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

AUDIT REPORT

OF

VINCENNES COMMUNITY SCHOOL CORPORATION

KNOX COUNTY, INDIANA

July 1, 2008 to June 30, 2010

FILED

02/23/2011

TABLE OF CONTENTS

SCHEDULE OF OFFICIALS

Office	Official	Term
Treasurer	Madonna J. Williams	07-01-08 to 06-30-11
Superintendent of Schools	Douglas D. Rose	07-01-08 to 06-30-10
	Dr. Thomas F. Nonte	07-01-10 to 06-30-11
President of the School Board	Ronald L. Boger	07-01-08 to 06-30-09
	Melissa J. Turner	07-01-09 to 06-30-10
	Bryan Thais	07-01-10 to 06-30-11

STATE OF INDIANA
AN EQUAL OPPORTUNITY EMPLOYER

STATE BOARD OF ACCOUNTS
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INDEPENDENT AUDITOR'S REPORT ON FINANCIAL STATEMENTS AND SUPPLEMENTARY SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS

TO: THE OFFICIALS OF THE VINCENNES COMMUNITY
SCHOOL CORPORATION, KNOX COUNTY, INDIANA

We have audited the accompanying financial statements of the governmental activities, each major fund, and the aggregate remaining fund information of the Vincennes Community School Corporation (School Corporation), as of and for the years ended June 30, 2009 and 2010, 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, 2009 and 2010, 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 15, 2010, on our consideration of the School Corporation's internal control over financial reporting and our tests of its compliance with certain provisions of laws, regulations, contracts, grant agreements, and other matters. The purpose of that report is to describe the scope of our testing of internal control over financial reporting and compliance and the results of that testing and not to provide an opinion on the internal control over financial reporting or on compliance. That report is an integral part of an audit performed in accordance with Government Auditing Standards 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 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 15, 2010

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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 VINCENNES COMMUNITY
SCHOOL CORPORATION, KNOX COUNTY, INDIANA

We have audited the financial statements of the governmental activities, each major fund, and the aggregate remaining fund information of the Vincennes Community School Corporation (School Corporation), as of and for the years ended June 30, 2009 and 2010, which collectively comprise the School Corporation's basic financial statements and have issued our report thereon dated December 15, 2010. 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.

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 15, 2010

VINCENNES COMMUNITY SCHOOL CORPORATION
STATEMENT OF ACTIVITIES AND NET ASSETS - CASH AND INVESTMENT BASIS
For the Year Ended June 30, 2009

		Program Receipts		Net (Disbursement) Receipts and Changes in Net Assets
Functions/Programs	Disbursements	Charges for Services	Operating Grants and Contributions	Totals
Governmental activities:				
Instruction	$ 15,210,509	$ -	$ 441,165	$ (14,769,344)
Support services	9,423,810	703,921	873,651	(7,846,238)
Noninstructional services	1,594,092	-	-	(1,594,092)
Facilities acquisition and construction	4,611,013	-	-	(4,611,013)
Debt service	5,203,378	-	-	(5,203,378)
Nonprogrammed charges	453,702	-	-	(453,702)
Total governmental activities	$ 36,496,504	$ 703,921	$ 1,314,816	(34,477,767)
General receipts:				
Property taxes				9,701,168
Other local sources				2,244,609
State aid				13,317,883
Bonds and loans				6,557,250
Grants and contributions not restricted to specific programs				4,700,439
Sale of property				71,215
Investment earnings				115,563
Other				26,307
Total general receipts				36,734,434
Change in net assets				2,256,667
Net assets - beginning				6,041,423
Net assets - ending				$ 8,298,090

Assets	
Cash and investments	$ 8,268,089
Restricted assets:	
Cash and investments	30,001
Total assets	$ 8,298,090
Net Assets	
Restricted for:	
Debt service	$ 30,001
Unrestricted	8,268,089
Total net assets	$ 8,298,090

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

VINCENNES COMMUNITY SCHOOL CORPORATION
STATEMENT OF ACTIVITIES AND NET ASSETS - CASH AND INVESTMENT BASIS
For the Year Ended June 30, 2010

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	$ 16,622,084	$ -	$ 579,771	$ (16,042,313)
Support services	11,210,399	672,259	929,184	(9,608,956)
Noninstructional services	1,570,419	-	-	(1,570,419)
Facilities acquisition and construction	1,649,240	-	-	(1,649,240)
Debt service	6,201,270	-	-	(6,201,270)
Nonprogrammed charges	915,319	-	-	(915,319)
Total governmental activities	$ 38,168,731	$ 672,259	$ 1,508,955	(35,987,517)
General receipts:				
Property taxes				8,613,648
Other local sources				4,396,364
State aid				16,394,348
Bonds and loans				750,605
Grants and contributions not restricted to specific programs				5,417,052
Sale of property				194
Investment earnings				64,725
Other				1,950
Total general receipts				35,638,886
Change in net assets				(348,631)
Net assets - beginning				8,298,090
Net assets - ending				$ 7,949,459

Assets	
Cash and investments	$ 6,942,935
Restricted assets:	
Cash and investments	1,006,524
Total assets	$ 7,949,459

Net Assets	
Restricted for:	
Debt service	$ 1,006,524
Unrestricted	6,942,935
Total net assets	$ 7,949,459

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

VINCENNES COMMUNITY SCHOOL CORPORATION
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	Debt Service	Construction - QZAB	Other	Totals
Receipts:						
Local sources	$ 4,751,484	$ -	$ 2,583,946	$ -	$ 5,429,553	$ 12,764,983
Intermediate sources	276	-	-	-	-	276
State sources	13,674,147	-	-	-	443,898	14,118,045
Federal sources	9,601	-	-	-	5,205,494	5,215,095
Temporary loans	-	-	1,477,651	-	169,849	1,647,500
Other	20,060	-	-	-	6,247	26,307
Total receipts	18,455,568	-	4,061,597	-	11,255,041	33,772,206
Disbursements:						
Current:						
Instruction	12,411,690	-	-	-	2,798,819	15,210,509
Support services	4,640,723	-	-	-	4,783,087	9,423,810
Noninstructional services	98,068	-	-	-	1,496,024	1,594,092
Facilities acquisition and construction	-	766,207	-	-	3,844,806	4,611,013
Debt services	1,400,000	-	3,567,253	-	236,125	5,203,378
Nonprogrammed charges	413,558	-	-	-	40,144	453,702
Total disbursements	18,964,039	766,207	3,567,253	-	13,199,005	36,496,504
Excess (deficiency) of receipts over disbursements	(508,471)	(766,207)	494,344	-	(1,943,964)	(2,724,298)
Other financing sources (uses):						
Proceeds of long-term debt	-	-	-	1,988,000	2,921,750	4,909,750
Sale of capital assets	61,845	-	-	-	9,370	71,215
Transfers in	-	1,206,000	-	-	73,958	1,279,958
Transfers out	(23,941)	-	(497,017)	-	(759,000)	(1,279,958)
Total other financing sources (uses)	37,904	1,206,000	(497,017)	1,988,000	2,246,078	4,980,965
Excess (deficiency) of receipts and other financing sources over disbursements and other financing uses	(470,567)	439,793	(2,673)	1,988,000	302,114	2,256,667
Cash and investments - beginning	1,751,008	1,371,994	32,674	-	2,885,747	6,041,423
Cash and investments - ending	$ 1,280,441	$ 1,811,787	$ 30,001	$ 1,988,000	$ 3,187,861	$ 8,298,090
Cash and Investment Assets - Ending						
Cash and investments	$ 1,280,441	$ 1,811,787	$ -	$ 1,988,000	$ 3,187,861	$ 8,268,089
Restricted assets:						
Cash and investments	-	-	30,001	-	-	30,001
Total cash and investment assets - ending	$ 1,280,441	$ 1,811,787	$ 30,001	$ 1,988,000	$ 3,187,861	$ 8,298,090
Cash and Investment Fund Balance - Ending						
Restricted for:						
Debt service	$ -	$ -	$ 30,001	$ -	$ -	$ 30,001
Unrestricted	1,280,441	1,811,787	-	1,988,000	3,187,861	8,268,089
Total cash and investment fund balance - ending	$ 1,280,441	$ 1,811,787	$ 30,001	$ 1,988,000	$ 3,187,861	$ 8,298,090

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

VINCENNES COMMUNITY SCHOOL CORPORATION
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, 2010

	General	Rainy Day	Debt Service	Construction - QZAB	Other	Totals
Receipts:						
Local sources	$ 194,427	$ 348	$ 4,996,623	$ -	$ 6,192,413	$ 11,383,811
Intermediate sources	276	-	-	-	-	276
State sources	16,688,866	-	282,518	-	549,560	17,520,944
Federal sources	1,528	-	-	-	5,797,887	5,799,415
Temporary loans	-	-	-	-	750,605	750,605
Other	-	-	-	-	1,950	1,950
Total receipts	16,885,097	348	5,279,141	-	13,292,415	35,457,001
Disbursements:						
Current:						
Instruction	12,092,167	-	-	-	4,529,917	16,622,084
Support services	4,611,694	14,984	-	4,025	4,597,479	9,228,182
Noninstructional services	102,958	-	-	-	1,467,461	1,570,419
Facilities acquisition and construction	-	463,615	-	442,814	742,811	1,649,240
Debt services	-	-	5,045,900	-	1,155,370	6,201,270
Nonprogrammed charges	434,560	-	-	-	480,759	915,319
Total disbursements	17,241,379	478,599	5,045,900	446,839	12,973,797	36,186,514
Excess (deficiency) of receipts over disbursements	(356,282)	(478,251)	233,241	(446,839)	318,618	(729,513)
Other financing sources (uses):						
Sale of capital assets	10	-	-	-	184	194
Transfers in	199,211	649,448	320,883	-	113,403	1,282,945
Transfers out	(271,460)	(368,225)	(50,100)	-	(593,160)	(1,282,945)
Total other financing sources (uses)	(72,239)	281,223	270,783	-	(479,573)	194
Excess (deficiency) of receipts and other financing sources over disbursements and other financing uses	(428,521)	(197,028)	504,024	(446,839)	(160,955)	(729,319)
Cash and investments - beginning	1,280,441	1,811,787	30,001	1,988,000	3,187,861	8,298,090
Cash and investments - ending	$ 851,920	$ 1,614,759	$ 534,025	$ 1,541,161	$ 3,026,906	7,568,771
Amounts reported for governmental activities in the Statement of Cash Activities and Net Assets - Cash and Investment Basis are different because:						
Internal service funds are used by management to charge the costs of certain services to individual funds. The assets and liabilities of the internal service funds are included in governmental activities in the Statement of Activities and Net Assets - Cash and Investment Basis.						380,688
Net assets of governmental activities						$ 7,949,459
Cash and Investment Assets - Ending						
Cash and investments	$ 851,920	$ 1,614,759	$ -	$ 1,541,161	$ 2,935,095	$ 6,942,935
Restricted assets:						
Cash and investments	-	-	534,025	-	91,811	625,836
Total cash and investment assets - ending	$ 851,920	$ 1,614,759	$ 534,025	$ 1,541,161	$ 3,026,906	$ 7,568,771
Cash and Investment Fund Balance - Ending						
Restricted for:						
Debt service	$ -	$ -	$ 534,025	$ -	$ 91,811	$ 625,836
Unrestricted	851,920	1,614,759	-	1,541,161	2,935,095	6,942,935
Total cash and investment fund balance - ending	$ 851,920	$ 1,614,759	$ 534,025	$ 1,541,161	$ 3,026,906	$ 7,568,771

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

VINCENNES COMMUNITY SCHOOL CORPORATION
STATEMENT OF ASSETS AND FUND BALANCES AND RECEIPTS, DISBURSEMENTS,
AND CHANGES IN FUND BALANCES - CASH AND INVESTMENT BASIS
PROPRIETARY FUNDS
For the Year Ended June 30, 2010

	Internal Service Fund
Operating receipts:	
Charges for services	$ 2,362,905
Operating disbursements:	
Insurance claims and expense	1,982,217
Excess of operating receipts over operating disbursements	380,688
Cash and investment fund balance - beginning	-
Cash and investment fund balance - ending	$ 380,688
Cash and Investment Assets - Ending	
Restricted assets:	
Cash and investments	$ 380,688
Cash and Investment Fund Balance - Ending	
Restricted for:	
Other purposes	$ 380,688

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

VINCENNES COMMUNITY SCHOOL CORPORATION
STATEMENT OF ADDITIONS, DEDUCTIONS, AND CHANGES IN CASH AND INVESTMENT BALANCES
FIDUCIARY FUNDS
For the Year Ended June 30, 2009

	Pension Trust Fund	Private-Purpose Trust Funds	Agency Funds
Additions:			
Contributions:			
Other	$ -	$ 78,705	
Deductions:			
Benefits	13,182	-	
Administrative and general	-	50,274	
Total deductions	13,182	50,274	
Excess (deficiency) of total additions over total deductions	(13,182)	28,431	
Cash and investment fund balance - beginning	13,182	23,142	
Cash and investment fund balance - ending	$ -	$ 51,573	$ 138,359
Net assets:			
Cash and investments	$ -	$ 51,573	$ 138,359
Total net assets - cash and investment basis held in trust	$ -	$ 51,573	$ 138,359

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

VINCENNES COMMUNITY SCHOOL CORPORATION
STATEMENT OF ADDITIONS, DEDUCTIONS, AND CHANGES IN CASH AND INVESTMENT BALANCES
FIDUCIARY FUNDS
For the Year Ended June 30, 2010

	Private-Purpose Trust Funds	Agency Funds
Additions:		
Contributions:		
Other	$ 24,741	
Deductions:		
Administrative and general	24,736	
Deficiency of total additions under total deductions	5	
Cash and investment fund balance - beginning	51,573	
Cash and investment fund balance - ending	$ 51,578	$ 213,866
Net assets:		
Cash and investments	$ 51,578	$ 213,866
Total net assets - cash and investment basis held in trust	$ 51,578	$ 213,866

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: Vincennes Community School Corporation

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

Joint Ventures

The School Corporation is a participant in a joint venture to operate Knox County Special Education Cooperative which was created to operate programs and services for handicapped children. The School Corporation is obligated by contract to remit monthly payments to supplement the Cooperative. The Knox County Special Education Cooperative's continued existence depends on continued funding by the School Corporation. The School Corporation is obligated for the debts of the Cooperative equal to their proportionate share. Complete financial statements for the Cooperative can be obtained from Vincennes Lincoln High School at 1545 S. Hart St. Rd., Vincennes, IN 47591.

The School Corporation is a participant in a joint venture to operate Twin Rivers Vocational Area which was created to develop and operate vocational education for students of the participating school corporations. The School Corporation is obligated by contract to remit annually a prorated amount based upon each participating school corporations' enrollment. The Twin Rivers Vocational Area uses its surplus resources to provide vocational education for participating schools. The School Corporation is obligated for the debts of the Twin Rivers Vocational Area. Complete financial statements can be obtained from Twin Rivers Vocational Area, 20 North 3rd Street, Vincennes, IN 47591.

The School Corporation is a participant with 7 parochial schools and 33 public school corporations in a joint venture to operate Southern Indiana Education Center (SIEC) which was created to operate and maintain the educational service center in order to allow participating school corporations to cooperated and share certain programs and services. The School Corporation is obligated by contract to remit annually a fee for membership in an amount determined by the governing board of the SIEC based on each school's ADM to supplement the SIEC. The SIEC's continued existence depends on continued funding by the School Corporation. Complete financial statements for the SIEC can be obtained for Southwest Dubois County School Corporation at P.O. Box 396, Huntingburg, IN 47542.

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. Governmental activities generally are financed through taxes, intergovernmental revenues, and other nonexchange revenues.

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 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 construction - QZAB fund accounts for planned repair, replacement or remodeling of school facilities operated by the school corporation through the issuance of qualified zone academy bonds.

Additionally, the School Corporation reports the following fund types:

The internal service fund accounts for all receipts and disbursements from the School Corporation's self-insurance fund.

The pension trust fund accounts for bonds and payments anticipated to be made to employees on or after the termination of employment or to pay postretirement or severance benefits held by the school cooperation in a trustee capacity.

The private-purpose trust fund reports a trust arrangement under which principal and income benefit the drama productions, leadership training, building improvements, and annual disbursements of scholarship funds to eligible students.

Agency funds account for assets held by the School Corporation as an agent for employee payroll withholdings and serve as control of accounts for certain cash transactions during the time they are a liability to the School Corporation.

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 corporation has an internal service fund for the accounting of self-insurance fund transactions.

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. Restricted Assets

All restricted assets, as presented in the accompanying financial statements, are restricted due to enabling legislation.

2. 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.

3. Property Taxes

Normally, 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. 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 may 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.

4. Capital Assets

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

5. Long-Term Debt

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

6. 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."

Fund Financial Statements

Governmental fund equity is classified as fund balance. Proprietary fund equity is classified the same as in the government-wide statements.

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 Receipt and Disbursements

Operating receipts and disbursements for the proprietary fund 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 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 in the fund financial statements have been eliminated or reclassified.

Fund Financial Statements

1. Interfund services – Sales or purchases of goods and services between funds are reported as receipts and disbursements.

2. 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.

3. 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, if any, is eliminated or reclassified in the government-wide financial statements as follows:

Internal activities – Amounts reported as interfund transfers in the fund financial statements are eliminated in the government-wide Statement of Activities and Net Assets – Cash and Investment Basis except for the net amount of transfers between governmental activities, which are reported as Transfers – Internal Activities. The effects of interfund loans and services between funds, if any, are not eliminated in the government-wide Statement of Activities and Net Assets – Cash and Investment Basis.

G. Rounding Differences

The financial statements may contain immaterial differences due to rounding of amounts when the statements were compiled. These differences are considered trivial and do not affect the overall presentation of the financial statements.

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 January 1. Prior to adoption, the budget is advertised and public hearings are conducted by the governing board to obtain taxpayer comments. Prior to November 1, 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 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. IC 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, 2010, the School Corporation had deposit balances in the amount of $8,434,440.

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

Authorization for investment activity is stated in Indiana Code 5-13-9. As of June 30, 2010, the School Corporation had no investments.

B. Interfund Transfers

Interfund transfers for the years ended June 30, 2009 and 2010, were as follows:

Transfer From	Transfer To	2009	2010
Debt Service Fund	Rainy Day Fund	$ 447,000	$ -
Other Governmental Funds	Rainy Day Fund	759,000	-
General Fund	Other Governmental Funds	23,941	15,961
Debt Service Fund	Other Governmental Funds	50,017	50,100
General Fund	Rainy Day Fund	-	255,499
Other Governmental Funds	Rainy Day Fund	-	393,949
Other Governmental Funds	General Fund	-	199,211
Rainy Day Fund	Debt Service Fund	-	320,883
Rainy Day Fund	Other Governmental Funds	-	47,342
Totals		$ 1,279,958	$ 1,282,945

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; 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; and natural disasters are covered by commercial insurance from independent third parties.

Medical Benefits to Employees, Retirees, and Dependents

The School Corporation has chosen to establish a risk financing fund for risks associated with medical and dental benefits to employees. The risk financing fund is accounted for in the internal service fund, where assets are set aside for claim settlements. An excess policy through commercial insurance covers individual claims in excess of 75,000 per year. Amounts are paid into the fund by all insured funds and are available to pay claims, claim reserves, and administrative costs of the program. Interfund premiums are calculated for each insured fund by Dunn and Associates and are paid by employee withholdings and employer matches. Dunn and Associates recalculates premium costs based on number of claims processed on an annual basis. Provisions are also made for unexpected and unusual claims through commercial insurance.

Settled claims from risks covered by commercial insurance 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 Corporation

The School Corporation has entered into capital leases with Vincennes Community School Building Corporation (the lessor). The lessor was organized as a not-for-profit corporation pursuant to state statute for the purpose of financing and constructing or reconstructing facilities for lease to the School Corporation. The two facilities under lease to the School Corporation are Lincoln High School and Clark Middle School. The lessor has been determined to be a related party of the School Corporation. Lease payments during the years 2009 and 2010 totaled $2,734,500, and $3,402,000, respectively.

C. Termination Benefits

The School Corporation provides postemployment social security bridge benefits, as authorized by Indiana Code 5-10-8, to all employees who retire from the School Corporation on or after attaining age fifty-five with at least twenty years of service. Currently, forty-nine retirees meet these eligibility requirements. The School Corporation provides 100% of these postemployment benefits. Disbursements for those postemployment benefits are recognized on a pay-as-you-go basis. During the year ended June 30, 2009, disbursements of $303,882 were recognized for postemployment benefits.

D. Pension Plans

1. Agent Multiple-Employer and Single-Employer Defined Benefit Pension Plans

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

The contribution requirements of plan members for PERF are established by the Board of Trustees of PERF. The total contributions made to PERF by the School Corporation for 2009-2010 year were $99,746.

2. Cost-Sharing Multiple-Employer Defined Benefit Pension Plan(s)

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

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's contributions to the plan for 2009-2010 year were $430,673.

VINCENNES COMMUNITY SCHOOL CORPORATION
REQUIRED SUPPLEMENTARY INFORMATION
SCHEDULE OF FUNDING PROGRESS

Public Employees' Retirement Fund

Actuarial Valuation Date	Actuarial Value of Assets (a)	Actuarial Accrued Liability (AAL) (b)	Excess of Assets Over (Unfunded) AAL (a-b)	Funded Ratio (a/b)	Covered Payroll (c)	Excess (Unfunded) AAL as a Percentage of Covered Payroll ((a-b)/c)
07-01-07	$ 2,455,191	$ 2,238,491	$ 216,700	110%	$ 1,440,256	15%
07-01-08	2,410,676	2,216,380	194,296	109%	1,353,335	14%
07-01-09	2,021,258	2,236,038	(214,780)	90%	1,885,295	(11%)

VINCENNES COMMUNITY SCHOOL CORPORATION
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	Preschool	School Lunch	Textbook Rental	Joint Services 2007-2008	Reading Recovery 06-07
Receipts:						
Local sources	$ 1,214,650	$ 12,972	$ 638,042	$ 133,892	$ 794,721	$ -
State sources	-	97,111	9,763	119,478	28,692	102,350
Federal sources	-	-	744,409	-	-	-
Temporary loans	-	-	-	-	-	-
Other	-	-	6,097	150	-	-
Total receipts	1,214,650	110,083	1,398,311	253,520	823,413	102,350
Disbursements:						
Current:						
Instruction	-	82,801	-	-	529,388	93,441
Support services	1,013,588	1,336	2,224	311,663	314,697	-
Noninstructional services	-	-	1,395,041	-	-	-
Facilities acquisition and construction	26,690	-	-	2,275	-	-
Debt services	-	-	-	-	-	-
Nonprogrammed charges	-	12,563	-	-	-	-
Total disbursements	1,040,278	96,700	1,397,265	313,938	844,085	93,441
Excess (deficiency) of receipts over disbursements	174,372	13,383	1,046	(60,418)	(20,672)	8,909
Other financing sources (uses):						
Proceeds of long-term debt	-	-	-	-	-	-
Sale of capital assets	423	-	-	-	-	-
Transfers in	-	-	-	50,017	23,941	-
Transfers out	(225,000)	-	-	-	-	-
Total other financing sources (uses)	(224,577)	-	-	50,017	23,941	-
Excess (deficiency) of receipts and other financing sources over disbursements and other financing uses	(50,205)	13,383	1,046	(10,401)	3,269	8,909
Cash and investments - beginning	346,620	173,414	142,237	166,269	123,232	28,781
Cash and investments - ending	$ 296,415	$ 186,797	$ 143,283	$ 155,868	$ 126,501	$ 37,690
Cash and Investment Assets - Ending						
Cash and investments	$ 296,415	$ 186,797	$ 143,283	$ 155,868	$ 126,501	$ 37,690
Total cash and investment assets - ending	$ 296,415	$ 186,797	$ 143,283	$ 155,868	$ 126,501	$ 37,690
Cash and Investment Fund Balance - Ending						
Restricted for:						
Unrestricted	$ 296,415	$ 186,797	$ 143,283	$ 155,868	$ 126,501	$ 37,690
Total cash and investment fund balance - ending	$ 296,415	$ 186,797	$ 143,283	$ 155,868	$ 126,501	$ 37,690

VINCENNES COMMUNITY SCHOOL CORPORATION
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)

	RC Fund	Gifted/Talented 07-08	Economic Education Grant	Industrial Arts Grant 08-09	Non-English Speaking	Technology Fund
Receipts:						
Local sources	$ 30,000	$ -	$ -	$ -	$ -	$ -
State sources	-	37,550	1,000	3,159	2,848	-
Federal sources	-	-	-	-	-	36,140
Temporary loans	-	-	-	-	-	-
Other	-	-	-	-	-	-
Total receipts	30,000	37,550	1,000	3,159	2,848	36,140
Disbursements:						
Current:						
Instruction	-	40,480	1,000	-	948	-
Support services	123	-	-	3,159	2,440	41,588
Noninstructional services	-	-	-	-	-	-
Facilities acquisition and construction	-	-	-	-	-	-
Debt services	-	-	-	-	-	-
Nonprogrammed charges	-	-	-	-	-	-
Total disbursements	123	40,480	1,000	3,159	3,388	41,588
Excess (deficiency) of receipts over disbursements	29,877	(2,930)	-	-	(540)	(5,448)
Other financing sources (uses):						
Proceeds of long-term debt	-	-	-	-	-	-
Sale of capital assets	-	-	-	-	-	-
Transfers in	-	-	-	-	-	-
Transfers out	-	-	-	-	-	-
Total other financing sources (uses)	-	-	-	-	-	-
Excess (deficiency) of receipts and other financing sources over disbursements and other financing uses	29,877	(2,930)	-	-	(540)	(5,448)
Cash and investments - beginning	9,798	15,334	-	-	2,440	82,214
Cash and investments - ending	$ 39,675	$ 12,404	$ -	$ -	$ 1,900	$ 76,766
Cash and Investment Assets - Ending						
Cash and investments	$ 39,675	$ 12,404	$ -	$ -	$ 1,900	$ 76,766
Total cash and investment assets - ending	$ 39,675	$ 12,404	$ -	$ -	$ 1,900	$ 76,766
Cash and Investment Fund Balance - Ending						
Restricted for:						
Unrestricted	$ 39,675	$ 12,404	$ -	$ -	$ 1,900	$ 76,766
Total cash and investment fund balance - ending	$ 39,675	$ 12,404	$ -	$ -	$ 1,900	$ 76,766

VINCENNES COMMUNITY SCHOOL CORPORATION
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)

	Child Care Services	S.I.N.E. Library	Library Endowment	Calibration	Title I	Title V 07-08
Receipts:						
Local sources	$ 72,224	$ -	$ 60	$ -	$ -	$ -
State sources	-	-	-	600	-	-
Federal sources	-	-	-	-	1,201,028	89,206
Temporary loans	-	-	-	-	-	-
Other	-	-	-	-	-	-
Total receipts	72,224	-	60	600	1,201,028	89,206
Disbursements:						
Current:						
Instruction	-	75	-	-	965,683	50,454
Support services	135	-	-	-	408,759	37,174
Noninstructional services	78,536	-	-	-	15,712	-
Facilities acquisition and construction	-	-	-	-	-	-
Debt services	-	-	-	-	-	-
Nonprogrammed charges	-	-	-	-	21,061	1,322
Total disbursements	78,671	75	-	-	1,411,215	88,950
Excess (deficiency) of receipts over disbursements	(6,447)	(75)	60	600	(210,187)	256
Other financing sources (uses):						
Proceeds of long-term debt	-	-	-	-	-	-
Sale of capital assets	-	-	-	-	490	-
Transfers in	-	-	-	-	-	-
Transfers out	-	-	-	-	-	-
Total other financing sources (uses)	-	-	-	-	490	-
Excess (deficiency) of receipts and other financing sources over disbursements and other financing uses	(6,447)	(75)	60	600	(209,697)	256
Cash and investments - beginning	11,083	3,208	78	-	690,287	39,057
Cash and investments - ending	$ 4,636	$ 3,133	$ 138	$ 600	$ 480,590	$ 39,313
Cash and Investment Assets - Ending						
Cash and investments	$ 4,636	$ 3,133	$ 138	$ 600	$ 480,590	$ 39,313
Total cash and investment assets - ending	$ 4,636	$ 3,133	$ 138	$ 600	$ 480,590	$ 39,313
Cash and Investment Fund Balance - Ending						
Restricted for:						
Unrestricted	$ 4,636	$ 3,133	$ 138	$ 600	$ 480,590	$ 39,313
Total cash and investment fund balance - ending	$ 4,636	$ 3,133	$ 138	$ 600	$ 480,590	$ 39,313

VINCENNES COMMUNITY SCHOOL CORPORATION
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)

	Handicapped Grant CO	Preschool CO 06-07	Title IV 06-08	Title II 07-08	Title II 07-09	Tech Planning Grant 08-09
Receipts:						
Local sources	$ -	$ -	$ -	$ -	$ -	$ -
State sources	-	-	-	41,347	-	-
Federal sources	1,226,368	79,900	18,784	-	160,637	104,413
Temporary loans	-	-	-	-	-	-
Other	-	-	-	-	-	-
Total receipts	1,226,368	79,900	18,784	41,347	160,637	104,413
Disbursements:						
Current:						
Instruction	536,783	65,236	3,850	1,056	76	-
Support services	681,757	7,654	6,775	44,048	114,280	94,400
Noninstructional services	-	-	-	-	-	-
Facilities acquisition and construction	-	-	-	-	-	-
Debt services	-	-	-	-	-	-
Nonprogrammed charges	-	-	323	1,499	-	-
Total disbursements	1,218,540	72,890	10,948	46,603	114,356	94,400
Excess (deficiency) of receipts over disbursements	7,828	7,010	7,836	(5,256)	46,281	10,013
Other financing sources (uses):						
Proceeds of long-term debt	-	-	-	-	-	-
Sale of capital assets	-	-	-	-	-	-
Transfers in	-	-	-	-	-	-
Transfers out	-	-	-	-	-	-
Total other financing sources (uses)	-	-	-	-	-	-
Excess (deficiency) of receipts and other financing sources over disbursements and other financing uses	7,828	7,010	7,836	(5,256)	46,281	10,013
Cash and investments - beginning	362,896	14,547	11,829	46,603	-	-
Cash and investments - ending	$ 370,724	$ 21,557	$ 19,665	$ 41,347	$ 46,281	$ 10,013
Cash and Investment Assets - Ending						
Cash and investments	$ 370,724	$ 21,557	$ 19,665	$ 41,347	$ 46,281	$ 10,013
Total cash and investment assets - ending	$ 370,724	$ 21,557	$ 19,665	$ 41,347	$ 46,281	$ 10,013
Cash and Investment Fund Balance - Ending						
Restricted for:						
Unrestricted	$ 370,724	$ 21,557	$ 19,665	$ 41,347	$ 46,281	$ 10,013
Total cash and investment fund balance - ending	$ 370,724	$ 21,557	$ 19,665	$ 41,347	$ 46,281	$ 10,013

VINCENNES COMMUNITY SCHOOL CORPORATION
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)

	Rural and Low Income	Rural and Low Income 09-10	Regional Tech Grant	Enhanced Education/ Technology	Fiscal Stabilization
Receipts:					
Local sources	$ -	$ -	$ -	$ -	$ -
State sources	-	-	-	-	-
Federal sources	20,000	71,035	-	19,845	1,433,729
Temporary loans	-	-	-	-	-
Other	-	-	-	-	-
Total receipts	20,000	71,035	-	19,845	1,433,729
Disbursements:					
Current:					
Instruction	-	-	-	-	427,548
Support services	81,217	60,812	-	20,874	215,761
Noninstructional services	-	-	-	-	6,735
Facilities acquisition and construction	-	-	-	-	-
Debt services	-	-	-	-	-
Nonprogrammed charges	863	-	-	2,513	-
Total disbursements	82,080	60,812	-	23,387	650,044
Excess (deficiency) of receipts over disbursements	(62,080)	10,223	-	(3,542)	783,685
Other financing sources (uses):					
Proceeds of long-term debt	-	-	-	-	-
Sale of capital assets	-	-	-	-	-
Transfers in	-	-	-	-	-
Transfers out	-	-	-	-	-
Total other financing sources (uses)	-	-	-	-	-
Excess (deficiency) of receipts and other financing sources over disbursements and other financing uses	(62,080)	10,223	-	(3,542)	783,685
Cash and investments - beginning	64,530	-	1,229	14,788	-
Cash and investments - ending	$ 2,450	$ 10,223	$ 1,229	$ 11,246	$ 783,685
Cash and Investment Assets - Ending					
Cash and investments	$ 2,450	$ 10,223	$ 1,229	$ 11,246	$ 783,685
Total cash and investment assets - ending	$ 2,450	$ 10,223	$ 1,229	$ 11,246	$ 783,685
Cash and Investment Fund Balance - Ending					
Restricted for:					
Unrestricted	$ 2,450	$ 10,223	$ 1,229	$ 11,246	$ 783,685
Total cash and investment fund balance - ending	$ 2,450	$ 10,223	$ 1,229	$ 11,246	$ 783,685

VINCENNES COMMUNITY SCHOOL CORPORATION
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)

	Retirement Severance Bond Debt Service	Capital Projects	School Bus Replacement	Construction Fund	Totals
Receipts:					
Local sources	$ 228,264	$ 2,070,807	$ 220,859	$ 13,062	$ 5,429,553
State sources	-	-	-	-	443,898
Federal sources	-	-	-	-	5,205,494
Temporary loans	22,314	147,535	-	-	169,849
Other	-	-	-	-	6,247
Total receipts	250,578	2,218,342	220,859	13,062	11,255,041
Disbursements:					
Current:					
Instruction	-	-	-	-	2,798,819
Support services	-	1,103,401	215,222	-	4,783,087
Noninstructional services	-	-	-	-	1,496,024
Facilities acquisition and construction	-	951,045	-	2,864,796	3,844,806
Debt services	236,125	-	-	-	236,125
Nonprogrammed charges	-	-	-	-	40,144
Total disbursements	236,125	2,054,446	215,222	2,864,796	13,199,005
Excess (deficiency) of receipts over disbursements	14,453	163,896	5,637	(2,851,734)	(1,943,964)
Other financing sources (uses):					
Proceeds of long-term debt	-	-	-	2,921,750	2,921,750
Sale of capital assets	-	7,602	855	-	9,370
Transfers in	-	-	-	-	73,958
Transfers out	(34,000)	(500,000)	-	-	(759,000)
Total other financing sources (uses)	(34,000)	(492,398)	855	2,921,750	2,246,078
Excess (deficiency) of receipts and other financing sources over disbursements and other financing uses	(19,547)	(328,502)	6,492	70,016	302,114
Cash and investments - beginning	19,547	477,992	27,864	9,870	2,885,747
Cash and investments - ending	$ -	$ 149,490	$ 34,356	$ 79,886	$ 3,187,861
Cash and Investment Assets - Ending					
Cash and investments	$ -	$ 149,490	$ 34,356	$ 79,886	$ 3,187,861
Total cash and investment assets - ending	$ -	$ 149,490	$ 34,356	$ 79,886	$ 3,187,861
Cash and Investment Fund Balance - Ending					
Restricted for:					
Unrestricted	$ -	$ 149,490	$ 34,356	$ 79,886	$ 3,187,861
Total cash and investment fund balance - ending	$ -	$ 149,490	$ 34,356	$ 79,886	$ 3,187,861

VINCENNES COMMUNITY SCHOOL CORPORATION
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, 2010

	Transportation Operating	Preschool	School Lunch	Textbook Rental	Joint Services 09-10	Alternative Education	Reading Recovery 09-10
Receipts:							
Local sources	$ 1,730,490	$ -	$ 568,461	$ 132,873	$ 837,645	$ -	$ -
State sources	-	44,000	8,743	121,082	21,601	4,221	64,356
Federal sources	-	-	798,944	-	-	-	-
Temporary loans	-	-	-	-	-	-	-
Other	-	-	1,400	550	-	-	-
Total receipts	1,730,490	44,000	1,377,548	254,505	859,246	4,221	64,356
Disbursements:							
Current:							
Instruction	-	26,545	-	-	541,317	2,129	81,572
Support services	1,172,031	-	1,614	294,593	321,186	-	-
Noninstructional services	-	-	1,328,711	-	-	-	-
Facilities acquisition and construction	-	-	-	2,194	-	-	-
Debt services	-	-	-	-	-	-	-
Nonprogrammed charges	-	5,041	-	-	-	-	-
Total disbursements	1,172,031	31,586	1,330,325	296,787	862,503	2,129	81,572
Excess (deficiency) of receipts over disbursements	558,459	12,414	47,223	(42,282)	(3,257)	2,092	(17,216)
Other financing sources (uses):							
Sale of capital assets	184	-	-	-	-	-	-
Transfers in	-	-	-	50,100	15,961	-	-
Transfers out	(164,323)	(199,211)	-	-	-	-	-
Total other financing sources (uses)	(164,139)	(199,211)	-	50,100	15,961	-	-
Excess (deficiency) of receipts and other financing sources over disbursements and other financing uses	394,320	(186,797)	47,223	7,818	12,704	2,092	(17,216)
Cash and investments - beginning	296,415	186,797	143,283	155,868	126,501	-	37,690
Cash and investments - ending	$ 690,735	$ -	$ 190,506	$ 163,686	$ 139,205	$ 2,092	$ 20,474
Cash and Investment Assets - Ending							
Cash and investments	$ 690,735	$ -	$ 190,506	$ 163,686	$ 139,205	$ 2,092	$ 20,474
Restricted assets:							
Cash and investments	-	-	-	-	-	-	-
Total cash and investment assets - ending	$ 690,735	$ -	$ 190,506	$ 163,686	$ 139,205	$ 2,092	$ 20,474
Cash and Investment Fund Balance - Ending							
Restricted for:							
Debt service	$ -	$ -	$ -	$ -	$ -	$ -	$ -
Unrestricted	690,735	-	190,506	163,686	139,205	2,092	20,474
Total cash and investment fund balance - ending	$ 690,735	$ -	$ 190,506	$ 163,686	$ 139,205	$ 2,092	$ 20,474

VINCENNES COMMUNITY SCHOOL CORPORATION
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, 2010
(Continued)

	RC Fund	Gifted/Talented 09-10	Teacher Improvement Programs	Industrial Arts Grant 09-10	Non-English Speaking	Technology Fund	Child Care Services
Receipts:							
Local sources	$ 30,000	$ -	$ -	$ -	$ -	$ -	$ 80,527
State sources	-	36,758	8,750	2,387	2,606	-	-
Federal sources	-	-	-	-	-	34,245	-
Temporary loans	-	-	-	-	-	-	-
Other	-	-	-	-	-	-	-
Total receipts	30,000	36,758	8,750	2,387	2,606	34,245	80,527
Disbursements:							
Current:							
Instruction	-	38,362	-	-	2,874	-	-
Support services	32,353	3,819	3,741	2,387	-	57,605	126
Noninstructional services	-	-	-	-	-	-	62,965
Facilities acquisition and construction	-	-	-	-	-	-	-
Debt services	-	-	-	-	-	-	-
Nonprogrammed charges	-	-	-	-	-	-	-
Total disbursements	32,353	42,181	3,741	2,387	2,874	57,605	63,091
Excess (deficiency) of receipts over disbursements	(2,353)	(5,423)	5,009	-	(268)	(23,360)	17,436
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	(2,353)	(5,423)	5,009	-	(268)	(23,360)	17,436
Cash and investments - beginning	39,675	12,404	-	-	1,900	76,766	4,636
Cash and investments - ending	$ 37,322	$ 6,981	$ 5,009	$ -	$ 1,632	$ 53,406	$ 22,072
Cash and Investment Assets - Ending							
Cash and investments	$ 37,322	$ 6,981	$ 5,009	$ -	$ 1,632	$ 53,406	$ 22,072
Restricted assets:							
Cash and investments	-	-	-	-	-	-	-
Total cash and investment assets - ending	$ 37,322	$ 6,981	$ 5,009	$ -	$ 1,632	$ 53,406	$ 22,072

VINCENNES COMMUNITY SCHOOL CORPORATION
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, 2010
(Continued)

	S.I.N.E. Library	Library Endowment	Calibration	Title I	Title V 07-08	Handicapped Grant CO	Preschool CO 08-09
Receipts:							
Local sources	$ -	$ 125	$ -	$ -	$ -	$ -	$ -
State sources	-	-	300	-	-	-	-
Federal sources	-	-	-	1,378,000	2,066	975,119	64,112
Temporary loans	-	-	-	-	-	-	-
Other	-	-	-	-	-	-	-
Total receipts	-	125	300	1,378,000	2,066	975,119	64,112
Disbursements:							
Current:							
Instruction	2,023	-	-	1,055,682	34,486	594,309	60,306
Support services	-	196	900	311,409	5,613	605,869	6,808
Noninstructional services	-	-	-	12,484	-	-	-
Facilities acquisition and construction	-	-	-	-	-	-	-
Debt services	-	-	-	-	-	-	-
Nonprogrammed charges	-	-	-	18,158	1,280	-	-
Total disbursements	2,023	196	900	1,397,733	41,379	1,200,178	67,114
Excess (deficiency) of receipts over disbursements	(2,023)	(71)	(600)	(19,733)	(39,313)	(225,059)	(3,002)
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	(2,023)	(71)	(600)	(19,733)	(39,313)	(225,059)	(3,002)
Cash and investments - beginning	3,133	138	600	480,590	39,313	370,724	21,557
Cash and investments - ending	$ 1,110	$ 67	$ -	$ 460,857	$ -	$ 145,665	$ 18,555
Cash and Investment Assets - Ending							
Cash and investments	$ 1,110	$ 67	$ -	$ 460,857	$ -	$ 145,665	$ 18,555
Restricted assets:							
Cash and investments	-	-	-	-	-	-	-
Total cash and investment assets - ending	$ 1,110	$ 67	$ -	$ 460,857	$ -	$ 145,665	$ 18,555
Cash and Investment Fund Balance - Ending							
Restricted for:							
Debt service	$ -	$ -	$ -	$ -	$ -	$ -	$ -
Unrestricted	1,110	67	-	460,857	-	145,665	18,555
Total cash and investment fund balance - ending	$ 1,110	$ 67	$ -	$ 460,857	$ -	$ 145,665	$ 18,555

VINCENNES COMMUNITY SCHOOL CORPORATION
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, 2010
(Continued)

	Title IV 06-08	Title II 09-10	Title II 07-09	Tech Planning Grant 08-09	Rural and Low Income	Rural and Low Income 09-10	Regional Tech Grant
Receipts:							
Local sources	$ -	$ -	$ -	$ -	$ -	$ -	$ -
State sources	-	192,800	-	41,956	-	-	-
Federal sources	7,200	-	-	-	-	25,000	-
Temporary loans	-	-	-	-	-	-	-
Other	-	-	-	-	-	-	-
Total receipts	7,200	192,800	-	41,956	-	25,000	-
Disbursements:							
Current:							
Instruction	16,967	7,806	324	-	-	-	-
Support services	703	136,099	43,696	-	1,707	9,219	1,229
Noninstructional services	-	-	-	-	-	-	-
Facilities acquisition and construction	-	-	-	-	-	-	-
Debt services	-	-	-	-	-	-	-
Nonprogrammed charges	314	-	2,261	-	743	1,004	-
Total disbursements	17,984	143,905	46,281	-	2,450	10,223	1,229
Excess (deficiency) of receipts over disbursements	(10,784)	48,895	(46,281)	41,956	(2,450)	14,777	(1,229)
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	(10,784)	48,895	(46,281)	41,956	(2,450)	14,777	(1,229)
Cash and investments - beginning	19,665	41,347	46,281	10,013	2,450	10,223	1,229
Cash and investments - ending	$ 8,881	$ 90,242	$ -	$ 51,969	$ -	$ 25,000	$ -
Cash and Investment Assets - Ending							
Cash and investments	$ 8,881	$ 90,242	$ -	$ 51,969	$ -	$ 25,000	$ -
Restricted assets:							
Cash and investments	-	-	-	-	-	-	-
Total cash and investment assets - ending	$ 8,881	$ 90,242	$ -	$ 51,969	$ -	$ 25,000	$ -
Cash and Investment Fund Balance - Ending							
Restricted for:							
Debt service	$ -	$ -	$ -	$ -	$ -	$ -	$ -
Unrestricted	8,881	90,242	-	51,969	-	25,000	-
Total cash and investment fund balance - ending	$ 8,881	$ 90,242	$ -	$ 51,969	$ -	$ 25,000	$ -

VINCENNES COMMUNITY SCHOOL CORPORATION
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, 2010
(Continued)

	Enhanced Education/ Technology	Fiscal Stabilization	Stimulus- Title I	Stimulus- Spec. Ed. Part B	Stimulus- Spec. Ed. Preschool	Stimulus- School Lunch Equipment
Receipts:						
Local sources	$ -	$ -	$ -	$ -	$ -	$ -
State sources	-	-	-	-	-	-
Federal sources	-	545,346	647,819	1,104,692	37,000	56,859
Temporary loans	-	-	-	-	-	-
Other	-	-	-	-	-	-
Total receipts	-	545,346	647,819	1,104,692	37,000	56,859
Disbursements:						
Current:						
Instruction	-	980,608	570,180	389,771	33,198	-
Support services	11,246	342,737	2,095	257,991	-	-
Noninstructional services	-	5,686	756	-	-	56,859
Facilities acquisition and construction	-	-	-	-	-	-
Debt services	-	-	-	-	-	-
Nonprogrammed charges	-	-	-	451,958	-	-
Total disbursements	11,246	1,329,031	573,031	1,099,720	33,198	56,859
Excess (deficiency) of receipts over disbursements	(11,246)	(783,685)	74,788	4,972	3,802	-
Other financing sources (uses):						
Sale of capital assets	-	-	-	-	-	-
Transfers in	-	-	-	-	-	-
Transfers out	-	-	-	-	-	-
Total other financing sources (uses)	-	-	-	-	-	-
Excess (deficiency) of receipts and other financing sources over disbursements and other financing uses	(11,246)	(783,685)	74,788	4,972	3,802	-
Cash and investments - beginning	11,246	783,685	-	-	-	-
Cash and investments - ending	$ -	$ -	$ 74,788	$ 4,972	$ 3,802	$ -
Cash and Investment Assets - Ending						
Cash and investments	$ -	$ -	$ 74,788	$ 4,972	$ 3,802	$ -
Restricted assets:						
Cash and investments	-	-	-	-	-	-
Total cash and investment assets - ending	$ -	$ -	$ 74,788	$ 4,972	$ 3,802	$ -
Cash and Investment Fund Balance - Ending						
Restricted for:						
Debt service	$ -	$ -	$ -	$ -	$ -	$ -
Unrestricted	-	-	74,788	4,972	3,802	-
Total cash and investment fund balance - ending	$ -	$ -	$ 74,788	$ 4,972	$ 3,802	$ -

VINCENNES COMMUNITY SCHOOL CORPORATION
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, 2010
(Continued)

	Stimulus- Title I SWIYV	Retirement/ Severance Bond Debt Service	Capital Projects	School Bus Replacement	Construction Fund	Totals
Receipts:						
Local sources	$ -	$ 301,699	$ 2,305,939	$ 204,098	$ 556	$ 6,192,413
State sources	-	-	-	-	-	549,560
Federal sources	112,344	-	9,141	-	-	5,797,887
Temporary loans	-	-	750,605	-	-	750,605
Other	-	-	-	-	-	1,950
Total receipts	112,344	301,699	3,065,685	204,098	556	13,292,415
Disbursements:						
Current:						
Instruction	91,458	-	-	-	-	4,529,917
Support services	6,054	-	964,453	-	-	4,597,479
Noninstructional services	-	-	-	-	-	1,467,461
Facilities acquisition and construction	-	-	660,175	-	80,442	742,811
Debt services	-	257,230	898,140	-	-	1,155,370
Nonprogrammed charges	-	-	-	-	-	480,759
Total disbursements	97,512	257,230	2,522,768	-	80,442	12,973,797
Excess (deficiency) of receipts over disbursements	14,832	44,469	542,917	204,098	(79,886)	318,618
Other financing sources (uses):						
Sale of capital assets	-	-	-	-	-	184
Transfers in	-	47,342	-	-	-	113,403
Transfers out	-	-	(79,626)	(150,000)	-	(593,160)
Total other financing sources (uses)	-	47,342	(79,626)	(150,000)	-	(479,573)
Excess (deficiency) of receipts and other financing sources over disbursements and other financing uses	14,832	91,811	463,291	54,098	(79,886)	(160,955)
Cash and investments - beginning	-	-	149,490	34,356	79,886	3,187,861
Cash and investments - ending	$ 14,832	$ 91,811	$ 612,781	$ 88,454	$ -	$ 3,026,906
Cash and Investment Assets - Ending						
Cash and investments	$ 14,832	$ -	$ 612,781	$ 88,454	$ -	$ 2,935,095
Restricted assets:						
Cash and investments	-	91,811	-	-	-	91,811
Total cash and investment assets - ending	$ 14,832	$ 91,811	$ 612,781	$ 88,454	$ -	$ 3,026,906
Cash and Investment Fund Balance - Ending						
Restricted for:						
Debt service	$ -	$ 91,811	$ -	$ -	$ -	$ 91,811
Unrestricted	14,832	-	612,781	88,454	-	2,935,095
Total cash and investment fund balance - ending	$ 14,832	$ 91,811	$ 612,781	$ 88,454	$ -	$ 3,026,906

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

	Project Lead the Way	Toyota Grant	Schott Donation Fund	Lyons Donation	AT & T Grant
Additions:					
Contributions:					
Other	$ 9,000	$ -	$ 6,000	$ 5,000	$ 22,867
Deductions:					
Administrative and general	8,946	1,500	-	9,189	7,913
Excess (deficiency) of total additions over total deductions	54	(1,500)	6,000	(4,189)	14,954
Cash and investment fund balance - beginning	-	1,500	-	10,000	-
Cash and investments - June 30	$ 54	$ -	$ 6,000	$ 5,811	$ 14,954
Net assets:					
Cash and investments	$ 54	$ -	$ 6,000	$ 5,811	$ 14,954
Total net assets - cash and investment basis held in trust	$ 54	$ -	$ 6,000	$ 5,811	$ 14,954

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

	Autism Donation	Urban Enterprise Zone	ASAI	SIEC - Excess Match	Totals
Additions:					
Contributions:					
Other	$ -	$ 5,000	$ 9,561	$ 21,277	$ 78,705
Deductions:					
Administrative and general	-	4,290	18,436	-	50,274
Excess (deficiency) of total additions over total deductions	-	710	(8,875)	21,277	28,431
Cash and investment fund balance - beginning	667	780	10,195	-	23,142
Cash and investments - June 30	$ 667	$ 1,490	$ 1,320	$ 21,277	$ 51,573
Net assets:					
Cash and investments	$ 667	$ 1,490	$ 1,320	$ 21,277	$ 51,573
Total net assets - cash and investment basis held in trust	$ 667	$ 1,490	$ 1,320	$ 21,277	$ 51,573

VINCENNES COMMUNITY SCHOOL CORPORATION
COMBINING SCHEDULE OF ADDITIONS, DEDUCTIONS, AND CHANGES IN CASH AND INVESTMENT BALANCES
PRIVATE-PURPOSE TRUST FUNDS
For the Year Ended June 30, 2010

	Project Lead the Way	Schott Donation Fund	Lyons Donation	AT & T Grant	Walmart Donation
Additions:					
Contributions:					
Other	$ 8,191	$ -	$ 5,000	$ -	$ 1,000
Deductions:					
Administrative and general	7,423	-	5,803	496	980
Excess (deficiency) of total additions over total deductions	768	-	(803)	(496)	20
Cash and investment fund balance - beginning	54	6,000	5,811	14,954	-
Cash and investments - June 30	$ 822	$ 6,000	$ 5,008	$ 14,458	$ 20
Net assets:					
Cash and investments	$ 822	$ 6,000	$ 5,008	$ 14,458	$ 20
Total net assets - cash and investment basis held in trust	$ 822	$ 6,000	$ 5,008	$ 14,458	$ 20

VINCENNES COMMUNITY SCHOOL CORPORATION
COMBINING SCHEDULE OF ADDITIONS, DEDUCTIONS, AND CHANGES IN CASH AND INVESTMENT BALANCES
PRIVATE-PURPOSE TRUST FUNDS
For thee Year Ended June 30, 2010
(Continued)

	Autism Grant	Urban Enterprise Zone	ASAI Grant 09-10	SIEC - Excess Match	Totals
Additions:					
Contributions:					
Other	$ -	$ 3,750	$ 6,800	$ -	$ 24,741
Deductions:					
Administrative and general	667	4,295	4,722	350	24,736
Excess (deficiency) of total additions over total deductions	(667)	(545)	2,078	(350)	5
Cash and investment fund balance - beginning	667	1,490	1,320	21,277	51,573
Cash and investments - June 30	$ -	$ 945	$ 3,398	$ 20,927	$ 51,578
Net assets:					
Cash and investments	$ -	$ 945	$ 3,398	$ 20,927	$ 51,578
Total net assets - cash and investment basis held in trust	$ -	$ 945	$ 3,398	$ 20,927	$ 51,578

VINCENNES COMMUNITY SCHOOL CORPORATION
COMBINING SCHEDULE OF ADDITIONS, DEDUCTIONS, AND CHANGES IN CASH AND INVESTMENT BALANCES
AGENCY FUNDS
For the Year Ended June 30, 2009

	Indiana State Tax	Non-Certified Retirement	Group Insurance	County Tax	PERF V	ITRF V	Totals
Additions:							
Agency fund additions	$ 689,389	$ 67,394	$ 925,660	$ 214,868	$ 15,826	$ 31,075	$ 1,944,212
Deductions:							
Agency fund deductions	683,078	65,733	873,325	212,908	14,706	34,596	1,884,346
Excess (deficiency) of total additions over total deductions	6,311	1,661	52,335	1,960	1,120	(3,521)	59,866
Cash and investment fund balance - beginning	36,274	10,038	11,049	11,416	1,745	7,971	78,493
Cash and investment fund balance - ending	$ 42,585	$ 11,699	$ 63,384	$ 13,376	$ 2,865	$ 4,450	$ 138,359

VINCENNES COMMUNITY SCHOOL CORPORATION
COMBINING SCHEDULE OF ADDITIONS, DEDUCTIONS, AND CHANGES IN CASH AND INVESTMENT BALANCES
AGENCY FUNDS
For the Year Ended June 30, 2010

	Federal Income Tax	Indiana State Tax	Non-Certified Retirement	Group Insurance	County Tax	PERF V	ITRF V	Prepaid School Lunch	Totals
Additions:									
Agency fund additions	$ 1,356,193	$ 461,997	$ 48,529	$ 799,066	$ 142,550	$ 12,187	$ 18,504	$ -	$ 2,839,026
Deductions:									
Agency fund deductions	1,356,249	463,661	48,138	721,096	143,137	11,604	17,583	2,051	2,763,519
Excess (deficiency) of total additions over total deductions	(56)	(1,664)	391	77,970	(587)	583	921	(2,051)	75,507
Cash and investment fund balance - beginning	-	42,585	11,699	63,384	13,376	2,865	4,450	-	138,359
Cash and investment fund balance - ending	$ (56)	$ 40,921	$ 12,090	$ 141,354	$ 12,789	$ 3,448	$ 5,371	$ (2,051)	$ 213,866

VINCENNES COMMUNITY SCHOOL CORPORATION
SUPPLEMENTARY INFORMATION
SCHEDULE OF CAPITAL ASSETS
For The Year Ended June 30, 2010

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	$ 845,360
Buildings	52,386,974
Improvements other than buildings	1,584,432
Machinery and equipment	2,060,944
Transportation equipment	1,189,705
Total governmental activities, capital assets not being depreciated	$ 58,067,415

VINCENNES COMMUNITY SCHOOL CORPORATION
SUPPLEMENTARY INFORMATION
SCHEDULE OF LONG-TERM DEBT
June 30, 2010

The School Corporation has entered into the following debt:

Description of Debt	Ending Principal Balance	Principal Due Within One Year
Governmental activities:		
Capital leases:		
Lincoln High School	$ 9,650,680	$ 1,563,930
Clark Middle School	27,085,000	970,000
Loan payable:		
Common School Loan	10,181	10,181
Revenue bonds:		
Pension Bonds	1,500,000	150,000
Qualified Zone Academy Bonds (QZAB)	1,938,000	136,000
Total governmental activities debt	$ 40,183,861	$ 2,830,111

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SUPPLEMENTAL AUDIT OF

FEDERAL AWARDS

STATE OF INDIANA
AN EQUAL OPPORTUNITY EMPLOYER

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

Telephone: (317) 232-2513
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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 VINCENNES COMMUNITY SCHOOL CORPORATION, KNOX COUNTY, INDIANA

Compliance

We have audited the compliance of the Vincennes Community School Corporation (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, 2009 and 2010. 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, 2009 and 2010.

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 15, 2010

VINCENNES COMMUNITY SCHOOL CORPORATION
SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS
For The Years Ended June 30, 2009 and 2010

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 06-30-09	Total Federal Awards Expended 06-30-10
U.S. DEPARTMENT OF AGRICULTURE				
Pass-Through Indiana Department of Education				
Child Nutrition Cluster				
School Breakfast Program	10.553		$ 204,058	$ 216,237
National School Lunch Program	10.555		611,840	650,032
Summer Food Service Program For Children	10.559		9,985	10,542
Total for cluster			825,883	876,811
ARRA - Child Nutrition Discretionary Grants Limited Availability	10.579			
National School Lunch Equipment Assistance Grants			-	56,859
Total for federal grantor agency			825,883	933,670
U.S. DEPARTMENT OF EDUCATION				
Pass-Through Indiana Department of Education				
Title I, Part A Cluster				
Title I Grants to Local Educational Agencies	84.010			
FY 07-08		08-4335	376,763	-
FY 07-08 Youth Village		08-4335	84,024	-
FY 08-09		09-4335	768,526	308,694
FY 08-09 Youth Village		09-4335	163,007	67,386
FY 09-10		10-4335	-	869,215
FY 09-10 Youth Village		10-4335	-	152,438
Total for program			1,392,320	1,397,733
ARRA - Title I Grants to Local Educational Agencies, Recovery Act	84.389			
FY 09-10			-	573,032
FY 09-10 Youth Village			-	97,512
Total for program			-	670,544
Total for cluster			1,392,320	2,068,277
Special Education Cluster (IDEA)				
Special Education - Grants to States	84.027			
Handicapped Carryover 2006-2007		14206-034-PY02	161,243	-
Handicapped 2007-2008		14207-034-PN01	53,400	-
Handicapped Carryover 2007-2008		14207-034-PY02	509,879	233,441
Handicapped 2008-2009		14208-034-PN01	494,018	1,384
Handicapped Carryover 2008-2009		14208-034-PY02	-	535,894
Handicapped 2009-2010		14209-034-PN01	-	429,458
Total for program			1,218,540	1,200,177
Special Education - Preschool Grants	84.173			
Preschool Carryover 2006-2007		45707-034-PY02	14,548	-
Preschool Carryover 2007-2008		45708-034-PY02	58,344	15,556
Preschool Carryover 2008-2009		45709-034-PY02	-	51,558
Total for program			72,892	67,114
ARRA - Special Education - Grants to States, Recovery Act	84.391		-	999,720
ARRA - Special Education - Preschool Grants, Recovery Act	84.392		-	33,198
Total for cluster			1,291,432	2,300,209

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

VINCENNES COMMUNITY SCHOOL CORPORATION
SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS
For The Years Ended June 30, 2009 and 2010
(Continued)

Federal Grantor Agency/Pass-Through Entity Cluster Title/Program Title/Project Title	Federal CFDA Number	Pass-Through Entity (or Other) Identifying Number	Total Federal Awards Expended 06-30-09	Total Federal Awards Expended 06-30-10
U.S. DEPARTMENT OF EDUCATION (continued)				
Educational Technology State Grants Cluster				
Education Technology State Grants	84.318			
FY 07-08		S318X060014	129,144	-
FY 08-09		S318X070014	8,599	46,281
Total for cluster			137,743	46,281
State Fiscal Stabilization Fund Cluster				
ARRA - State Fiscal Stabilization Fund (SFSF) - Education State Grants, Recovery Act	84.394		650,044	1,329,031
Total for cluster			650,044	1,329,031
Safe and Drug-Free Schools and Communities - State Grants	84.186			
FY 06-08			7,428	3,902
FY 07-09			3,520	14,693
Total for program			10,948	18,595
State Grants for Innovative Programs	84.298			
FY 07-08			39,056	8,529
FY 08-09			49,893	32,850
Total for program			88,949	41,379
Rural Education	84.358			
FY 07-09			82,080	2,450
FY 09-11			60,812	10,223
Total for program			142,892	12,673
Improving Teacher Quality State Grants	84.367			
FY 07-08			46,604	-
FY 09-10			-	143,905
Total for program			46,604	143,905
Total for federal grantor agency			3,760,932	5,960,350
Total federal awards expended			$ 4,586,815	$ 6,894,020

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

VINCENNES COMMUNITY SCHOOL CORPORATION
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 Vincennes Community School Corporation (School Corporation) and is presented in accordance with the cash and investment basis of accounting used in the preparation of the financial statements. Accordingly, the amount of federal awards expended is based on when the disbursement related to the award occurs except when the federal award is received on a reimbursement basis. In these instances the federal awards are considered expended when the reimbursement is received.

Circular A-133 requires an annual audit of nonfederal entities expending a total amount of federal awards equal to or in excess of $500,000 in any fiscal year unless by constitution or statute a less frequent audit is required. In accordance with 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, 2009 and 2010:

Program Title	Federal CFDA Number	2009	2010
Special Education Cluster	84.027	$ 492,415	$ 878,304

III. Noncash Assistance

The School Corporation expended the following amount of noncash assistance for the years ending June 30, 2009 and 2010. This noncash assistance is also included in the federal expenditures presented in the schedule.

Program Title	Federal CFDA Number	2009	2010
School Breakfast Program	10.553	$ 18,389	$ 17,430
National School Lunch Program	10.555	54,348	51,693

VINCENNES COMMUNITY SCHOOL CORPORATION
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
	Child Nutrition Cluster
	Title I, Part A Cluster
	Special Education Cluster (IDEA)
	State Fiscal Stabilization Fund Cluster

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.

VINCENNES COMMUNITY SCHOOL CORPORATION
SUMMARY SCHEDULE OF PRIOR AUDIT FINDINGS

No matters are reportable.

VINCENNES COMMUNITY SCHOOL CORPORATION
EXIT CONFERENCE

The contents of this report were discussed on December 15, 2010 with Madonna J. Williams, Treasurer; Gregory T. Parsley, Assistant Superintendent of Schools; Dr. Thomas F. Nonte, Superintendent of Schools; and Melissa J. Turner, Secretary of the School Board. Our audit disclosed no material items that warrant comment at this time.