	-	-	-	-	-	-	-	-
Total receipts	-	185	-	-	-	460	-	-	-	500
Disbursements:										
Current:										
Instruction	-	-	-	-	-	267	-	-	-	-
Support services	-	-	-	-	-	-	-	-	-	-
Noninstructional services	-	-	-	-	-	-	-	-	-	-
Facilities acquisition and construction	-	-	-	-	-	-	-	-	-	-
Debt services	-	-	-	-	-	-	-	-	-	-
Nonprogrammed charges	-	-	-	-	-	-	-	-	-	-
Total disbursements	-	-	-	-	-	267	-	-	-	-
Excess (deficiency) of receipts over disbursements	-	185	-	-	-	193	-	-	-	500
Other financing sources (uses):										
Transfers in	-	-	-	-	-	-	-	-	-	-
Transfers out	-	-	-	-	-	-	-	-	-	-
Total other financing sources (uses)	-	-	-	-	-	-	-	-	-	-
Excess (deficiency) of receipts and other financing sources over disbursements and other financing uses	-	185	-	-	-	193	-	-	-	500
Cash and investments - ending	\$ -	\$ 260	\$ 14	\$ -	\$ 800	\$ 246	\$ 28	\$ 627	\$ 1,203	\$ 500

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

	Safe Hire Fees	Scholarships and Awards 2012-2013	Scholarships and Awards 2013-2014	Griffith Library Endowment	Auditorium Microphones Donation	High Ability 2012-2013	High Ability 2010-2011	High Ability 2011-2012	Building Blocks 2012	Non-English Speaking Programs P.L. 273-1999
Cash and investments - beginning	\$ 128	\$ -	\$ -	\$ 524	\$ -	\$ -	\$ 10,484	\$ -	\$ -	\$ 775
Receipts:										
Local sources	896	-	1,244	-	-	-	-	-	-	-
Intermediate sources	-	-	-	-	-	-	-	-	-	-
State sources	-	-	-	-	-	-	-	28,590	-	-
Federal sources	-	-	-	-	1,215	-	-	-	-	-
Other	-	-	-	-	-	-	-	-	-	-
Total receipts	896	-	1,244	-	1,215	-	-	28,590	-	-
Disbursements:										
Current:										
Instruction	-	-	1,244	-	-	-	10,484	18,777	-	-
Support services	-	-	-	-	-	-	-	-	-	-
Noninstructional services	-	-	-	-	-	-	-	-	-	-
Facilities acquisition and construction	705	-	-	-	1,215	-	-	-	-	-
Debt services	-	-	-	-	-	-	-	-	-	-
Nonprogrammed charges	-	-	-	-	-	-	-	-	-	-
Total disbursements	705	-	1,244	-	1,215	-	10,484	18,777	-	-
Excess (deficiency) of receipts over disbursements	191	-	-	-	-	-	(10,484)	9,813	-	-
Other financing sources (uses):										
Transfers in	-	-	-	-	-	-	-	-	-	-
Transfers out	-	-	-	-	-	-	-	-	-	-
Total other financing sources (uses)	-	-	-	-	-	-	-	-	-	-
Excess (deficiency) of receipts and other financing sources over disbursements and other financing uses	191	-	-	-	-	-	(10,484)	9,813	-	-
Cash and investments - ending	\$ 319	\$ -	\$ -	\$ 524	\$ -	\$ -	\$ -	\$ 9,813	\$ -	\$ 775

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

	School Technology	Title I 2012-2013	Title I 2011-2012	Title I Migrant	Drug Free Schools Title IV	Improving Teaching Quality, No Child Left, Title II, Part A	ITQ Enhanced Education Through Technology Title II, Part D	Special Education - Part B	Education Jobs	Prepaid Food Collections - SFS
Cash and investments - beginning	\$ 2,000	\$ -	\$ -	\$ 874	\$ 319	\$ 7,801	\$ 13	\$ (9,958)	\$ -	\$ 17,753
Receipts:										
Local sources	-	-	-	-	-	-	-	-	-	-
Intermediate sources	-	-	-	-	-	-	-	-	-	-
State sources	7,110	-	-	-	-	-	-	-	-	-
Federal sources	-	-	22,034	-	-	3,446	-	9,958	197,871	-
Other	-	-	-	-	-	-	-	-	-	388,613
Total receipts	7,110	-	22,034	-	-	3,446	-	9,958	197,871	388,613
Disbursements:										
Current:										
Instruction	-	-	41,579	-	-	15,617	-	-	197,871	-
Support services	-	-	-	-	-	-	-	-	-	-
Noninstructional services	-	-	-	-	-	-	-	-	-	-
Facilities acquisition and construction	6,000	-	-	-	-	-	-	-	-	-
Debt services	-	-	-	-	-	-	-	-	-	-
Nonprogrammed charges	-	-	-	-	-	-	-	-	-	385,733
Total disbursements	6,000	-	41,579	-	-	15,617	-	-	197,871	385,733
Excess (deficiency) of receipts over disbursements	1,110	-	(19,545)	-	-	(12,171)	-	9,958	-	2,880
Other financing sources (uses):										
Transfers in	-	-	-	-	-	-	-	-	-	-
Transfers out	-	-	-	-	-	-	-	-	-	-
Total other financing sources (uses)	-	-	-	-	-	-	-	-	-	-
Excess (deficiency) of receipts and other financing sources over disbursements and other financing uses	1,110	-	(19,545)	-	-	(12,171)	-	9,958	-	2,880
Cash and investments - ending	\$ 3,110	\$ -	\$ (19,545)	\$ 874	\$ 319	\$ (4,370)	\$ 13	\$ -	\$ -	\$ 20,633

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

	Employer Benefits	Book Rental Employees	Transfer Tuition	Federal Withholding Taxes	Social Security Clearing Account	State Withholding Taxes	County Tax Clearing Account	Teacher Retirement Clearing Account	PERF Clearing Account	Medical Insurance Deduction Account
Cash and investments - beginning	\$ -	\$ (968)	\$ 968	\$ 934	\$ (706)	\$ 10,985	\$ 3,456	\$ 130	\$ 8,414	\$ 10,139
Receipts:										
Local sources	-	-	-	-	-	-	-	-	-	-
Intermediate sources	-	-	-	-	-	-	-	-	-	-
State sources	-	-	-	-	-	-	-	-	-	-
Federal sources	-	-	-	-	-	-	-	-	-	-
Other	-	1,397	-	449,077	367,093	159,932	58,283	75,858	64,239	151,363
Total receipts	-	1,397	-	449,077	367,093	159,932	58,283	75,858	64,239	151,363
Disbursements:										
Current:										
Instruction	-	-	-	-	-	-	-	-	-	-
Support services	-	-	-	-	-	-	-	-	-	-
Noninstructional services	-	-	-	-	-	-	-	-	-	-
Facilities acquisition and construction	-	-	-	-	-	-	-	-	-	-
Debt services	-	-	-	-	-	-	-	-	-	-
Nonprogrammed charges	-	(757)	968	450,011	366,387	156,109	53,878	3,493	36,979	152,017
Total disbursements	-	(757)	968	450,011	366,387	156,109	53,878	3,493	36,979	152,017
Excess (deficiency) of receipts over disbursements	-	2,154	(968)	(934)	706	3,823	4,405	72,365	27,260	(654)
Other financing sources (uses):										
Transfers in	-	-	-	-	-	-	-	-	-	-
Transfers out	-	-	-	-	-	-	-	-	-	-
Total other financing sources (uses)	-	-	-	-	-	-	-	-	-	-
Excess (deficiency) of receipts and other financing sources over disbursements and other financing uses	-	2,154	(968)	(934)	706	3,823	4,405	72,365	27,260	(654)
Cash and investments - ending	\$ -	\$ 1,186	\$ -	\$ -	\$ -	\$ 14,808	\$ 7,861	\$ 72,495	\$ 35,674	\$ 9,485

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

	Annuities Clearing Account	Child Support	Garnishment	Dependent Life Insurance	United Way Deductions	Life Insurance	Fortis Disability Insurance Non-cert	American Fidelity Life Insurance	American Fidelity Disability Insurance	American Fidelity Accident Insurance
Cash and investments - beginning	\$ 2,895	\$ 28	\$ -	\$ 6	\$ 180	\$ -	\$ 118	\$ -	\$ -	\$ -
Receipts:										
Local sources	-	-	-	-	-	-	-	-	-	-
Intermediate sources	-	-	-	-	-	-	-	-	-	-
State sources	-	-	-	-	-	-	-	-	-	-
Federal sources	-	-	-	-	-	-	-	-	-	-
Other	48,508	6,084	820	70	390	332	568	427	1,124	1,011
Total receipts	48,508	6,084	820	70	390	332	568	427	1,124	1,011
Disbursements:										
Current:										
Instruction	-	-	-	-	-	-	-	-	-	-
Support services	-	-	-	-	-	-	-	-	-	-
Noninstructional services	-	-	-	-	-	-	-	-	-	-
Facilities acquisition and construction	-	-	-	-	-	-	-	-	-	-
Debt services	-	-	-	-	-	-	-	-	-	-
Nonprogrammed charges	51,403	6,112	820	153	375	332	555	285	762	665
Total disbursements	51,403	6,112	820	153	375	332	555	285	762	665
Excess (deficiency) of receipts over disbursements	(2,895)	(28)	-	(83)	15	-	13	142	362	346
Other financing sources (uses):										
Transfers in	-	-	-	-	-	-	-	-	-	-
Transfers out	-	-	-	-	-	-	-	-	-	-
Total other financing sources (uses)	-	-	-	-	-	-	-	-	-	-
Excess (deficiency) of receipts and other financing sources over disbursements and other financing uses	(2,895)	(28)	-	(83)	15	-	13	142	362	346
Cash and investments - ending	\$ -	\$ -	\$ -	\$ (77)	\$ 195	\$ -	\$ 131	\$ 142	\$ 362	\$ 346

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

	American Fidelity Critical Care Insurance	Dental Insurance	Vision Insurance	Medical Expense Reimbursement	Additional Life Insurance Premiums	Cancer Insurance American Fidelity	Retiree Medical Insurance Premium	Miscellaneous Clearing	Totals
Cash and investments - beginning	\$ -	\$ -	\$ -	\$ 16,181	\$ 71	\$ (11,368)	\$ (2,443)	\$ (6)	\$ 3,657,917
Receipts:									
Local sources	-	-	-	-	-	-	-	-	3,787,542
Intermediate sources	-	-	-	-	-	-	-	-	185
State sources	-	-	-	-	-	-	-	-	6,381,208
Federal sources	-	-	-	-	-	-	-	-	345,480
Other	497	-	-	40,402	561	15,090	20,100	2,055	1,876,963
Total receipts	497	-	-	40,402	561	15,090	20,100	2,055	12,391,378
Disbursements:									
Current:									
Instruction	-	-	-	-	-	-	-	-	4,484,264
Support services	-	-	-	-	-	-	-	-	3,405,183
Noninstructional services	-	-	-	-	-	-	-	-	646,088
Facilities acquisition and construction	-	-	-	-	-	-	-	-	476,726
Debt services	-	-	-	-	-	-	-	-	1,334,267
Nonprogrammed charges	332	-	-	53,417	624	2,525	17,685	2,041	1,742,904
Total disbursements	332	-	-	53,417	624	2,525	17,685	2,041	12,089,432
Excess (deficiency) of receipts over disbursements	165	-	-	(13,015)	(63)	12,565	2,415	14	301,946
Other financing sources (uses):									
Transfers in	-	-	-	-	-	-	-	-	141,516
Transfers out	-	-	-	-	-	-	-	-	(141,516)
Total other financing sources (uses)	-	-	-	-	-	-	-	-	-
Excess (deficiency) of receipts and other financing sources over disbursements and other financing uses	165	-	-	(13,015)	(63)	12,565	2,415	14	301,946
Cash and investments - ending	\$ 165	\$ -	\$ -	\$ 3,166	\$ 8	\$ 1,197	\$ (28)	\$ 8	\$ 3,959,863

COMMUNITY SCHOOL CORPORATION OF EASTERN HANCOCK COUNTY  
 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	Post Retirement/ Severance Future Benefits	School Lunch	Textbook Rental
Cash and investments - beginning	\$ 1,603,902	\$ 738,914	\$ 84,448	\$ 412,577	\$ 476,358	\$ 61,921	\$ 200,000	\$ -	\$ 120,270	\$ 98,206
Receipts:										
Local sources	31,370	1,197,211	137,618	860,489	760,106	171,246	-	-	125,648	109,960
Intermediate sources	-	-	-	-	-	-	-	-	275,669	-
State sources	6,482,758	-	-	-	-	-	-	-	6,202	24,600
Federal sources	-	-	-	-	-	-	-	-	52,831	-
Other	3,602	-	-	-	-	-	-	-	-	-
Total receipts	<u>6,517,730</u>	<u>1,197,211</u>	<u>137,618</u>	<u>860,489</u>	<u>760,106</u>	<u>171,246</u>	<u>-</u>	<u>-</u>	<u>460,350</u>	<u>134,560</u>
Disbursements:										
Current:										
Instruction	4,598,799	-	-	-	-	-	-	21,715	-	23,696
Support services	1,781,926	-	-	362,685	940,857	80,217	-	-	15,959	159,746
Noninstructional services	133,723	-	-	-	-	-	-	-	549,093	-
Facilities acquisition and construction	4,594	-	-	651,267	-	-	-	-	-	-
Debt services	-	1,200,806	122,644	-	-	-	-	-	-	-
Nonprogrammed charges	-	-	-	-	-	-	-	-	-	-
Total disbursements	<u>6,519,042</u>	<u>1,200,806</u>	<u>122,644</u>	<u>1,013,952</u>	<u>940,857</u>	<u>80,217</u>	<u>-</u>	<u>21,715</u>	<u>565,052</u>	<u>183,442</u>
Excess (deficiency) of receipts over disbursements	<u>(1,312)</u>	<u>(3,595)</u>	<u>14,974</u>	<u>(153,463)</u>	<u>(180,751)</u>	<u>91,029</u>	<u>-</u>	<u>(21,715)</u>	<u>(104,702)</u>	<u>(48,882)</u>
Other financing sources (uses):										
Transfers in	-	-	-	-	2	-	-	21,715	-	-
Transfers out	<u>(21,718)</u>	<u>(10,023)</u>	<u>(858)</u>	<u>(27,437)</u>	<u>(6,687)</u>	<u>(1,027)</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Total other financing sources (uses)	<u>(21,718)</u>	<u>(10,023)</u>	<u>(858)</u>	<u>(27,437)</u>	<u>(6,685)</u>	<u>(1,027)</u>	<u>-</u>	<u>21,715</u>	<u>-</u>	<u>-</u>
Excess (deficiency) of receipts and other financing sources over disbursements and other financing uses	<u>(23,030)</u>	<u>(13,618)</u>	<u>14,116</u>	<u>(180,900)</u>	<u>(187,436)</u>	<u>90,002</u>	<u>-</u>	<u>-</u>	<u>(104,702)</u>	<u>(48,882)</u>
Cash and investments - ending	<u>\$ 1,580,872</u>	<u>\$ 725,296</u>	<u>\$ 98,564</u>	<u>\$ 231,677</u>	<u>\$ 288,922</u>	<u>\$ 151,923</u>	<u>\$ 200,000</u>	<u>\$ -</u>	<u>\$ 15,568</u>	<u>\$ 49,324</u>

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

	Levy Excess	Educational License Plates	SAFE School Haven	Early Intervention Grant	Donations/ Contributions	Lifeskills Class	BSU Grant German Class	NASA Grant	Outdoor Lab	Employee Wellness
Cash and investments - beginning	\$ -	\$ 260	\$ 14	\$ -	\$ 800	\$ 246	\$ 28	\$ 627	\$ 1,203	\$ 500
Receipts:										
Local sources	1,671	-	-	-	-	-	-	-	-	-
Intermediate sources	-	75	-	-	-	-	-	-	-	-
State sources	-	-	-	-	-	-	-	-	-	-
Federal sources	-	-	-	6,362	-	-	-	-	-	-
Other	-	-	-	-	-	-	-	-	-	-
Total receipts	1,671	75	-	6,362	-	-	-	-	-	-
Disbursements:										
Current:										
Instruction	-	-	-	6,362	-	241	-	-	-	-
Support services	-	-	14	-	-	-	-	-	-	-
Noninstructional services	-	-	-	-	-	-	-	-	-	-
Facilities acquisition and construction	-	-	-	-	-	-	-	627	-	-
Debt services	-	-	-	-	-	-	-	-	-	-
Nonprogrammed charges	-	-	-	-	-	-	-	-	-	-
Total disbursements	-	-	14	6,362	-	241	-	627	-	-
Excess (deficiency) of receipts over disbursements	1,671	75	(14)	-	-	(241)	-	(627)	-	-
Other financing sources (uses):										
Transfers in	46,033	-	-	-	-	-	-	-	-	-
Transfers out	-	-	-	-	-	-	-	-	-	-
Total other financing sources (uses)	46,033	-	-	-	-	-	-	-	-	-
Excess (deficiency) of receipts and other financing sources over disbursements and other financing uses	47,704	75	(14)	-	-	(241)	-	(627)	-	-
Cash and investments - ending	\$ 47,704	\$ 335	\$ -	\$ -	\$ 800	\$ 5	\$ 28	\$ -	\$ 1,203	\$ 500

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

	Safe Hire Fees	Scholarships and Awards 2012-2013	Scholarships and Awards 2013-2014	Griffith Library Endowment	Auditorium Microphones Donation	High Ability 2012-2013	High Ability 2010-2011	High Ability 2011-2012	Building Blocks 2012	Non-English Speaking Programs P.L. 273-1999
Cash and investments - beginning	\$ 319	\$ -	\$ -	\$ 524	\$ -	\$ -	\$ -	\$ 9,813	\$ -	\$ 775
Receipts:										
Local sources	616	500	1,131	-	-	-	-	-	-	-
Intermediate sources	-	-	-	-	-	-	-	-	-	-
State sources	-	-	-	-	-	29,203	-	-	10,700	-
Federal sources	-	-	-	-	-	-	-	-	-	-
Other	-	-	-	-	-	-	-	-	-	-
Total receipts	616	500	1,131	-	-	29,203	-	-	10,700	-
Disbursements:										
Current:										
Instruction	-	-	452	-	-	23,125	-	18,307	10,700	-
Support services	-	500	-	-	-	-	-	-	-	-
Noninstructional services	-	-	-	-	-	-	-	-	-	-
Facilities acquisition and construction	948	-	-	-	-	-	-	-	-	-
Debt services	-	-	-	-	-	-	-	-	-	-
Nonprogrammed charges	-	-	-	-	-	-	-	-	-	-
Total disbursements	948	500	452	-	-	23,125	-	18,307	10,700	-
Excess (deficiency) of receipts over disbursements	(332)	-	679	-	-	6,078	-	(18,307)	-	-
Other financing sources (uses):										
Transfers in	-	-	-	-	-	-	-	-	-	-
Transfers out	-	-	-	-	-	-	-	-	-	-
Total other financing sources (uses)	-	-	-	-	-	-	-	-	-	-
Excess (deficiency) of receipts and other financing sources over disbursements and other financing uses	(332)	-	679	-	-	6,078	-	(18,307)	-	-
Cash and investments - ending	\$ (13)	\$ -	\$ 679	\$ 524	\$ -	\$ 6,078	\$ -	\$ (8,494)	\$ -	\$ 775

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

	School Technology	Title I 2012-2013	Title I 2011-2012	Title I Migrant	Drug Free Schools Title IV	Improving Teaching Quality, No Child Left, Title II, Part A	ITQ Enhanced Education Through Technology Title II, Part D	Special Education - Part B	Education Jobs	Prepaid Food Collections - SFS
Cash and investments - beginning	\$ 3,110	\$ -	\$ (19,545)	\$ 874	\$ 319	\$ (4,370)	\$ 13	\$ -	\$ -	\$ 20,633
Receipts:										
Local sources	8,730	-	-	-	-	-	-	-	-	-
Intermediate sources	-	-	-	-	-	-	-	-	-	-
State sources	6,141	-	-	-	-	-	-	-	-	-
Federal sources	-	62,449	41,763	-	-	16,418	-	-	-	-
Other	-	-	-	-	-	-	-	-	-	99,906
Total receipts	14,871	62,449	41,763	-	-	16,418	-	-	-	99,906
Disbursements:										
Current:										
Instruction	-	68,296	12,155	-	-	15,265	-	-	-	-
Support services	-	-	-	-	319	-	-	-	-	-
Noninstructional services	-	-	-	-	-	-	-	-	-	-
Facilities acquisition and construction	10,602	-	-	-	-	-	-	-	-	-
Debt services	-	-	-	-	-	-	-	-	-	-
Nonprogrammed charges	-	-	-	-	-	-	-	-	-	689
Total disbursements	10,602	68,296	12,155	-	319	15,265	-	-	-	689
Excess (deficiency) of receipts over disbursements	4,269	(5,847)	29,608	-	(319)	1,153	-	-	-	99,217
Other financing sources (uses):										
Transfers in	-	-	-	-	-	-	-	-	-	-
Transfers out	-	-	-	-	-	-	-	-	-	-
Total other financing sources (uses)	-	-	-	-	-	-	-	-	-	-
Excess (deficiency) of receipts and other financing sources over disbursements and other financing uses	4,269	(5,847)	29,608	-	(319)	1,153	-	-	-	99,217
Cash and investments - ending	\$ 7,379	\$ (5,847)	\$ 10,063	\$ 874	\$ -	\$ (3,217)	\$ 13	\$ -	\$ -	\$ 119,850

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

	Employer Benefits	Book Rental Employees	Transfer Tuition	Federal Withholding Taxes	Social Security Clearing Account	State Withholding Taxes	County Tax Clearing Account	Teacher Retirement Clearing Account	PERF Clearing Account	Medical Insurance Deduction Account
Cash and investments - beginning	\$ -	\$ 1,186	\$ -	\$ -	\$ -	\$ 14,808	\$ 7,861	\$ 72,495	\$ 35,674	\$ 9,485
Receipts:										
Local sources	-	-	-	-	-	-	-	-	-	-
Intermediate sources	-	-	-	-	-	-	-	-	-	-
State sources	-	-	-	-	-	-	-	-	-	-
Federal sources	-	-	-	-	-	-	-	-	-	-
Other	516,733	4,436	-	422,645	681,122	154,789	69,155	363,104	148,510	102,715
Total receipts	516,733	4,436	-	422,645	681,122	154,789	69,155	363,104	148,510	102,715
Disbursements:										
Current:										
Instruction	-	-	-	-	-	-	-	-	-	-
Support services	-	-	-	-	-	-	-	-	-	-
Noninstructional services	-	-	-	-	-	-	-	-	-	-
Facilities acquisition and construction	-	-	-	-	-	-	-	-	-	-
Debt services	-	-	-	-	-	-	-	-	-	-
Nonprogrammed charges	493,080	5,580	-	422,645	681,122	169,597	77,016	435,599	184,184	111,518
Total disbursements	493,080	5,580	-	422,645	681,122	169,597	77,016	435,599	184,184	111,518
Excess (deficiency) of receipts over disbursements	23,653	(1,144)	-	-	-	(14,808)	(7,861)	(72,495)	(35,674)	(8,803)
Other financing sources (uses):										
Transfers in	-	-	-	-	-	-	-	-	-	-
Transfers out	-	-	-	-	-	-	-	-	-	-
Total other financing sources (uses)	-	-	-	-	-	-	-	-	-	-
Excess (deficiency) of receipts and other financing sources over disbursements and other financing uses	23,653	(1,144)	-	-	-	(14,808)	(7,861)	(72,495)	(35,674)	(8,803)
Cash and investments - ending	\$ 23,653	\$ 42	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 682

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

	Annuities Clearing Account	Child Support	Garnishment	Dependent Life Insurance	United Way Deductions	Life Insurance	Fortis Disability Insurance Non-cert	American Fidelity Life Insurance	American Fidelity Disability Insurance	American Fidelity Accident Insurance
Cash and investments - beginning	\$ -	\$ -	\$ -	\$ (77)	\$ 195	\$ -	\$ 131	\$ 142	\$ 362	\$ 346
Receipts:										
Local sources	-	-	-	-	-	-	-	-	-	-
Intermediate sources	-	-	-	-	-	-	-	-	-	-
State sources	-	-	-	-	-	-	-	-	-	-
Federal sources	-	-	-	-	-	-	-	-	-	-
Other	59,957	3,517	843	143	390	-	1,288	1,624	3,407	4,831
Total receipts	59,957	3,517	843	143	390	-	1,288	1,624	3,407	4,831
Disbursements:										
Current:										
Instruction	-	-	-	-	-	-	-	-	-	-
Support services	-	-	-	-	-	-	-	-	-	-
Noninstructional services	-	-	-	-	-	-	-	-	-	-
Facilities acquisition and construction	-	-	-	-	-	-	-	-	-	-
Debt services	-	-	-	-	-	-	-	-	-	-
Nonprogrammed charges	59,491	3,517	843	57	390	-	1,416	1,766	3,769	5,177
Total disbursements	59,491	3,517	843	57	390	-	1,416	1,766	3,769	5,177
Excess (deficiency) of receipts over disbursements	466	-	-	86	-	-	(128)	(142)	(362)	(346)
Other financing sources (uses):										
Transfers in	-	-	-	-	-	-	-	-	-	-
Transfers out	-	-	-	-	-	-	-	-	-	-
Total other financing sources (uses)	-	-	-	-	-	-	-	-	-	-
Excess (deficiency) of receipts and other financing sources over disbursements and other financing uses	466	-	-	86	-	-	(128)	(142)	(362)	(346)
Cash and investments - ending	\$ 466	\$ -	\$ -	\$ 9	\$ 195	\$ -	\$ 3	\$ -	\$ -	\$ -

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

	American Fidelity Critical Care Insurance	Dental Insurance	Vision Insurance	Medical Expense Reimbursement	Additional Life Insurance Premiums	Cancer Insurance American Fidelity	Retiree Medical Insurance Premium	Miscellaneous Clearing	Totals
Cash and investments - beginning	\$ 165	\$ -	\$ -	\$ 3,166	\$ 8	\$ 1,197	\$ (28)	\$ 8	\$ 3,959,863
Receipts:									
Local sources	-	-	-	-	-	-	-	-	3,406,296
Intermediate sources	-	-	-	-	-	-	-	-	275,744
State sources	-	-	-	-	-	-	-	-	6,559,604
Federal sources	-	-	-	-	-	-	-	-	179,823
Other	1,679	13,521	2,139	40,558	110	16,185	33,231	133	2,750,273
Total receipts	1,679	13,521	2,139	40,558	110	16,185	33,231	133	13,171,740
Disbursements:									
Current:									
Instruction	-	-	-	-	-	-	-	-	4,799,113
Support services	-	-	-	-	-	-	-	-	3,342,223
Noninstructional services	-	-	-	-	-	-	-	-	682,816
Facilities acquisition and construction	-	-	-	-	-	-	-	-	668,038
Debt services	-	-	-	-	-	-	-	-	1,323,450
Nonprogrammed charges	1,844	13,521	2,139	43,188	102	16,934	35,186	105	2,770,475
Total disbursements	1,844	13,521	2,139	43,188	102	16,934	35,186	105	13,586,115
Excess (deficiency) of receipts over disbursements	(165)	-	-	(2,630)	8	(749)	(1,955)	28	(414,375)
Other financing sources (uses):									
Transfers in	-	-	-	-	-	-	-	-	67,750
Transfers out	-	-	-	-	-	-	-	-	(67,750)
Total other financing sources (uses)	-	-	-	-	-	-	-	-	-
Excess (deficiency) of receipts and other financing sources over disbursements and other financing uses	(165)	-	-	(2,630)	8	(749)	(1,955)	28	(414,375)
Cash and investments - ending	\$ -	\$ -	\$ -	\$ 536	\$ 16	\$ 448	\$ (1,983)	\$ 36	\$ 3,545,488

COMMUNITY SCHOOL CORPORATION OF EASTERN HANCOCK COUNTY  
EXAMINATION RESULTS AND COMMENTS

**PUBLIC RECORDS RETENTION**

The receipts for the period July 2011 to April 2012 were not maintained and not presented for examination. For this same period, the receipt daily postings records were not kept and could not be reproduced. The inability to reproduce these records was attributed to a change in the accounting system. Alternate practices were able to be performed to adequately exam the receipts.

Indiana Code 5-15-6-3(f), concerning destruction of public records, states in part: "Original records may be disposed of only with the approval of the commission according to guidelines established by the commission."

**OVERDRAWN CASH BALANCE**

The financial statement presented in this report included the following funds with overdrawn cash balances at June 30, 2013:

<u>Fund</u>	<u>Amount Overdrawn</u>
Retiree Medical Insurance Premium	<u>\$ (1,983)</u>

A similar comment appeared in prior Report B40193.

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

COMMUNITY SCHOOL CORPORATION OF EASTERN HANCOCK COUNTY  
EXAMINATION RESULTS AND COMMENTS  
(Continued)

***SUPPORTING DOCUMENTATION***

We noted two instances totaling \$551 in which credit card purchases did not have adequate supporting documentation. The two instances were on two credit card statements with total purchases of \$5,741. Since there was not adequate supporting documentation for the credit card purchases, the disbursements could not be verified.

Supporting documentation such as receipts, canceled checks, tickets, invoices, bills, contracts, and other public records must be available for audit to provide supporting information for the validity and accountability of monies disbursed. Payments without supporting documentation may be the personal obligation of the responsible official or employee. (Accounting and Uniform Compliance Guidelines Manual for Indiana Public School Corporations, Chapter 9)

***PENALTIES, INTEREST, AND OTHER CHARGES***

The School Corporation paid penalties, interest, and other charges to Card Member Services (School Corporation's credit card) in the amount of \$86 because payments were not remitted on a timely basis.

Officials and employees have the duty to pay claims and remit taxes in a timely fashion. Failure to pay claims or remit taxes in a timely manner could be an indicator of serious financial problems which should be investigated by the governmental unit.

Additionally, officials and employees have a responsibility to perform duties in a manner which would not result in any unreasonable fees being assessed against the governmental unit.

Any penalties, interest or other charges paid by the governmental unit may be the personal obligation of the responsible official or employee. (Accounting and Uniform Compliance Guidelines Manual for Indiana Public School Corporations, Chapter 9)

COMMUNITY SCHOOL CORPORATION OF EASTERN HANCOCK COUNTY  
EXIT CONFERENCE

The contents of this report were discussed on April 8, 2014, with Scott Petry, President of the School Board; Jill Muegge, Treasurer; and Randy Harris, Superintendent of Schools. The Official Response has been made a part of this report and may be found on page 33.

## Audit Response

Audit Period 7/1/2011 through 6/30/2013

### Public Records Retention

Eastern Hancock's normal procedure requires maintenance of all records in accordance with record retention statutes. The receipts in question existed within an old computer system that is no longer utilized, making document retrieval extremely difficult. Current procedure includes storing all documents electronically for future reference. In addition, should Eastern Hancock change computer systems in the future, a full backup will be taken to ensure document retention requirements are met.

### Overdrawn Cash Balances

Eastern Hancock understands the significance of maintaining positive balances in all funds. This specific instance was the result of a timing issue between a medical premium billing and retiree insurance payment. Monthly and year-end review will continue to ensure fund balances do not reduce below zero.

### Supporting Documentation

Eastern Hancock's normal procedure requires supporting documentation for payment of all claims. Special attention will be made to ensure all documentation is detailed and itemized in order to comply with regulatory requirements.

### Penalties, Interest and other Charges

Eastern Hancock's normal procedure is to pay claims on time or early in order to maintain vendor relationships and avoid penalties and fees. In the instance cited, a credit card payment was made late because the Treasurer was awaiting supporting documentation. Therefore, a late payment penalty and interest were charged to and paid by the corporation. In the future, payments awaiting supporting documentation will be made to vendors regardless in order to avoid penalties to the corporation. Any follow up required to ensure proper supporting documentation has been secured will be completed after the fact.

  
Bill S. Muegge, Treasurer

  
Date