

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

FINANCIAL STATEMENT AND  
FEDERAL SINGLE AUDIT REPORT  
OF

HAMILTON HEIGHTS SCHOOL CORPORATION  
HAMILTON COUNTY, INDIANA

July 1, 2010 to June 30, 2012



**FILED**  
02/12/2013



## TABLE OF CONTENTS

<u>Description</u>	<u>Page</u>
Schedule of Officials .....	2
Independent Auditor's Report .....	3-4
Report on Internal Control Over Financial Reporting and on Compliance and Other Matters Based on an Audit of the Financial Statement Performed in Accordance With Government Auditing Standards .....	5-6
Financial Statement: Statement of Receipts, Disbursements, Other Financing Sources (Uses), and Cash and Investment Balances - Regulatory Basis.....	8-9
Notes to Financial Statement.....	10-15
Supplementary Information - Unaudited: Combining Schedules of Receipts, Disbursements, Other Financing Sources (Uses), and Cash and Investment Balances - Regulatory Basis.....	18-37
Audit Results and Comments: Extra-Curricular Funds - Transfer of Funds.....	38
Collective Bargaining .....	38-39
Academic Honors Diploma – Incorrect Reporting to the State.....	39
Supplemental Audit of Federal Awards: Independent Auditor's Report on Compliance With Requirements That Could Have a Direct and Material Effect on Each Major Program and on Internal Control Over Compliance in Accordance With OMB Circular A-133 .....	42-43
Schedule of Expenditures of Federal Awards .....	46
Notes to Schedule of Expenditures of Federal Awards.....	47
Schedule of Findings and Questioned Costs .....	48
Auditee Prepared Schedule: Summary Schedule of Prior Audit Findings .....	49
Exit Conference.....	50
Official Response .....	51-52

SCHEDULE OF OFFICIALS

<u>Office</u>	<u>Official</u>	<u>Term</u>
Treasurer	Kristin McCarty	01-01-10 to 06-30-13
Superintendent of Schools	Anthony Cook	01-01-10 to 06-30-13
President of the School Board	Laura Reuter	01-01-10 to 06-30-13



**STATE OF INDIANA**  
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INDEPENDENT AUDITOR'S REPORT

TO: THE OFFICIALS OF THE HAMILTON HEIGHTS SCHOOL  
CORPORATION, HAMILTON COUNTY, INDIANA

We have audited the accompanying financial statement of the Hamilton Heights School Corporation (School Corporation), for the period of July 1, 2010 to June 30, 2012. This financial statement is the responsibility of the School Corporation's management. Our responsibility is to express an opinion on this financial statement based on our audit.

We conducted our audit in accordance with auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in Government Auditing Standards, issued by the Comptroller General of the United States. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statement is free of material misstatement. An audit includes consideration of internal control over financial reporting as a basis for designing audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the School Corporation's internal control over reporting. Accordingly, we express no such opinion. An audit includes examining, on a test basis, evidence supporting the amounts and disclosures in the financial statement. 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 opinion.

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

In our opinion, because of the matter discussed in the preceding paragraph, the financial statement referred to above does not present fairly, in conformity with accounting principles generally accepted in the United States of America, the financial position and results of operations of the School Corporation for the period of July 1, 2010 to June 30, 2012.

In our opinion, the financial statement referred to above presents fairly, in all material respects, the financial position and results of operations of the School Corporation for the period of July 1, 2010 to June 30, 2012, on the basis of accounting described in Note 1.

In accordance with Government Auditing Standards, we have also issued a report dated January 10, 2013, 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  
(Continued)

Our audit was conducted for the purpose of forming an opinion on the School Corporation's financial statement. The accompanying Schedule of Expenditures of Federal Awards is presented for purposes of additional analysis as required by the U.S. Office of Management and Budget Circular A-133, Audits of States, Local Governments, and Non-Profit Organizations, and is not a required part of the financial statement. Such information is the responsibility of management and was derived from and relates directly to the underlying accounting and other reports used to prepare the financial statement. The information has been subjected to the auditing procedures applied in the audit of the financial statement and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the financial statement or to the financial statement itself, and other additional procedures in accordance with auditing standards generally accepted in the United States of America. In our opinion, the Schedule of Expenditures of Federal Awards is fairly stated, in all material respects, in relation to the financial statement taken as a whole.

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

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

STATE BOARD OF ACCOUNTS

January 10, 2013



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

TO: THE OFFICIALS OF THE HAMILTON HEIGHTS SCHOOL  
CORPORATION, HAMILTON COUNTY, INDIANA

We have audited the financial statement of the Hamilton Heights School Corporation (School Corporation), for the period of July 1, 2010 to June 30, 2012, and have issued our report thereon dated January 10, 2013. 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

Management of the School Corporation is responsible for establishing and maintaining effective 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 opinion on the financial statement, 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 deficiency in internal control exists when the design or operation of a control does not allow management or employees, in the normal course of performing their assigned functions, to prevent or detect and correct misstatements on a timely basis. A material weakness is a deficiency or combination of deficiencies in internal control, such that there is a reasonable possibility that a material misstatement of the entity's financial statement will not be prevented or detected and corrected on a timely basis.

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

REPORT ON INTERNAL CONTROL OVER FINANCIAL REPORTING AND ON COMPLIANCE  
AND OTHER MATTERS BASED ON AN AUDIT OF THE FINANCIAL STATEMENT  
PERFORMED IN ACCORDANCE WITH GOVERNMENT AUDITING STANDARDS  
(Continued)

Compliance and Other Matters

As part of obtaining reasonable assurance about whether the School Corporation's financial statement is free of material misstatement, we performed tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements, noncompliance with which could have a direct and material effect on the determination of financial statement amounts. However, providing an opinion on compliance with those provisions was not an objective of our audit and, accordingly, we do not express such an opinion. The results of our tests disclosed no instances of noncompliance or other matters that are required to be reported under Government Auditing Standards.

The School Corporation's response to the findings identified in our audit is described in the accompanying Official Response. We did not audit the School Corporation's response and, accordingly, we express no opinion on it.

This report is intended solely for the information and use of the School Corporation's management, School Board, others within the entity, 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

January 10, 2013

## FINANCIAL STATEMENT

The financial statement and accompanying notes were approved by management of the School Corporation. The financial statement and notes are presented as intended by the School Corporation.

HAMILTON HEIGHTS SCHOOL CORPORATION  
STATEMENT OF RECEIPTS, DISBURSEMENTS, OTHER FINANCING SOURCES (USES), AND CASH AND INVESTMENT BALANCES -  
REGULATORY BASIS  
For the Years Ended June 30, 2011 and 2012

	Cash and Investments 07-01-10		Other Financing Sources (Uses)		Cash and Investments 06-30-11		Other Financing Sources (Uses)		Cash and Investments 06-30-12	
	Receipts	Disbursements			Receipts	Disbursements			Receipts	Disbursements
General	\$ 3,876,323	\$ 13,598,996	\$ 13,285,743	\$ 6,032	\$ 4,195,608	\$ 13,586,372	\$ 14,033,384	\$ -	\$ 3,748,596	
Debt Service	1,671,973	4,265,526	3,927,874	-	2,009,625	3,964,191	4,036,881	21,837	1,958,772	
Retirement/Severance Bond Debt Service	88,232	169,566	169,968	-	87,830	164,798	168,885	851	84,594	
Capital Projects	1,481,167	1,724,168	1,733,467	-	1,471,868	2,025,401	2,787,237	8,969	719,001	
School Transportation	1,398,001	1,636,020	1,395,997	(599,519)	1,038,505	1,662,411	1,492,122	(180,979)	1,027,815	
School Bus Replacement	358,997	268,673	228,994	-	398,676	204,074	-	(36,823)	565,927	
Rainy Day	4,727,547	-	333,653	600,000	4,993,894	-	497,148	265,000	4,761,746	
Post-Retirement/Severance Future Benefits	139,949	-	-	-	139,949	-	19,247	-	120,702	
Construction	730,429	630	619,055	-	112,004	22,249	113,254	-	20,999	
Construction 2011	-	40,817	-	-	40,817	-	40,817	-	-	
School Lunch	643,182	1,010,935	1,141,058	-	513,059	1,158,562	1,195,110	-	476,511	
Textbook Rental	(25,460)	199,106	62,113	352	111,885	484,007	484,237	206	111,861	
Levy Excess	78,855	-	-	-	78,855	-	-	(78,855)	-	
Summer Enrichment Special Education Cooperative	5,828	-	-	(5,828)	-	-	-	-	-	
Summer Enrichment Special Education 2009	133	-	-	(133)	-	-	-	-	-	
Summer Enrichment Special Education 2010	4,858	-	4,858	-	-	-	-	-	-	
Early Childhood Summer 2011	-	5,694	121	-	5,573	-	5,573	-	-	
FIATS Summer Program 2011	-	4,695	110	-	4,585	-	4,585	-	-	
2012 EC Summer Enrichment	-	-	-	-	-	-	4,479	-	(4,479)	
2012 FIATS Summer Enrichment	-	-	-	-	-	-	1,535	-	(1,535)	
HHEF Donations	2,835	13,867	5,833	-	10,869	7,200	14,344	-	3,725	
Cicero Americal Legion Auxillary Grant	1,460	-	-	-	1,460	-	-	-	1,460	
Marathon/Sahgill Oil Company	3,436	-	830	-	2,606	-	319	-	2,287	
Swimming Program	1,149	-	-	-	1,149	-	-	-	1,149	
Paul Achenbach Memorial Fund	785	-	-	-	785	-	785	-	-	
Miscellaneous Donations to HHMS	331	-	-	-	331	-	-	-	331	
Matt Cahill Memorial Scholarship	1,745	-	500	-	1,245	-	-	-	1,245	
E/S Donation PTO Magazine Sale	10,999	1,747	1,801	-	10,945	2,869	3,276	-	10,538	
P/S Clinic PTO Donation	765	-	-	-	765	-	-	-	765	
Dean Small Scholarship Fund	1,000	1,000	1,000	-	1,000	1,000	2,000	-	-	
Dave Sheller Memorial Scholars	6,685	-	-	-	6,685	-	-	-	6,685	
P/S Donation PTO Magazine Sale	20,745	5,058	4,075	-	21,728	2,404	3,879	-	20,253	
Heidi O'Rear Scholarship 99	228	-	-	-	228	-	-	-	228	
Susan Barnes Scholarship	1,051	-	-	-	1,051	-	-	-	1,051	
Bishop Memorial	1,013	-	-	-	1,013	-	-	-	1,013	
Ingrid Hook Memorial Fund	2,657	-	-	-	2,657	-	-	-	2,657	

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

HAMILTON HEIGHTS SCHOOL CORPORATION  
STATEMENT OF RECEIPTS, DISBURSEMENTS, OTHER FINANCING SOURCES (USES), AND CASH AND INVESTMENT BALANCES -  
REGULATORY BASIS  
For the Years Ended June 30, 2011 and 2012  
(Continued)

	Cash and Investments 07-01-10	Receipts	Disbursements	Other Financing Sources (Uses)	Cash and Investments 06-30-11	Receipts	Disbursements	Other Financing Sources (Uses)	Cash and Investments 06-30-12
Chris Musselman Memorial Fund	9	1,000	987	-	22	-	-	-	22
One-On-One Community (Library)	436	-	-	-	436	-	-	-	436
Wellness Program WV/WCI Trust	4,735	2,400	3,544	-	3,591	3,492	2,748	-	4,335
Middle School PSEO	7,430	-	1,000	-	6,430	-	1,804	-	4,626
High Ability 09/10	681	-	681	-	-	-	-	-	-
High Ability Grant 10/11	-	34,193	29,248	-	4,945	-	4,945	-	-
High Ability Grant 2011/2012	-	-	-	-	-	33,462	33,154	-	308
Common School Technology Loan 10/11	-	203,243	203,243	-	-	-	-	-	-
Common School Technology Loan 11/12	-	48,338	48,338	-	-	165,762	165,762	-	-
Non-English Speaking Programs P.L. 273-1999	901	-	835	(66)	-	-	-	-	-
Non-English Speaking Program 11/12	-	-	-	-	-	1,075	-	-	1,075
School Technology	36,960	17,429	-	-	54,389	21,452	622	-	75,219
Title I FY 2010 (09/10)	18,472	10,004	28,476	-	-	-	-	-	-
Title I FY 2011 (10/11)	-	69,435	69,159	-	276	30,135	30,411	-	-
Title I FY 2012 (11/12)	-	-	-	-	-	114,769	121,457	-	(6,688)
IDEA	23,515	-	23,515	-	-	-	-	-	-
Assistive Technology Grant	-	-	-	-	-	34,420	34,420	-	-
Carmel Federal Grant Part B 10/11	-	69,122	69,518	-	(396)	30,415	30,019	-	-
Part B Federal Grant	-	-	-	-	-	59,960	67,019	-	(7,059)
Title IV Part A Safe & Drug Free	574	1,108	1,682	-	-	-	-	-	-
08/09 Title II Project 08-3025	10,262	233	10,495	-	-	-	-	-	-
Title II A	39,537	-	30,491	-	9,046	-	9,046	-	-
Title II A FY 10	-	-	-	-	-	24,837	25,893	-	(1,056)
Title III, Language Instruction	4	-	-	(4)	-	-	-	-	-
Title III English Proficiency 10/11	226	-	226	-	-	-	-	-	-
Title III English Proficiency 11/12	-	841	841	-	-	638	638	-	-
Title III	-	-	-	-	-	216	216	-	-
Special Education - Part B	11,339	98,132	112,527	-	(3,056)	24,310	21,254	-	-
Special Education - Part B - Preschool	2,403	1,774	3,632	-	545	1,184	1,729	-	-
New Technology Grants EECBG Grant	-	350,000	350,000	-	-	-	-	-	-
Education Jobs	-	-	742	-	(742)	372,476	400,902	-	(29,168)
Payroll Clearing	3,763	3,182,686	3,186,449	-	-	3,368,794	3,365,162	-	3,632
<b>Totals</b>	<b>\$ 15,398,145</b>	<b>\$ 27,036,436</b>	<b>\$ 27,092,679</b>	<b>\$ 834</b>	<b>\$ 15,342,736</b>	<b>\$ 27,572,935</b>	<b>\$ 29,226,298</b>	<b>\$ 206</b>	<b>\$ 13,689,579</b>

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

HAMILTON HEIGHTS SCHOOL CORPORATION  
NOTES TO FINANCIAL STATEMENT

**Note 1. Summary of Significant Accounting Policies**

*A. Reporting Entity*

School Corporation, as used herein, shall include, but is not limited to, school townships, school towns, school cities, consolidated school corporations, joint schools, metropolitan school districts, township school districts, county schools, united schools, school districts, cooperatives, educational service centers, community schools, community school corporations, and charter schools.

The School Corporation was established under the laws of the State of Indiana. The School Corporation operates under a Board of School Trustees form of government and provides educational services.

The accompanying financial statement presents the financial information for the School Corporation.

*B. Basis of Accounting*

The financial statement is reported on a regulatory basis of accounting prescribed by the State Board of Accounts in accordance with state statute (IC 5-11-1-6), which is a comprehensive basis of accounting other than accounting principles generally accepted in the United States of America. Receipts are recorded when received and disbursements are recorded when paid.

The regulatory basis of accounting differs from accounting principles generally accepted in the United States of America in that receipts are recognized when received in cash, rather than when earned, and disbursements are recognized when paid, rather than when a liability is incurred.

*C. Cash and Investments*

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

*D. Receipts*

Receipts are presented in the aggregate on the face of the financial statement. The aggregate receipts may include the following sources:

Local sources which include taxes, revenue from local governmental units other than school corporations, transfer tuition, transportation fees, investment income, food services, school corporation activities, revenue from community services activities, and other revenue from local sources.

Intermediate sources which include distributions from the County for fees collected for or on behalf of the School Corporation including educational license plate fees, congressional interest, riverboat distributions, and other similar fees.

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

HAMILTON HEIGHTS SCHOOL CORPORATION  
NOTES TO FINANCIAL STATEMENT  
(Continued)

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

Interfund loans which include money temporarily transferred from one fund to a depleted fund for use in paying current operating expenses. Such advancement shall not be made for a period extending beyond the budget year.

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

*E. Disbursements*

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

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

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

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

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

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

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

Interfund loans which include money temporarily transferred from one fund to a depleted fund for use in paying current operating expenses. Such advancement shall not be made for a period extending beyond the budget year.

*F. Other Financing Sources and Uses*

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

HAMILTON HEIGHTS SCHOOL CORPORATION  
NOTES TO FINANCIAL STATEMENT  
(Continued)

Proceeds of long-term debt which includes money received in relation to the issuance of bonds or other long-term debt issues.

Sale of capital assets which includes money received when land, buildings, or equipment owned by the School Corporation is sold.

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

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

*G. Fund Accounting*

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

**Note 2. Budgets**

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

**Note 3. Property Taxes**

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

HAMILTON HEIGHTS SCHOOL CORPORATION  
NOTES TO FINANCIAL STATEMENT  
(Continued)

**Note 4. Deposits and Investments**

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

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

**Note 5. Risk Management**

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

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

**Note 6. Pension Plans**

*A. Public Employees' Retirement Fund*

*Plan Description*

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

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

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

HAMILTON HEIGHTS SCHOOL CORPORATION  
NOTES TO FINANCIAL STATEMENT  
(Continued)

*Funding Policy and Annual Pension Cost*

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

**B. *Teacher's Retirement Fund***

*Plan Description*

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

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

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

*Funding Policy and Annual Pension Cost*

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

The School Corporation also contributes to additional pension plans unique to the School Corporation. Information regarding these plans may be obtained from the School Corporation.

**Note 7. *Negative Receipts and Disbursements***

The financial statement contains receipts and disbursements which appear as negative entries. The negative receipts are adjusting entries in order to include the prepay lunch fund ending balance within the school lunch fund and also to correct posting errors to a revenue account in the same fund. Some of the negative disbursements were correcting budget entries posted to the wrong program and/or fund. The other negative disbursements were insurance claim adjustments posted to a specific account rather than adjusting individual budget lines with the general fund.

HAMILTON HEIGHTS SCHOOL CORPORATION  
NOTES TO FINANCIAL STATEMENT  
(Continued)

**Note 8. Cash Balance Deficits**

The financial statement contains funds with deficits in cash. This is a result of the funds being set up for reimbursable grants. The reimbursements for expenditures made by the School Corporation were not received by June 30, 2011 and 2012.

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## SUPPLEMENTARY INFORMATION – UNAUDITED

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

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

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

HAMILTON HEIGHTS SCHOOL CORPORATION  
 COMBINING SCHEDULE OF RECEIPTS, DISBURSEMENTS, OTHER FINANCING SOURCES (USES), AND CASH AND INVESTMENT BALANCES  
 REGULATORY BASIS  
 For the Year Ended June 30, 2011

	General	Debt Service	Retirement/ Serverance Bond Debt Service	Capital Projects	School Transportation	School Bus Replacement	Rainy Day
Cash and investments - beginning	\$ 3,876,323	\$ 1,671,973	\$ 88,232	\$ 1,481,167	\$ 1,398,001	\$ 358,997	\$ 4,727,547
Receipts:							
Local sources	476,441	4,255,245	169,566	1,724,014	1,534,261	268,673	-
Intermediate sources	59	-	-	-	-	-	-
State sources	13,099,073	10,281	-	-	-	-	-
Federal sources	-	-	-	-	-	-	-
Other	23,423	-	-	154	101,759	-	-
Total receipts	<u>13,598,996</u>	<u>4,265,526</u>	<u>169,566</u>	<u>1,724,168</u>	<u>1,636,020</u>	<u>268,673</u>	<u>-</u>
Disbursements:							
Current:							
Instruction	8,807,884	-	-	-	-	-	-
Support services	4,134,870	6,230	-	1,533,277	1,395,997	228,994	-
Noninstructional services	342,989	-	-	-	-	-	-
Facilities acquisition and construction	-	-	-	200,190	-	-	333,653
Debt services	-	3,921,644	169,968	-	-	-	-
Nonprogrammed charges	-	-	-	-	-	-	-
Total disbursements	<u>13,285,743</u>	<u>3,927,874</u>	<u>169,968</u>	<u>1,733,467</u>	<u>1,395,997</u>	<u>228,994</u>	<u>333,653</u>
Excess (deficiency) of receipts over disbursements	<u>313,253</u>	<u>337,652</u>	<u>(402)</u>	<u>(9,299)</u>	<u>240,023</u>	<u>39,679</u>	<u>(333,653)</u>
Other financing sources (uses):							
Sale of capital assets	-	-	-	-	481	-	-
Transfers in	6,031	-	-	-	-	-	600,000
Transfers out	1	-	-	-	(600,000)	-	-
Total other financing sources (uses)	<u>6,032</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>(599,519)</u>	<u>-</u>	<u>600,000</u>
Excess (deficiency) of receipts and other financing sources over disbursements and other financing uses	<u>319,285</u>	<u>337,652</u>	<u>(402)</u>	<u>(9,299)</u>	<u>(359,496)</u>	<u>39,679</u>	<u>266,347</u>
Cash and investments - ending	<u>\$ 4,195,608</u>	<u>\$ 2,009,625</u>	<u>\$ 87,830</u>	<u>\$ 1,471,868</u>	<u>\$ 1,038,505</u>	<u>\$ 398,676</u>	<u>\$ 4,993,894</u>

HAMILTON HEIGHTS SCHOOL CORPORATION  
 COMBINING SCHEDULE OF RECEIPTS, DISBURSEMENTS, OTHER FINANCING SOURCES (USES), AND CASH AND INVESTMENT BALANCES  
 REGULATORY BASIS  
 For the Year Ended June 30, 2011  
 (Continued)

	Post Retirement/ Severance Future Benefits	Construction	Construction 2011	School Lunch	Textbook Rental	Levy Excess	Summer Enrichment Special Education Cooperative
Cash and investments - beginning	\$ 139,949	\$ 730,429	\$ -	\$ 643,182	\$ (25,460)	\$ 78,855	\$ 5,828
Receipts:							
Local sources	-	630	40,817	667,524	141,289	-	-
Intermediate sources	-	-	-	-	-	-	-
State sources	-	-	-	15,290	49,487	-	-
Federal sources	-	-	-	324,263	-	-	-
Other	-	-	-	3,858	8,330	-	-
Total receipts	-	630	40,817	1,010,935	199,106	-	-
Disbursements:							
Current:							
Instruction	-	-	-	-	-	-	-
Support services	-	-	-	36,741	62,113	-	-
Noninstructional services	-	-	-	1,096,999	-	-	-
Facilities acquisition and construction	-	619,055	-	7,318	-	-	-
Debt services	-	-	-	-	-	-	-
Nonprogrammed charges	-	-	-	-	-	-	-
Total disbursements	-	619,055	-	1,141,058	62,113	-	-
Excess (deficiency) of receipts over disbursements	-	(618,425)	40,817	(130,123)	136,993	-	-
Other financing sources (uses):							
Sale of capital assets	-	-	-	-	352	-	-
Transfers in	-	-	-	-	-	-	-
Transfers out	-	-	-	-	-	-	(5,828)
Total other financing sources (uses)	-	-	-	-	352	-	(5,828)
Excess (deficiency) of receipts and other financing sources over disbursements and other financing uses	-	(618,425)	40,817	(130,123)	137,345	-	(5,828)
Cash and investments - ending	\$ 139,949	\$ 112,004	\$ 40,817	\$ 513,059	\$ 111,885	\$ 78,855	\$ -

HAMILTON HEIGHTS SCHOOL CORPORATION  
 COMBINING SCHEDULE OF RECEIPTS, DISBURSEMENTS, OTHER FINANCING SOURCES (USES), AND CASH AND INVESTMENT BALANCES  
 REGULATORY BASIS  
 For the Year Ended June 30, 2011  
 (Continued)

	Summer Enrichment Special Education 2009	Summer Enrichment Special Education 2010	Early Childhood Summer 2011	FIATS Summer Program 2011	2012 EC Summer Enrichment	2012 FIATS Summer Enrichment	HHEF Donations
Cash and investments - beginning	\$ 133	\$ 4,858	\$ -	\$ -	\$ -	\$ -	\$ 2,835
Receipts:							
Local sources	-	-	-	-	-	-	13,867
Intermediate sources	-	-	-	-	-	-	-
State sources	-	-	-	-	-	-	-
Federal sources	-	-	5,694	4,695	-	-	-
Other	-	-	-	-	-	-	-
Total receipts	-	-	5,694	4,695	-	-	13,867
Disbursements:							
Current:							
Instruction	-	4,031	121	110	-	-	5,833
Support services	-	827	-	-	-	-	-
Noninstructional services	-	-	-	-	-	-	-
Facilities acquisition and construction	-	-	-	-	-	-	-
Debt services	-	-	-	-	-	-	-
Nonprogrammed charges	-	-	-	-	-	-	-
Total disbursements	-	4,858	121	110	-	-	5,833
Excess (deficiency) of receipts over disbursements	-	(4,858)	5,573	4,585	-	-	8,034
Other financing sources (uses):							
Sale of capital assets	-	-	-	-	-	-	-
Transfers in	-	-	-	-	-	-	-
Transfers out	(133)	-	-	-	-	-	-
Total other financing sources (uses)	(133)	-	-	-	-	-	-
Excess (deficiency) of receipts and other financing sources over disbursements and other financing uses	(133)	(4,858)	5,573	4,585	-	-	8,034
Cash and investments - ending	\$ -	\$ -	\$ 5,573	\$ 4,585	\$ -	\$ -	\$ 10,869

HAMILTON HEIGHTS SCHOOL CORPORATION  
 COMBINING SCHEDULE OF RECEIPTS, DISBURSEMENTS, OTHER FINANCING SOURCES (USES), AND CASH AND INVESTMENT BALANCES  
 REGULATORY BASIS  
 For the Year Ended June 30, 2011  
 (Continued)

	Cicero American Legion Auxillary Grant	Marathon/ Sahgill Oil Company	Swimming Program	Paul Achenbach Memorial Fund	Miscellaneous Donations to HHMS	Matt Cahill Memorial Scholarship	E/S Donation PTO Magazine Sale
Cash and investments - beginning	\$ 1,460	\$ 3,436	\$ 1,149	\$ 785	\$ 331	\$ 1,745	\$ 10,999
Receipts:							
Local sources	-	-	-	-	-	-	1,747
Intermediate sources	-	-	-	-	-	-	-
State sources	-	-	-	-	-	-	-
Federal sources	-	-	-	-	-	-	-
Other	-	-	-	-	-	-	-
Total receipts	-	-	-	-	-	-	1,747
Disbursements:							
Current:							
Instruction	-	399	-	-	-	-	1,801
Support services	-	431	-	-	-	500	-
Noninstructional services	-	-	-	-	-	-	-
Facilities acquisition and construction	-	-	-	-	-	-	-
Debt services	-	-	-	-	-	-	-
Nonprogrammed charges	-	-	-	-	-	-	-
Total disbursements	-	830	-	-	-	500	1,801
Excess (deficiency) of receipts over disbursements	-	(830)	-	-	-	(500)	(54)
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	-	(830)	-	-	-	(500)	(54)
Cash and investments - ending	<u>\$ 1,460</u>	<u>\$ 2,606</u>	<u>\$ 1,149</u>	<u>\$ 785</u>	<u>\$ 331</u>	<u>\$ 1,245</u>	<u>\$ 10,945</u>

HAMILTON HEIGHTS SCHOOL CORPORATION  
 COMBINING SCHEDULE OF RECEIPTS, DISBURSEMENTS, OTHER FINANCING SOURCES (USES), AND CASH AND INVESTMENT BALANCES  
 REGULATORY BASIS  
 For the Year Ended June 30, 2011  
 (Continued)

	P/S Clinic PTO Donation	Dean Small Scholarship Fund	Dave Sheller Memorial Scholars	P/S Donation PTO Magazine Sale	Heidi O'Rear Scholarship 99	Susan Barnes Scholarship	Bishop Memorial
Cash and investments - beginning	\$ 765	\$ 1,000	\$ 6,685	\$ 20,745	\$ 228	\$ 1,051	\$ 1,013
Receipts:							
Local sources	-	1,000	-	5,058	-	-	-
Intermediate sources	-	-	-	-	-	-	-
State sources	-	-	-	-	-	-	-
Federal sources	-	-	-	-	-	-	-
Other	-	-	-	-	-	-	-
Total receipts	-	1,000	-	5,058	-	-	-
Disbursements:							
Current:							
Instruction	-	-	-	4,075	-	-	-
Support services	-	1,000	-	-	-	-	-
Noninstructional services	-	-	-	-	-	-	-
Facilities acquisition and construction	-	-	-	-	-	-	-
Debt services	-	-	-	-	-	-	-
Nonprogrammed charges	-	-	-	-	-	-	-
Total disbursements	-	1,000	-	4,075	-	-	-
Excess (deficiency) of receipts over disbursements	-	-	-	983	-	-	-
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	-	-	-	983	-	-	-
Cash and investments - ending	<u>\$ 765</u>	<u>\$ 1,000</u>	<u>\$ 6,685</u>	<u>\$ 21,728</u>	<u>\$ 228</u>	<u>\$ 1,051</u>	<u>\$ 1,013</u>

HAMILTON HEIGHTS SCHOOL CORPORATION  
 COMBINING SCHEDULE OF RECEIPTS, DISBURSEMENTS, OTHER FINANCING SOURCES (USES), AND CASH AND INVESTMENT BALANCES  
 REGULATORY BASIS  
 For the Year Ended June 30, 2011  
 (Continued)

	Ingrid Hook Memorial Fund	Chris Musselman Memorial Fund	One-On-One Community (Library)	Wellness Program WV/WCI Trust	Middle School PSEO	High Ability 09/10	High Ability Grant 10/11
Cash and investments - beginning	\$ 2,657	\$ 9	\$ 436	\$ 4,735	\$ 7,430	\$ 681	\$ -
Receipts:							
Local sources	-	1,000	-	2,400	-	-	-
Intermediate sources	-	-	-	-	-	-	-
State sources	-	-	-	-	-	-	34,193
Federal sources	-	-	-	-	-	-	-
Other	-	-	-	-	-	-	-
Total receipts	-	1,000	-	2,400	-	-	34,193
Disbursements:							
Current:							
Instruction	-	987	-	-	1,000	681	29,248
Support services	-	-	-	2,657	-	-	-
Noninstructional services	-	-	-	887	-	-	-
Facilities acquisition and construction	-	-	-	-	-	-	-
Debt services	-	-	-	-	-	-	-
Nonprogrammed charges	-	-	-	-	-	-	-
Total disbursements	-	987	-	3,544	1,000	681	29,248
Excess (deficiency) of receipts over disbursements	-	13	-	(1,144)	(1,000)	(681)	4,945
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	-	13	-	(1,144)	(1,000)	(681)	4,945
Cash and investments - ending	<u>\$ 2,657</u>	<u>\$ 22</u>	<u>\$ 436</u>	<u>\$ 3,591</u>	<u>\$ 6,430</u>	<u>\$ -</u>	<u>\$ 4,945</u>

HAMILTON HEIGHTS SCHOOL CORPORATION  
 COMBINING SCHEDULE OF RECEIPTS, DISBURSEMENTS, OTHER FINANCING SOURCES (USES), AND CASH AND INVESTMENT BALANCES  
 REGULATORY BASIS  
 For the Year Ended June 30, 2011  
 (Continued)

	High Ability Grant 2011/2012	Common School Technology Loan 10/11	Common School Technology Loan 11/12	Non-English Speaking Programs P.L. 273-1999	Non-English Speaking Program 11/12	School Technology	Title I FY 2010 (09/10)
Cash and investments - beginning	\$ -	\$ -	\$ -	\$ 901	\$ -	\$ 36,960	\$ 18,472
Receipts:							
Local sources	-	-	-	-	-	-	505
Intermediate sources	-	-	-	-	-	-	-
State sources	-	203,243	48,338	-	-	17,429	-
Federal sources	-	-	-	-	-	-	9,499
Other	-	-	-	-	-	-	-
Total receipts	-	203,243	48,338	-	-	17,429	10,004
Disbursements:							
Current:							
Instruction	-	-	-	-	-	-	28,278
Support services	-	203,243	48,338	835	-	-	-
Noninstructional services	-	-	-	-	-	-	198
Facilities acquisition and construction	-	-	-	-	-	-	-
Debt services	-	-	-	-	-	-	-
Nonprogrammed charges	-	-	-	-	-	-	-
Total disbursements	-	203,243	48,338	835	-	-	28,476
Excess (deficiency) of receipts over disbursements	-	-	-	(835)	-	17,429	(18,472)
Other financing sources (uses):							
Sale of capital assets	-	-	-	-	-	-	-
Transfers in	-	-	-	-	-	-	-
Transfers out	-	-	-	(66)	-	-	-
Total other financing sources (uses)	-	-	-	(66)	-	-	-
Excess (deficiency) of receipts and other financing sources over disbursements and other financing uses	-	-	-	(901)	-	17,429	(18,472)
Cash and investments - ending	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 54,389	\$ -

HAMILTON HEIGHTS SCHOOL CORPORATION  
 COMBINING SCHEDULE OF RECEIPTS, DISBURSEMENTS, OTHER FINANCING SOURCES (USES), AND CASH AND INVESTMENT BALANCES  
 REGULATORY BASIS  
 For the Year Ended June 30, 2011  
 (Continued)

	Title I FY 2011 (10-11)	Title I FY 2012 (11-12)	IDEA	Assistive Technology Grant	Carmel Federal Grant Part B 10/11	Part B Federal Grant	Title IV Part A Safe & Drug Free
Cash and investments - beginning	\$ -	\$ -	\$ 23,515	\$ -	\$ -	\$ -	\$ 574
Receipts:							
Local sources	-	-	-	-	-	-	-
Intermediate sources	-	-	-	-	-	-	-
State sources	-	-	-	-	-	-	-
Federal sources	69,435	-	-	-	69,122	-	1,108
Other	-	-	-	-	-	-	-
Total receipts	<u>69,435</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>69,122</u>	<u>-</u>	<u>1,108</u>
Disbursements:							
Current:							
Instruction	69,159	-	21,598	-	69,518	-	-
Support services	-	-	1,917	-	-	-	1,682
Noninstructional services	-	-	-	-	-	-	-
Facilities acquisition and construction	-	-	-	-	-	-	-
Debt services	-	-	-	-	-	-	-
Nonprogrammed charges	-	-	-	-	-	-	-
Total disbursements	<u>69,159</u>	<u>-</u>	<u>23,515</u>	<u>-</u>	<u>69,518</u>	<u>-</u>	<u>1,682</u>
Excess (deficiency) of receipts over disbursements	<u>276</u>	<u>-</u>	<u>(23,515)</u>	<u>-</u>	<u>(396)</u>	<u>-</u>	<u>(574)</u>
Other financing sources (uses):							
Sale of capital assets	-	-	-	-	-	-	-
Transfers in	-	-	-	-	-	-	-
Transfers out	-	-	-	-	-	-	-
Total other financing sources (uses)	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Excess (deficiency) of receipts and other financing sources over disbursements and other financing uses	<u>276</u>	<u>-</u>	<u>(23,515)</u>	<u>-</u>	<u>(396)</u>	<u>-</u>	<u>(574)</u>
Cash and investments - ending	<u>\$ 276</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ (396)</u>	<u>\$ -</u>	<u>\$ -</u>

HAMILTON HEIGHTS SCHOOL CORPORATION  
 COMBINING SCHEDULE OF RECEIPTS, DISBURSEMENTS, OTHER FINANCING SOURCES (USES), AND CASH AND INVESTMENT BALANCES  
 REGULATORY BASIS  
 For the Year Ended June 30, 2011  
 (Continued)

	08/09 Title II Project 08-3025	Title II A	Title II A FY 10	Title III Language Instruction	Title III English Proficiency 10/11	Title III English Proficiency 11/12	Title III
Cash and investments - beginning	\$ 10,262	\$ 39,537	\$ -	\$ 4	\$ 226	\$ -	\$ -
Receipts:							
Local sources	233	-	-	-	-	-	-
Intermediate sources	-	-	-	-	-	-	-
State sources	-	-	-	-	-	841	-
Federal sources	-	-	-	-	-	-	-
Other	-	-	-	-	-	-	-
Total receipts	<u>233</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>841</u>	<u>-</u>
Disbursements:							
Current:							
Instruction	4,390	12,332	-	-	-	-	-
Support services	6,105	18,159	-	-	226	841	-
Noninstructional services	-	-	-	-	-	-	-
Facilities acquisition and construction	-	-	-	-	-	-	-
Debt services	-	-	-	-	-	-	-
Nonprogrammed charges	-	-	-	-	-	-	-
Total disbursements	<u>10,495</u>	<u>30,491</u>	<u>-</u>	<u>-</u>	<u>226</u>	<u>841</u>	<u>-</u>
Excess (deficiency) of receipts over disbursements	<u>(10,262)</u>	<u>(30,491)</u>	<u>-</u>	<u>-</u>	<u>(226)</u>	<u>-</u>	<u>-</u>
Other financing sources (uses):							
Sale of capital assets	-	-	-	-	-	-	-
Transfers in	-	-	-	-	-	-	-
Transfers out	-	-	-	(4)	-	-	-
Total other financing sources (uses)	<u>-</u>	<u>-</u>	<u>-</u>	<u>(4)</u>	<u>-</u>	<u>-</u>	<u>-</u>
Excess (deficiency) of receipts and other financing sources over disbursements and other financing uses	<u>(10,262)</u>	<u>(30,491)</u>	<u>-</u>	<u>(4)</u>	<u>(226)</u>	<u>-</u>	<u>-</u>
Cash and investments - ending	<u>\$ -</u>	<u>\$ 9,046</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>

HAMILTON HEIGHTS SCHOOL CORPORATION  
 COMBINING SCHEDULE OF RECEIPTS, DISBURSEMENTS, OTHER FINANCING SOURCES (USES), AND CASH AND INVESTMENT BALANCES  
 REGULATORY BASIS  
 For the Year Ended June 30, 2011  
 (Continued)

	Special Education - Part B	Special Education - Part B - Preschool	New Technology Grants EECBG Grant	Education Jobs	Payroll Clearing	Totals
Cash and investments - beginning	\$ 11,339	\$ 2,403	\$ -	\$ -	\$ 3,763	\$ 15,398,145
Receipts:						
Local sources	-	-	-	-	-	9,304,270
Intermediate sources	-	-	-	-	-	59
State sources	-	-	-	-	-	13,478,175
Federal sources	98,132	1,774	350,000	-	-	933,722
Other	-	-	-	-	3,182,686	3,320,210
Total receipts	<u>98,132</u>	<u>1,774</u>	<u>350,000</u>	<u>-</u>	<u>3,182,686</u>	<u>27,036,436</u>
Disbursements:						
Current:						
Instruction	-	3,632	-	-	-	9,065,077
Support services	112,527	-	-	742	-	7,798,252
Noninstructional services	-	-	-	-	-	1,441,073
Facilities acquisition and construction	-	-	350,000	-	-	1,510,216
Debt services	-	-	-	-	-	4,091,612
Nonprogrammed charges	-	-	-	-	3,186,449	3,186,449
Total disbursements	<u>112,527</u>	<u>3,632</u>	<u>350,000</u>	<u>742</u>	<u>3,186,449</u>	<u>27,092,679</u>
Excess (deficiency) of receipts over disbursements	<u>(14,395)</u>	<u>(1,858)</u>	<u>-</u>	<u>(742)</u>	<u>(3,763)</u>	<u>(56,243)</u>
Other financing sources (uses):						
Sale of capital assets	-	-	-	-	-	833
Transfers in	-	-	-	-	-	606,031
Transfers out	-	-	-	-	-	(606,030)
Total other financing sources (uses)	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>834</u>
Excess (deficiency) of receipts and other financing sources over disbursements and other financing uses	<u>(14,395)</u>	<u>(1,858)</u>	<u>-</u>	<u>(742)</u>	<u>(3,763)</u>	<u>(55,409)</u>
Cash and investments - ending	<u>\$ (3,056)</u>	<u>\$ 545</u>	<u>\$ -</u>	<u>\$ (742)</u>	<u>\$ -</u>	<u>\$ 15,342,736</u>

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

	General	Debt Service	Severance Bond Debt Service	Capital Projects	School Transportation	School Bus Replacement	Rainy Day
Cash and investments - beginning	\$ 4,195,608	\$ 2,009,625	\$ 87,830	\$ 1,471,868	\$ 1,038,505	\$ 398,676	\$ 4,993,894
Receipts:							
Local sources	524,345	3,964,191	164,798	1,638,821	1,537,562	204,074	-
Intermediate sources	32	-	-	-	-	-	-
State sources	13,001,623	-	-	-	-	-	-
Federal sources	-	-	-	-	-	-	-
Temporary loans	-	-	-	-	-	-	-
Interfund loans	-	-	-	-	-	-	-
Other	60,372	-	-	386,580	124,849	-	-
Total receipts	<u>13,586,372</u>	<u>3,964,191</u>	<u>164,798</u>	<u>2,025,401</u>	<u>1,662,411</u>	<u>204,074</u>	<u>-</u>
Disbursements:							
Current:							
Instruction	9,318,965	-	-	-	-	-	-
Support services	4,421,918	17,217	-	1,617,379	1,492,122	-	-
Noninstructional services	292,501	-	-	-	-	-	-
Facilities acquisition and construction	-	-	-	1,169,858	-	-	247,148
Debt services	-	4,019,664	168,885	-	-	-	-
Nonprogrammed charges	-	-	-	-	-	-	-
Interfund loans	-	-	-	-	-	-	250,000
Total disbursements	<u>14,033,384</u>	<u>4,036,881</u>	<u>168,885</u>	<u>2,787,237</u>	<u>1,492,122</u>	<u>-</u>	<u>497,148</u>
Excess (deficiency) of receipts over disbursements	<u>(447,012)</u>	<u>(72,690)</u>	<u>(4,087)</u>	<u>(761,836)</u>	<u>170,289</u>	<u>204,074</u>	<u>(497,148)</u>
Other financing sources (uses):							
Proceeds of long-term debt	-	-	-	-	-	-	-
Sale of capital assets	-	-	-	-	-	-	-
Transfers in	-	21,837	851	8,969	44,021	3,177	265,000
Transfers out	-	-	-	-	(225,000)	(40,000)	-
Total other financing sources (uses)	<u>-</u>	<u>21,837</u>	<u>851</u>	<u>8,969</u>	<u>(180,979)</u>	<u>(36,823)</u>	<u>265,000</u>
Excess (deficiency) of receipts and other financing sources over disbursements and other financing uses	<u>(447,012)</u>	<u>(50,853)</u>	<u>(3,236)</u>	<u>(752,867)</u>	<u>(10,690)</u>	<u>167,251</u>	<u>(232,148)</u>
Cash and investments - ending	<u>\$ 3,748,596</u>	<u>\$ 1,958,772</u>	<u>\$ 84,594</u>	<u>\$ 719,001</u>	<u>\$ 1,027,815</u>	<u>\$ 565,927</u>	<u>\$ 4,761,746</u>

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

	Retirement/ Severance Future Benefits	Construction	Construction 2011	School Lunch	Textbook Rental	Levy Excess	Summer Enrichment Special Education Cooperative
Cash and investments - beginning	\$ 139,949	\$ 112,004	\$ 40,817	\$ 513,059	\$ 111,885	\$ 78,855	\$ -
Receipts:							
Local sources	-	22,249	-	700,277	156,168	-	-
Intermediate sources	-	-	-	-	-	-	-
State sources	-	-	-	15,402	69,088	-	-
Federal sources	-	-	-	439,483	-	-	-
Temporary loans	-	-	-	-	-	-	-
Interfund loans	-	-	-	-	250,000	-	-
Other	-	-	-	3,400	8,751	-	-
Total receipts	-	22,249	-	1,158,562	484,007	-	-
Disbursements:							
Current:							
Instruction	19,247	-	-	-	-	-	-
Support services	-	16,429	-	38,777	484,237	-	-
Noninstructional services	-	-	-	1,098,894	-	-	-
Facilities acquisition and construction	-	96,825	40,817	57,439	-	-	-
Debt services	-	-	-	-	-	-	-
Nonprogrammed charges	-	-	-	-	-	-	-
Interfund loans	-	-	-	-	-	-	-
Total disbursements	19,247	113,254	40,817	1,195,110	484,237	-	-
Excess (deficiency) of receipts over disbursements	(19,247)	(91,005)	(40,817)	(36,548)	(230)	-	-
Other financing sources (uses):							
Proceeds of long-term debt	-	-	-	-	-	-	-
Sale of capital assets	-	-	-	-	206	-	-
Transfers in	-	-	-	-	-	-	-
Transfers out	-	-	-	-	-	(78,855)	-
Total other financing sources (uses)	-	-	-	-	206	(78,855)	-
Excess (deficiency) of receipts and other financing sources over disbursements and other financing uses	(19,247)	(91,005)	(40,817)	(36,548)	(24)	(78,855)	-
Cash and investments - ending	<u>\$ 120,702</u>	<u>\$ 20,999</u>	<u>\$ -</u>	<u>\$ 476,511</u>	<u>\$ 111,861</u>	<u>\$ -</u>	<u>\$ -</u>

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

	Summer Enrichment Special Education 2009	Summer Enrichment Special Education 2010	Early Childhood Summer 2011	FIATS Summer Program 2011	2012 EC Summer Enrichment	2012 FIATS Summer Enrichment	HHEF Donations
Cash and investments - beginning	\$ -	\$ -	\$ 5,573	\$ 4,585	\$ -	\$ -	\$ 10,869
Receipts:							
Local sources	-	-	-	-	-	-	7,200
Intermediate sources	-	-	-	-	-	-	-
State sources	-	-	-	-	-	-	-
Federal sources	-	-	-	-	-	-	-
Temporary loans	-	-	-	-	-	-	-
Interfund loans	-	-	-	-	-	-	-
Other	-	-	-	-	-	-	-
Total receipts	-	-	-	-	-	-	7,200
Disbursements:							
Current:							
Instruction	-	-	4,244	2,520	3,526	-	14,344
Support services	-	-	1,329	2,065	953	1,535	-
Noninstructional services	-	-	-	-	-	-	-
Facilities acquisition and construction	-	-	-	-	-	-	-
Debt services	-	-	-	-	-	-	-
Nonprogrammed charges	-	-	-	-	-	-	-
Interfund loans	-	-	-	-	-	-	-
Total disbursements	-	-	5,573	4,585	4,479	1,535	14,344
Excess (deficiency) of receipts over disbursements	-	-	(5,573)	(4,585)	(4,479)	(1,535)	(7,144)
Other financing sources (uses):							
Proceeds of long-term debt	-	-	-	-	-	-	-
Sale of capital assets	-	-	-	-	-	-	-
Transfers in	-	-	-	-	-	-	-
Transfers out	-	-	-	-	-	-	-
Total other financing sources (uses)	-	-	-	-	-	-	-
Excess (deficiency) of receipts and other financing sources over disbursements and other financing uses	-	-	(5,573)	(4,585)	(4,479)	(1,535)	(7,144)
Cash and investments - ending	\$ -	\$ -	\$ -	\$ -	\$ (4,479)	\$ (1,535)	\$ 3,725

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

	Cicero American Legion Auxillary Grant	Marathon/ Sahgill Oil Company	Swimming Program	Paul Achenbach Memorial Fund	Miscellaneous Donations to HHMS	Matt Cahill Memorial Scholarship	E/S Donation PTO Magazine Sale
Cash and investments - beginning	\$ 1,460	\$ 2,606	\$ 1,149	\$ 785	\$ 331	\$ 1,245	\$ 10,945
Receipts:							
Local sources	-	-	-	-	-	-	2,869
Intermediate sources	-	-	-	-	-	-	-
State sources	-	-	-	-	-	-	-
Federal sources	-	-	-	-	-	-	-
Temporary loans	-	-	-	-	-	-	-
Interfund loans	-	-	-	-	-	-	-
Other	-	-	-	-	-	-	-
Total receipts	-	-	-	-	-	-	2,869
Disbursements:							
Current:							
Instruction	-	319	-	-	-	-	2,209
Support services	-	-	-	785	-	-	1,067
Noninstructional services	-	-	-	-	-	-	-
Facilities acquisition and construction	-	-	-	-	-	-	-
Debt services	-	-	-	-	-	-	-
Nonprogrammed charges	-	-	-	-	-	-	-
Interfund loans	-	-	-	-	-	-	-
Total disbursements	-	319	-	785	-	-	3,276
Excess (deficiency) of receipts over disbursements	-	(319)	-	(785)	-	-	(407)
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	-	(319)	-	(785)	-	-	(407)
Cash and investments - ending	\$ 1,460	\$ 2,287	\$ 1,149	\$ -	\$ 331	\$ 1,245	\$ 10,538

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

	P/S Clinic PTO Donation	Dean Small Scholarship Fund	Dave Sheller Memorial Scholars	P/S Donation PTO Magazine Sale	Heidi O'Rear Scholarship 99	Susan Barnes Scholarship	Bishop Memorial
Cash and investments - beginning	\$ 765	\$ 1,000	\$ 6,685	\$ 21,728	\$ 228	\$ 1,051	\$ 1,013
Receipts:							
Local sources	-	1,000	-	2,404	-	-	-
Intermediate sources	-	-	-	-	-	-	-
State sources	-	-	-	-	-	-	-
Federal sources	-	-	-	-	-	-	-
Temporary loans	-	-	-	-	-	-	-
Interfund loans	-	-	-	-	-	-	-
Other	-	-	-	-	-	-	-
Total receipts	-	1,000	-	2,404	-	-	-
Disbursements:							
Current:							
Instruction	-	-	-	3,879	-	-	-
Support services	-	2,000	-	-	-	-	-
Noninstructional services	-	-	-	-	-	-	-
Facilities acquisition and construction	-	-	-	-	-	-	-
Debt services	-	-	-	-	-	-	-
Nonprogrammed charges	-	-	-	-	-	-	-
Interfund loans	-	-	-	-	-	-	-
Total disbursements	-	2,000	-	3,879	-	-	-
Excess (deficiency) of receipts over disbursements	-	(1,000)	-	(1,475)	-	-	-
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	-	(1,000)	-	(1,475)	-	-	-
Cash and investments - ending	\$ 765	\$ -	\$ 6,685	\$ 20,253	\$ 228	\$ 1,051	\$ 1,013

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

	Ingrid Hook Memorial Fund	Chris Musselman Memorial Fund	One-On-One Community (Library)	Wellness Program WV/WCI Trust	Middle School PSEO	High Ability 09/10	High Ability Grant 10/11
Cash and investments - beginning	\$ 2,657	\$ 22	\$ 436	\$ 3,591	\$ 6,430	\$ -	\$ 4,945
Receipts:							
Local sources	-	-	-	3,492	-	-	-
Intermediate sources	-	-	-	-	-	-	-
State sources	-	-	-	-	-	-	-
Federal sources	-	-	-	-	-	-	-
Temporary loans	-	-	-	-	-	-	-
Interfund loans	-	-	-	-	-	-	-
Other	-	-	-	-	-	-	-
Total receipts	-	-	-	3,492	-	-	-
Disbursements:							
Current:							
Instruction	-	-	-	-	1,804	-	4,945
Support services	-	-	-	1,723	-	-	-
Noninstructional services	-	-	-	1,025	-	-	-
Facilities acquisition and construction	-	-	-	-	-	-	-
Debt services	-	-	-	-	-	-	-
Nonprogrammed charges	-	-	-	-	-	-	-
Interfund loans	-	-	-	-	-	-	-
Total disbursements	-	-	-	2,748	1,804	-	4,945
Excess (deficiency) of receipts over disbursements	-	-	-	744	(1,804)	-	(4,945)
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	-	-	-	744	(1,804)	-	(4,945)
Cash and investments - ending	\$ 2,657	\$ 22	\$ 436	\$ 4,335	\$ 4,626	\$ -	\$ -

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

	High Ability Grant 2011/2012	Common School Technology Loan 10/11	Common School Technology Loan 11/12	Non-English Speaking Programs P.L. 273-1999	Non-English Speaking Program 11/12	School Technology	Title I FY 2010 (09/10)
Cash and investments - beginning	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 54,389	\$ -
Receipts:							
Local sources	-	-	-	-	-	-	-
Intermediate sources	-	-	-	-	-	-	-
State sources	33,462	-	165,762	-	1,075	21,452	-
Federal sources	-	-	-	-	-	-	-
Temporary loans	-	-	-	-	-	-	-
Interfund loans	-	-	-	-	-	-	-
Other	-	-	-	-	-	-	-
Total receipts	<u>33,462</u>	<u>-</u>	<u>165,762</u>	<u>-</u>	<u>1,075</u>	<u>21,452</u>	<u>-</u>
Disbursements:							
Current:							
Instruction	33,154	-	-	-	-	-	-
Support services	-	-	165,762	-	-	622	-
Noninstructional services	-	-	-	-	-	-	-
Facilities acquisition and construction	-	-	-	-	-	-	-
Debt services	-	-	-	-	-	-	-
Nonprogrammed charges	-	-	-	-	-	-	-
Interfund loans	-	-	-	-	-	-	-
Total disbursements	<u>33,154</u>	<u>-</u>	<u>165,762</u>	<u>-</u>	<u>-</u>	<u>622</u>	<u>-</u>
Excess (deficiency) of receipts over disbursements	<u>308</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>1,075</u>	<u>20,830</u>	<u>-</u>
Other financing sources (uses):							
Proceeds of long-term debt	-	-	-	-	-	-	-
Sale of capital assets	-	-	-	-	-	-	-
Transfers in	-	-	-	-	-	-	-
Transfers out	-	-	-	-	-	-	-
Total other financing sources (uses)	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Excess (deficiency) of receipts and other financing sources over disbursements and other financing uses	<u>308</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>1,075</u>	<u>20,830</u>	<u>-</u>
Cash and investments - ending	<u>\$ 308</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 1,075</u>	<u>\$ 75,219</u>	<u>\$ -</u>

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

	Title I FY 2011 (10-11)	Title I FY 2012 (11-12)	IDEA	Assistive Technology Grant	Carmel Federal Grant Part B 10/11	Part B Federal Grant	Title IV Part A Safe & Drug Free
Cash and investments - beginning	\$ 276	\$ -	\$ -	\$ -	\$ (396)	\$ -	\$ -
Receipts:							
Local sources	-	-	-	-	-	-	-
Intermediate sources	-	-	-	-	-	-	-
State sources	-	-	-	-	-	-	-
Federal sources	30,135	114,769	-	34,420	30,415	59,960	-
Temporary loans	-	-	-	-	-	-	-
Interfund loans	-	-	-	-	-	-	-
Other	-	-	-	-	-	-	-
Total receipts	<u>30,135</u>	<u>114,769</u>	<u>-</u>	<u>34,420</u>	<u>30,415</u>	<u>59,960</u>	<u>-</u>
Disbursements:							
Current:							
Instruction	30,411	120,910	-	34,420	30,019	67,019	-
Support services	-	-	-	-	-	-	-
Noninstructional services	-	547	-	-	-	-	-
Facilities acquisition and construction	-	-	-	-	-	-	-
Debt services	-	-	-	-	-	-	-
Nonprogrammed charges	-	-	-	-	-	-	-
Interfund loans	-	-	-	-	-	-	-
Total disbursements	<u>30,411</u>	<u>121,457</u>	<u>-</u>	<u>34,420</u>	<u>30,019</u>	<u>67,019</u>	<u>-</u>
Excess (deficiency) of receipts over disbursements	<u>(276)</u>	<u>(6,688)</u>	<u>-</u>	<u>-</u>	<u>396</u>	<u>(7,059)</u>	<u>-</u>
Other financing sources (uses):							
Proceeds of long-term debt	-	-	-	-	-	-	-
Sale of capital assets	-	-	-	-	-	-	-
Transfers in	-	-	-	-	-	-	-
Transfers out	-	-	-	-	-	-	-
Total other financing sources (uses)	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Excess (deficiency) of receipts and other financing sources over disbursements and other financing uses	<u>(276)</u>	<u>(6,688)</u>	<u>-</u>	<u>-</u>	<u>396</u>	<u>(7,059)</u>	<u>-</u>
Cash and investments - ending	<u>\$ -</u>	<u>\$ (6,688)</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ (7,059)</u>	<u>\$ -</u>

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

	08/09 Title II Project 08-3025	Title II A	Title II A FY 10	Title III Language Instruction	Title III English Proficiency 10/11	Title III English Proficiency 11/12	Title III
Cash and investments - beginning	\$ -	\$ 9,046	\$ -	\$ -	\$ -	\$ -	\$ -
Receipts:							
Local sources	-	-	252	-	-	-	-
Intermediate sources	-	-	-	-	-	-	-
State sources	-	-	-	-	-	638	-
Federal sources	-	-	24,585	-	-	-	216
Temporary loans	-	-	-	-	-	-	-
Interfund loans	-	-	-	-	-	-	-
Other	-	-	-	-	-	-	-
Total receipts	-	-	24,837	-	-	638	216
Disbursements:							
Current:							
Instruction	-	-	12,345	-	-	-	-
Support services	-	9,046	13,548	-	-	638	216
Noninstructional services	-	-	-	-	-	-	-
Facilities acquisition and construction	-	-	-	-	-	-	-
Debt services	-	-	-	-	-	-	-
Nonprogrammed charges	-	-	-	-	-	-	-
Interfund loans	-	-	-	-	-	-	-
Total disbursements	-	9,046	25,893	-	-	638	216
Excess (deficiency) of receipts over disbursements	-	(9,046)	(1,056)	-	-	-	-
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	-	(9,046)	(1,056)	-	-	-	-
Cash and investments - ending	\$ -	\$ -	\$ (1,056)	\$ -	\$ -	\$ -	\$ -

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

	Special Education - Part B	Special Education - Part B - Preschool	New Technology Grants EECBG Grant	Education Jobs	Payroll Clearing	Totals
Cash and investments - beginning	\$ (3,056)	\$ 545	\$ -	\$ (742)	\$ -	\$ 15,342,736
Receipts:						
Local sources	-	-	-	-	-	8,929,702
Intermediate sources	-	-	-	-	-	32
State sources	-	-	-	-	-	13,308,502
Federal sources	24,310	1,184	-	372,476	-	1,131,953
Temporary loans	-	-	-	-	-	-
Interfund loans	-	-	-	-	-	250,000
Other	-	-	-	-	3,368,794	3,952,746
Total receipts	<u>24,310</u>	<u>1,184</u>	<u>-</u>	<u>372,476</u>	<u>3,368,794</u>	<u>27,572,935</u>
Disbursements:						
Current:						
Instruction	-	1,729	-	210,108	-	9,916,117
Support services	21,254	-	-	190,794	-	8,501,416
Noninstructional services	-	-	-	-	-	1,392,967
Facilities acquisition and construction	-	-	-	-	-	1,612,087
Debt services	-	-	-	-	-	4,188,549
Nonprogrammed charges	-	-	-	-	3,365,162	3,365,162
Interfund loans	-	-	-	-	-	250,000
Total disbursements	<u>21,254</u>	<u>1,729</u>	<u>-</u>	<u>400,902</u>	<u>3,365,162</u>	<u>29,226,298</u>
Excess (deficiency) of receipts over disbursements	<u>3,056</u>	<u>(545)</u>	<u>-</u>	<u>(28,426)</u>	<u>3,632</u>	<u>(1,653,363)</u>
Other financing sources (uses):						
Proceeds of long-term debt	-	-	-	-	-	-
Sale of capital assets	-	-	-	-	-	206
Transfers in	-	-	-	-	-	343,855
Transfers out	-	-	-	-	-	(343,855)
Total other financing sources (uses)	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>206</u>
Excess (deficiency) of receipts and other financing sources over disbursements and other financing uses	<u>3,056</u>	<u>(545)</u>	<u>-</u>	<u>(28,426)</u>	<u>3,632</u>	<u>(1,653,157)</u>
Cash and investments - ending	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ (29,168)</u>	<u>\$ 3,632</u>	<u>\$ 13,689,579</u>

HAMILTON HEIGHTS SCHOOL CORPORATION  
AUDIT RESULTS AND COMMENTS

***EXTRA-CURRICULAR FUNDS - TRANSFER OF FUNDS (Applies to Hamilton Heights High School)***

During the 2011-12 school year, the Class of 2011 fund's ending balance was transferred to the Class of 2015 Fund. No documentation was provided to show the Class of 2011 approved the transfer of funds.

Indiana Code 20-41-1-4(b) states in part:

"Funds may not be transferred from the accounts of any organization, class, or activity except by a majority vote of its members, if any, and by the approval of the principal, sponsor, and treasurer of the organization, class, or activity. However, in the case of athletic funds: (1) approval of the transfer must be made by the athletic director, who is regarded as the sponsor; and (2) participating students are not considered members."

***COLLECTIVE BARGAINING***

The Hamilton Heights School Corporation and the Hamilton Heights Classroom Teachers Association entered into a contract on October 20, 2011, for the 2011-2012 school year. A review of the contract revealed that the following items were included in the contract:

1. Components of the rubric.
2. Specific reference to requirements relating to hours worked by teachers in a school day.
3. Requirements of the school corporation pertaining to working conditions, specifically conference and preparation time.
4. Specific reference to unpaid leave.
5. Specific reference to paycheck deductions.
6. Wage payment arrangements, specifically detailing the number and frequency of wage payments to school employees.

Indiana Code 20-29-6-4 states:

"(a) A school employer shall bargain collectively with the exclusive representative on the following:

- (1) Salary.
- (2) Wages.
- (3) Salary and wage related fringe benefits, including accident, sickness, health, dental, vision, life, disability, retirement benefits, and paid time off as permitted to be bargained under IC 20-28-9-11.

(b) Salary and wages include the amounts of pay increases available to employees under the salary scale adopted under IC 20-28-9-1, but do not include the teacher evaluation procedures and criteria, or any components of the teacher evaluation plan, rubric, or tool."

HAMILTON HEIGHTS SCHOOL CORPORATION  
 AUDIT RESULTS AND COMMENTS  
 (Continued)

Indiana Code 20-29-6-4.5 states:

"(a) For a contract entered into after June 30, 2011, a school employer may not bargain collectively with the exclusive representative on the following:

- (1) The school calendar.
- (2) Teacher dismissal procedures and criteria.
- (3) Restructuring options available to a school employer under federal or state statutes, regulations, or rules because of the failure of the school corporation or a school to meet federal or state accountability standards.
- (4) The ability of a school employer to contract, partner, or operate jointly with an educational entity that provides postsecondary credits to students of the school employer or dual credits from the school employer and the educational entity.
- (5) Any subject not expressly listed in section 4 of this chapter.

(b) A subject set forth in subsection (a) that may not be bargained collectively may not be included in an agreement entered into under this article."

SBOA will review school corporations' collective bargaining agreements during the audit process to determine whether the agreements contained prohibited subjects of bargaining. . . . Financial losses related to a corporation's inclusion of prohibited subjects may be the personal obligation of the responsible school official or employee. (The School Administrator and Uniform Compliance Guidelines Volume 198, June 2012)

**ACADEMIC HONORS DIPLOMAS - INCORRECT REPORTING TO THE STATE**

The information presented for audit indicates Academic Honors Diploma figures on Form 30A and Forms DOE-ME, were incorrect for the 2010-2011 school year.

The actual honors diplomas reported were from the class of 2010 which are to be reported in the fall of 2010. The difference between the count reported and the verified figures are shown below:

<u>School Year</u>	<u>Grade</u>	<u>Count as Reported on Form 30A</u>	<u>Actual Honors Diploma</u>	<u>Difference</u>
2010-2011	12	53	52	1

School Officials should contact the Indiana Department of Education, Division of School Finance, to determine possible steps to be taken to correct any overpayment/underpayment applicable to the School Corporation because of incorrect reporting. (Accounting and Uniform Compliance Guidelines Manual for Indiana Public School Corporations, Chapter 8)

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SUPPLEMENTAL AUDIT OF  
FEDERAL AWARDS



**STATE OF INDIANA**  
AN EQUAL OPPORTUNITY EMPLOYER

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

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INDEPENDENT AUDITOR'S REPORT ON COMPLIANCE WITH REQUIREMENTS THAT  
COULD HAVE A DIRECT AND MATERIAL EFFECT ON EACH MAJOR PROGRAM AND ON  
INTERNAL CONTROL OVER COMPLIANCE IN ACCORDANCE WITH OMB CIRCULAR A-133

TO: THE OFFICIALS OF THE HAMILTON HEIGHTS SCHOOL  
CORPORATION, HAMILTON COUNTY, INDIANA

Compliance

We have audited the Hamilton Heights School Corporation's (School Corporation) compliance with the types of compliance requirements described in the U.S. Office of Management and Budget (OMB) Circular A-133 Compliance Supplement that could have a direct and material effect on each of its major federal programs for the period of July 1, 2010 to June 30, 2012. 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 could have a direct and material effect on each of its major federal programs for the period of July 1, 2010 to June 30, 2012.

Internal Control Over Compliance

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 to determine our auditing procedures for the purpose of expressing our opinion on compliance and to test and report on internal control over compliance in accordance with OMB Circular A-133, but not for the purpose of expressing an opinion on the effectiveness of internal control over compliance. Accordingly, we do not express an opinion on the effectiveness of the School Corporation's internal control over compliance.

INDEPENDENT AUDITOR'S REPORT ON COMPLIANCE WITH REQUIREMENTS THAT  
COULD HAVE A DIRECT AND MATERIAL EFFECT ON EACH MAJOR PROGRAM AND ON  
INTERNAL CONTROL OVER COMPLIANCE IN ACCORDANCE WITH OMB CIRCULAR A-133  
(Continued)

A deficiency in 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 and correct, noncompliance with a type of compliance requirement of a federal program on a timely basis. A material weakness in internal control over compliance is a deficiency, or combination of deficiencies, in internal control over compliance, such that there is a reasonable possibility that material noncompliance with a type of compliance requirement of a federal program will not be prevented, or detected and corrected, on a timely basis.

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

The School Corporation's response to the findings identified in our audit is described in the accompanying Official Response. We did not audit the School Corporation's response and, accordingly, we express no opinion on the response.

This report is intended solely for the information and use of the School Corporation's management, School Board, others within the entity, 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

January 10, 2013

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## SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS

The Schedule of Expenditures of Federal Awards and accompanying notes presented were approved by management of the School Corporation. The schedule and notes are presented as intended by the School Corporation.

HAMILTON HEIGHTS SCHOOL CORPORATION  
SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS  
For The Years Ended June 30, 2011 and 2012

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 06-30-11	Total Federal Awards Expended 06-30-12
<b><u>U.S. DEPARTMENT OF AGRICULTURE</u></b>				
Pass-Through Indiana Department of Education Child Nutrition Cluster School Breakfast Program	10.553	#3025	\$ 57,306	\$ 88,907
National School Lunch Program	10.555	#3025	<u>325,010</u>	<u>420,923</u>
Total for cluster			<u>382,316</u>	<u>509,830</u>
<b><u>U.S. DEPARTMENT OF ENERGY</u></b>				
Pass-Through Town of Arcadia ARRA - Energy Efficiency and Conservation Block Grant Program (EECBG)	81.128	A302-10-EECBG-2/3-002	<u>350,000</u>	<u>-</u>
Total for federal grantor agency			<u>350,000</u>	<u>-</u>
<b><u>U.S. DEPARTMENT OF EDUCATION</u></b>				
Pass-Through Indiana Department of Education Title I, Part A Cluster Title I Grants to Local Educational Agencies	84.010			
		FY 09-10	28,477	-
		FY 10-11	69,160	30,411
		FY 11-12	<u>-</u>	<u>114,769</u>
Total for cluster			<u>97,637</u>	<u>145,180</u>
Pass-Through Carmel Clay School Corporation Special Education Cluster (IDEA) Special Education - Grants to States	84.027			
		FY 09-10	23,515	-
		FY 10-11	74,212	40,176
		FY 11-12	<u>-</u>	<u>94,380</u>
Total for program			<u>97,727</u>	<u>134,556</u>
ARRA - Special Education Grants to States, Recovery Act	84.391	FY 10-11	<u>109,471</u>	<u>21,254</u>
ARRA - Special Education - Preschool Grants, Recovery Act	84.392	FY 10-11	<u>3,632</u>	<u>1,729</u>
Total for cluster			<u>210,830</u>	<u>157,539</u>
Pass-Through Indiana Department of Education Safe and Drug-Free Schools and Communities - State Grants	84.186			
		FY 10-11	<u>1,682</u>	<u>-</u>
Pass-Through Wabash Valley Education Center English Language Acquisition State Grants	84.365			
		FY 09-10	226	-
		FY 10-11	841	638
		FY 11-12	<u>-</u>	<u>216</u>
Total for program			<u>1,067</u>	<u>854</u>
Pass-Through Indiana Department of Education Improving Teacher Quality State Grants	84.367			
		Project 08-3025	10,495	-
		FY 10-11	30,491	9,046
		FY 11-12	<u>-</u>	<u>24,837</u>
Total for program			<u>40,986</u>	<u>33,883</u>
Education Jobs Fund	84.410	FY 11-12	<u>-</u>	<u>371,733</u>
Total for federal grantor agency			<u>352,202</u>	<u>709,189</u>
Total federal awards expended			<u>\$ 1,084,518</u>	<u>\$ 1,219,019</u>

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

HAMILTON HEIGHTS SCHOOL CORPORATION  
NOTES TO SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS

**Note 1. Basis of Presentation**

The accompanying Schedule of Expenditures of Federal Awards includes the federal grant activity of the Hamilton Heights School Corporation (School Corporation) and is presented in accordance with the cash and investment basis of accounting used in the preparation of the financial statement. Accordingly, the amount of federal awards expended is based on when the disbursement related to the award occurs except when the federal award is received on a reimbursement basis. In these instances the federal awards are considered expended when the reimbursement is received.

Circular A-133 requires an annual audit of nonfederal entities expending a total amount of federal awards equal to or in excess of \$500,000 in any fiscal year unless by constitution or statute a less frequent audit is required. In accordance with Indiana Code (IC 5-11-1 et seq.), audits of School Corporations shall be conducted biennially. Such audits shall include both years within the biennial period.

**Note 2. Noncash Assistance**

The School Corporation expended the following amount of noncash assistance for the years ending June 30, 2011 and 2012. This noncash assistance is also included in the federal expenditures presented in the schedule.

Program Title	Federal CFDA Number	2011	2012
School Breakfast Program	10.553	\$ 8,348	\$ 12,212
National School Lunch Program	10.555	46,945	57,549

HAMILTON HEIGHTS SCHOOL CORPORATION  
SCHEDULE OF FINDINGS AND QUESTIONED COSTS

**Section I – Summary of Auditor's Results**

Financial Statement:

Type of auditor's report issued:	Adverse as to GAAP; Unqualified as to Regulatory Basis
Internal control over financial reporting: Material weaknesses identified? Significant deficiencies identified?	no none reported
Noncompliance material to financial statement noted?	no

Federal Awards:

Internal control over major programs: Material weaknesses identified? Significant deficiencies identified?	no 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:

<u>CFDA Number</u>	<u>Name of Federal Program or Cluster</u>
	Child Nutrition Cluster
	Special Education Cluster
84.410	Education Jobs Fund
81.128	Energy Efficiency and Conservation Block Grant Program

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

Auditee qualified as low-risk auditee? no

**Section II – Financial Statement Findings**

No matters are reportable.

**Section III – Federal Award Findings and Questioned Costs**

No matters are reportable.

# HAMILTON HEIGHTS *School Corporation*

Administration Office, P.O. Box 469 Arcadia, IN 46030 • Telephone: (317) 984-3538 • Fax: (317) 984-3042

## Summary Schedule of Prior Audit Findings

### FINDING 2010-1, INTERNAL CONTROL REPORTABLE CONDITION/CASH MANAGEMENT

Federal Agency: U.S. Department of Education  
Federal Program: Special Education Cluster  
CFDA Number: 84.027 and 84.392  
Award Numbers: 2008-09, 2009-10  
Pass-Through Entity: Carmel Clay School Corporation

This has been resolved with the transition of federal funds to a reimbursement cash request process. Cash requests are now for expenditures incurred for the prior 15-20 day period.



Kristin McCarty  
Treasurer

HAMILTON HEIGHTS SCHOOL CORPORATION  
EXIT CONFERENCE

The contents of this report were discussed on January 10, 2013, with Kristin McCarty, Treasurer; Peggy Jackson, Associate Superintendent of Schools; Anthony Cook, Superintendent of Schools; and Laura Reuter, President of the School Board. The Official Response has been made a part of this report and may be found on pages 51 and 52.

# HAMILTON HEIGHTS *School Corporation*

Administration Office, P.O. Box 469 Arcadia, IN 46030 • Telephone: (317) 984-3538 • Fax: (317) 984-3042

January 15, 2013

State Board of Accounts  
302 West Washington Street, Room E 418  
Indianapolis, IN 46204-2765

## OFFICIAL RESPONSE

The content of this report were discussed on January 10, 2013 with Laura Reuter, Board President, Tony Cook, Superintendent, Peggy Jackson, Associate Superintendent, Kristin McCarty, Treasurer, Al Homrig, SBOA Auditor, and April Boone, SBOA Auditor. The official response has been made a part of this report and may be found below.

### Corrective Action Plan – Audit

#### Extra-Curricular Funds – Transfer of Funds

During the 2011-2012 school year, the Class of 2011 fund's ending balance was transferred to the Class of 2015 fund. No documentation was provided to show the Class of 2011 approved the transfer of funds.

Corrective Action – All future transfers will be approved by majority vote of its members and by the approval of the principal, sponsor, and treasurer. Documentation will be maintained recording the vote's outcome for audit purposes.

#### Collective Bargaining

The Hamilton Heights School Corporation and the Hamilton Heights Classroom Teachers Association entered into a contract on October 20, 2011 for the 2011-2012 school year. A review of the contract revealed that the following items were included in the contract:

- 1) Components of the rubric
- 2) Specific reference to requirements relating to hours worked by teachers in a school day.
- 3) Requirements of the school corporation pertaining to working conditions, specifically conference and preparation time.
- 4) Specific reference to unpaid leave
- 5) Specific reference to paycheck deductions

- 6) Wage payment arrangements, specifically detailing the number and frequency of wage payments to school employees.

Corrective Action – Immediately preceding the 2011-2012 bargaining process, massive changes were made to the collective bargaining laws. Indiana State Teacher’s Association attorneys as well as school attorneys were listening to multiple interpretations of the new laws. District personnel and representatives of the Classroom Teachers Association worked together to make significant modifications to the 2011-2012 agreement to comply with IC 20-29-6-4.5 with the understanding that items listed above that were not in compliance would be eliminated once clear interpretations were available and after review by school attorneys. All corrections were made to the 2012-2013 contract previous to the State Board of Accounts audit.

**Average Daily Membership – Incorrect Reporting to the State**

The information presented for audit indicates Academic Honors Diploma figures on Form number 30A and Forms DOE-ME, were incorrect for the 2010-2011 school year.

Correction Action - A review of diplomas for individual students takes place prior to graduation in April and May. The students’ graduation record within our student management software is then updated for the DOE-GR report that is submitted in the fall of the next school year. The DOE-GR report needs to be verified against the initial review of diplomas that took place in May before sign off by High School principal of the report. This additional step has been communicated to the High School principal to follow in future years.

Thank you,

  
Kristin McCarty