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

AUDIT REPORT

OF

NOBLESVILLE SCHOOLS

HAMILTON COUNTY, INDIANA

July 1, 2007 to June 30, 2009


FILED
02/09/2010

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SCHEDULE OF OFFICIALS

| Office | Official | Term |
|---|---|---|
| Treasurer | Terry Rich | 07-01-07 to 06-30-10 |
| Superintendent of Schools | Dr. Lynn Lehman | 07-01-07 to 06-30-09 |
| | Dr. Libbie Morgan-Conner | 07-01-09 to 06-30-13 |
| President of the School Board | Larry Jacobi | 07-01-07 to 06-30-08 |
| | Julia Kozicki | 07-01-08 to 06-30-10 |

**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 FINANCIAL STATEMENTS
AND SUPPLEMENTARY SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS

TO: THE OFFICIALS OF THE NOBLESVILLE SCHOOLS, HAMILTON COUNTY, INDIANA

We have audited the accompanying financial statements of the governmental activities, each major fund, and the aggregate remaining fund information of the Noblesville Schools (School Corporation), as of and for the years ended June 30, 2008 and 2009, which collectively comprise the School Corporation's basic financial statements as listed in the Table of Contents. These financial statements are the responsibility of the School Corporation's management. Our responsibility is to express opinions on these financial statements 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 statements are free of material misstatement. An audit includes examining, on a test basis, evidence supporting the amounts and disclosures in the financial statements. An audit also includes assessing the accounting principles used and significant estimates made by management, as well as evaluating the overall financial statement presentation. We believe that our audit provides a reasonable basis for our opinions.

As discussed in Note I, the School Corporation prepares its financial statements on the prescribed basis of accounting that demonstrates compliance with the cash and investment basis and budget laws of the State of Indiana, which is a comprehensive basis of accounting other than accounting principles generally accepted in the United States of America.

In our opinion, the financial statements referred to above present fairly, in all material respects, the respective cash and investment balances of the governmental activities, each major fund, and the aggregate remaining fund information of the School Corporation as of June 30, 2008 and 2009, and the respective cash receipts and cash disbursements during the years then ended on the basis of accounting described in Note I.

In accordance with Government Auditing Standards, we have also issued a report dated December 1, 2009, 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 audit performed in accordance with Government Auditing Standards and should be considered in assessing the results of our audit.

INDEPENDENT AUDITOR'S REPORT ON FINANCIAL STATEMENTS
AND SUPPLEMENTARY SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS
(Continued)

Our audit was conducted for the purpose of forming opinions on the financial statements that collectively comprise the School Corporation's basic financial statements. 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 basic financial statements. Such information has been subjected to the auditing procedures applied in the audit of the basic financial statements and, in our opinion, is fairly stated, in all material respects, in relation to the basic financial statements taken as a whole.

The Schedule of Funding Progress, as listed in the Table of Contents, is not a required part of the basic financial statements but is supplementary information required by accounting principles generally accepted in the United States of America. We have applied certain limited procedures, which consisted principally of inquiries of management, regarding the methods of measurement and presentation of the required supplementary information. However, we did not audit the information and express no opinion on it.

The School Corporation has not presented Management's Discussion and Analysis or Budgetary Comparison Schedules that accounting principles generally accepted in the United States of America has determined is necessary to supplement, although not required to be part of, the basic financial statements.

Our audit was conducted for the purpose of forming opinions on the financial statements that collectively comprise the School Corporation's basic financial statements. The Combining Schedules, as listed in the Table of Contents, Schedule of Capital Assets, and Schedule of Long-Term Debt are presented for additional analysis and are not required parts of the basic financial statements. The Combining Schedules, as listed in the Table of Contents, have been subjected to the auditing procedures applied in the audit of the basic financial statements and, in our opinion, are fairly stated in all material respects in relation to the basic financial statements taken as a whole. The Schedule of Capital Assets and Schedule of Long-Term Debt have not been subjected to the auditing procedures applied by us in the audit of the basic financial statements and, accordingly, we express no opinion on them.

STATE BOARD OF ACCOUNTS

December 1, 2009

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# REPORT ON INTERNAL CONTROL OVER FINANCIAL REPORTING AND ON COMPLIANCE AND OTHER MATTERS BASED ON AN AUDIT OF FINANCIAL STATEMENTS PERFORMED IN ACCORDANCE WITH GOVERNMENT AUDITING STANDARDS

TO: THE OFFICIALS OF THE NOBLESVILLE SCHOOLS, HAMILTON COUNTY, INDIANA

We have audited the financial statements of the governmental activities, each major fund, and the aggregate remaining fund information of the Noblesville Schools (School Corporation), as of and for the years ended June 30, 2008 and 2009, which collectively comprise the School Corporation's basic financial statements and have issued our report thereon dated December 1, 2009. 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.

## Internal Control Over Financial Reporting

In planning and performing our audit, we considered the School Corporation's internal control over financial reporting as a basis for designing our auditing procedures for the purpose of expressing our opinions on the financial statements, but not for the purpose of expressing an opinion on the effectiveness of the School Corporation's internal control over financial reporting. Accordingly, we do not express an opinion on the effectiveness of the School Corporation's internal control over financial reporting.

A control deficiency 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 misstatements on a timely basis. A significant deficiency is a control deficiency, or combination of control deficiencies, that adversely affects the entity's ability to initiate, authorize, record, process, or report financial data reliably in accordance with generally accepted accounting principles such that there is more than a remote likelihood that a misstatement of the entity's financial statements that is more than inconsequential will not be prevented or detected by the entity's internal control.

A material weakness is a significant deficiency, or combination of significant deficiencies, that results in more than a remote likelihood that a material misstatement of the financial statements will not be prevented or detected by the entity's internal control.

Our consideration of internal control over financial reporting was for the limited purpose described in the first paragraph of this section and would not necessarily identify all deficiencies in internal control that might be significant deficiencies or material weaknesses. We did not identify any deficiencies in internal control over financial reporting that we consider to be significant deficiencies or material weaknesses, as defined above.

REPORT ON INTERNAL CONTROL OVER FINANCIAL REPORTING AND ON
COMPLIANCE AND OTHER MATTERS BASED ON AN AUDIT OF FINANCIAL STATEMENTS
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 statements are 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.

We noted certain matters that we reported to management in a separate letter dated December 1, 2009.

This report is intended solely for the information and use of the School Corporation's management, school board, and federal awarding agencies and pass-through entities and is not intended to be and should not be used by anyone other than these specified parties. In accordance with Indiana Code 5-11-5-1, this report is a part of the public records of the State Board of Accounts and of the office examined.

STATE BOARD OF ACCOUNTS

December 1, 2009

NOBLESVILLE SCHOOLS
STATEMENT OF ACTIVITIES AND NET ASSETS - CASH AND INVESTMENT BASIS
For the Year Ended June 30, 2008

| | | Program Receipts | | Net (Disbursement) Receipts and Changes in Net Assets |
|---|---|---|---|---|
| Functions/Programs | Disbursements | Charges for Services | Operating Grants and Contributions | Totals |
| Governmental activities: | | | | |
| Instruction | $ 36,278,273 | $ - | $ 259,806 | $ (36,018,467) |
| Support services | 21,549,638 | 2,657,152 | 933,006 | (17,959,480) |
| Noninstructional services | 3,813,885 | - | - | (3,813,885) |
| Facilities acquisition and construction | 10,618,124 | - | - | (10,618,124) |
| Debt service | 20,780,835 | - | - | (20,780,835) |
| Nonprogrammed charges | 1,726,006 | - | - | (1,726,006) |
| Total governmental activities | $ 94,766,761 | $ 2,657,152 | $ 1,192,812 | (90,916,797) |
| General receipts: | | | | |
| Property taxes | | | | 38,649,898 |
| Other local sources | | | | 5,651,621 |
| State aid | | | | 24,933,016 |
| Bonds and loans | | | | 26,232,721 |
| Grants and contributions not restricted to specific programs | | | | 1,432,514 |
| Sale of property | | | | 12,917 |
| Investment earnings | | | | 780,755 |
| Other | | | | 7,525 |
| Total general receipts | | | | 97,700,967 |
| Change in net assets | | | | 6,784,170 |
| Net assets - beginning | | | | 12,757,419 |
| Net assets - ending | | | | $ 19,541,589 |

| Assets | |
|---|---|
| Cash and investments | $ 17,652,667 |
| Restricted assets: | |
| Cash and investments | 1,888,922 |
| Total assets | $ 19,541,589 |

| Net Assets | |
|---|---|
| Restricted for: | |
| Debt service | $ 1,888,922 |
| Unrestricted | 17,652,667 |
| Total net assets | $ 19,541,589 |

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

NOBLESVILLE SCHOOLS
STATEMENT OF ACTIVITIES AND NET ASSETS - CASH AND INVESTMENT BASIS
For the Year Ended June 30, 2009

| Functions/Programs | Disbursements | Program Receipts: Charges for Services | Program Receipts: Operating Grants and Contributions | Net (Disbursement) Receipts and Changes in Net Assets: Totals |
|---|---|---|---|---|
| Governmental activities: | | | | |
| Instruction | $ 35,952,324 | $ - | $ 245,737 | $ (35,706,587) |
| Support services | 23,584,644 | 2,654,148 | 1,049,229 | (19,881,267) |
| Noninstructional services | 3,931,547 | - | - | (3,931,547) |
| Facilities acquisition and construction | 7,810,816 | - | - | (7,810,816) |
| Debt service | 34,429,495 | - | - | (34,429,495) |
| Nonprogrammed charges | 2,056,806 | - | - | (2,056,806) |
| Total governmental activities | $ 107,765,632 | $ 2,654,148 | $ 1,294,966 | (103,816,518) |
| General receipts: | | | | |
| Property taxes | | | | 41,237,627 |
| Other local sources | | | | 6,055,033 |
| State aid | | | | 32,717,178 |
| Bonds and loans | | | | 6,446,604 |
| Grants and contributions not restricted to specific programs | | | | 5,666,063 |
| Sale of property | | | | 2,000 |
| Investment earnings | | | | 241,164 |
| Other | | | | 39,379 |
| Total general receipts | | | | 92,405,048 |
| Change in net assets | | | | (11,411,470) |
| Net assets - beginning | | | | 19,541,589 |
| Net assets - ending | | | | $ 8,130,119 |
| Assets | | | | |
| Cash and investments | | | | $ 6,729,208 |
| Restricted assets: | | | | |
| Cash and investments | | | | 1,400,911 |
| Total assets | | | | $ 8,130,119 |
| Net Assets | | | | |
| Restricted for: | | | | |
| Debt service | | | | $ 1,400,911 |
| Unrestricted | | | | 6,729,208 |
| Total net assets | | | | $ 8,130,119 |

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

NOBLESVILLE SCHOOLS
STATEMENT OF ASSETS AND FUND BALANCES AND RECEIPTS,
DISBURSEMENTS, AND CHANGES IN FUND BALANCES - CASH AND INVESTMENT BASIS
GOVERNMENTAL FUNDS
For the Year Ended June 30, 2008

| | General | Rainy Day Fund | School Lunch Fund | Debt Service | Capital Projects | Construction Fund | Other | Totals |
|---|---|---|---|---|---|---|---|---|
| Receipts: | | | | | | | | |
| Local sources | $ 20,436,454 | $ - | $ 2,305,432 | $ 11,129,571 | $ 8,304,005 | $ 97,019 | $ 5,466,845 | $ 47,739,326 |
| Intermediate sources | 103 | - | - | - | - | - | - | 103 |
| State sources | 25,095,535 | - | 51,571 | - | - | - | 581,115 | 25,728,221 |
| Federal sources | - | - | 754,415 | - | - | - | 1,075,705 | 1,830,120 |
| Temporary loans | 11,610,145 | - | - | 2,311,026 | 3,797,111 | - | 2,068,276 | 19,786,558 |
| Interfund loans | - | - | - | 10,000 | 170,000 | - | 200,000 | 380,000 |
| Other | - | - | 4,237 | - | 1,954 | - | 1,334 | 7,525 |
| Total receipts | 57,142,237 | - | 3,115,655 | 13,450,597 | 12,273,070 | 97,019 | 9,393,275 | 95,471,853 |
| Disbursements: | | | | | | | | |
| Current: | | | | | | | | |
| Instruction | 34,498,428 | 77,900 | - | - | - | - | 1,701,946 | 36,278,274 |
| Support services | 12,291,998 | 182,250 | 8,492 | - | 3,445,369 | - | 5,621,529 | 21,549,638 |
| Noninstructional services | 826,247 | - | 2,977,226 | - | - | - | 10,413 | 3,813,886 |
| Facilities acquisition and construction | 7,200 | - | 12,980 | - | 6,555,772 | 4,023,512 | 18,660 | 10,618,124 |
| Debt services | 5,369,452 | - | - | 13,412,749 | - | 145,558 | 1,853,076 | 20,780,835 |
| Nonprogrammed charges | 1,726,006 | - | - | - | - | - | - | 1,726,006 |
| Interfund loans | - | - | - | 30,000 | 170,000 | - | 180,000 | 380,000 |
| Total disbursements | 54,719,331 | 260,150 | 2,998,698 | 13,442,749 | 10,171,141 | 4,169,070 | 9,385,624 | 95,146,763 |
| Excess (deficiency) of receipts over disbursements | 2,422,906 | (260,150) | 116,957 | 7,848 | 2,101,929 | (4,072,051) | 7,651 | 325,090 |
| Other financing sources (uses): | | | | | | | | |
| Proceeds of long-term debt | - | - | - | - | - | 6,446,163 | - | 6,446,163 |
| Sale of capital assets | 150 | - | 2,467 | - | 2,500 | - | 7,800 | 12,917 |
| Transfers in | 14,207 | 463,046 | - | 239,733 | - | - | 60,904 | 777,890 |
| Transfers out | (593) | - | - | (75,314) | (645,413) | - | (56,570) | (777,890) |
| Total other financing sources (uses) | 13,764 | 463,046 | 2,467 | 164,419 | (642,913) | 6,446,163 | 12,134 | 6,459,080 |
| Excess (deficiency) of receipts and other financing sources over disbursements and other financing uses | 2,436,670 | 202,896 | 119,424 | 172,267 | 1,459,016 | 2,374,112 | 19,785 | 6,784,170 |
| Cash and investments - beginning | 5,452,469 | 1,268,204 | 758,714 | 1,714,957 | 2,066,271 | 443,565 | 1,053,239 | 12,757,419 |
| Cash and investments - ending | $ 7,889,139 | $ 1,471,100 | $ 878,138 | $ 1,887,224 | $ 3,525,287 | $ 2,817,677 | $ 1,073,024 | $ 19,541,589 |
| Cash and Investment Assets - Ending | | | | | | | | |
| Cash and investments | $ 7,889,139 | $ 1,471,100 | $ 878,138 | $ - | $ 3,525,287 | $ 2,817,677 | $ 1,071,326 | $ 17,652,667 |
| Restricted assets: | | | | | | | | |
| Cash and investments | - | - | - | 1,887,224 | - | - | 1,698 | 1,888,922 |
| Total cash and investment assets - ending | $ 7,889,139 | $ 1,471,100 | $ 878,138 | $ 1,887,224 | $ 3,525,287 | $ 2,817,677 | $ 1,073,024 | $ 19,541,589 |
| Cash and Investment Fund Balance - Ending | | | | | | | | |
| Restricted for: | | | | | | | | |
| Debt service | $ - | $ - | $ - | $ 1,887,224 | $ - | $ - | $ 1,698 | $ 1,888,922 |
| Unrestricted | 7,889,139 | 1,471,100 | 878,138 | - | 3,525,287 | 2,817,677 | 1,071,326 | 17,652,667 |
| Total cash and investment fund balance - ending | $ 7,889,139 | $ 1,471,100 | $ 878,138 | $ 1,887,224 | $ 3,525,287 | $ 2,817,677 | $ 1,073,024 | $ 19,541,589 |

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

NOBLESVILLE SCHOOLS
STATEMENT OF ASSETS AND FUND BALANCES AND RECEIPTS,
DISBURSEMENTS, AND CHANGES IN FUND BALANCES - CASH AND INVESTMENT BASIS
GOVERNMENTAL FUNDS
For the Year Ended June 30, 2009

| | General | Rainy Day Fund | School Lunch Fund | Fiscal Stabilization | Debt Service | Capital Projects | Construction Fund | Other | Totals |
|---|---|---|---|---|---|---|---|---|---|
| Receipts: | | | | | | | | | |
| Local sources | $ 19,894,261 | $ - | $ 2,366,389 | $ - | $ 13,828,097 | $ 8,571,147 | $ 9,364 | $ 5,518,503 | $ 50,187,761 |
| Intermediate sources | 206 | - | - | - | - | - | - | - | 206 |
| State sources | 32,871,322 | - | - | - | - | - | - | 615,595 | 33,486,917 |
| Federal sources | - | - | 915,297 | 4,027,280 | - | - | - | 1,248,713 | 6,191,290 |
| Temporary loans | - | - | - | - | 2,467,826 | 1,651,700 | - | 2,327,078 | 6,446,604 |
| Interfund loans | 2,000,000 | - | - | - | 30,000 | - | - | 60,000 | 2,090,000 |
| Other | 6,260 | - | 4,197 | - | - | 28,922 | - | - | 39,379 |
| Total receipts | 54,772,049 | - | 3,285,883 | 4,027,280 | 16,325,923 | 10,251,769 | 9,364 | 9,769,889 | 98,442,157 |
| Disbursements: | | | | | | | | | |
| Current: | | | | | | | | | |
| Instruction | 34,072,502 | - | - | - | - | - | - | 1,879,823 | 35,952,325 |
| Support services | 13,911,825 | 908,889 | 4,181 | - | 19,200 | 3,737,660 | - | 5,002,885 | 23,584,640 |
| Noninstructional services | 898,444 | - | 3,029,244 | - | - | - | - | 3,859 | 3,931,547 |
| Facilities acquisition and construction | - | - | - | - | - | 5,222,973 | 2,451,617 | 136,225 | 7,810,815 |
| Debt services | 11,610,145 | - | - | - | 16,848,566 | 3,797,111 | - | 2,173,673 | 34,429,495 |
| Nonprogrammed charges | 2,056,805 | - | - | - | - | - | - | - | 2,056,805 |
| Interfund loans | - | - | - | 2,060,000 | 30,000 | - | - | - | 2,090,000 |
| Total disbursements | 62,549,721 | 908,889 | 3,033,425 | 2,060,000 | 16,897,766 | 12,757,744 | 2,451,617 | 9,196,465 | 109,855,627 |
| Excess (deficiency) of receipts over disbursements | (7,777,672) | (908,889) | 252,458 | 1,967,280 | (571,843) | (2,505,975) | (2,442,253) | 573,424 | (11,413,470) |
| Other financing sources (uses): | | | | | | | | | |
| Sale of capital assets | - | - | - | - | - | - | - | 2,000 | 2,000 |
| Transfers in | - | 501,300 | - | - | - | - | - | 168,914 | 670,214 |
| Transfers out | - | - | - | - | (10,238) | (501,300) | - | (158,676) | (670,214) |
| Total other financing sources (uses) | - | 501,300 | - | - | (10,238) | (501,300) | - | 12,238 | 2,000 |
| Excess (deficiency) of receipts and other financing sources over disbursements and other financing uses | (7,777,672) | (407,589) | 252,458 | 1,967,280 | (582,081) | (3,007,275) | (2,442,253) | 585,662 | (11,411,470) |
| Cash and investments - beginning | 7,889,139 | 1,471,100 | 878,138 | - | 1,887,224 | 3,525,287 | 2,817,677 | 1,073,024 | 19,541,589 |
| Cash and investments - ending | $ 111,467 | $ 1,063,511 | $ 1,130,596 | $ 1,967,280 | $ 1,305,143 | $ 518,012 | $ 375,424 | $ 1,658,686 | $ 8,130,119 |
| <u>Cash and Investment Assets - Ending</u> | | | | | | | | | |
| Cash and investments | $ 111,467 | $ 1,063,511 | $ 1,130,596 | $ 1,967,280 | $ - | $ 518,012 | $ 375,424 | $ 1,562,918 | $ 6,729,208 |
| Restricted assets: | | | | | | | | | |
| Cash and investments | - | - | - | - | 1,305,143 | - | - | 95,768 | 1,400,911 |
| Total cash and investment assets - ending | $ 111,467 | $ 1,063,511 | $ 1,130,596 | $ 1,967,280 | $ 1,305,143 | $ 518,012 | $ 375,424 | $ 1,658,686 | $ 8,130,119 |
| <u>Cash and Investment Fund Balance - Ending</u> | | | | | | | | | |
| Restricted for: | | | | | | | | | |
| Debt service | $ - | $ - | $ - | $ - | $ 1,305,143 | $ - | $ - | $ 95,768 | $ 1,400,911 |
| Unrestricted | 111,467 | 1,063,511 | 1,130,596 | 1,967,280 | - | 518,012 | 375,424 | 1,562,918 | 6,729,208 |
| Total cash and investment fund balance - ending | $ 111,467 | $ 1,063,511 | $ 1,130,596 | $ 1,967,280 | $ 1,305,143 | $ 518,012 | $ 375,424 | $ 1,658,686 | $ 8,130,119 |

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

NOBLESVILLE SCHOOLS
STATEMENT OF ADDITIONS, DEDUCTIONS, AND CHANGES IN CASH AND INVESTMENT BALANCES
FIDUCIARY FUNDS
For the Year Ended June 30, 2008

| | Pension Trust Funds | Private-Purpose Trust Funds |
|---|---|---|
| Additions: | | |
| Contributions: | | |
| Other | $ - | $ 63,593 |
| Total contributions | - | 63,593 |
| Investment earnings: | | |
| Interest | 44,922 | 14,284 |
| Total investment earnings | 44,922 | 14,284 |
| Total additions | 44,922 | 77,877 |
| Deductions: | | |
| Benefits | 342,783 | - |
| Administrative and general | - | 67,723 |
| Total deductions | 342,783 | 67,723 |
| Excess (deficiency) of total additions over total deductions | (297,861) | 10,154 |
| Cash and investment fund balance - beginning | 1,249,938 | 319,675 |
| Cash and investment fund balance - ending | $ 952,077 | $ 329,829 |
| Net assets: | | |
| Cash and investments | $ 952,077 | $ 329,829 |
| Total net assets - cash and investment basis held in trust | $ 952,077 | $ 329,829 |

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

NOBLESVILLE SCHOOLS
STATEMENT OF ADDITIONS, DEDUCTIONS, AND CHANGES IN CASH AND INVESTMENT BALANCES
FIDUCIARY FUNDS
For the Year Ended June 30, 2009

| | Pension Trust Funds | Private-Purpose Trust Funds |
|---|---|---|
| Additions: | | |
| Contributions: | | |
| Other | $ - | $ 37,980 |
| Total contributions | - | 37,980 |
| Investment earnings: | | |
| Interest | 10,605 | 6,175 |
| Total investment earnings | 10,605 | 6,175 |
| Total additions | 10,605 | 44,155 |
| Deductions: | | |
| Benefits | 67,892 | - |
| Administrative and general | - | 51,615 |
| Total deductions | 67,892 | 51,615 |
| Deficiency of total additions over total deductions | (57,287) | (7,460) |
| Cash and investment fund balance - beginning | 952,077 | 329,829 |
| Cash and investment fund balance - ending | $ 894,790 | $ 322,369 |
| Net assets: | | |
| Cash and investments | $ 894,790 | $ 322,369 |
| Total net assets - cash and investment basis held in trust | $ 894,790 | $ 322,369 |

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

# I. 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 School Corporation's financial reporting entity is composed of the following:

Primary Government: Noblesville Schools

In determining the financial reporting entity, the School Corporation complies with the provisions of GASB Statement No. 14, *The Financial Reporting Entity*.

### Joint Venture

The School Corporation is a participant with the following school corporations: Carmel-Clay Schools, Frankton-Lapel Community Schools, Hamilton-Heights School Corporation, Sheridan Community Schools, Noblesville Schools, and Westfield-Washington Schools in a joint venture to operate the Hamilton-Boone-Madison Special Services (Co-op) which was created to provide instruction for handicapped children. The Co-op's continued existence depends on continued funding by the School Corporation. Complete financial statements for the Co-op can be obtained from Carmel Clay Schools.

## B. Government-Wide and Fund Financial Statements

### Government-Wide Financial Statements

The Statement of Activities and Net Assets – Cash and Investment Basis displays information about the reporting government as a whole. It includes all funds of the reporting entity except for fiduciary funds. The statement distinguishes between governmental and business-type activities. Governmental activities generally are financed through taxes, intergovernmental revenues, and other nonexchange revenues. Business-type activities are financed in whole or in part by fees charged to external parties for goods or services.

### Fund Financial Statements

Fund financial statements of the reporting entity are organized into funds, each of which is considered to be a separate accounting entity. Each fund is accounted for by providing a separate set of self-balancing accounts that constitutes its assets, fund equity, receipts, and disbursements. Separate financial statements are provided for governmental funds, proprietary funds, and fiduciary funds, even though the latter are excluded from the government-wide financial statements. Major individual governmental funds and major individual enterprise funds are reported as separate columns in the fund financial statements. However, at this time, the School Corporation has not established any enterprise funds.

The School Corporation reports the following major governmental funds:

The general fund is the primary operating fund. It accounts for all financial resources of the general government, except those required to be accounted for in another fund.

The rainy day fund is used to account for funds in accordance with IC 36-1-8-5.1 and a locally adopted resolution.

The school lunch fund is used to account for receipts and disbursements for the food service program.

The fiscal stabilization-education (Stimulus) fund accounts for receipts and disbursements of cash received from the federal government to be used to supplement funding of local, state, and federal programs.

The debt service fund accounts for debt from funds borrowed or advanced for the purchase or lease of school buildings, school buses, judgments against the corporation, equipment or capital construction, and interest on emergency and temporary loans.

The capital projects fund accounts for planned construction, repair, replacement or remodeling; and the purchase, lease, upgrade, maintenance, or repair of computer equipment.

The construction fund is used to account for disbursements for capital outlay from receipts derived from the sale of general obligation bonds or other outside sources.

Additionally, the School Corporation reports the following fund types:

The pension trust funds account for bonds and payments anticipated to be made to employees on or after the termination of employment or to pay postemployment or severance benefits held by the School Corporation in a trustee capacity.

The private-purpose trust fund reports a trust arrangement under which principal and income benefit the students and provide scholarships to students.

C. Measurement Focus and Basis of Accounting

The government-wide, governmental fund, proprietary fund, and fiduciary fund financial statements are reported using the basis of accounting that demonstrates compliance with the cash and investment basis and budget laws of the State of Indiana, which is a comprehensive basis of accounting other than accounting principles generally accepted in the United States of America. Receipts are recorded when received and disbursements are recorded when paid.

The cash and investment 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. Investment transactions are not presented on the financial statements.

If the School Corporation utilized the basis of accounting recognized as generally accepted, the fund financial statements for governmental funds would use the modified accrual basis of accounting, while the fund financial statements for proprietary fund types would use the accrual basis of accounting. All government-wide financials would be presented on the accrual basis of accounting.

As a general rule, the effect of interfund activity has been eliminated from the government-wide financial statements.

Proprietary funds are used to account for activities similar to those found in the private sector, where the determination of net income is necessary or useful to sound financial administration. Goods or services from such activities are provided to people outside the government (enterprise funds) or other departments or agencies primarily within the government (internal service funds). The School Corporation does not have any enterprise funds.

When both restricted and unrestricted resources are available for use, the School Corporation's policy is to use restricted resources first, then unrestricted resources as they are needed.

D. Assets and Cash and Investment Balances

1. Cash and Investments

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

2. Property Taxes

   Property taxes levied are collected by the County Treasurer and are distributed to the School Corporation in June and in December. 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% 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 become delinquent if not paid by May 10 and November 10, respectively. All property taxes collected by the County Treasurer and available for distribution were distributed to the School Corporation on or prior to June 30 of the year collected.

3. Capital Assets

   Capital assets arising from cash transactions acquired for use in governmental or proprietary fund operations are accounted for as capital outlay disbursements of the fund upon acquisition.

4. Long-Term Debt

   Long-term debt arising from cash basis transactions of governmental and proprietary funds is not reported as liabilities in the basic financial statements. The debt proceeds are reported as other financing sources and payment of principal and interest reported as disbursements.

5. Equity Classification

   Government-Wide Statements

   Equity is classified as net assets and displayed in two components:

a. Restricted net assets – Consists of net assets with constraints placed on the use either by (1) external groups such as creditors, grantors, contributors, or laws and regulations of other governments, or (2) law through constitutional provisions or enabling legislation.

b. Unrestricted net assets – All other net assets that do not meet the definition of "restricted."

It is the School Corporation's policy to first use restricted net assets prior to the use of unrestricted net assets when a disbursement is incurred for purposes for which both restricted and unrestricted net assets are available.

Fund Financial Statements

Governmental fund equity is classified as fund balance.

E. Receipts and Disbursements

1. Program Receipts

Amounts reported as program receipts include (1) charges to customers or applicants for goods, services, or privileges provided, (2) operating grants and contributions, and (3) capital grants and contributions, including special assessments. Internally dedicated resources are reported as general receipts rather than as program receipts. Likewise, general receipts include all taxes.

2. Operating Receipts and Disbursements

Operating receipts and disbursements for proprietary funds and the similar discretely presented component unit result from providing services and producing and delivering goods and/or services. They also include all receipts and disbursements not related to capital and related financing, noncapital financing, or investing activities.

F. Internal and Interfund Balances and Activities

In the process of aggregating the financial information for the government-wide Statement of Activities and Net Assets – Cash and Investment Basis, some amounts reported as interfund activity and balances in the fund financial statements have been eliminated or reclassified.

Fund Financial Statements

1. Interfund reimbursements – Repayments from funds responsible for certain disbursements to the funds that initially paid for them are not reported as reimbursements but as adjustments to disbursements in the respective funds.

2. Interfund transfers – Flow of assets from one fund to another where repayment is not expected is reported as transfers in and out.

Government-Wide Financial Statements

Interfund activity and balances, if any, are eliminated or reclassified in the government-wide financial statements as follows:

## II. Stewardship, Compliance and Accountability

Budgetary Information

Annual budgets are adopted on the cash basis, which is not consistent with accounting principles generally accepted in the United States of America. All annual appropriations lapse at calendar year end.

Prior to the first required publication, the fiscal officer of the School Corporation submits to the governing board a proposed operating budget for the year commencing the following July 1. Prior to adoption, the budget is advertised and public hearings are conducted by the governing board to obtain taxpayer comments. In September of each year, the governing board, through the passage of a resolution/ordinance, approves the budget for the next year. Copies of the budget resolution/ordinance and the advertisement for funds for which property taxes are levied or highway use taxes are received are sent to the Indiana Department of Local Government Finance. The budget becomes legally enacted after the fiscal officer of the School Corporation receives approval of the Indiana Department of Local Government Finance.

The School Corporation's management cannot transfer budgeted appropriations between object classifications of a budget without approval of the governing board. The Indiana Department of Local Government Finance must approve any revisions to the appropriations for any fund or any department of the General Fund. The legal level of budgetary control is by object and department within the fund for the General Fund and by object within the fund for all other budgeted funds.

## III. Detailed Notes on All Funds

### A. Deposits and Investments

#### 1. Deposits

Custodial credit risk is the risk that in the event of a bank failure, the government's deposits may not be returned to it. Indiana Code 5-13-8-1 allows a political subdivision of the State of Indiana to deposit public funds in a financial institution only if the financial institution is a depository eligible to receive state funds and has a principal office or branch that qualifies to receive public funds of the political subdivision. The School Corporation does not have a deposit policy for custodial credit risk. At June 30, 2009, the School Corporation had deposit balances in the amount of $9,097,276.32.

The bank balances were insured by the Federal Deposit Insurance Corporation or the Public Deposit Insurance Fund, which covers all public funds held in approved depositories.

#### 2. Investments

Statutory Authorization for Investments

Indiana Code 5-13-9 authorizes the School Corporation to invest in securities backed by the full faith and credit of the United States Treasury or fully guaranteed by the United States of America and issued by the United States Treasury, a federal agency, a federal instrumentality, or a federal government sponsored enterprise. Indiana Code also authorizes the

School Corporation to invest in securities fully guaranteed and issued by a federal agency, a federal instrumentality, or a federal government sponsored enterprise. These investments are required by statute to have a stated final maturity of not more than two years.

Indiana Code also provides for investment in money market mutual funds that are in the form of securities of, or interest in, an open-end, no-load, management-type investment company or investment trust registered under the provision of the federal Investment Company Act of 1940, as amended. Investments in money market mutual funds may not exceed 50% of the funds held by the School Corporation and available for investment. The portfolio of an investment company or investment trust used must be limited to direct obligations of the United States of America, obligations issued by a federal agency, a federal instrumentality, or a federal government sponsored enterprise or repurchase agreements fully collateralized by direct obligations of the United States of America or obligations issued by a federal agency, a federal instrumentality, or a federal government sponsored enterprise. The form of securities of, or interest in, an investment company or investment trust must be rated as AAA, or its equivalent by Standard and Poor's Corporation or its successor or Aaa, or its equivalent, by Moody's Investors Service, Inc., or its successor. The form of securities in an investment company or investment trust should have a stated final maturity of one day.

Additionally, the School Corporation may enter into repurchase agreements with depositories designated by the State Board of Finance as depositories for state deposits involving the School Corporation's purchase and guaranteed resale of any interest-bearing obligations issued or fully insured or guaranteed by the United States of America, a United States of America government agency, an instrumentality of the United States of America, or a federal government sponsored enterprise. The repurchase agreement is considered to have a stated final maturity of one day. This agreement must be fully collateralized by interest-bearing obligations as determined by their current market value.

Investment Custodial Credit Risk

The custodial credit risk for investments is the risk that, in the event of the failure of the counterparty to a transaction, a government will not be able to recover the value of investment or collateral securities that are in the possession of an outside party. The School Corporation does not have a formal investment policy for custodial credit risk for investments.

Concentration of Credit Risk

Concentration of credit risk is the risk of loss attributed to the magnitude of a government's investment in a single issuer. The School Corporation does not have a policy in regards to concentration of credit risk. United States of America government and United States of America governmental agency securities are exempt from this policy requirement.

B. Interfund Transfers

Interfund transfers for the years ended June 30, 2008 and 2009, were as follows:

| Transfer From | Transfer To | 2008 | 2009 |
|---|---|---|---|
| General Fund | Other governmental funds | $ 593 | $ - |
| Debt Service Fund | General Fund | 14,208 | - |
| | Other governmental funds | 61,106 | 40,238 |
| Capital Projects Fund | Debt Service Fund | 239,733 | - |
| | Other governmental funds | 405,680 | 501,300 |
| All others | Other governmental funds | 56,570 | 128,676 |
| Totals | | $ 777,890 | $ 670,214 |

The School Corporation typically uses transfers for cash flow purposes as provided by various statutory provisions.

## IV. Other Information

### A. Risk Management

The School Corporation is 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 (excluding postemployment benefits); and natural disasters.

The risks of 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 (excluding postemployment benefits); and natural disasters are covered by commercial insurance from independent third parties. Settled claims from these risks have not exceeded commercial insurance coverage for the past three years. There were no significant reductions in insurance by major category of risk.

### B. Holding Corporations

The School Corporation has entered into a capital lease with Noblesville Multi-School Building Corporation, Noblesville High School Building Corporation, Noblesville Elementary/Intermediate School Building Corporation, White River Elementary School Building Corporation, and Noblesville West 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. Lease payments during the years ending June 30, 2008 and 2009, totaled $12,977,500 and $13,647,000, respectfully.

C. Pension Plans

1. Agent Multiple-Employer Defined Benefit Pension Plan

Public Employees' Retirement Fund

Plan Description

The School Corporation contributes to the Indiana Public Employees' Retirement Fund (PERF), 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 the defined benefit plan. State statutes (IC 5-10.2 and 5-10.3) govern, through the PERF 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 member's contributions, set by state statute at 3% of compensation, plus the interest credited to the member's account. The employer may elect to make the contributions on behalf of the member.

PERF 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. The report may be obtained by contacting:

Public Employees' Retirement Fund
Harrison Building, Room 800
143 West Market Street
Indianapolis, IN 46204
Ph. (317) 233-4162

Funding Policy and Annual Pension Cost

The contribution requirements of plan members for PERF are established by the Board of Trustees of PERF. The School Corporation's annual pension cost and related information, as provided by the actuary, is presented in this note.

Actuarial Information for the Above Plan

| | PERF |
|---|---|
| Annual required contribution | $ 465,264 |
| Interest on net pension obligation | (23,709) |
| Adjustment to annual required contribution | 27,018 |
| Annual pension cost | 468,573 |
| Contributions made | 526,326 |
| Increase (decrease) in net pension obligation | (57,753) |
| Net pension obligation, beginning of year | (327,015) |
| Net pension obligation, end of year | $ (384,768) |

| | PERF |
|---|---|
| Contribution rates: | |
| School Corporation | 7.0% |
| Plan members | 3% |
| Actuarial valuation date | 07-01-08 |
| Actuarial cost method | Entry age |
| Amortization method | Level percentage of projected payroll, closed |
| Amortization period | 30 years |
| Amortization period (from date) | 07-01-97 |
| Asset valuation method | 75% of expected actuarial value plus 25% of market value |

| Actuarial Assumptions | PERF |
|---|---|
| Investment rate of return | 7.25% |
| Projected future salary increases: | |
| Total | 5% |
| Attributed to inflation | 4% |
| Attributed to merit/seniority | 1% |
| Cost-of-living adjustments | 2% |

Three Year Trend Information

| | Year Ending | Annual Pension Cost (APC) | Percentage of APC Contributed | Net Pension Obligation |
|---|---|---|---|---|
| PERF | 06-30-06 | $ 355,835 | 99% | $ (379,117) |
| | 06-30-07 | 446,696 | 88% | (327,015) |
| | 06-30-08 | 468,573 | 112% | (384,768) |

2. Cost-Sharing Multiple-Employer Defined Benefit Pension Plan

Teachers' Retirement Fund

Plan Description

The School Corporation contributes to the Indiana Teachers' Retirement Fund (TRF), 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 TRF 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 member's contributions, set by state statute at 3% 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.

TRF 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:

Teachers' Retirement Fund
150 West Market Street
Indianapolis, IN 46204
Ph. (317) 232-3860

Funding Policy and Annual Pension Costs

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.

The School Corporation is to contribute at an actuarially determined rate. The current rate has been actuarially determined under the entry age normal cost method to be 6.82% of covered wages. The School Corporation's required contributions to the plan for the fiscal years ended June 30, 2009, 2008, and 2007, were $1,293,830, $1,205,891, and $980,601, respectively. The School Corporation actually contributed 100% of the required contribution for each of the fiscal years.

NOBLESVILLE SCHOOLS
REQUIRED SUPPLEMENTARY INFORMATION
SCHEDULE OF FUNDING PROGRESS

Public Employees' Retirement Fund

| Actuarial Valuation Date | Actuarial Value of Assets (a) | Actuarial Accrued Liability (AAL) (b) | (Unfunded) AAL (a-b) | Funded Ratio (a/b) | Covered Payroll (c) | Unfunded AAL as a Percentage of Covered Payroll ((a-b)/c) |
|---|---|---|---|---|---|---|
| 07-01-06 | $ 5,651,792 | $ 6,060,483 | $ (408,691) | 93% | $ 6,390,009 | (6%) |
| 07-01-07 | 6,269,798 | 6,575,778 | (305,980) | 95% | 6,732,178 | (5%) |
| 07-01-08 | 7,124,924 | 7,560,212 | (435,288) | 94% | 8,062,921 | (5%) |

NOBLESVILLE SCHOOLS
COMBINING SCHEDULE OF ASSETS AND FUND BALANCES AND RECEIPTS,
DISBURSEMENTS, AND CHANGES IN FUND BALANCES - CASH AND INVESTMENT BASIS
OTHER GOVERNMENTAL FUNDS
For the Year Ended June 30, 2008

| | Transportation Operating | Special Ed - Pre-School | Textbook Rental | Levy Excess | Alternative Ed | Safe Haven |
|---|---|---|---|---|---|---|
| Receipts: | | | | | | |
| Local sources | $ 2,934,847 | $ 57,969 | $ 818,601 | $ - | $ - | $ - |
| State sources | - | 295,413 | 138,685 | - | 8,687 | 12,302 |
| Federal sources | - | - | - | - | - | - |
| Temporary loans | 2,068,276 | - | - | - | - | - |
| Interfund loans | 170,000 | - | - | - | - | - |
| Other | 1,334 | - | - | - | - | - |
| Total receipts | 5,174,457 | 353,382 | 957,286 | - | 8,687 | 12,302 |
| Disbursements: | | | | | | |
| Current: | | | | | | |
| Instruction | - | 387,601 | - | - | 14,895 | 12,302 |
| Support services | 3,585,391 | - | 845,628 | - | - | - |
| Noninstructional services | - | - | - | - | - | - |
| Facilities acquisition and construction | - | - | - | - | - | - |
| Debt services | 1,547,151 | - | - | - | - | - |
| Interfund loans | 170,000 | - | - | - | - | - |
| Total disbursements | 5,302,542 | 387,601 | 845,628 | - | 14,895 | 12,302 |
| Excess (deficiency) of receipts over disbursements | (128,085) | (34,219) | 111,658 | - | (6,208) | - |
| Other financing sources (uses): | | | | | | |
| Sale of capital assets | - | - | - | - | - | - |
| Transfers in | 7,024 | - | - | - | - | - |
| Transfers out | - | - | - | - | - | - |
| Total other financing sources (uses) | 7,024 | - | - | - | - | - |
| Excess (deficiency) of receipts and other financing sources over disbursements and other financing uses | (121,061) | (34,219) | 111,658 | - | (6,208) | - |
| Cash and investments - beginning | 129,347 | 51,944 | 175,856 | 229,121 | 6,208 | - |
| Cash and investments - ending | $ 8,286 | $ 17,725 | $ 287,514 | $ 229,121 | $ - | $ - |
| Cash and Investment Assets - Ending | | | | | | |
| Cash and investments | $ 8,286 | $ 17,725 | $ 287,514 | $ 229,121 | $ - | $ - |
| Restricted assets: | | | | | | |
| Cash and investments | - | - | - | - | - | - |
| Total cash and investment assets - ending | $ 8,286 | $ 17,725 | $ 287,514 | $ 229,121 | $ - | $ - |
| Cash and Investment Fund Balance - Ending | | | | | | |
| Restricted for: | | | | | | |
| Debt service | $ - | $ - | $ - | $ - | $ - | $ - |
| Unrestricted | 8,286 | 17,725 | 287,514 | 229,121 | - | - |
| Total cash and investment fund balance - ending | $ 8,286 | $ 17,725 | $ 287,514 | $ 229,121 | $ - | $ - |

NOBLESVILLE SCHOOLS
COMBINING SCHEDULE OF ASSETS AND FUND BALANCES AND RECEIPTS,
DISBURSEMENTS, AND CHANGES IN FUND BALANCES - CASH AND INVESTMENT BASIS
OTHER GOVERNMENTAL FUNDS
For the Year Ended June 30, 2008
(Continued)

| | Gifted and Talented Grant | Non-English Grant | School Tech Fund - ERATE | Camp Moodle | Correlations | Library Meeting |
|---|---|---|---|---|---|---|
| Receipts: | | | | | | |
| Local sources | $ - | $ - | $ - | $ - | $ - | $ - |
| State sources | 62,413 | 34,873 | 28,742 | - | - | - |
| Federal sources | - | - | - | - | - | - |
| Temporary loans | - | - | - | - | - | - |
| Interfund loans | - | - | - | - | - | - |
| Other | - | - | - | - | - | - |
| Total receipts | 62,413 | 34,873 | 28,742 | - | - | - |
| Disbursements: | | | | | | |
| Current: | | | | | | |
| Instruction | 62,413 | 31,185 | - | - | - | - |
| Support services | - | - | 17,877 | 3,300 | - | - |
| Noninstructional services | - | - | - | - | - | - |
| Facilities acquisition and construction | - | 2,000 | - | - | - | - |
| Debt services | - | - | - | - | - | - |
| Interfund loans | - | - | - | - | - | - |
| Total disbursements | 62,413 | 33,185 | 17,877 | 3,300 | - | - |
| Excess (deficiency) of receipts over disbursements | - | 1,688 | 10,865 | (3,300) | - | - |
| Other financing sources (uses): | | | | | | |
| Sale of capital assets | - | - | - | - | - | - |
| Transfers in | - | - | - | - | 111 | 320 |
| Transfers out | - | - | - | - | - | - |
| Total other financing sources (uses) | - | - | - | - | 111 | 320 |
| Excess (deficiency) of receipts and other financing sources over disbursements and other financing uses | - | 1,688 | 10,865 | (3,300) | 111 | 320 |
| Cash and investments - beginning | - | - | 38,277 | 3,300 | 6,208 | 8,156 |
| Cash and investments - ending | $ - | $ 1,688 | $ 49,142 | $ - | $ 6,319 | $ 8,476 |
| Cash and Investment Assets - Ending | | | | | | |
| Cash and investments | $ - | $ 1,688 | $ 49,142 | $ - | $ 6,319 | $ 8,476 |
| Restricted assets: | | | | | | |
| Cash and investments | - | - | - | - | - | - |
| Total cash and investment assets - ending | $ - | $ 1,688 | $ 49,142 | $ - | $ 6,319 | $ 8,476 |
| Cash and Investment Fund Balance - Ending | | | | | | |
| Restricted for: | | | | | | |
| Debt service | $ - | $ - | $ - | $ - | $ - | $ - |
| Unrestricted | - | 1,688 | 49,142 | - | 6,319 | 8,476 |
| Total cash and investment fund balance - ending | $ - | $ 1,688 | $ 49,142 | $ - | $ 6,319 | $ 8,476 |

NOBLESVILLE SCHOOLS
COMBINING SCHEDULE OF ASSETS AND FUND BALANCES AND RECEIPTS,
DISBURSEMENTS, AND CHANGES IN FUND BALANCES - CASH AND INVESTMENT BASIS
OTHER GOVERNMENTAL FUNDS
For the Year Ended June 30, 2008
(Continued)

| | Region Library Fund | Title 2010 | Title I Part D 2010 | Title I 2009 | Title I Part D 2009 | Title V Part A |
|---|---|---|---|---|---|---|
| Receipts: | | | | | | |
| Local sources | $ - | $ - | $ - | $ - | $ - | $ - |
| State sources | - | - | - | - | - | - |
| Federal sources | - | 727,204 | 9,285 | 76,700 | - | 10,601 |
| Temporary loans | - | - | - | - | - | - |
| Interfund loans | - | - | - | - | - | - |
| Other | - | - | - | - | - | - |
| Total receipts | - | 727,204 | 9,285 | 76,700 | - | 10,601 |
| Disbursements: | | | | | | |
| Current: | | | | | | |
| Instruction | - | 593,405 | 20,813 | 29,683 | 4,222 | - |
| Support services | 265 | 37,210 | - | 7,831 | - | 6,639 |
| Noninstructional services | - | 8,522 | - | 20 | - | - |
| Facilities acquisition and construction | - | - | - | - | - | - |
| Debt services | - | - | - | - | - | - |
| Interfund loans | - | - | - | - | - | - |
| Total disbursements | 265 | 639,137 | 20,813 | 37,534 | 4,222 | 6,639 |
| Excess (deficiency) of receipts over disbursements | (265) | 88,067 | (11,528) | 39,166 | (4,222) | 3,962 |
| Other financing sources (uses): | | | | | | |
| Sale of capital assets | - | - | - | - | - | - |
| Transfers in | 162 | 22,627 | 30,660 | - | - | - |
| Transfers out | - | - | - | (22,627) | (30,660) | - |
| Total other financing sources (uses) | 162 | 22,627 | 30,660 | (22,627) | (30,660) | - |
| Excess (deficiency) of receipts and other financing sources over disbursements and other financing uses | (103) | 110,694 | 19,132 | 16,539 | (34,882) | 3,962 |
| Cash and investments - beginning | 1,065 | - | - | (16,539) | 34,882 | 4,639 |
| Cash and investments - ending | $ 962 | $ 110,694 | $ 19,132 | $ - | $ - | $ 8,601 |
| Cash and Investment Assets - Ending | | | | | | |
| Cash and investments | $ 962 | $ 110,694 | $ 19,132 | $ - | $ - | $ 8,601 |
| Restricted assets: | | | | | | |
| Cash and investments | - | - | - | - | - | - |
| Total cash and investment assets - ending | $ 962 | $ 110,694 | $ 19,132 | $ - | $ - | $ 8,601 |
| Cash and Investment Fund Balance - Ending | | | | | | |
| Restricted for: | | | | | | |
| Debt service | $ - | $ - | $ - | $ - | $ - | $ - |
| Unrestricted | 962 | 110,694 | 19,132 | - | - | 8,601 |
| Total cash and investment fund balance - ending | $ 962 | $ 110,694 | $ 19,132 | $ - | $ - | $ 8,601 |

NOBLESVILLE SCHOOLS
COMBINING SCHEDULE OF ASSETS AND FUND BALANCES AND RECEIPTS,
DISBURSEMENTS, AND CHANGES IN FUND BALANCES - CASH AND INVESTMENT BASIS
OTHER GOVERNMENTAL FUNDS
For the Year Ended June 30, 2008
(Continued)

| | Federal C/O Grant # 1 | Federal C/O Grant # 2 | Federal C/O Grant # 3 | Drug Free School Grant | Drug Free Grant | Project Lead The Way Grant |
|---|---|---|---|---|---|---|
| Receipts: | | | | | | |
| Local sources | $ 17,511 | $ 74,689 | $ 247,406 | $ - | $ - | $ - |
| State sources | - | - | - | - | - | - |
| Federal sources | - | - | - | 15,915 | - | 20,000 |
| Temporary loans | - | - | - | - | - | - |
| Interfund loans | - | - | - | - | - | - |
| Other | - | - | - | - | - | - |
| Total receipts | 17,511 | 74,689 | 247,406 | 15,915 | - | 20,000 |
| Disbursements: | | | | | | |
| Current: | | | | | | |
| Instruction | 10,928 | 78,391 | 244,222 | 5,861 | 8,532 | 152 |
| Support services | - | 7,069 | - | - | - | 3,188 |
| Noninstructional services | - | - | - | - | 1,871 | - |
| Facilities acquisition and construction | - | - | - | - | - | 16,660 |
| Debt services | - | - | - | - | - | - |
| Interfund loans | - | - | - | - | - | - |
| Total disbursements | 10,928 | 85,460 | 244,222 | 5,861 | 10,403 | 20,000 |
| Excess (deficiency) of receipts over disbursements | 6,583 | (10,771) | 3,184 | 10,054 | (10,403) | - |
| Other financing sources (uses): | | | | | | |
| Sale of capital assets | - | - | - | - | - | - |
| Transfers in | - | - | - | - | - | - |
| Transfers out | - | - | - | - | - | - |
| Total other financing sources (uses) | - | - | - | - | - | - |
| Excess (deficiency) of receipts and other financing sources over disbursements and other financing uses | 6,583 | (10,771) | 3,184 | 10,054 | (10,403) | - |
| Cash and investments - beginning | 10,928 | 13,197 | 20,903 | - | 10,403 | - |
| Cash and investments - ending | $ 17,511 | $ 2,426 | $ 24,087 | $ 10,054 | $ - | $ - |
| Cash and Investment Assets - Ending | | | | | | |
| Cash and investments | $ 17,511 | $ 2,426 | $ 24,087 | $ 10,054 | $ - | $ - |
| Restricted assets: | | | | | | |
| Cash and investments | - | - | - | - | - | - |
| Total cash and investment assets - ending | $ 17,511 | $ 2,426 | $ 24,087 | $ 10,054 | $ - | $ - |
| Cash and Investment Fund Balance - Ending | | | | | | |
| Restricted for: | | | | | | |
| Debt service | $ - | $ - | $ - | $ - | $ - | $ - |
| Unrestricted | 17,511 | 2,426 | 24,087 | 10,054 | - | - |
| Total cash and investment fund balance - ending | $ 17,511 | $ 2,426 | $ 24,087 | $ 10,054 | $ - | $ - |

NOBLESVILLE SCHOOLS
COMBINING SCHEDULE OF ASSETS AND FUND BALANCES AND RECEIPTS,
DISBURSEMENTS, AND CHANGES IN FUND BALANCES - CASH AND INVESTMENT BASIS
OTHER GOVERNMENTAL FUNDS
For the Year Ended June 30, 2008
(Continued)

| | Title II Part A | Title II Part D | Title III ELL Grant | Pension Debt | Bus Replacement Fund | Totals |
|---|---|---|---|---|---|---|
| Receipts: | | | | | | |
| Local sources | $ - | $ - | $ - | $ 283,461 | $ 1,032,361 | $ 5,466,845 |
| State sources | - | - | - | - | - | 581,115 |
| Federal sources | 191,785 | - | 24,215 | - | - | 1,075,705 |
| Temporary loans | - | - | - | - | - | 2,068,276 |
| Interfund loans | - | - | - | 30,000 | - | 200,000 |
| Other | - | - | - | - | - | 1,334 |
| Total receipts | 191,785 | - | 24,215 | 313,461 | 1,032,361 | 9,393,275 |
| Disbursements: | | | | | | |
| Current: | | | | | | |
| Instruction | 174,233 | - | 23,108 | - | - | 1,701,946 |
| Support services | 10,403 | 1,776 | 3,022 | - | 1,091,930 | 5,621,529 |
| Noninstructional services | - | - | - | - | - | 10,413 |
| Facilities acquisition and construction | - | - | - | - | - | 18,660 |
| Debt services | - | - | - | 305,925 | - | 1,853,076 |
| Interfund loans | - | - | - | 10,000 | - | 180,000 |
| Total disbursements | 184,636 | 1,776 | 26,130 | 315,925 | 1,091,930 | 9,385,624 |
| Excess (deficiency) of receipts over disbursements | 7,149 | (1,776) | (1,915) | (2,464) | (59,569) | 7,651 |
| Other financing sources (uses): | | | | | | |
| Sale of capital assets | - | - | - | - | 7,800 | 7,800 |
| Transfers in | - | - | - | - | - | 60,904 |
| Transfers out | - | - | (3,283) | - | - | (56,570) |
| Total other financing sources (uses) | - | - | (3,283) | - | 7,800 | 12,134 |
| Excess (deficiency) of receipts and other financing sources over disbursements and other financing uses | 7,149 | (1,776) | (5,198) | (2,464) | (51,769) | 19,785 |
| Cash and investments - beginning | 55,417 | 1,776 | 5,198 | 4,162 | 258,791 | 1,053,239 |
| Cash and investments - ending | $ 62,566 | $ - | $ - | $ 1,698 | $ 207,022 | $ 1,073,024 |
| Cash and Investment Assets - Ending | | | | | | |
| Cash and investments | $ 62,566 | $ - | $ - | $ - | $ 207,022 | $ 1,071,326 |
| Restricted assets: | | | | | | |
| Cash and investments | - | - | - | 1,698 | - | 1,698 |
| Total cash and investment assets - ending | $ 62,566 | $ - | $ - | $ 1,698 | $ 207,022 | $ 1,073,024 |
| Cash and Investment Fund Balance - Ending | | | | | | |
| Restricted for: | | | | | | |
| Debt service | $ - | $ - | $ - | $ 1,698 | $ - | $ 1,698 |
| Unrestricted | 62,566 | - | - | - | 207,022 | 1,071,326 |
| Total cash and investment fund balance - ending | $ 62,566 | $ - | $ - | $ 1,698 | $ 207,022 | $ 1,073,024 |

NOBLESVILLE SCHOOLS
COMBINING SCHEDULE OF ASSETS AND FUND BALANCES AND RECEIPTS,
DISBURSEMENTS, AND CHANGES IN FUND BALANCES - CASH AND INVESTMENT BASIS
OTHER GOVERNMENTAL FUNDS
For the Year Ended June 30, 2009

| | Transportation Operating | Special Ed - Pre-School | Textbook Rental | Levy Excess | Alternative Ed | Gifted and Talented Grant |
|---|---|---|---|---|---|---|
| Receipts: | | | | | | |
| Local sources | $ 3,085,800 | $ 54,973 | $ 758,333 | $ - | $ - | $ - |
| State sources | - | 337,762 | 128,483 | - | 9,167 | 62,413 |
| Federal sources | - | - | - | - | - | - |
| Temporary loans | 2,021,802 | - | - | - | - | - |
| Interfund loans | - | 60,000 | - | - | - | - |
| Total receipts | 5,107,602 | 452,735 | 886,816 | - | 9,167 | 62,413 |
| Disbursements: | | | | | | |
| Current: | | | | | | |
| Instruction | - | 467,482 | - | - | 9,167 | 62,413 |
| Support services | 2,991,196 | - | 732,367 | - | - | - |
| Noninstructional services | - | - | - | - | - | - |
| Facilities acquistion and construction | - | - | - | - | - | - |
| Debt services | 1,690,166 | - | - | - | - | - |
| Total disbursements | 4,681,362 | 467,482 | 732,367 | - | 9,167 | 62,413 |
| Excess (deficiency) of receipts over disbursements | 426,240 | (14,747) | 154,449 | - | - | - |
| Other financing sources (uses): | | | | | | |
| Sale of capital assets | - | - | - | - | - | - |
| Transfers in | - | - | 40,238 | - | - | - |
| Transfers out | - | - | - | - | - | - |
| Total other financing sources (uses) | - | - | 40,238 | - | - | - |
| Excess (deficiency) of receipts and other financing sources over disbursements and other financing uses | 426,240 | (14,747) | 194,687 | - | - | - |
| Cash and investments - beginning | 8,286 | 17,725 | 287,514 | 229,121 | - | - |
| Cash and investments - ending | $ 434,526 | $ 2,978 | $ 482,201 | $ 229,121 | $ - | $ - |
| Cash and Investment Assets - Ending | | | | | | |
| Cash and investments | $ 434,526 | $ 2,978 | $ 482,201 | $ 229,121 | $ - | $ - |
| Restricted assets: | | | | | | |
| Cash and investments | - | - | - | - | - | - |
| Total cash and investment assets - ending | $ 434,526 | $ 2,978 | $ 482,201 | $ 229,121 | $ - | $ - |
| Cash and Investment Fund Balance - Ending | | | | | | |
| Restricted for: | | | | | | |
| Debt service | $ - | $ - | $ - | $ - | $ - | $ - |
| Unrestricted | 434,526 | 2,978 | 482,201 | 229,121 | - | - |
| Total cash and investment fund balance - ending | $ 434,526 | $ 2,978 | $ 482,201 | $ 229,121 | $ - | $ - |

NOBLESVILLE SCHOOLS
COMBINING SCHEDULE OF ASSETS AND FUND BALANCES AND RECEIPTS,
DISBURSEMENTS, AND CHANGES IN FUND BALANCES - CASH AND INVESTMENT BASIS
OTHER GOVERNMENTAL FUNDS
For the Year Ended June 30, 2009
(Continued)

| | Non-English Grant | School Tech Fund - ERATE | Access Indiana | Computer Art | Correlations | Library Meeting |
|---|---|---|---|---|---|---|
| Receipts: | | | | | | |
| Local sources | $ - | $ - | $ - | $ - | $ - | $ - |
| State sources | 34,628 | 33,142 | 2,500 | 7,500 | - | - |
| Federal sources | - | - | - | - | - | - |
| Temporary loans | - | - | - | - | - | - |
| Interfund loans | - | - | - | - | - | - |
| Total receipts | 34,628 | 33,142 | 2,500 | 7,500 | - | - |
| Disbursements: | | | | | | |
| Current: | | | | | | |
| Instruction | 34,860 | - | - | - | - | - |
| Support services | - | 48,218 | - | - | 9,432 | - |
| Noninstructional services | - | - | - | - | - | - |
| Facilities acquistion and construction | - | - | - | 7,480 | - | - |
| Debt services | - | - | - | - | - | - |
| Total disbursements | 34,860 | 48,218 | - | 7,480 | 9,432 | - |
| Excess (deficiency) of receipts over disbursements | (232) | (15,076) | 2,500 | 20 | (9,432) | - |
| Other financing sources (uses): | | | | | | |
| Sale of capital assets | - | - | - | - | - | - |
| Transfers in | - | - | - | - | 9,438 | - |
| Transfers out | - | - | - | - | - | (8,476) |
| Total other financing sources (uses) | - | - | - | - | 9,438 | (8,476) |
| Excess (deficiency) of receipts and other financing sources over disbursements and other financing uses | (232) | (15,076) | 2,500 | 20 | 6 | (8,476) |
| Cash and investments - beginning | 1,688 | 49,142 | - | - | 6,319 | 8,476 |
| Cash and investments - ending | $ 1,456 | $ 34,066 | $ 2,500 | $ 20 | $ 6,325 | $ - |
| Cash and Investment Assets - Ending | | | | | | |
| Cash and investments | $ 1,456 | $ 34,066 | $ 2,500 | $ 20 | $ 6,325 | $ - |
| Restricted assets: | | | | | | |
| Cash and investments | - | - | - | - | - | - |
| Total cash and investment assets - ending | $ 1,456 | $ 34,066 | $ 2,500 | $ 20 | $ 6,325 | $ - |
| Cash and Investment Fund Balance - Ending | | | | | | |
| Restricted for: | | | | | | |
| Debt service | $ - | $ - | $ - | $ - | $ - | $ - |
| Unrestricted | 1,456 | 34,066 | 2,500 | 20 | 6,325 | - |
| Total cash and investment fund balance - ending | $ 1,456 | $ 34,066 | $ 2,500 | $ 20 | $ 6,325 | $ - |

NOBLESVILLE SCHOOLS
COMBINING SCHEDULE OF ASSETS AND FUND BALANCES AND RECEIPTS,
DISBURSEMENTS, AND CHANGES IN FUND BALANCES - CASH AND INVESTMENT BASIS
OTHER GOVERNMENTAL FUNDS
For the Year Ended June 30, 2009
(Continued)

| | Region Library Fund | Title 2010 | Title I Part D 2010 | Title I 2009 | Title I Part D 2009 | Title V Part A |
|---|---|---|---|---|---|---|
| Receipts: | | | | | | |
| Local sources | $ - | $ - | $ - | $ - | $ 226 | $ - |
| State sources | - | - | - | - | - | - |
| Federal sources | - | 60,000 | 1,166 | 657,122 | 69,526 | 11,054 |
| Temporary loans | - | - | - | - | - | - |
| Interfund loans | - | - | - | - | - | - |
| Total receipts | - | 60,000 | 1,166 | 657,122 | 69,752 | 11,054 |
| Disbursements: | | | | | | |
| Current: | | | | | | |
| Instruction | - | 53,730 | 18,024 | 584,634 | 24,254 | - |
| Support services | - | - | - | 85,252 | 34,071 | 19,120 |
| Noninstructional services | - | - | - | 3,859 | - | - |
| Facilities acquistion and construction | - | - | - | - | - | - |
| Debt services | - | - | - | - | - | - |
| Total disbursements | - | 53,730 | 18,024 | 673,745 | 58,325 | 19,120 |
| Excess (deficiency) of receipts over disbursements | - | 6,270 | (16,858) | (16,623) | 11,427 | (8,066) |
| Other financing sources (uses): | | | | | | |
| Sale of capital assets | - | - | - | - | - | - |
| Transfers in | - | - | - | 116,964 | 2,274 | - |
| Transfers out | (962) | (116,964) | (2,274) | - | - | - |
| Total other financing sources (uses) | (962) | (116,964) | (2,274) | 116,964 | 2,274 | - |
| Excess (deficiency) of receipts and other financing sources over disbursements and other financing uses | (962) | (110,694) | (19,132) | 100,341 | 13,701 | (8,066) |
| Cash and investments - beginning | 962 | 110,694 | 19,132 | - | - | 8,601 |
| Cash and investments - ending | $ - | $ - | $ - | $ 100,341 | $ 13,701 | $ 535 |
| Cash and Investment Assets - Ending | | | | | | |
| Cash and investments | $ - | $ - | $ - | $ 100,341 | $ 13,701 | $ 535 |
| Restricted assets: | | | | | | |
| Cash and investments | - | - | - | - | - | - |
| Total cash and investment assets - ending | $ - | $ - | $ - | $ 100,341 | $ 13,701 | $ 535 |
| Cash and Investment Fund Balance - Ending | | | | | | |
| Restricted for: | | | | | | |
| Debt service | $ - | $ - | $ - | $ - | $ - | $ - |
| Unrestricted | - | - | - | 100,341 | 13,701 | 535 |
| Total cash and investment fund balance - ending | $ - | $ - | $ - | $ 100,341 | $ 13,701 | $ 535 |

NOBLESVILLE SCHOOLS
COMBINING SCHEDULE OF ASSETS AND FUND BALANCES AND RECEIPTS,
DISBURSEMENTS, AND CHANGES IN FUND BALANCES - CASH AND INVESTMENT BASIS
OTHER GOVERNMENTAL FUNDS
For the Year Ended June 30, 2009
(Continued)

| | Federal C/O Grant # 1 | Federal C/O Grant # 2 | Federal C/O Grant # 3 | Drug Free School Grant | Project Lead The Way Grant | Title II Part A |
|---|---|---|---|---|---|---|
| Receipts: | | | | | | |
| Local sources | $ 20,138 | $ - | $ 320,999 | $ - | $ - | $ - |
| State sources | - | - | - | - | - | - |
| Federal sources | - | - | - | 37,442 | 15,000 | 203,713 |
| Temporary loans | - | - | - | - | - | - |
| Interfund loans | - | - | - | - | - | - |
| Total receipts | 20,138 | - | 320,999 | 37,442 | 15,000 | 203,713 |
| Disbursements: | | | | | | |
| Current: | | | | | | |
| Instruction | 26,167 | 2,426 | 342,920 | 24,260 | - | 207,901 |
| Support services | - | - | - | - | 8,188 | 26,824 |
| Noninstructional services | - | - | - | - | - | - |
| Facilities acquistion and construction | - | - | - | - | 6,812 | - |
| Debt services | - | - | - | - | - | - |
| Total disbursements | 26,167 | 2,426 | 342,920 | 24,260 | 15,000 | 234,725 |
| Excess (deficiency) of receipts over disbursements | (6,029) | (2,426) | (21,921) | 13,182 | - | (31,012) |
| Other financing sources (uses): | | | | | | |
| Sale of capital assets | - | - | - | - | - | - |
| Transfers in | - | - | - | - | - | - |
| Transfers out | - | - | - | - | - | - |
| Total other financing sources (uses) | - | - | - | - | - | - |
| Excess (deficiency) of receipts and other financing sources over disbursements and other financing uses | (6,029) | (2,426) | (21,921) | 13,182 | - | (31,012) |
| Cash and investments - beginning | 17,511 | 2,426 | 24,087 | 10,054 | - | 62,566 |
| Cash and investments - ending | $ 11,482 | $ - | $ 2,166 | $ 23,236 | $ - | $ 31,554 |
| Cash and Investment Assets - Ending | | | | | | |
| Cash and investments | $ 11,482 | $ - | $ 2,166 | $ 23,236 | $ - | $ 31,554 |
| Restricted assets: | | | | | | |
| Cash and investments | - | - | - | - | - | - |
| Total cash and investment assets - ending | $ 11,482 | $ - | $ 2,166 | $ 23,236 | $ - | $ 31,554 |
| Cash and Investment Fund Balance - Ending | | | | | | |
| Restricted for: | | | | | | |
| Debt service | $ - | $ - | $ - | $ - | $ - | $ - |
| Unrestricted | 11,482 | - | 2,166 | 23,236 | - | 31,554 |
| Total cash and investment fund balance - ending | $ 11,482 | $ - | $ 2,166 | $ 23,236 | $ - | $ 31,554 |

NOBLESVILLE SCHOOLS
COMBINING SCHEDULE OF ASSETS AND FUND BALANCES AND RECEIPTS,
DISBURSEMENTS, AND CHANGES IN FUND BALANCES - CASH AND INVESTMENT BASIS
OTHER GOVERNMENTAL FUNDS
For the Year Ended June 30, 2009
(Continued)

| | Title II Part D | Title II Part D - IN Access Grant | Title III ELL Grant | Pension Debt | Bus Replacement Fund | Totals |
|---|---|---|---|---|---|---|
| Receipts: | | | | | | |
| Local sources | $ - | $ - | $ - | $ 302,301 | $ 975,733 | $ 5,518,503 |
| State sources | - | - | - | - | - | 615,595 |
| Federal sources | 1,000 | 160,440 | 32,250 | - | - | 1,248,713 |
| Temporary loans | - | - | - | 305,276 | - | 2,327,078 |
| Interfund loans | - | - | - | - | - | 60,000 |
| Total receipts | 1,000 | 160,440 | 32,250 | 607,577 | 975,733 | 9,769,889 |
| Disbursements: | | | | | | |
| Current: | | | | | | |
| Instruction | - | 1,020 | 20,565 | - | - | 1,879,823 |
| Support services | 1,000 | 18,441 | 414 | - | 1,028,362 | 5,002,885 |
| Noninstructional services | - | - | - | - | - | 3,859 |
| Facilities acquistion and construction | - | 121,933 | - | - | - | 136,225 |
| Debt services | - | - | - | 483,507 | - | 2,173,673 |
| Total disbursements | 1,000 | 141,394 | 20,979 | 483,507 | 1,028,362 | 9,196,465 |
| Excess (deficiency) of receipts over disbursements | - | 19,046 | 11,271 | 124,070 | (52,629) | 573,424 |
| Other financing sources (uses): | | | | | | |
| Sale of capital assets | - | - | - | - | 2,000 | 2,000 |
| Transfers in | - | - | - | - | - | 168,914 |
| Transfers out | - | - | - | (30,000) | - | (158,676) |
| Total other financing sources (uses) | - | - | - | (30,000) | 2,000 | 12,238 |
| Excess (deficiency) of receipts and other financing sources over disbursements and other financing uses | - | 19,046 | 11,271 | 94,070 | (50,629) | 585,662 |
| Cash and investments - beginning | - | - | - | 1,698 | 207,022 | 1,073,024 |
| Cash and investments - ending | $ - | $ 19,046 | $ 11,271 | $ 95,768 | $ 156,393 | $ 1,658,686 |
| Cash and Investment Assets - Ending | | | | | | |
| Cash and investments | $ - | $ 19,046 | $ 11,271 | $ - | $ 156,393 | $ 1,562,918 |
| Restricted assets: | | | | | | |
| Cash and investments | - | - | - | 95,768 | - | 95,768 |
| Total cash and investment assets - ending | $ - | $ 19,046 | $ 11,271 | $ 95,768 | $ 156,393 | $ 1,658,686 |
| Cash and Investment Fund Balance - Ending | | | | | | |
| Restricted for: | | | | | | |
| Debt service | $ - | $ - | $ - | $ 95,768 | $ - | $ 95,768 |
| Unrestricted | - | 19,046 | 11,271 | - | 156,393 | 1,562,918 |
| Total cash and investment fund balance - ending | $ - | $ 19,046 | $ 11,271 | $ 95,768 | $ 156,393 | $ 1,658,686 |

NOBLESVILLE SCHOOLS
COMBINING SCHEDULE OF ADDITIONS, DEDUCTIONS, AND CHANGES IN CASH AND INVESTMENT BALANCES
PENSION TRUST FUND
For the Year Ended June 30, 2008

| | Pension Bond Fund |
|---|---|
| Additions: | |
| Investment earnings: | |
| Interest | $ 44,922 |
| Total additions | 44,922 |
| Deductions: | |
| Benefits | 342,783 |
| Total deductions | 342,783 |
| Deficiency of total additions over total deductions | (297,861) |
| Cash and investment fund balance - beginning | 1,249,938 |
| Cash and investment fund balance - ending | $ 952,077 |
| Net assets: | |
| Cash and investments | $ 952,077 |
| Total net assets - cash and investment basis held in trust | $ 952,077 |

NOBLESVILLE SCHOOLS
COMBINING SCHEDULE OF ADDITIONS, DEDUCTIONS, AND CHANGES IN CASH AND INVESTMENT BALANCES
PENSION TRUST FUND
For the Year Ended June 30, 2009

| | Pension Bond Fund |
|---|---|
| Additions: | |
| Investment earnings: | |
| Interest | $ 10,605 |
| Total additions | 10,605 |
| Deductions: | |
| Benefits | 67,892 |
| Total deductions | 67,892 |
| Deficiency of total additions over total deductions | (57,287) |
| Cash and investment fund balance - beginning | 952,077 |
| Cash and investment fund balance - ending | $ 894,790 |
| Net assets: | |
| Cash and investments | $ 894,790 |
| Total net assets - cash and investment basis held in trust | $ 894,790 |

NOBLESVILLE SCHOOLS
COMBINING SCHEDULE OF ADDITIONS, DEDUCTIONS, AND CHANGES IN CASH AND INVESTMENT BALANCES
PRIVATE-PURPOSE TRUST FUNDS
For the Year Ended June 30, 2008

| | Eli Lilly Grant | Vectron Fund | Miscellaneous Gifts | BSU Professional Development Fund | Middle School Donations | Community Festival |
|---|---|---|---|---|---|---|
| Additions: | | | | | | |
| Contributions: | | | | | | |
| Other | $ - | $ - | $ 59,789 | $ - | $ 3,300 | $ - |
| Investment earnings: | | | | | | |
| Interest | - | - | - | - | - | - |
| Total investment earnings | - | - | - | - | - | - |
| Total additions | - | - | 59,789 | - | 3,300 | - |
| Deductions: | | | | | | |
| Administrative and general | 112 | 96 | 49,562 | - | 2,945 | - |
| Excess (deficiency) of total additions over total deductions | (112) | (96) | 10,227 | - | 355 | - |
| Cash and investment fund balance - beginning | 112 | 96 | 23,849 | 240 | - | 2,408 |
| Cash and Investments - June 30 | $ - | $ - | $ 34,076 | $ 240 | $ 355 | $ 2,408 |
| Net assets: | | | | | | |
| Cash and investments | $ - | $ - | $ 34,076 | $ 240 | $ 355 | $ 2,408 |
| Total net assets - cash and investment basis held in trust | $ - | $ - | $ 34,076 | $ 240 | $ 355 | $ 2,408 |

NOBLESVILLE SCHOOLS
COMBINING SCHEDULE OF ADDITIONS, DEDUCTIONS, AND CHANGES IN CASH AND INVESTMENT BALANCES
PRIVATE-PURPOSE TRUST FUNDS
For the Year Ended June 30, 2008
(Continued)

| | Scholarship Fund | Brehm Scholarship | Decker Scholarship | Fern Coy Trust | Christian Scholarship | Bauchert Scholarship |
|---|---|---|---|---|---|---|
| Additions: | | | | | | |
| Contributions: | | | | | | |
| Other | $ - | $ - | $ - | $ - | $ - | $ - |
| Investment earnings: | | | | | | |
| Interest | - | 159 | 929 | 530 | 2,795 | 124 |
| Total investment earnings | - | 159 | 929 | 530 | 2,795 | 124 |
| Total additions | - | 159 | 929 | 530 | 2,795 | 124 |
| Deductions: | | | | | | |
| Administrative and general | - | - | 1,000 | - | 5,700 | - |
| Excess (deficiency) of total additions over total deductions | - | 159 | (71) | 530 | (2,905) | 124 |
| Cash and investment fund balance - beginning | 250,467 | 297 | 1,289 | 3,485 | 27,394 | 326 |
| Cash and Investments - June 30 | $ 250,467 | $ 456 | $ 1,218 | $ 4,015 | $ 24,489 | $ 450 |
| Net assets: | | | | | | |
| Cash and investments | $ 250,467 | $ 456 | $ 1,218 | $ 4,015 | $ 24,489 | $ 450 |
| Total net assets - cash and investment basis held in trust | $ 250,467 | $ 456 | $ 1,218 | $ 4,015 | $ 24,489 | $ 450 |

NOBLESVILLE SCHOOLS
COMBINING SCHEDULE OF ADDITIONS, DEDUCTIONS, AND CHANGES IN CASH AND INVESTMENT BALANCES
PRIVATE-PURPOSE TRUST FUNDS
For the Year Ended June 30, 2008
(Continued)

| | Gardner Scholarship | Teter Scholarship | Steadman Scholarship | Safe Hiring Fund | Totals |
|---|---|---|---|---|---|
| Additions: | | | | | |
| Contributions: | | | | | |
| Other | $ - | $ - | $ - | $ 504 | $ 63,593 |
| Investment earnings: | | | | | |
| Interest | 425 | 2,061 | 7,261 | - | 14,284 |
| Total investment earnings | 425 | 2,061 | 7,261 | - | 14,284 |
| Total additions | 425 | 2,061 | 7,261 | 504 | 77,877 |
| Deductions: | | | | | |
| Administrative and general | - | 2,000 | 6,000 | 308 | 67,723 |
| Excess (deficiency) of total additions over total deductions | 425 | 61 | 1,261 | 196 | 10,154 |
| Cash and investment fund balance - beginning | 423 | 2,065 | 7,224 | - | 319,675 |
| Cash and Investments - June 30 | $ 848 | $ 2,126 | $ 8,485 | $ 196 | $ 329,829 |
| Net assets: | | | | | |
| Cash and investments | $ 848 | $ 2,126 | $ 8,485 | $ 196 | $ 329,829 |
| Total net assets - cash and investment basis held in trust | $ 848 | $ 2,126 | $ 8,485 | $ 196 | $ 329,829 |

NOBLESVILLE SCHOOLS
COMBINING SCHEDULE OF ADDITIONS, DEDUCTIONS, AND CHANGES IN CASH AND INVESTMENT BALANCES
PRIVATE-PURPOSE TRUST FUNDS
For the Year Ended June 30, 2009

| | Miscellaneous Gifts | BSU Professional Development Fund | Middle School Donations | Community Festival | Scholarship Fund |
|---|---|---|---|---|---|
| Additions: | | | | | |
| Contributions: | | | | | |
| Other | $ 33,928 | $ - | $ - | $ - | $ - |
| Investment earnings: | | | | | |
| Interest | - | - | - | - | - |
| Total investment earnings | - | - | - | - | - |
| Total additions | 33,928 | - | - | - | - |
| Deductions: | | | | | |
| Administrative and general | 24,252 | - | - | - | - |
| Excess (deficiency) of total additions over total deductions | 9,676 | - | - | - | - |
| Cash and investment fund balance - beginning | 34,076 | 240 | 355 | 2,408 | 250,467 |
| Cash and Investments - June 30 | $ 43,752 | $ 240 | $ 355 | $ 2,408 | $ 250,467 |
| Net assets: | | | | | |
| Cash and investments | $ 43,752 | $ 240 | $ 355 | $ 2,408 | $ 250,467 |
| Total net assets - cash and investment basis held in trust | $ 43,752 | $ 240 | $ 355 | $ 2,408 | $ 250,467 |

NOBLESVILLE SCHOOLS
COMBINING SCHEDULE OF ADDITIONS, DEDUCTIONS, AND CHANGES IN CASH AND INVESTMENT BALANCES
PRIVATE-PURPOSE TRUST FUNDS
For the Year Ended June 30, 2009
(Continued)

| | Brehm Scholarship | Decker Scholarship | Fern Coy Trust | Christian Scholarship | Bauchert Scholarship |
|---|---|---|---|---|---|
| Additions: | | | | | |
| Contributions: | | | | | |
| Other | $ - | $ - | $ - | $ - | $ - |
| Investment earnings: | | | | | |
| Interest | 86 | 501 | 287 | 1,509 | 68 |
| Total investment earnings | 86 | 501 | 287 | 1,509 | 68 |
| Total additions | 86 | 501 | 287 | 1,509 | 68 |
| Deductions: | | | | | |
| Administrative and general | 440 | 1,000 | 287 | 7,200 | - |
| Excess (deficiency) of total additions over total deductions | (354) | (499) | - | (5,691) | 68 |
| Cash and investment fund balance - beginning | 456 | 1,218 | 4,015 | 24,489 | 450 |
| Cash and Investments - June 30 | $ 102 | $ 719 | $ 4,015 | $ 18,798 | $ 518 |
| Net assets: | | | | | |
| Cash and investments | $ 102 | $ 719 | $ 4,015 | $ 18,798 | $ 518 |
| Total net assets - cash and investment basis held in trust | $ 102 | $ 719 | $ 4,015 | $ 18,798 | $ 518 |

NOBLESVILLE SCHOOLS
COMBINING SCHEDULE OF ADDITIONS, DEDUCTIONS, AND CHANGES IN CASH AND INVESTMENT BALANCES
PRIVATE-PURPOSE TRUST FUNDS
For the Year Ended June 30, 2009
(Continued)

| | Gardner Scholarship | Teter Scholarship | Steadman Scholarship | Safe Hiring Fund | Totals |
|---|---|---|---|---|---|
| Additions: | | | | | |
| Contributions: | | | | | |
| Other | $ - | $ 1,000 | $ - | $ 3,052 | $ 37,980 |
| Investment earnings: | | | | | |
| Interest | 230 | (427) | 3,921 | - | 6,175 |
| Total investment earnings | 230 | (427) | 3,921 | - | 6,175 |
| Total additions | 230 | 573 | 3,921 | 3,052 | 44,155 |
| Deductions: | | | | | |
| Administrative and general | 800 | 2,500 | 12,000 | 3,136 | 51,615 |
| Excess (deficiency) of total additions over total deductions | (570) | (1,927) | (8,079) | (84) | (7,460) |
| Cash and investment fund balance - beginning | 848 | 2,126 | 8,485 | 196 | 329,829 |
| Cash and Investments - June 30 | $ 278 | $ 199 | $ 406 | $ 112 | $ 322,369 |
| Net assets: | | | | | |
| Cash and investments | $ 278 | $ 199 | $ 406 | $ 112 | $ 322,369 |
| Total net assets - cash and investment basis held in trust | $ 278 | $ 199 | $ 406 | $ 112 | $ 322,369 |

NOBLESVILLE SCHOOLS
SUPPLEMENTARY INFORMATION
SCHEDULE OF CAPITAL ASSETS
For The Year Ended June 30, 2009

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.

| Primary Government | | Ending Balance |
|---|---|---|
| Governmental activities: | | |
| Capital assets, not being depreciated: | | |
| Land | $ | 10,578,384 |
| Buildings | | 185,749,181 |
| Improvements other than buildings | | 1,593,649 |
| Machinery and equipment | | 6,211,433 |
| Total governmental activities, capital assets not being depreciated | $ | 204,132,647 |

NOBLESVILLE SCHOOLS
SUPPLEMENTARY INFORMATION
SCHEDULE OF LONG-TERM DEBT
June 30, 2009

The School Corporation has entered into the following debt:

| Description of Debt | Ending Principal Balance | Principal and Interest Due Within One Year |
|---|---|---|
| Governmental activities: | | |
| Capital leases: | | |
| Intermediate School | $ 47,200,000 | $ 3,910,000 |
| Noble Crossing Elementary School | 17,040,000 | 1,275,000 |
| High School | 33,677,252 | 6,150,000 |
| White River Elementary School | 8,805,000 | 1,190,000 |
| North Elementary School | 2,835,000 | 345,000 |
| High School - Freshman Campus | 5,905,000 | 646,500 |
| Bonds payable: | | |
| General obligation bonds: | | |
| Pension Bonds | 2,485,000 | 628,726 |
| Middle School Renovation | 6,200,000 | 861,081 |
| Total governmental activities debt | $ 124,147,252 | $ 15,006,307 |

NOBLESVILLE SCHOOLS
AUDIT RESULT AND COMMENT

APPROVAL OF FORMS

The School Corporation was using the following form which had not been approved for use in lieu of prescribed forms:

Receipt of Payment of Student Fees, used in place of TBR-2 Textbook Rental Receipt

Officials and employees are required to use State Board of Accounts prescribed or approved forms in the manner prescribed. (Accounting and Uniform Compliance Guidelines Manual for Indiana Public School Corporations, Chapter 9)

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

Telephone: (317) 232-2513
Fax: (317) 232-4711
Web Site: www.in.gov/sboa

# INDEPENDENT AUDITOR'S REPORT ON COMPLIANCE WITH REQUIREMENTS APPLICABLE TO EACH MAJOR PROGRAM AND INTERNAL CONTROL OVER COMPLIANCE IN ACCORDANCE WITH OMB CIRCULAR A-133

TO: THE OFFICIALS OF THE NOBLESVILLE SCHOOLS, HAMILTON COUNTY, INDIANA

## Compliance

We have audited the compliance of the Noblesville Schools (School Corporation) with the types of compliance requirements described in the U.S. Office of Management and Budget (OMB) Circular A-133 Compliance Supplement that are applicable to each of its major federal programs for the years ended June 30, 2008 and 2009. 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. Compliance with the requirements of laws, regulations, contracts and grants applicable to each of its major federal programs is the responsibility of the School Corporation's management. Our responsibility is to express an opinion on the School Corporation's compliance based on our audit.

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. Our audit does not provide a legal determination of the School Corporation's compliance with those requirements.

In our opinion, the School Corporation complied in all material respects with the requirements referred to above that are applicable to each of its major federal programs for the years ended June 30, 2008 and 2009.

## Internal Control Over Compliance

The management of the School Corporation is responsible for establishing and maintaining effective internal control over compliance with requirements of laws, regulations, contracts and grants applicable to federal programs. In planning and performing our audit, we considered the School Corporation's internal control over compliance with requirements that could have a direct and material effect on a major federal program in order to determine our auditing procedures for the purpose of expressing our opinion on compliance, 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.

INDEPENDENT AUDITOR'S REPORT ON COMPLIANCE WITH REQUIREMENTS APPLICABLE TO EACH MAJOR PROGRAM AND INTERNAL CONTROL OVER COMPLIANCE IN ACCORDANCE WITH OMB CIRCULAR A-133
(Continued)

A control deficiency in a School Corporation's internal control over compliance 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 noncompliance with a type of compliance requirement of a federal program on a timely basis. A significant deficiency is a control deficiency, or combination of control deficiencies, that adversely affects the entity's ability to administer a federal program such that there is more than a remote likelihood that noncompliance with a type of compliance requirement of a federal program that is more than inconsequential will not be prevented or detected by the entity's internal control.

A material weakness is a significant deficiency, or combination of significant deficiencies, that results in more than a remote likelihood that material noncompliance with a type of compliance requirement of a federal program will not be prevented or detected by the entity's internal control.

Our consideration of the internal control over compliance was for the limited purpose described in the first paragraph of this section and would not necessarily identify all deficiencies in internal control that might be significant deficiencies or material weaknesses. We did not identify any deficiencies in internal control over compliance that we consider to be significant deficiencies or material weaknesses, as defined above.

This report is intended solely for the information and use of the School Corporation's management, school board, and federal awarding agencies and pass-through entities and is not intended to be and should not be used by anyone other than these specified parties. In accordance with Indiana Code 5-11-5-1, this report is a part of the public records of the State Board of Accounts and of the office examined.

STATE BOARD OF ACCOUNTS

December 1, 2009

NOBLESVILLE SCHOOLS
SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS
For The Years Ended June 30, 2008 and 2009

| 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 06-30-08 | Total Federal Awards Expended 06-30-09 |
|---|---|---|---|---|
| U.S. DEPARTMENT OF AGRICULTURE | | | | |
| Pass-Through Indiana Department of Education | | | | |
| Child Nutrition Cluster | | | | |
| School Breakfast Program | 10.553 | | | |
| | | FY08 | $ 99,661 | $ - |
| | | FY09 | - | 83,737 |
| Total for program | | | 99,661 | 83,737 |
| National School Lunch Program | 10.555 | | | |
| | | FY08 | 840,967 | - |
| | | FY09 | - | 909,870 |
| Total for program | | | 840,967 | 909,870 |
| Total for cluster | | | 940,628 | 993,607 |
| Total for federal grantor agency | | | 940,628 | 993,607 |
| U.S. DEPARTMENT OF EDUCATION | | | | |
| Pass-Through Indiana Department of Education | | | | |
| Title I Grants to Local Educational Agencies | 84.010 | | | |
| Title I | | 07-3070 | 37,534 | - |
| Title I, Part D | | 07-3070 | 4,222 | - |
| Title I | | 08-3070 | 639,137 | 53,730 |
| Title I, Part D | | 08-3070 | 20,813 | 18,024 |
| Title I | | 09-3070 | - | 673,745 |
| Title I, Part D | | 09-3070 | - | 58,325 |
| Total for program | | | 701,706 | 803,824 |
| Pass-Through Hamilton-Boone-Madison Special Services Cooperative | | | | |
| Special Education - Grants to States | 84.027 | | | |
| Part B Carry Over | | FY06 | 10,928 | - |
| Part B | | FY07 | 20,903 | - |
| Part B Carry Over | | FY07 | 13,197 | - |
| Part B | | FY08 | 223,319 | 24,087 |
| Part B Carry Over | | FY08 | 72,263 | 2,426 |
| Early Childhood Summer Program | | FY08 | - | 17,511 |
| Part B | | FY09 | - | 318,832 |
| Early Childhood Summer Program | | FY09 | - | 8,656 |
| Total for program | | | 340,610 | 371,512 |

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

NOBLESVILLE SCHOOLS
SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS
For The Years Ended June 30, 2008 and 2009
(Continued)

| Federal Grantor Agency/Pass-Through Entity<br>Cluster Title/Program Title/Project Title | Federal CFDA Number | Pass-Through Entity (or Other) Identifying Number | Total Federal Awards Expended 06-30-08 | Total Federal Awards Expended 06-30-09 |
|---|---|---|---|---|
| U.S. DEPARTMENT OF EDUCATION (continued) | | | | |
| Pass-Through Indiana Department of Education | | | | |
| Safe and Drug-Free Schools and Communities - State Grants | 84.186 | | | |
| | | 05-021 | 10,403 | - |
| | | 06-3070 | 5,861 | 12,276 |
| | | 3070-07 | - | 11,984 |
| Total for program | | | 16,264 | 24,260 |
| Tech-Prep Education | 84.243 | | | |
| | | PLTW-7-534 | 20,000 | - |
| | | PLTW-8-534 | - | 15,000 |
| Total for program | | | 20,000 | 15,000 |
| State Grants for Innovative Programs | 84.298 | | | |
| | | 05-280 | 4,639 | - |
| | | 06-370 | 2,000 | 8,600 |
| | | 07-370 | - | 10,519 |
| Total for program | | | 6,639 | 19,119 |
| Education Technology State Grants | 84.318 | | | |
| | | FY07 | 1,775 | - |
| Competitive Ed Tech Grants | | FY09 | - | 141,394 |
| Regional Library Contact Meetings | | FY09 | - | 1,000 |
| Total for program | | | 1,775 | 142,394 |
| English Language Acquisition Grants | 84.365 | | | |
| | | FY07 | 1,915 | - |
| | | FY08 | 24,215 | - |
| | | FY09 | - | 20,979 |
| Total for program | | | 26,130 | 20,979 |
| Improving Teacher Quality State Grants | 84.367 | | | |
| | | 05-206 | 55,417 | - |
| | | 06-3070 | 129,219 | 62,566 |
| | | 07-3070 | - | 172,159 |
| Total for program | | | 184,636 | 234,725 |
| Total for federal grantor agency | | | 1,297,760 | 1,631,813 |
| Total federal awards expended | | | $ 2,238,388 | $ 2,625,420 |

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

NOBLESVILLE SCHOOLS
NOTES TO SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS

I. Basis of Presentation

The accompanying Schedule of Expenditures of Federal Awards includes the federal grant activity of the Noblesville Schools (School Corporation) and is presented in accordance with the requirements of OMB Circular A-133, Audits of States, Local Governments, and Non-Profit Organizations. Accordingly, the amount of federal awards expended is based on when the activity related to the award occurs. Therefore, some amounts presented in this schedule may differ from amounts presented in, or used in the preparation of, the basic financial statements.

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 the 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.

II. Subrecipients

Of the federal expenditures presented in the schedule, the School Corporation provided federal awards to subrecipients as follows for the years ended June 30, 2008 and 2009:

| Program Title | Federal CFDA Number | 2008 | 2009 |
|---|---|---|---|
| Safe and Drug-Free Schools and Communities | 84.186 | $ - | $ 1,669 |
| State Grants for Innovative Programs | 84.298 | 730 | 1,172 |
| Improving Teacher Quality State Grants | 84.367 | 8,968 | 13,273 |

III. Noncash Assistance

The School Corporation expended the following amount of noncash assistance for the years ending June 30, 2008 and 2009. This noncash assistance is also included in the federal expenditures presented in the schedule.

| Program Title | Federal CFDA Number | 2008 | 2009 |
|---|---|---|---|
| School Breakfast Program | 10.553 | $ 20,171 | $ - |
| National School Lunch Program | 10.555 | 171,266 | 145,776 |

NOBLESVILLE SCHOOLS
SCHEDULE OF FINDINGS AND QUESTIONED COSTS

Section I – Summary of Auditor's Results

Financial Statements:

Type of auditor's report issued: Unqualified

| | |
|---|---|
| Internal control over financial reporting: | |
| Material weaknesses identified? | no |
| Significant deficiencies identified that are not considered to be material weaknesses? | none reported |
| Noncompliance material to financial statements noted? | no |

Federal Awards:

| | |
|---|---|
| Internal control over major programs: | |
| Material weaknesses identified? | no |
| Significant deficiencies identified that are not considered to be material weaknesses? | none reported |

Type of auditor's report issued on compliance for major programs: Unqualified

| | |
|---|---|
| Any audit findings disclosed that are required to be reported in accordance with section 510(a) of Circular A-133? | no |

Identification of Major Programs:

| CFDA Number | Name of Federal Program or Cluster |
|---|---|
| 84.010 | Title I Grants to Local Educational Agencies |
| 84.027 | Special Education – Grants to States |
| 84.367 | Improving Teacher Quality State Grants |

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

| | |
|---|---|
| Auditee qualified as low-risk auditee? | yes |

Section II – Financial Statement Findings

No matters are reportable.

Section III – Federal Award Findings and Questioned Costs

No matters are reportable.

NOBLESVILLE SCHOOLS
SUMMARY SCHEDULE OF PRIOR AUDIT FINDINGS

No matters are reportable.

NOBLESVILLE SCHOOLS
EXIT CONFERENCE

The contents of this report were discussed on January 13, 2010, with Dr. Libbie Morgan-Conner, Superintendent of Schools; Terry Rich, Treasurer; and Linda Weiper, Deputy Treasurer.