

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

EXAMINATION REPORT
OF
BEACON ACADEMY
TIPPECANOE COUNTY, INDIANA
July 1, 2008 to June 30, 2010



FILED
04/27/2011

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OFFICIALS

<u>Office</u>	<u>Official</u>	<u>Term</u>
Director/Treasurer	Dr. Debra L. Lukens	07-01-08 to 06-30-11
Superintendent of School	Dr. Debra L. Lukens	07-01-08 to 06-30-11
President of the School Board	Dr. Debra L. Lukens	07-01-08 to 06-30-11



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INDEPENDENT ACCOUNTANT'S REPORT

TO: THE OFFICIALS OF THE BEACON ACADEMY, TIPPECANOE COUNTY, INDIANA

We have examined the financial statements presented herein of the Beacon Academy (School Corporation), for the period of July 1, 2008 to June 30, 2010. The School Corporation's management is responsible for the financial statements presented herein. Our responsibility is to express an opinion based on our examination.

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

In our opinion, the financial statements referred to above presents fairly, in all material respects, the financial statements of the School Corporation for the years ended June 30, 2009 and 2010, based on the criteria set forth in the uniform compliance guidelines established by the Indiana State Board of Accounts.

The Combining Schedules, Schedule of Capital Assets, and Schedule of Long-Term Debt, as listed in the Table of Contents, are presented for additional analysis and are not a required part of the basic financial statements. The Combining Schedules have been subjected to the examination procedures applied in the examination 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 examination procedures applied to the basic financial statements and, accordingly, we express no opinion on them.

STATE BOARD OF ACCOUNTS

January 25, 2011

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

<u>Functions/Programs</u>	<u>Disbursements</u>	<u>Program Receipts</u> Charges for Services	<u>Net</u> (Disbursement) Receipts and Changes in Net Assets <u>Totals</u>
Governmental activities:			
Instruction	\$ 123,538	\$ -	\$ (123,538)
Support services	244,692	6,796	(237,896)
Noninstructional services	2,357	-	(2,357)
Facilities acquisition and construction	<u>276,484</u>	<u>-</u>	<u>(276,484)</u>
Total governmental activities	<u>\$ 647,071</u>	<u>\$ 6,796</u>	<u>(640,275)</u>
General receipts:			
Other local sources			7,316
State aid			92,619
Bonds and loans			106,877
Grants and contributions not restricted to specific programs			535,732
Investment earnings			<u>657</u>
Total general receipts			<u>743,201</u>
Change in net assets			102,926
Net assets - beginning			<u>-</u>
Net assets - ending			<u>\$ 102,926</u>
<u>Assets</u>			
Cash and investments			<u>\$ 102,926</u>
<u>Net Assets</u>			
Unrestricted			<u>\$ 102,926</u>

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

BEACON ACADEMY
STATEMENT OF ACTIVITIES AND NET ASSETS - CASH AND INVESTMENT BASIS
For the Year Ended June 30, 2010

<u>Functions/Programs</u>	<u>Disbursements</u>	<u>Program Receipts</u>		<u>Net (Disbursement) Receipts and Changes in Net Assets</u>
		<u>Charges for Services</u>	<u>Operating Grants and Contributions</u>	<u>Totals</u>
Governmental activities:				
Instruction	\$ 257,430	\$ -	\$ 2,270	\$ (255,160)
Support services	179,173	4,296	20,682	(154,195)
Noninstructional services	1,746	-	-	(1,746)
Facilities acquisition and construction	173,460	-	-	(173,460)
Total governmental activities	\$ 611,809	\$ 4,296	\$ 22,952	(584,561)
General receipts:				
Other local sources				865
State aid				292,777
Bonds and loans				99,752
Grants and contributions not restricted to specific programs				294,616
Investment earnings				862
Total general receipts				688,872
Change in net assets				104,311
Net assets - beginning				102,926
Net assets - ending				\$ 207,237
<u>Assets</u>				
Cash and investments				\$ 207,237
<u>Net Assets</u>				
Unrestricted				\$ 207,237

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

BEACON ACADEMY
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	ESEA Title X	Other	Totals
Receipts:				
Local sources	\$ 13,850	\$ -	\$ 919	\$ 14,769
State sources	92,619	-	-	92,619
Federal sources	-	510,000	25,732	535,732
	106,469	510,000	26,651	643,120
Total receipts				
Disbursements:				
Current:				
Instruction	88,115	28,023	7,400	123,538
Support services	92,344	136,798	15,550	244,692
Noninstructional services	2,292	55	10	2,357
Facilities acquisition and construction	15,019	258,042	3,423	276,484
	197,770	422,918	26,383	647,071
Total disbursements				
Excess (deficiency) of receipts over disbursements	(91,301)	87,082	268	(3,951)
Other financing sources (uses):				
Proceeds of long-term debt	106,877	-	-	106,877
Transfers in	12,900	-	-	12,900
Transfers out	-	(12,900)	-	(12,900)
	119,777	(12,900)	-	106,877
Total other financing sources (uses)				
Excess (deficiency) of receipts and other financing sources over disbursements and other financing uses	28,476	74,182	268	102,926
Cash and investments - beginning	-	-	-	-
Cash and investments - ending	\$ 28,476	\$ 74,182	\$ 268	\$ 102,926
<u>Cash and Investment Assets - Ending</u>				
Cash and investments	\$ 28,476	\$ 74,182	\$ 268	\$ 102,926
<u>Cash and Investment Fund Balance - Ending</u>				
Unrestricted	\$ 28,476	\$ 74,182	\$ 268	\$ 102,926

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

BEACON ACADEMY
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	ESEA Title X	Other	Totals
Receipts:				
Local sources	\$ 2,830	\$ -	\$ 3,193	\$ 6,023
State sources	295,047	-	20,682	315,729
Federal sources	-	280,280	14,336	294,616
Total receipts	297,877	280,280	38,211	616,368
Disbursements:				
Current:				
Instruction	185,050	66,802	5,578	257,430
Support services	125,163	47,004	7,006	179,173
Noninstructional services	(192)	506	1,432	1,746
Facilities acquisition and construction	23,019	147,482	2,959	173,460
Total disbursements	333,040	261,794	16,975	611,809
Excess (deficiency) of receipts over disbursements	(35,163)	18,486	21,236	4,559
Other financing sources (uses):				
Proceeds of long-term debt	99,752	-	-	99,752
Total other financing sources (uses)	99,752	-	-	99,752
Excess (deficiency) of receipts and other financing sources over disbursements and other financing uses	64,589	18,486	21,236	104,311
Cash and investments - beginning	28,476	74,182	268	102,926
Cash and investments - ending	<u>\$ 93,065</u>	<u>\$ 92,668</u>	<u>\$ 21,504</u>	<u>\$ 207,237</u>
<u>Cash and Investment Assets - Ending</u>				
Cash and investments	<u>\$ 93,065</u>	<u>\$ 92,668</u>	<u>\$ 21,504</u>	<u>\$ 207,237</u>
<u>Cash and Investment Fund Balance - Ending</u>				
Unrestricted	<u>\$ 93,065</u>	<u>\$ 92,668</u>	<u>\$ 21,504</u>	<u>\$ 207,237</u>

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

BEACON ACADEMY
NOTES TO FINANCIAL STATEMENTS

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: Beacon Academy

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

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 ESEA Title X Fund accounts for the activities of the federal grants used for the planning and implementation for the start-up of the Charter School.

BEACON ACADEMY
NOTES TO FINANCIAL STATEMENTS
(Continued)

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. 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. 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.

BEACON ACADEMY
NOTES TO FINANCIAL STATEMENTS
(Continued)

4. Long-Term Debt

Long-term debt arising from cash basis transactions of governmental and proprietary 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.

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."

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

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.

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.

BEACON ACADEMY
NOTES TO FINANCIAL STATEMENTS
(Continued)

4. Interfund loans – Flow of assets from one fund to another where repayment is expected is reported as interfund loans.

Government-Wide Financial Statements

Interfund activity, if any, is eliminated or reclassified in the government-wide financial statements. 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 and business-type 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. 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 \$216,100.

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

IC 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

BEACON ACADEMY
NOTES TO FINANCIAL STATEMENTS
(Continued)

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 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.

For the two year period ending June 30, 2010, the School Corporation did not have any investment activity.

B. Interfund Transfers

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

<u>Transfer From</u>	<u>Transfer To</u>	<u>2009</u>	<u>2010</u>
ESEA Title X Fund	General Fund	\$ 12,900	\$ -

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

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

Settled claims from risks covered by commercial insurance have not exceeded commercial insurance coverage for the past two years. There were no significant reductions in insurance by major category of risk.

BEACON ACADEMY
NOTES TO FINANCIAL STATEMENTS
(Continued)

B. 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

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 during the period were \$9,338.

BEACON ACADEMY
 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

	School Administration	P L 101-476	Fiscal Stabilization	Totals
Receipts:				
Local sources	\$ 919	\$ -	\$ -	\$ 919
Federal sources	-	6,450	19,282	25,732
	<u>919</u>	<u>6,450</u>	<u>19,282</u>	<u>26,651</u>
Total receipts				
Disbursements:				
Current:				
Instruction	-	6,450	950	7,400
Support services	602	-	14,948	15,550
Noninstructional services	10	-	-	10
Facilities acquisition and construction	39	-	3,384	3,423
	<u>651</u>	<u>6,450</u>	<u>19,282</u>	<u>26,383</u>
Total disbursements				
Excess (deficiency) of receipts over disbursements	<u>268</u>	<u>-</u>	<u>-</u>	<u>268</u>
Cash and investments - beginning	-	-	-	-
Cash and investments - ending	<u>\$ 268</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 268</u>
<u>Cash and Investment Assets - Ending</u>				
Cash and investments	<u>\$ 268</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 268</u>
<u>Cash and Investment Fund Balance - Ending</u>				
Unrestricted	<u>\$ 268</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 268</u>

BEACON ACADEMY
 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

	Textbook Rental	School Administration	Fiscal Stabilization	Special Education	Totals
Receipts:					
Local sources	\$ -	\$ 3,191	\$ 2	\$ -	\$ 3,193
State sources	20,682	-	-	-	20,682
Federal sources	-	-	8,758	5,578	14,336
Total receipts	20,682	3,191	8,760	5,578	38,211
Disbursements:					
Current:					
Instruction	-	-	-	5,578	5,578
Support services	-	841	6,165	-	7,006
Noninstructional services	-	1,082	350	-	1,432
Facilities acquisition and construction	-	714	2,245	-	2,959
Total disbursements	-	2,637	8,760	5,578	16,975
Excess (deficiency) of receipts over disbursements	20,682	554	-	-	21,236
Cash and investments - beginning	-	268	-	-	268
Cash and investments - ending	<u>\$ 20,682</u>	<u>\$ 822</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 21,504</u>
<u>Cash and Investment Assets - Ending</u>					
Cash and investments	<u>\$ 20,682</u>	<u>\$ 822</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 21,504</u>
<u>Cash and Investment Fund Balance - Ending</u>					
Unrestricted	<u>\$ 20,682</u>	<u>\$ 822</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 21,504</u>

BEACON ACADEMY
SUPPLEMENTARY INFORMATION
SCHEDULE OF CAPITAL ASSETS
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.

<u>Primary Government</u>	<u>Ending Balance</u>
Governmental activities:	
Capital assets, not being depreciated:	
Machinery and equipment	<u>\$ 373,757</u>

BEACON ACADEMY
 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 and Interest Due Within One Year
Governmental activities: Common School Loans	\$ 206,629	\$ 25,156

BEACON ACADEMY
EXAMINATION RESULTS AND COMMENTS

INTERNAL CONTROLS

The controls over the receipting, disbursing, and accounting for the financial activities were insufficient. The financial records and payroll are maintained by a third party while the Director monitors the activity. However the Director serves as Principal, Superintendent, Treasurer, and President of the School Board.

Governmental units should have internal controls in effect which provide reasonable assurance regarding the reliability of financial information and records, effectiveness and efficiency of operations, proper execution of management's objectives, and compliance with laws and regulations. Among other things, segregation of duties, safeguarding controls over cash and all other assets and all forms of information processing are necessary for proper internal control. (Accounting and Uniform Compliance Guidelines Manual for Indiana Public School Corporations, Chapter 9)

COMPENSATION AND BENEFITS

Several employees received payments for the year which were not included as an item on the salary agreements. These items were for stipends allowed through a grant for additional work not in the school year.

All compensation and benefits paid to officials and employees must be included in the labor contract, salary ordinance, resolution, or salary schedule adopted by the governing body unless otherwise authorized by statute. Compensation should be made in a manner that will facilitate compliance with state and federal reporting requirements. (Accounting and Uniform Compliance Guidelines Manual for Indiana Public School Corporations, Chapter 13)

BEACON ACADEMY
EXIT CONFERENCE

The contents of this report were discussed on January 25, 2011, with Dr. Debra L. Lukens, Director/Treasurer/Superintendent of School/President of the School Board; Ronald D. Elly, School Board Secretary; and J. William Asher, School Board member. The officials concurred with our findings.